



地政總署  
法律諮詢及田土轉易處  
LEGAL ADVISORY AND  
CONVEYANCING OFFICE  
LANDS DEPARTMENT

電話 Tel: 2231 3722  
圖文傳真 Fax: 2845 1017  
電郵地址 Email: [ddl@landsd.gov.hk](mailto:ddl@landsd.gov.hk)  
本署檔號 Our Ref: LANDSD LACO-410-1993-001-001-P001  
來函檔號 Your Ref:

來函請註明本署檔號

*Please quote our reference in your reply*

我們矢志努力不懈，提供盡善盡美的土地行政服務。  
We strive to achieve excellence in land administration.

香港北角渣華道三三三號北角政府合署 20 樓  
20/F, NORTH POINT GOVERNMENT OFFICES  
333 JAVA ROAD, NORTH POINT, HONG KONG

網址 Website : [www.landsd.gov.hk](http://www.landsd.gov.hk)

12 April 2024

**Legal Advisory and Conveyancing Office (“LACO”)  
Circular Memorandum (“CM”) No. 72E**

**Lands Department Consent Scheme  
for Sale of Residential Units in Uncompleted Development**

To promote E-Government and a green environment, LACO has introduced electronic submission as an option for making applications for consent to sell residential units in uncompleted developments. In addition, the procedures and requirements for processing pre-sale consent applications have been revised and streamlined.

Application by electronic submission

With immediate effect, pre-sale consent applications may either be made by paper submission (i.e. delivering original hard copies of all the supporting documents to LACO at the time of the application) or electronic submission (i.e. sending electronic copies of the supporting documents to LACO by email at the time of the application and the subsequent delivery of original hard copies of specified key supporting documents to LACO within a prescribed time limit). The respective procedures and requirements for making application by paper submission and electronic submission are set out in the Annex attached to this CM.

Land grant and land search record

When making a pre-sale consent application, the developer’s solicitors no longer need to provide LACO with a certified copy of the Government Grant of the land on which the residential units are being constructed.

本信息及任何附件只供收件人使用，而其中可能載有機密及／或屬法律特權的資料。敬請注意，未獲許可，不得擅自披露或使用本信息。倘本信息誤傳給你，請立即通知本署，並刪除或銷毀本信息。本署絕不承擔因使用本信息而引致的任何法律責任。

This message including any attachment is intended for the use of the addressee only. It may contain information which is confidential and/or legally privileged. You are hereby notified that no unauthorised disclosure or use of this message is permitted. If you have received this message by mistake, please notify us immediately and delete or destroy this message, as appropriate. Any liability arising from the use of this information is excluded.

The requirements that the land search record submitted in support of a pre-sale consent application must be certified as a true copy by the Land Registrar or a solicitor and must be a historical and current search record are also dispensed with. With immediate effect, a plain copy (for application by paper submission) or an electronic copy (for application by electronic submission) of an up-to-date land register of the land concerned obtained from the Land Registry showing the current particulars of the land is acceptable to LACO.

The above revised requirements have been incorporated into the Annex and its Appendix I attached to this CM.

#### Development progress

Under LACO CM No. 72D, in support of a pre-sale consent application, the date of the Authorized Person's certification and confirmation ("Date") to the Lands Administration Office of the Lands Department ("LAO") under Stage 2 of the streamlined general building plans checking process promulgated in LAO Practice Note No. 4/2018 must be provided to LACO to facilitate checking by LAO.

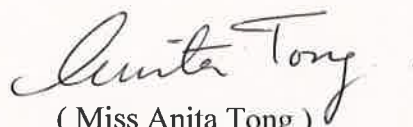
The requirement of providing the Date when making a pre-sale consent application is now dispensed with. Item 6(c) of Part (IV) of Appendix I to the Annex attached to LACO CM No. 72D is deleted. The revised Appendix I is appended to the Annex attached to this CM.

#### Annex and Appendices

Opportunity is also taken to update the Annex attached to LACO CM No. 72D and Appendices I, II, VI, VIII and IX to the Annex.

With immediate effect, LACO will process all new applications for consent to sell uncompleted residential units in accordance with the procedures and requirements set out in the revised Annex and its Appendices. The Annex attached to LACO CM No. 72D and all the Appendices to the Annex are hereby superseded and replaced respectively by the Annex and its Appendices attached to this CM. Except as varied by this CM, all the requirements of the Consent Scheme shall remain in full force and effect.

Copy of this CM and the Annex (including its Appendices) attached to this CM may be downloaded from the Lands Department website at [www.landsd.gov.hk](http://www.landsd.gov.hk).



( Miss Anita Tong )  
Deputy Director/Legal  
for Director of Lands

To: All Solicitors

c.c. Housing Bureau  
Sales of First-hand Residential Properties Authority  
The Real Estate Developers Association of Hong Kong  
Consumer Council  
Estate Agents Authority  
The Hong Kong Institute of Surveyors  
The Hong Kong Institute of Architects  
The Hong Kong Association of Banks

本信息及任何附件只供收件人使用，而其中可能載有機密及／或屬法律特權的資料。敬請注意，未獲許可，不得擅自披露或使用本信息。倘本信息誤傳給你，請立即通知本署，並刪除或銷毀本信息。本署絕不承擔因使用本信息而引致的任何法律責任。

This message including any attachment is intended for the use of the addressee only. It may contain information which is confidential and/or legally privileged. You are hereby notified that no unauthorised disclosure or use of this message is permitted. If you have received this message by mistake, please notify us immediately and delete or destroy this message, as appropriate. Any liability arising from the use of this information is excluded.

## Index of Annex

Section	Contents	Page
<b>I.</b>	<b>Introduction</b> .....	1
<b>II.</b>	<b>Interpretation</b> .....	2
<b>III.</b>	<b>Consent to enter into Agreements for Sale and Purchase</b> .....	7
	<b>(A) Criteria to be fulfilled for acceptance of Application and issue of Consent</b> .....	7
	1. Application for Consent.....	7
	2. Development Finance.....	10
	3. Development Progress.....	13
	4. Appointment of Solicitors.....	13
	5. Statutory Declaration and Agreement for Sale and Purchase.....	13
	6. Authorized Person and Authorized Person’s Certificate, etc.....	16
	7. Disclosure of Relationships between Parties involved in the Development.....	20
	8. Lease Approvals .....	21
	9. Other General Requirements .....	22
	<b>(B) Processing of Application for Consent</b> .....	22
	10. Procedures.....	22
	11. Consent Fee.....	24
	<b>(C) Sale, Advertising and Promotional Activities</b> .....	24
	12. Number of Residential Units Offered for Sale .....	24
	13. Availability of Sales Arrangements .....	25
	14. Conduct of Sale.....	25
	15. Disclosure of Information.....	25
	16. Promotional Activities prior to issue of Consent.....	26
	<b>(D) Monitoring after issue of Consent</b> .....	27
	17. Operation of Stakeholder Account.....	27
	18. Submission of Reports and Certificates.....	29
	19. Cost Overrun.....	30
	20. Notifications to Purchasers.....	30
<b>IV.</b>	<b>Periodic Release of Consent Information</b> .....	32

## **Index of Appendices**

- Appendix I — Checklist for Application for Consent to enter into Agreements for Sale and Purchase
- Appendix II — Forms of Statutory Declaration
- Appendix III — Form of Agreement for Sale and Purchase
- Appendix IV — Form of Authorized Person's Certificate
- Appendix V — Form of Undertaking as to Partial Release
- Appendix VI — Forms of Finance Undertaking
- Appendix VII — List of Information to be included in Sales Brochure for Parking Space
- Appendix VIII — Terms and Conditions in a Tripartite Stakeholder Agreement
- Appendix IX — Form of Monthly/Final Report by Solicitors
- Appendix X — Form of Quarterly/Final Certificate by Authorized Person
- Appendix XI — Form of Independent Authorized Person's Certificate/Quantity Surveyor's Certificate

## **Section I**

### **Introduction**

1. The Lands Department Consent Scheme, as introduced in 1961 and then titled as the Land Officer's Consent Scheme, is administered by the Legal Advisory and Conveyancing Office of the Lands Department on behalf of the Director of Lands.
2. Where the land on which a development is being erected is –
  - 2.1 subject to a restriction on alienation prior to compliance with all the conditions in the land grant governing the land; or
  - 2.2 subject to an exclusion order issued by the Lands Tribunal under the Landlord and Tenant (Consolidation) Ordinance, andif a registered land owner wants to sell any units in the development before it is completed, the sale is governed by the Lands Department Consent Scheme. The registered land owner must apply through its solicitors to the Legal Advisory and Conveyancing Office for the consent of the Director of Lands to enter into agreements for sale and purchase of the units.
3. Before the issue of the consent to enter into agreements for sale and purchase, a number of criteria must be fulfilled. The consent is given at the sole discretion of the Director of Lands and if given, is subject to various conditions that may be imposed by the Director of Lands.
4. This Annex sets out the rules and other information applicable to the Lands Department Consent Scheme in relation to the sale of residential units in an uncompleted development, uncompleted phase, completed development pending compliance, or completed phase pending compliance which is governed by the Lands Department Consent Scheme and to which the Residential Properties (First-hand Sales) Ordinance applies, other than the sale of residential units in a specified NT development. This Annex is also applicable to the sale of residential parking spaces constituting separate units that are subject to the Lands Department Consent Scheme.

## **Section II**

### **Interpretation**

1. In Section II and Section III of this Annex –
  - 1.1 “AP’s Certificate” means the certificate by the Authorized Person for the purpose of obtaining the Consent;
  - 1.2 “AP Company” means the firm or the corporation to which the Authorized Person belongs;
  - 1.3 “Application Email” means the email sent to LACO by a solicitors’ firm making the application for the Consent on behalf of the Vendor by electronic submission;
  - 1.4 “ASP” means an agreement for sale and purchase to be entered into by the Vendor with a purchaser relating to the sale and purchase of a unit in the Development;
  - 1.5 “Authorized Person” means an authorized person who is appointed under section 4(1)(a) or (2) of the Buildings Ordinance as a co-ordinator of building works for the Development;
  - 1.6 “Building Contractor” means a registered general building contractor who is appointed under section 9(1) or (3) of the Buildings Ordinance to carry out building works for the Development;
  - 1.7 “Building Covenant Period” means the period within which the Development is required to be completed under the Government Grant, an Exclusion Order or a Redevelopment Order;
  - 1.8 “Building Mortgage” means a building mortgage entered into between the Vendor and the Mortgagee in respect of the land complying with the provisions of the Government Grant;
  - 1.9 “Combined Method” means a method of financing the Completion of the Development by a combination of the two methods of financing referred to in Paragraph 2.2 of Section III;
  - 1.10 “Completion of the Development” means completion of the Development in accordance with the Government Grant and any ASP and “to complete the Development” shall be construed accordingly;
  - 1.11 “Consent” means the consent of the Director to the Vendor to enter into agreements for sale and purchase under the Consent Scheme;
  - 1.12 “Consent Scheme” means the Lands Department Consent Scheme;

- 1.13 “Construction Costs” means the aggregate of –
- (a) any sum incurred or to be incurred in connection with any works done or to be done, and materials or goods supplied or to be supplied, in connection with the site formation on the land and the substructure and superstructure construction for the Development (including the communal and recreational facilities as set out in the ASP), and the making of the Development fit to qualify for the issue of an occupation permit and to comply with the conditions of the Government Grant;
  - (b) any sums needed to be incurred by the Vendor to install the fittings, finishes and appliances of the Development (including the fittings, finishes and appliances as set out in the ASP) and in making every unit in the Development ready for handover to purchasers on completion of the sale and purchase; and
  - (c) any other sums (excluding Professional Fees) which in the reasonable opinion of the Authorized Person needed to be incurred to complete the Development to qualify for the issue of an occupation permit and to comply with the conditions of the Government Grant and the ASP;
- 1.14 “Cost Overrun” means an increase in the Total Development Costs;
- 1.15 “Development” means the development for which the Consent is applied;
- 1.16 “Director” means the Director of Lands of the Government;
- 1.17 “DMC” means collectively the Deed of Mutual Covenant and Sub-Deed of Mutual Covenant (if any) in the form approved by the Director (including any approved variation or amendment);
- 1.18 “Exclusion Order” means an order issued by the Lands Tribunal under the Landlord and Tenant (Consolidation) Ordinance and includes any amending order;
- 1.19 “Finance Undertaking” means the undertaking to be given by a licensed bank or registered deposit-taking company authorized under section 16 of the Banking Ordinance to provide finance for Completion of the Development;
- 1.20 “Financier” means any person providing unsecured loan(s) to the Vendor or the JV Partner, in whole or in part, for Completion of the Development;
- 1.21 “Government” means the Government of the Hong Kong Special Administrative Region;
- 1.22 “Government Grant” means the land grant under which the land is held from the Government;
- 1.23 “JV Partner” means any person engaged by the Vendor to co-ordinate and supervise the process of designing, planning, constructing, fitting out, completing and marketing the Development;
- 1.24 “LACO” means the Legal Advisory and Conveyancing Office of the Lands Department;



- 1.25 “land” means the land on which the Development is now being constructed or to be constructed;
- 1.26 “Mortgagee” means the licensed bank or registered deposit-taking company in favour of which the Building Mortgage is made;
- 1.27 “Mortgagee’s Certificate” means a confirmation in writing from the Mortgagee as to the amount of the facilities remaining undrawn under the Building Mortgage and that the facilities are sufficient to finance the Outstanding Development Costs;
- 1.28 “Outstanding Development Costs” means that part of the Total Development Costs expended but not yet paid and that part of the Total Development Costs remaining to be expended to complete the Development as certified by the Authorized Person;
- 1.29 “PASP” means a preliminary agreement for sale and purchase to be entered into between the Vendor and a purchaser relating to the sale and purchase of a unit in the Development;
- 1.30 “parking space” means a residential parking space constituting a separate unit in the Development; and “parking spaces” shall be construed accordingly;
- 1.31 “Phase” means a phase (within the meaning of the Residential Properties (First-hand Sales) Ordinance) in the Development for which the Consent is applied;
- 1.32 “Professional Fees” means any sums incurred or to be incurred by the Vendor for the employment of the Authorized Person and other professional persons or consultants in relation to Completion of the Development;
- 1.33 “Redevelopment Order” means a redevelopment order as defined by the Demolished Buildings (Re-development of Sites) Ordinance or an order for sale as defined by the Land (Compulsory Sale for Redevelopment) Ordinance, and includes any amending order;
- 1.34 “SD” means the statutory declaration of the Vendor’s Solicitors in relation to the Consent;
- 1.35 “stakeholder account” means the client account(s) opened, maintained and operated by the Vendor’s Solicitors designated for the Development for the purpose of placing purchase price under the terms and conditions of any ASP;
- 1.36 “Temporary Authorized Person” means an authorized person temporarily acting in the stead of the original Authorized Person as a co-ordinator of building works for the Development;
- 1.37 “Total Development Costs” means the total of the Construction Costs and the Professional Fees to complete the Development as certified by the Authorized Person;
- 1.38 “Tripartite Stakeholder Agreement” means an agreement to be entered into between the Vendor, the Vendor’s Solicitors and the Mortgagee in relation to the Building Mortgage;

- 1.39 “Undertaking as to Partial Release” means the undertaking to be given by the Mortgagee to unconditionally execute a partial release as may be necessary to discharge, reassign and release from the security of the Building Mortgage, any share or interest in the land together with the right to the exclusive use, occupation and enjoyment of any unit in the Development, in respect of which the total purchase price under an ASP is fully paid into the stakeholder account opened and maintained with the Mortgagee;
- 1.40 “unit” means a residential unit or a parking space in the Development; and “units” shall be construed accordingly;
- 1.41 “Vendor” means the registered owner of the land; and
- 1.42 “Vendor’s Solicitors” means the solicitors’ firm(s) acting for the Vendor in the sale of units in the Development.
2. For the purposes of Section I, Section II and Section III of this Annex –
- 2.1 “company secretary”, “director”, “holding company”, “listed company” and “private company” have the respective meanings given by the Companies Ordinance; and
- 2.2 “associate corporation”, “completed development pending compliance”, “completed phase pending compliance”, “corporation”, “immediate family member”, “material date”, “occupation permit”, “proprietor”, “specified NT development”, “uncompleted development”, “uncompleted phase” and “working day” have the respective meanings given by the Residential Properties (First-hand Sales) Ordinance.
3. Where the Consent applied for relates to the sale of units in a Phase, this Annex applies with adaptations as follows –
- 3.1 in case of any Phase other than the final Phase, all references to “Development” in Section II and Section III of this Annex are deemed to be references to “Phase”, save and except those references made in Paragraphs 1.7 and 1.20 of this Section II and Paragraphs 2.5.2, 18.4.2 and 20.2.3 of Section III, and “Construction Costs” means, in place of the meaning given by Paragraph 1.13 of this Section II, the aggregate of –
- (a) any sum incurred or to be incurred in connection with any works done or to be done, and materials or goods supplied or to be supplied, in connection with the site formation on the land and the substructure and superstructure construction for the Phase (including the communal and recreational facilities as set out in the ASP), and the making of the Phase fit to qualify for the issue of an occupation permit and to comply with the conditions of the Government Grant in so far as they relate to the Phase;

- (b) any sums needed to be incurred by the Vendor to install the fittings, finishes and appliances of the Phase (including the fittings, finishes and appliances as set out in the ASP) and in making every unit in the Phase ready for handover to purchasers on completion of the sale and purchase; and
  - (c) any other sums (excluding Professional Fees) which in the reasonable opinion of the Authorized Person needed to be incurred to complete the Phase to qualify for the issue of an occupation permit and to comply with the conditions of the Government Grant in so far as they relate to the Phase and the ASP; and
- 3.2 in case of the final Phase, all references to “Development” in Section II and Section III of this Annex are deemed to be references to “Phase”, save and except those references made in Paragraphs 1.7 and 1.20 of this Section II and Paragraphs 2.5.2, 18.4.2, 20.2.1 and 20.2.3 of Section III.

## **Section III**

### **Consent to enter into Agreements for Sale and Purchase**

#### **(A) Criteria to be fulfilled for acceptance of Application and issue of Consent**

##### **1. Application for Consent**

- 1.1 Application for the Consent would only be considered when the foundations of the building(s) within the Development have been completed and the consent to commence building works on the superstructure of the building(s) within the Development has been given by the Building Authority under section 14 of the Buildings Ordinance. Any pre-mature submission will not be accepted.
- 1.2 Application may either be made by electronic submission or by paper submission. The solicitors' firm making the application for the Vendor must indicate whether the application is made by electronic submission or by paper submission by ticking the appropriate box in the checklist referred to in Paragraph 1.4 of this Section III.
- 1.3 Each application must be accompanied by the duly completed and signed checklist and the mandatory documents set out in Paragraph 1.5 (where the application is made by electronic submission) or Paragraph 1.6 (where the application is made by paper submission) of this Section III. The duly completed and signed checklist and the mandatory documents must be submitted in the manner as prescribed in this Section III.
- 1.4 The form of the checklist at Appendix I must be duly completed and signed by a proprietor of the Vendor's Solicitors or where the Vendor's Solicitors comprise more than one solicitors' firm, a proprietor of the solicitors' firm making the application for the Vendor.
- 1.5 Application by Electronic Submission
  - 1.5.1 Where the application is made by electronic submission, the solicitors' firm making the application must send the Application Email to LACO at the email address of the relevant district or section of LACO as set out below:

##### **District/section of LACO**

##### **Email address**

- |  |                              |
|--|------------------------------|
| (a) Hong Kong office                           | consentdmchk@landsd.gov.hk   |
| (b) Tsuen Wan & Kwai Tsing office              | consentdmctwkt@landsd.gov.hk |
| (c) Kowloon office                             | consentdmck@landsd.gov.hk    |
| (d) Sai Kung office                            | consentdmcsk@landsd.gov.hk   |
| (e) Islands office                             | consentdmcis@landsd.gov.hk   |
| (f) Sha Tin office                             | consentdmcst@landsd.gov.hk   |
| (g) Tai Po & North office                      | consentdmctpn@landsd.gov.hk  |
| (h) Yuen Long & Tuen Mun office                | consentdmcyltm@landsd.gov.hk |
| (i) Housing Supply Section                     | consentdmchs@landsd.gov.hk   |
| (j) Port, Airport, Railway Development Section | consentdmcpard@landsd.gov.hk |

1.5.2 An electronic copy of the duly completed and signed checklist and electronic copies of the following mandatory documents must be attached to the Application Email:

- (a) an up-to-date land register of the land concerned obtained from the Land Registry showing the current particulars of the land;
- (b) a draft of the SD (please refer to Paragraph 5.1 of this Section III and the forms at Appendix II);
- (c) a draft of the ASP (if required under Paragraphs 5.2.1 and 5.3.3 of this Section III) (please refer to the form at Appendix III);
- (d) the AP's Certificate (please refer to Paragraph 6.2 of this Section III and the form at Appendix IV);
- (e) the certificate by an independent authorized person or quantity surveyor (if required under Paragraph 6.2.6 or 6.2.7 of this Section III);
- (f) where Completion of the Development is to be financed by a Building Mortgage:
  - (i) the Mortgagee's Certificate; and
  - (ii) a draft of the Undertaking as to Partial Release or a draft of the Deed of Variation to the Building Mortgage (if required under Paragraph 2.3.2 of this Section III) (please refer to the form at Appendix V);
- (g) where Completion of the Development is to be financed by a Finance Undertaking, a draft of the Finance Undertaking (please refer to Paragraph 2.4 of this Section III and the forms at Appendix VI);
- (h) where Completion of the Development is to be financed by the Combined Method, documents set out in Paragraphs 1.5.2(f) and (g) of this Section III; and
- (i) letter(s) of appointment from the Vendor appointing its solicitors to act in the sale of units (please refer to Paragraph 4 of this Section III).

1.5.3 If LACO is satisfied that an electronic copy of the duly completed and signed checklist and electronic copies of the mandatory documents have been submitted in accordance with Paragraphs 1.5.1 and 1.5.2 of this Section III, LACO will, by email, acknowledge receipt of the application and require the solicitors' firm making the application to deliver the original hard copy of the duly completed and signed checklist and the original hard copies of the following mandatory documents to the relevant district or section of LACO at the address specified in the email within 3 working days from the date of receipt of the application by LACO:

- (a) the AP's Certificate (please refer to Paragraph 6.2 of this Section III and the form at Appendix IV);
- (b) the certificate by an independent authorized person or quantity surveyor (if required under Paragraph 6.2.6 or 6.2.7 of this Section III);
- (c) where Completion of the Development is to be financed by a Building Mortgage or the Combined Method:
  - (i) a copy of the Building Mortgage certified as true copy by the Land Registrar or a solicitor; and
  - (ii) the Mortgagee's Certificate; and
- (d) letter(s) of appointment from the Vendor appointing its solicitors to act in the sale of units (please refer to Paragraph 4 of this Section III).

1.5.4 For the purpose of Paragraph 1.5.3 of this Section III, the application is regarded as being received by LACO on the day on which the Application Email is received or, if the Application Email is received by LACO on a day which is not a working day or after 5:30 p.m. on a working day, on the immediately following working day.

## 1.6 Application by Paper Submission

- 1.6.1 Where the application is made by paper submission, the solicitors' firm making the application must deliver the original hard copy of the duly completed and signed checklist and the original hard copies of the following mandatory documents to LACO at the time of the application:
- (a) an up-to-date land register of the land concerned obtained from the Land Registry showing the current particulars of the land;
  - (b) a draft of the SD (please refer to Paragraph 5.1 of this Section III and the forms at Appendix II);
  - (c) a draft of the ASP (if required under Paragraphs 5.2.1 and 5.3.3 of this Section III) (please refer to the form at Appendix III);
  - (d) the AP's Certificate (please refer to Paragraph 6.2 of this Section III and the form at Appendix IV);
  - (e) the certificate by an independent authorized person or quantity surveyor (if required under Paragraph 6.2.6 or 6.2.7 of this Section III);
  - (f) where Completion of the Development is to be financed by a Building Mortgage:

- (i) a copy of the Building Mortgage certified as true copy by the Land Registrar or a solicitor;
  - (ii) the Mortgagee's Certificate; and
  - (iii) a draft of the Undertaking as to Partial Release or a draft of the Deed of Variation to the Building Mortgage (if required under Paragraph 2.3.2 of this Section III) (please refer to the form at Appendix V);
- (g) where Completion of the Development is to be financed by a Finance Undertaking, a draft of the Finance Undertaking (please refer to Paragraph 2.4 of this Section III and the forms at Appendix VI);
  - (h) where Completion of the Development is to be financed by the Combined Method, documents set out in Paragraphs 1.6.1(f) and (g) of this Section III; and
  - (i) letter(s) of appointment from the Vendor appointing its solicitors to act in the sale of units (please refer to Paragraph 4 of this Section III).

1.7 Non-compliance with any of the requirements as set out in Paragraph 1.5 (where the application is made by electronic submission) or Paragraph 1.6 (where the application is made by paper submission) of this Section III will render the application being rejected.

## 2. Development Finance

2.1 One of the main objectives of the Consent Scheme is to ensure that purchasers who have entered into agreements for sale and purchase get the units they have contracted to purchase. The Vendor must be able to show its ability to finance the Completion of the Development.

2.2 Two methods of financing the Completion of the Development are acceptable to the Director. They are –

2.2.1 Building Mortgage; and

2.2.2 Finance Undertaking.

To finance the Completion of the Development by the Combined Method is acceptable to the Director as proof of the Vendor's financial ability to complete the Development.

Unsecured loan is only acceptable to the Director when it has been provided to pay the Construction Costs and the Professional Fees up to submission of the application for the Consent.

## 2.3 Building Mortgage

- 2.3.1 The Building Mortgage must be a legal mortgage or charge against the land in favour of a licensed bank or registered deposit-taking company authorized under section 16 of the Banking Ordinance.
- 2.3.2 Where the “restriction on alienation before compliance” clause in the Government Grant does not provide for the inclusion in the Building Mortgage the condition that the Mortgagee is obliged and irrevocably undertakes to, upon completion of the sale and purchase, release unconditionally from the security of the Building Mortgage, any share or interest in the land together with the right to the exclusive use, occupation and enjoyment of any unit in the Development, in respect of which the total purchase price under an ASP is fully paid into a stakeholder account to be opened and maintained with the Mortgagee, and the Building Mortgage does not contain the undertaking for partial release on completion of the sale and purchase, either an Undertaking as to Partial Release or a Deed of Variation to the Building Mortgage must be executed. A draft of the Undertaking as to Partial Release in the form at Appendix V or a draft of the Deed of Variation, in that the Mortgagee undertakes to fulfil the obligation of partial release, must be submitted for the Director’s approval before execution. The Undertaking as to Partial Release or the Deed of Variation (as the case may be) in the approved form must be executed and registered in the Land Registry before the first PASP is signed. The Vendor’s Solicitors or where the Vendor’s Solicitors comprise more than one solicitors’ firm, the solicitors’ firm which made the application for the Consent must forward to LACO a confirmation in writing before the first PASP is signed that the Undertaking as to Partial Release or the Deed of Variation (as the case may be) in the approved form has been registered.
- 2.3.3 The undrawn balance of the facilities under the Building Mortgage must be sufficient to cover the Outstanding Development Costs, unless it can be shown that the deficit is financed by another acceptable means (please refer to Paragraph 2.2 of this Section III). As evidence, a Mortgagee’s Certificate must be submitted.
- 2.3.4 A Tripartite Stakeholder Agreement, as stipulated in Paragraph 17.3 of this Section III, is also required.

## 2.4 Finance Undertaking

- 2.4.1 Where Completion of the Development is to be financed by a Finance Undertaking, a draft of the Finance Undertaking in the form at Appendix VI (Form A) must be submitted for the Director’s approval before execution.
- 2.4.2 In the Finance Undertaking, the licensed bank or registered deposit-taking company must confirm that, should for any reason the Vendor be unable to finance Completion of the Development in accordance with the terms and conditions of the Government Grant and any ASP, it shall pay any amounts to the Vendor or to any other person(s) as the Director shall direct to ensure Completion of the Development.



- 2.4.3 Where Completion of the Development is to be financed by the Combined Method, a draft of the Finance Undertaking in the form at Appendix VI (Form B) must be submitted for the Director's approval before execution.
- 2.4.4 Financing Completion of the Development by two or more Finance Undertakings is generally not acceptable unless with good justifications. The Director shall have the absolute discretion to refuse to accept financing by two or more Finance Undertakings in any case.
- 2.4.5 Where the land is held under co-ownership, the Finance Undertaking must be procured by the Vendors jointly. Separate Finance Undertakings by the Vendors would not be acceptable.
- 2.4.6 Where Completion of the Development is to be financed by a Finance Undertaking (whether in whole or in part) –
- (a) the name of the licensed bank or registered deposit taking company must be disclosed before issue of the Consent;
  - (b) a proprietor of the Vendor's Solicitors is required to confirm due execution of the Finance Undertaking;
  - (c) the Finance Undertaking in the approved form must be executed and registered in the Land Registry before the first PASP is signed; and
  - (d) the Finance Undertaking must be forwarded to LACO within 7 working days after completion of its registration.

## 2.5 Unsecured Loan

- 2.5.1 Where unsecured loan has been partly or wholly made by the Financier to finance the Construction Costs and the Professional Fees when the application for the Consent is made, the Financier must be made a party to the ASP.
- 2.5.2 The Financier must covenant in each ASP with the purchaser that the Financier will not call back the whole or any part of the loan advanced or to be advanced, and will provide all future necessary finance, until the Development has been completed. The SD must include a statement that confirmation in writing to that effect from the Financier has been received.
- 2.5.3 The name(s) of the Financier must be disclosed before the issue of the Consent.
- 2.5.4 Any unsecured loan which has been advanced or will be advanced cannot be treated as a means to finance the Construction Costs and the Professional Fees yet to be incurred, whether in whole or in part.

3. Development Progress

- 3.1 The development of the land must have reached a stage where the foundations of the building(s) within the Development have been completed.
- 3.2 The Building Authority must have given consent under section 14 of the Buildings Ordinance to commence building works on the superstructure of the building(s) within the Development.
- 3.3 The up-to-date general building plans of the Development approved by the Building Authority under the Buildings Ordinance have been submitted to the Director for approval under Stage 2 of the streamlined building plans checking process under the Government Grant promulgated in Lands Administration Office Practice Note No. 4/2018 (as may be amended or supplemented from time to time).
- 3.4 The Authorized Person must provide an estimated material date. The estimated material date as certified by the Authorized Person is the date for contractual completion of the sale and purchase to be inserted in clause 4(1)(c) of each ASP.
- 3.5 Generally, the estimated material date as certified by the Authorized Person must not exceed 3 calendar months after the current expiry date of the Building Covenant Period. If the estimated material date is more than 3 calendar months after the current expiry date of the Building Covenant Period, the Vendor is required to apply for and obtain an extension of the Building Covenant Period. If the Building Covenant Period is extended, a copy of the approval letter showing the extended Building Covenant Period must be submitted.

4. Appointment of Solicitors

- 4.1 As a solicitors' firm acting for the Vendor in the sale of units plays a significant role as stakeholder of the sales proceeds, no solicitors' firm may act in the sale unless a letter of its appointment to act for the Vendor is submitted.
- 4.2 Any withdrawal of the appointment must be sent to LACO within 2 working days of receipt of withdrawal by the solicitors' firm concerned.

5. Statutory Declaration and Agreement for Sale and Purchase

5.1 Statutory Declaration

- 5.1.1 A SD in the form approved by the Director must be made by a proprietor of the Vendor's Solicitors or where the Vendor's Solicitors comprise more than one solicitors' firm, be made by a proprietor of each of the solicitors' firms acting in the sale and registered in the Land Registry before the first PASP is signed. A draft of the SD in the form at Appendix II must be submitted for the Director's approval.
- 5.1.2 Where Consent has already been given but the SD has not been made, if –
  - (a) a change is proposed to the form of the SD approved by the Director; or

- (b) the AP's Certificate (please refer to Paragraph 6.2 of this Section III) which is to be exhibited to the SD and last accepted by the Director is dated more than 3 calendar months before the proposed date of the SD;

a revised draft SD with updated exhibits must be submitted for the Director's approval.

5.1.3 Where Consent has already been given and the SD made, if –

- (a) a change is proposed to the SD;
- (b) a change to the approved form of ASP is approved by the Director;  
or
- (c) a change to the approved form of DMC is approved by the Director;

a draft Supplemental SD with updated exhibits must be submitted for the Director's approval.

5.1.4 If the Vendor's Solicitors or where the Vendor's Solicitors comprise more than one solicitors' firm, any one of the solicitors' firms, ceases to act for the Vendor in the sale, no further sale may take place until the Director has approved the substitute solicitors' firm (if any) to act for the Vendor and a further SD in the form approved by the Director with updated exhibits has been made by that substitute solicitors' firm and registered in the Land Registry. Any application for approval of the substitute solicitors' firm by the Director must be made through the Vendor's Solicitors, or where the Vendor's Solicitors comprise more than one solicitors' firm, the solicitors' firm which made the application for the Consent, or the substitute solicitors' firm if it is appointed to substitute the solicitors' firm which made the application for the Consent.

5.1.5 If the Vendor intends to instruct any other solicitors' firm to act on its behalf in addition to the solicitors' firm(s) already approved at the time of Consent as the Vendor's Solicitors, the solicitors' firm to be so instructed cannot act in the sale until the Director has approved that solicitors' firm to act for the Vendor and a further SD in the form approved by the Director with updated exhibits has been made by a proprietor of that solicitors' firm and registered in the Land Registry. Any application for the Director's approval to add a solicitors' firm must be made through the Vendor's Solicitors, or where the Vendor's Solicitors comprise more than one solicitors' firm, the solicitors' firm which made the application for the Consent or that solicitors' firm if it is appointed to substitute the solicitors' firm which made the application for the Consent.

5.1.6 Up-to-date certificate of the Authorized Person as to the progress of construction, financing, etc. may be required where any further SD is to be made under Paragraphs 5.1.2, 5.1.3, 5.1.4 and 5.1.5 of this Section III.

## 5.2 Agreement for Sale and Purchase

- 5.2.1 Each ASP must be in the form at Appendix III or in the form approved by the Director. A draft of the ASP that is not in the form at Appendix III must be submitted for the Director's approval.
- 5.2.2 Each ASP must not provide for any sum of money, other than the preliminary deposit, to be paid before the date of the ASP.
- 5.2.3 Each ASP must be registered in the Land Registry within one calendar month after the date of the relevant PASP.
- 5.2.4 Only the person who signed a PASP is permitted to sign the relevant ASP, but additional person(s) is permitted to join in the relevant ASP on condition that adequate proof is produced to the satisfaction of the Vendor of a close family connection between the person who signed the PASP and such additional person(s) and that all of them sign the relevant ASP as purchasers personally. In addition, no attorney, trustee or nominee of any kind of a purchaser can be accepted by the Vendor for the purpose of signing an ASP except a named attorney (without any right of substitution) with a specific power only to sign the ASP in the name and on behalf of the purchaser.
- 5.2.5 No nomination, sub-sale or transfer of the benefit of an ASP by a purchaser before completion of the sale and purchase and execution of the Assignment to the purchaser is permitted under the ASP.

## 5.3 Standard Forms

- 5.3.1 The form of the SD at Appendix II and the form of the ASP at Appendix III should normally be adopted as standard forms without any variation. Request for variations to these forms will not normally be entertained, with the exception of very rare cases where a particular variation is considered essential either, for example, for the better protection of the interests of purchasers, or because of the particular circumstances of a specific case. Such cases will be considered on their own merits but in no circumstances will variations that are inconsistent with the mandatory provisions to be contained in ASP as set out in the Residential Properties (First-hand Sales) Ordinance be accepted. Any variations to these forms will require the Director's approval and may involve consultation with other relevant authorities. Ample time should therefore be allowed.
- 5.3.2 Where the proposed form of the ASP adopts the form at Appendix III without any variation, it is not necessary for the Vendor's Solicitors to submit the draft of the ASP for the Director's approval, and the Director will not check the draft of the ASP in this case. A statement in the SD confirming that the contents of the ASP in all respects accord with the form of the ASP at Appendix III is sufficient.
- 5.3.3 Where variations must be made to the form of the SD at Appendix II or the form of the ASP at Appendix III, the Vendor's Solicitors or where

the Vendor's Solicitors comprise more than one solicitors' firm, the solicitors' firm which made the application for the Consent must –

- (a) highlight the proposed variations in the draft of the SD or the draft of the ASP, with deletions preferably shown by striking through and additions shown by underlining, and provide full justification for each proposed variation; and
- (b) provide confirmation in writing that the proposed variations to the form of the ASP at Appendix III are not inconsistent with the mandatory provisions to be contained in ASP as set out in the Residential Properties (First-hand Sales) Ordinance.

Information inserted and deletions made in accordance with the instructions specified in the form of the ASP at Appendix III are not regarded as variations to the form at Appendix III. Only where the proposed form of the ASP contains variation of the wording of clause(s) in, deletion of clause(s) from or addition of clause(s) to the form at Appendix III, then the Director's approval is required.

5.3.4 If the Vendor's Solicitors wish to propose amendments to any variation already applied for, only those pages of the SD or the ASP on which these amendments are proposed should be submitted for the Director's approval. The relevant pages should be submitted with the proposed amendments highlighted in the same manner as in Paragraph 5.3.3(a) of this Section III and in such a way that these proposed amendments are readily apparent.

5.3.5 Any amendments to the substance of the SD and the ASP will not be considered after the issue of the Consent. Any concern as to the contents of these documents should be resolved in the process of obtaining the Director's approval and before the issue of the Consent.

5.3.6 Any variation to the form of the SD at Appendix II and the form of the ASP at Appendix III without the Director's approval may lead to suspension of the Consent. Depending upon the circumstances, the Director may also take other action.

## 6. Authorized Person and Authorized Person's Certificate, etc.

### 6.1 Authorized Person

The Authorized Person who gives a certificate for the purpose of obtaining the Consent must be an architect or engineer or surveyor listed in the authorized persons' register kept by the Building Authority under section 3(1) of the Buildings Ordinance.

### 6.2 Authorized Person's Certificate

6.2.1 The AP's Certificate must be in the form at Appendix IV.

6.2.2 Generally, the application for the Consent will not be processed if the AP's Certificate is dated more than 3 calendar months before the date of

the application. The AP's Certificate submitted immediately before the Director giving the Consent, on which the final check is conducted, must also be dated not more than 3 calendar months before the date of the Consent. Further, the date as at which the Construction Costs and the Professional Fees are certified as having been expended on the Development must not be more than 15 days before the date of the AP's Certificate.

- 6.2.3 If at the time of making the SD, the AP's Certificate last accepted by the Director is dated more than 3 calendar months before the proposed date of the SD, an updated AP's Certificate is required to be exhibited to the SD. The proposed SD, together with the updated AP's Certificate and other updated exhibits, must first be submitted for the Director's approval. When submitting the updated AP's Certificate, the Vendor's Solicitors or where the Vendor's Solicitors comprise more than one solicitors' firm, the solicitors' firm which made the application for the Consent must at the same time –
- (a) submit a copy of such updated AP's Certificate highlighting the revisions made to the AP's Certificate last accepted by the Director, with deletions preferably shown by striking through and additions shown by underlining; and
  - (b) provide confirmation in writing that save for the highlighted revisions, no other revision has been made to the AP's Certificate last accepted by the Director.
- 6.2.4 The Authorized Person must obtain confirmation in writing by an appropriate senior or financial officer of the Vendor on the amount of the Professional Fees. In respect of the amounts of the Construction Costs and the Professional Fees confirmed to have been paid, the Authorized Person must obtain written supporting evidence from the Vendor to satisfy himself that the sums have been paid to the contractors, sub-contractors, suppliers and professionals as claimed. Individual receipts or invoices in support of the payment need not be produced to the Director, unless specifically required in any particular case at the Director's discretion. Further, pursuant to the undertaking given in the AP's Certificate, the Authorized Person must inform in writing LACO, the Mortgagee (if any), the Vendor and the Vendor's Solicitors immediately if there is a change of information on (inter alia) the Construction Costs and the Professional Fees.
- 6.2.5 The Building Contractor must be identified in the AP's Certificate and must be a general building contractor registered with the Building Authority under section 8A of the Buildings Ordinance and appointed under section 9(1) or (3) of the Buildings Ordinance to carry out building works for the Development. All other contractors, sub-contractors and suppliers for the Development (for example, for site formation works, substructure works and superstructure works, etc.) must also be identified in the AP's Certificate for the purpose of drawing funds from the stakeholder account (please refer to Paragraph 17 of this Section III) or the Building Mortgage (if any), against properly delivered invoices.

6.2.6 The Authorized Person must obtain confirmation in writing from the Vendor whether or not the Building Contractor is an associate corporation of the Vendor or the holding company of the Vendor, the JV Partner or the holding company of the JV Partner. If it is the case, the Authorized Person may, at his discretion, require the various amounts relating to the Construction Costs and the Professional Fees to be verified by an independent authorized person or quantity surveyor.

6.2.7 If –

- (a) any director or secretary (company secretary) of the Vendor, the holding company of the Vendor, the JV Partner, the holding company of the JV Partner, or the Building Contractor is an immediate family member of the Authorized Person, or any other authorized person in the AP Company who is a proprietor or director of the AP Company;
- (b) the Authorized Person, or any other authorized person in the AP Company who is a proprietor or director of the AP Company, holds at least 1% (in the case of a listed company), or at least 10% (in the case of a private company), of the issued shares in the Vendor, the holding company of the Vendor, the JV Partner, the holding company of the JV Partner, or the Building Contractor;
- (c) the Authorized Person, or any other authorized person in the AP Company who is a proprietor or director of the AP Company, is an employee, director or secretary (company secretary) of the Vendor, the holding company of the Vendor, the JV Partner, the holding company of the JV Partner, or the Building Contractor; or
- (d) the AP Company is an associate corporation of the Vendor, the holding company of the Vendor, the JV Partner, the holding company of the JV Partner, or the Building Contractor,

then the various amounts relating to the Construction Costs and the Professional Fees (including any payment made) appearing in the AP's Certificate and any other certificate of the Authorized Person to be submitted to LACO, the Vendor, the Vendor's Solicitors, or the Mortgagee (if any) must be verified by an independent authorized person or quantity surveyor.

6.2.8 An authorized person or quantity surveyor is considered to be an independent authorized person or quantity surveyor if –

- (a) the Authorized Person is not an immediate family member of that authorized person or quantity surveyor, or the other proprietor(s) or director(s) of the firm or corporation to which that authorized person or quantity surveyor belongs;
- (b) that authorized person or quantity surveyor is not, and no proprietor or director of the firm or corporation to which that

authorized person or quantity surveyor belongs is, an employee of the Authorized Person;

- (c) no proprietor, director or secretary (company secretary) of the AP Company, the Vendor, the holding company of the Vendor, the JV Partner, the holding company of the JV Partner, or the Building Contractor is an immediate family member of that authorized person or quantity surveyor, or the other proprietor(s) or director(s) of the firm or corporation to which that authorized person or quantity surveyor belongs;
- (d) that authorized person or quantity surveyor does not hold, and no proprietor or director of the firm or corporation to which that authorized person or quantity surveyor belongs holds, at least 1% (in the case of a listed company), or at least 10% (in the case of a private company), of the issued shares in the AP Company, the Vendor, the holding company of the Vendor, the JV Partner, the holding company of the JV Partner, or the Building Contractor;
- (e) that authorized person or quantity surveyor is not, and no proprietor or director of the firm or corporation to which that authorized person or quantity surveyor belongs is, an employee, proprietor, director or secretary (company secretary) of the AP Company, the Vendor, the holding company of the Vendor, the JV Partner, the holding company of the JV Partner, or the Building Contractor; and
- (f) the firm or corporation to which that authorized person or quantity surveyor belongs is not an associate corporation of the AP Company, the Vendor, the holding company of the Vendor, the JV Partner, the holding company of the JV Partner, or the Building Contractor.

6.2.9 The certificate of the independent authorized person or quantity surveyor, if required, must be in the form at Appendix XI and submitted before the issue of the Consent.

### 6.3 Change of Authorized Person

6.3.1 The Authorized Person must inform in writing LACO, the Vendor's Solicitors and the Mortgagee (if any) of any change of the Authorized Person unless it is a temporary change within the same AP Company.

6.3.2 Where a Temporary Authorized Person is involved and the Vendor wishes to rely on the certificate of the Temporary Authorized Person for the purpose of obtaining the Consent or drawing money from the stakeholder account or under the Building Mortgage (if any), then the Director's approval of the Temporary Authorized Person must first be obtained before his certificate can be accepted for any of the purposes.

6.3.3 In obtaining the Director's approval, the Temporary Authorized Person must first confirm in writing to the Director that he is an architect or engineer or surveyor listed in the authorized persons' register kept by



the Building Authority under section 3(1) of the Buildings Ordinance and acts as a co-ordinator of building works for the Development for the time being. The Temporary Authorized Person must disclose any relationship in accordance with Paragraphs 7.1, 7.2 and 7.3 of this Section III. The Vendor's Solicitors and the Mortgagee (if any) must be notified in writing of the approval of the Temporary Authorized Person by the Director before drawing any money.

6.3.4 On the resumption of appointment by the original Authorized Person, he must again inform in writing LACO, the Vendor's Solicitors and the Mortgagee (if any) of his re-appointment and the cessation of appointment of the Temporary Authorized Person.

## 7. Disclosure of Relationships between Parties involved in the Development

7.1 When applying for the Consent, it must be disclosed to the Director the personal and financial relationships of the Authorized Person and each proprietor of the Vendor's Solicitors with the Vendor, the holding company of the Vendor, the JV Partner, the holding company of the JV Partner and the Building Contractor.

### 7.1.1 Personal relationship

Personal relationship exists in the following situations –

- (a) where the Vendor, the JV Partner, or the Building Contractor is an individual, any of them is an immediate family member of the Authorized Person or a proprietor of the Vendor's Solicitors;
- (b) where the Vendor, the JV Partner, or the Building Contractor is a partnership, a partner of the Vendor, the JV Partner, or the Building Contractor is an immediate family member of the Authorized Person or a proprietor of the Vendor's Solicitors;
- (c) where the Vendor, the JV Partner, or the Building Contractor is a corporation, a director or the secretary (company secretary) of the Vendor, the holding company of the Vendor, the JV Partner, the holding company of the JV Partner, or the Building Contractor is an immediate family member of the Authorized Person or a proprietor of the Vendor's Solicitors.

### 7.1.2 Financial relationship

Financial relationship exists in the following situations –

- (a) where the Authorized Person or a proprietor of the Vendor's Solicitors holds at least 1% (in the case of a listed company), or at least 10% (in the case of a private company), of the issued shares in the Vendor, the holding company of the Vendor, the JV Partner, the holding company of the JV Partner, or the Building Contractor;
- (b) where the Authorized Person or a proprietor of the Vendor's Solicitors is an employee, director or secretary (company

secretary) of the Vendor, the holding company of the Vendor, the JV Partner, the holding company of the JV Partner, or the Building Contractor, regardless of whether or not the Authorized Person or a proprietor of the Vendor's Solicitors holds any share in that company.

- 7.2 The requirements of disclosing personal and financial relationships to the Director also apply to any other authorized person in the AP Company who is a proprietor or director of the AP Company, even though he does not personally give the AP's Certificate and any proprietor of the Vendor's Solicitors even though he does not personally make the SD in relation to the Consent.
- 7.3 Where the AP Company is an associate corporation of the Vendor, the holding company of the Vendor, the JV Partner, the holding company of the JV Partner, or the Building Contractor, then disclosure of such relationship to the Director is also required.
- 7.4 Where any of the relationships stipulated in Paragraphs 7.1, 7.2 and 7.3 of this Section III exists, the Authorized Person would not be automatically prohibited from acting as the Authorized Person or the Vendor's Solicitors acting as the conveyancing solicitor for the Development, but the Director reserves the right, in individual circumstances, to seek specific assurances or undertaking from the related parties to ensure their independence.
- 7.5 The Authorized Person and the Vendor's Solicitors must inform in writing LACO and any other appropriate party of any change of the relationships as stipulated in Paragraphs 7.1, 7.2 and 7.3 of this Section III immediately, and a change of relationship stipulated in Paragraph 6.2.6 of this Section III on being notified by the Vendor of such change. LACO may then impose further conditions for the Consent already given including the making of a supplemental SD and the public disclosure of the relationships.

## 8. Lease Approvals

- 8.1 Before the Consent is issued, Government's approvals required under the Government Grant must be obtained by the Vendor.
- 8.2 Government's approvals include but are not limited to –
  - 8.2.1 design, disposition and height;
  - 8.2.2 master layout plan;
  - 8.2.3 landscaping proposal;
  - 8.2.4 carpark layout plan;
  - 8.2.5 natural terrain hazard mitigation and stabilization works plans; and
  - 8.2.6 deed of mutual covenant incorporating management agreement.
- 8.3 If so required under the Government Grant, the approved carpark layout plan must be deposited with the Director and the approved natural terrain hazard

mitigation and stabilization works plans must be registered in the Land Registry before the Consent is issued.

9. Other General Requirements

- 9.1 Other than the Building Mortgage (if any), the land must not be subject to any other financial encumbrance.
- 9.2 The lease term of the land must have at least 10 years to run. Where the Government Grant is non-renewable and the lease term has less than 10 years to run, an application for the Consent will not be entertained unless the Vendor has applied for and obtained a regrant or lease extension, or the lease term of the land will be extended by legislation. Renewable leases to which the Government Leases Ordinance or the New Territories Leases (Extension) Ordinance applies are treated as leases having a term of more than 10 years even though the original term has already expired or will expire in less than 10 years.
- 9.3 Any area required to be surrendered to the Government must either be carved out by a deed poll or surrendered to the Government before the issue of the Consent.
- 9.4 Where a premium is payable, the premium or the balance outstanding together with any interest must be paid before the issue of the Consent.
- 9.5 Where a modification of the Government Grant is underway, the Consent will not be given before completion of the modification even though the modification is minor or technical in nature and would not affect the interests of purchasers.

**(B) Processing of Application for Consent**

10. Procedures

- 10.1 Upon receipt of confirmation that the consent fee (please refer to Paragraph 11 of this Section III) has been settled, LACO will process the application for the Consent.
- 10.2 LACO will check all the documents submitted with the application for the Consent, including but not limited to, the draft of the SD, (subject to Paragraph 5.3.2 of this Section III) the draft of the ASP and the AP's Certificate. LACO will seek clarifications or request additional information to ensure that all the criteria for the issue of the Consent have been fulfilled. To expedite the processing of the application, LACO will aim –
  - 10.2.1 to issue the first round of comments within one calendar month of receipt of the application; and
  - 10.2.2 for subsequent rounds of correspondence, to reply to the Vendor's Solicitors within 2 weeks of receipt of the response from them.
- 10.3 To assist the Vendor in giving early instructions to the Vendor's Solicitors to resolve any outstanding issue with LACO, LACO will keep the Vendor informed of the progress of the application for the Consent. Follow-up

correspondence as to the progress of the application will be copied to the Vendor, including rejection of incomplete or pre-mature submission, request for additional clarifications and similar correspondence.

- 10.4 When all the clarifications (if any) have been made and additional information (if any) has been provided and LACO is satisfied that the AP's Certificate is in order and that the Vendor has the financial ability to complete the Development, LACO will approve the forms of the SD and (subject to Paragraph 5.3.2 of this Section III) the ASP.
- 10.5 Consent as and when given will not take effect earlier than 30 calendar months before the estimated material date as certified by the Authorized Person.
- 10.6 To ensure proper prioritization in processing all applications for the Consent, LACO would devote staff time to those applications which are active. As a general principle, an application for the Consent may be regarded as withdrawn if –
  - 10.6.1 despite request or warning, the Vendor's Solicitors fail to provide the clarification or information required by LACO;
  - 10.6.2 there is a substantial change in the subject matter of the application; or
  - 10.6.3 there is a breach or a pending modification of the Government Grant.
- 10.7 Failure of Vendor's Solicitors to provide clarification or information despite request or warning

Where clarification or information is required, LACO will issue a requisition letter to the Vendor's Solicitors. The Vendor's Solicitors are expected to furnish LACO with the clarification or information within 2 weeks of the date of the requisition letter. If the clarification or information is not received by LACO and despite the issuance of reminder, the Vendor's Solicitors still fail to provide the same, the application for the Consent would be treated as withdrawn and a letter will be issued to the Vendor's Solicitors (and copied to the Vendor) to that effect.

#### 10.8 Substantial Change in Subject Matter of Application

The application for the Consent would be regarded as withdrawn when there is a substantial change in the subject matter of the application, including –

- 10.8.1 change in the phasing of the Development (for example, to apply for the Consent to sell all units in the Development instead of a Phase (as originally applied for) or vice versa, to bring forward the sale of units or block(s) in other Phase(s) (contrary to the original application) or vice versa, to swap units or block(s) in the current Phase (under application) and in other Phase(s));
- 10.8.2 substitution of the leading solicitors' firm in the application.

## 10.9 Breach or Pending Modification of Government Grant

As and when LACO is ready to approve the application for the Consent and issue the Consent but for a breach of the Government Grant or a pending modification, the Vendor's Solicitors will be required to report progress on purging the breach or completing the modification. If no reply is received or if it is found that no concrete progress has been made, the application would be treated as withdrawn and a letter will be issued to the Vendor's Solicitors (and copied to the Vendor) to that effect.

10.10 After an application for the Consent is deemed withdrawn, a fresh application is required to be submitted if the Vendor still wants to sell any units in the Development before it is completed. Such fresh application will be processed subject to payment of a new consent fee. No refund of fee will be made in respect of the application which is deemed withdrawn, but request for return of the documents submitted would be entertained. Where different applications are competing for the time of the processing staff, priority would normally be given to applications received earlier.

## 11. Consent Fee

11.1 A consent fee at the rate prevailing at the time of the application for the Consent will be imposed. After LACO is satisfied that the application has been duly made and the duly completed and signed checklist and the mandatory documents set out in Paragraph 1.5 or 1.6 (as the case may be) of this Section III have been duly submitted, LACO will issue a demand note for the fee. Such fee must be paid upfront and is not normally refundable, irrespective of whether the Consent will be issued or not.

11.2 LACO will announce the prevailing rate of consent fee in a LACO Circular Memorandum from time to time.

## (C) Sale, Advertising and Promotional Activities

### 12. Number of Residential Units Offered for Sale

12.1 Whenever the Vendor offers for sale (whether by way of auction, tender or otherwise) residential units in the Development to which the Consent applies, the Vendor must offer not less than 20% of the total number of the residential units in the Development. For the avoidance of doubt, parking spaces offered to be sold together with any residential units will not be taken into account for the purpose of calculating the 20% of the residential units.

12.2 In calculating the 20% of the total number of the residential units in the Development, the Director would not be concerned whether the residential units have never been offered for sale or have been offered for sale on previous occasion(s) but remain unsold.

12.3 In the event that the number of residential units remaining unsold is less than 20% of the total number of residential units in the Development to which the Consent applies, then all such unsold residential units must be offered for sale together.

13. Availability of Sales Arrangements

- 13.1 The Vendor must provide the Sales of First-hand Residential Properties Authority with a hard copy of the document containing information about the sales arrangements in respect of the residential units offered for sale on the first day of the period which the Vendor is required to make such sales arrangement available to the general public under section 47 of the Residential Properties (First-hand Sales) Ordinance.
- 13.2 The hard copy must be submitted in accordance with Paragraphs (14) to (16) of the Practice Note on Submission of Documents to the Sales of First-hand Residential Properties Authority (Practice Note No. PN03/19) (as may be amended or supplemented from time to time).

14. Conduct of Sale

- 14.1 In giving the Consent, the Director may stipulate (inter alia) the arrangements, rules and procedures according to which sales are to be conducted so as to ensure orderly sale and that prospective purchasers will have easy access to information requisite to the sale. The Vendor's Solicitors must ensure that the Vendor is fully aware of and complies with all the conditions subject to which the Consent is given.
- 14.2 The Vendor's Solicitors must check the terms and conditions of any PASP and ensure that they comply with the conditions imposed by the Director in giving the Consent before the relevant ASP is prepared. If any breach is identified, the Vendor's Solicitors must not act for either party in the sale in respect of which the PASP is in breach and must immediately notify in writing LACO of the breach. Any breach of the conditions of the Consent apparent on the face of any PASP will immediately act as suspension of the Consent and no further sale may take place until the Director has confirmed in writing that the Consent is reinstated in respect of the units that are unsold, subject to any additional condition.

15. Disclosure of Information

- 15.1 The Vendor must, upon request, disclose to prospective purchasers the amounts of legal charges for conveyancing and mortgage and stamp duties payable.
- 15.2 The Vendor must provide, and must procure its staff and the agent(s) appointed by the Vendor to provide, a copy of the DMC, or where the DMC has already been executed by the Vendor and other parties, a copy of the executed DMC, to the general public on request and payment of a reasonable photocopying charge. If the Vendor's Solicitors are also instructed to act for a prospective purchaser in the purchase, the Vendor's Solicitors must make available for his inspection a copy of the DMC or the executed DMC (as the case may be) or, if he is represented by any other independent solicitors' firm, must on request provide him (or the solicitors' firm instructed by him) with a copy of the DMC or the executed DMC (as the case may be) on payment of a reasonable photocopying charge.
- 15.3 The Vendor must, upon request from a purchaser who has signed an ASP, provide him with a hard copy of the record of information as to the total Construction Costs and the total Professional Fees to complete the Development

as well as the total Construction Costs and the total Professional Fees expended and paid from time to time that must be updated on a calendar monthly basis subject to payment of a nominal fee of not more than HK\$100 per request.

15.4 The Vendor must set out in the sales brochure for the Development entitled “Sales Brochure” in English and “售樓說明書” in Chinese prepared for the purpose of section 25 of the Residential Properties (First-hand Sales) Ordinance such information as is required to be set out by the Director in giving the Consent.

15.5 Where the Consent involves the sale of parking spaces, the Vendor is required to prepare a sales publication entitled “sales brochure for parking space” in English and “車位銷售說明書” in Chinese which must include the information set out in the list at Appendix VII and must state the date on which it is printed. The sales brochure for parking space must be made available for collection by the general public free of charge –

15.5.1 during a period of at least 7 days immediately before a date on which any parking space is sold or offered to be sold; and

15.5.2 on a date on which any parking space is sold or offered to be sold at the place where the sale is to take place.

The sales brochure for parking space must also be made available for inspection on the website designated for the Development at the same time. On the first day on which the Vendor makes a hard copy of the sales brochure for parking space available to the general public, the Vendor must provide a hard copy of it to each of the Consumer Council, the Estate Agents Authority and LACO.

## 16. Promotional Activities prior to issue of Consent

16.1 Notwithstanding that the “restriction on alienation before compliance” clause in the Government Grant prohibits the Vendor from publicising or advertising of units available for sale before the issue of the Consent, to allow the Vendor to promote the Development earlier, commencement of promotional activities prior to the issue of the Consent may be permitted on application. Such application may be incorporated into the letter making the application for the Consent or by way of a separate letter. In the latter case, permission to commence promotional activities will not be given by the Director until after receipt of the application for the Consent, and in either case, payment of the consent fee must have been made. The permission to be given in writing is subject (inter alia) to the condition that the Vendor must specify and make known to the public in any publicity or promotional material or activity that the Consent has not yet been obtained.

16.2 The Vendor may, pursuant to the permission (if given) to commence promotional activities but subject to the Residential Properties (First-hand Sales) Ordinance –

16.2.1 release to the public details of the Development (excluding the price list), whether by way of print, television, radio or other electronic media, on-line, or in its sales offices;

16.2.2 promote the viewing of show flats; and

16.2.3 organize competitions, campaigns and other activities for publicising the Development to be put on sale.

Under no circumstances may sales brochure be issued before the issue of the Consent.

16.3 Permission to launch promotional activities shall not be construed as the Consent nor shall it be taken as implying that the Consent will be forthcoming for the Development, which will only be given if all the criteria for the issue of the Consent have been fulfilled. In addition, the permission (if given) shall under no circumstances be construed as permission to –

16.3.1 sign any PASP or other document, whether it is stated to be binding or not;

16.3.2 seek from any person any expression of intention (whether or not accompanied by a payment of money) to purchase any unit;

16.3.3 take, register or keep any name or legal identification document of any person or his choice of units with the intention of reserving any unit; or

16.3.4 accept any deposit or other consideration by the Vendor, the Vendor's Solicitors, or the agent(s) appointed by the Vendor.

16.4 If the Vendor does not comply with the conditions specified in Paragraph 16 of this Section III as to permission for promotional activities or if there is any complaint relating to the maintenance of order in any sales office, public place, or elsewhere, or any misrepresentation of sales information in any advertisement or promotional activity, or at any time as the Director may at his discretion consider appropriate, the permission for commencement of promotional activities prior to the issue of the Consent may be withdrawn immediately. The Vendor must cease all promotional activities in relation to the Development upon receipt of notice from the Director of his withdrawal of the permission.

**(D) Monitoring after issue of Consent**

17. Operation of Stakeholder Account

17.1 The Vendor's Solicitors must collect from the Vendor the preliminary deposit paid under a PASP in respect of a unit within 5 working days of the Vendor receiving it. The Vendor's Solicitors must then pay the preliminary deposit into the stakeholder account and apply it as deposit and in part payment of the purchase price of the unit concerned and hold it as stakeholder. A written undertaking to that effect must be given by the Vendor's Solicitors and delivered to LACO before the first PASP is signed. The Vendor's Solicitors will also act as stakeholder and receive all deposits and periodic payments made under an ASP. No part of any such money may be paid to the Vendor until the Outstanding Development Costs have been covered, and then only in accordance with the terms and conditions of the ASP.



- 17.2 The following provisions apply, whether or not the land is subject to a Building Mortgage –
- 17.2.1 Any stakeholder account must be opened and maintained with, in the case where the land is subject to a Building Mortgage, the Mortgagee, or in any other case, a licensed bank and the stakeholder account must be designated for the Development. All purchasers’ payments (including payment of any preliminary deposit) however made (for example, electronic payment) must be made in favour of the Vendor’s Solicitors and paid directly to the stakeholder account.
  - 17.2.2 Any release of funds from the stakeholder account must be strictly in accordance with the terms and conditions of the ASP and the conditions imposed by the Director in giving the Consent.
  - 17.2.3 No money shall be drawn from any stakeholder account for reimbursement to the Vendor or for payment as the Construction Costs to any contractor, sub-contractor or supplier other than those whose names have already been disclosed in the AP’s Certificate or the quarterly or final certificate referred to in Paragraph 18.3.1 of this Section III or as the Professional Fees. Further, any money so drawn must be for payment of the Construction Costs and the Professional Fees already expended and which have been paid or are payable by the Vendor.
  - 17.2.4 Where the Vendor’s Solicitors comprise more than one solicitors’ firm, the written agreement of all the solicitors’ firms instructed to act on behalf of the Vendor is required for any release of funds from any of the stakeholder accounts.
- 17.3 Where the land is subject to a Building Mortgage, the following additional requirements apply –
- 17.3.1 To ensure proper management of the stakeholder account for the Development, the Vendor’s Solicitors must enter into a Tripartite Stakeholder Agreement with the Mortgagee and the Vendor. Where the Vendor’s Solicitors comprise more than one solicitors’ firm, they must each enter into a Tripartite Stakeholder Agreement.
  - 17.3.2 The Director has not prescribed any form of the Tripartite Stakeholder Agreement, but the Tripartite Stakeholder Agreement must comply with this Annex and contain the terms and conditions set out in Appendix VIII.
  - 17.3.3 The Tripartite Stakeholder Agreement must be executed and registered in the Land Registry before the first PASP is signed.
  - 17.3.4 Any release of funds from the stakeholder account must be made with the prior written approval of the Mortgagee and where the Vendor’s Solicitors comprise more than one solicitors’ firm, with the prior written agreement of all other solicitors’ firm(s) and strictly in accordance with the terms and conditions of the Tripartite Stakeholder Agreement, in addition to the requirements for release of funds as stipulated in Paragraphs 17.2.2 and 17.2.4 of this Section III.

## 18. Submission of Reports and Certificates

18.1 Periodic submissions of reports by the Vendor's Solicitors and certificates by the Authorized Person are required to be made after the issue of the Consent.

### 18.2 Monthly Report

18.2.1 The Vendor's Solicitors must prepare reports, on a calendar monthly basis and confirm as correct, containing information relating to the progress of sale handled by the firm, receipt and application of monies from the stakeholder account held by the firm, details of units the sale of which is handled by the firm and for which immediate full payment of the purchase price has been made and information relating to the cancellation of any ASP and the forfeiture of the preliminary deposits. Where the Vendor's Solicitors comprise more than one solicitors' firm, then each solicitors' firm instructed to act for the Vendor in the sale must provide its own reports for those units it handled.

18.2.2 The monthly reports must be in the form at Appendix IX and be forwarded to the Vendor and copied to the Housing Bureau, LACO and the Mortgagee (if any) on or before the 15<sup>th</sup> day of each succeeding calendar month until such time as stipulated in Paragraph 18.4 of this Section III whereupon a final report in the form at Appendix IX must be submitted.

### 18.3 Quarterly Certificate

18.3.1 The Vendor's Solicitors must ensure that the Authorized Person provides to LACO and copies to the Mortgagee (if any), the Vendor and the Vendor's Solicitors on a quarterly basis certificates in the form at Appendix X until such time as stipulated in Paragraph 18.4 of this Section III whereupon a final certificate in the form at Appendix X must be submitted.

18.3.2 Each of the quarterly certificates must be forwarded to LACO, the Mortgagee (if any), the Vendor and the Vendor's Solicitors on or before the 15<sup>th</sup> day of the month following the quarter to which it relates.

18.3.3 In the event of any of the circumstances described in Paragraphs 6.2.6 and 6.2.7 of this Section III applying, the requirement of verification by an independent authorized person or quantity surveyor applies to the quarterly certificates by the Authorized Person. The certificate of the independent authorized person or quantity surveyor must be provided together with the quarterly certificate of the Authorized Person to which it relates and must follow the form at Appendix XI.

18.4 The reports and certificates referred to in Paragraphs 18.2 and 18.3 of this Section III must be submitted –

18.4.1 until the issue by the Director of the consent to assign in respect of the Development; or

18.4.2 if no consent to assign has been issued, until the issue by the Director of a certificate of compliance in respect of the Development and the issue of a certificate by the Authorized Person to the Director confirming that the fittings, finishes and appliances of those units which have been sold under the Consent will be incorporated in accordance with the terms and conditions of the ASP.

19. Cost Overrun

19.1 In addition to the quarterly certificates of the Authorized Person to be submitted to (inter alia) LACO after the issue of the Consent under Paragraph 18.3 of this Section III, the Authorized Person must immediately inform in writing LACO, the Vendor, the Vendor's Solicitors and the Mortgagee (if any) if there is or is likely to be a Cost Overrun.

19.2 If there is any Cost Overrun, the Vendor may, subject to the terms and conditions of the Building Mortgage (if any), continue to draw money from the stakeholder account in accordance with the terms and conditions of the ASP and the Tripartite Stakeholder Agreement (if any) and the conditions imposed by the Director in giving the Consent, provided that no money can be released from any stakeholder account for payment of any amount over and above the respective amounts of the Construction Costs and the Professional Fees as certified by the Authorized Person for the purpose of obtaining the Consent, until sufficient proof of adequate finance to cover also the Cost Overrun has been produced to the satisfaction of the Director.

19.3 If the Cost Overrun is 10% or more above the total of the Construction Costs and the Professional Fees to complete the Development as certified by the Authorized Person for the purpose of obtaining the Consent, the Vendor must, within 6 weeks after the date on which the Authorized Person informs the Vendor's Solicitors of the Cost Overrun reaching or exceeding that threshold, produce evidence to the satisfaction of the Director that it has enough finance to cover also the Cost Overrun, failing which no further sale may take place, and the Director reserves the right to suspend the Consent.

19.4 For the purposes of the requirements in Paragraphs 19.2 and 19.3 of this Section III, sufficient funds in the stakeholder account will be considered by LACO as acceptable proof of adequate finance for the Cost Overrun, among other options open to the Vendor.

20. Notifications to Purchasers

20.1 The Vendor must notify in writing each purchaser of –

20.1.1 delay in Completion of the Development; and

20.1.2 completion of the sale and purchase.

## 20.2 Notification to Purchasers of Delay in Completion of Development

20.2.1 If the Vendor fails to complete the Development by the date specified in clause 4(1)(c) of the ASP or by that date as extended by the Authorized Person under clause 4(3)(a) of the ASP, the Vendor must within 7 days after that date notify in writing the purchaser and draw his attention in the notice to his rights under clause 4(2) of the ASP.

20.2.2 If the Authorized Person grants any extension to the date specified in clause 4(1)(c) pursuant to clause 4(3)(a) of the ASP, the Vendor must comply with clause 4(3)(b) of the ASP and notify in writing the purchaser of the reasons for the extension and draw his attention in the notice to his rights under clause 4(2) of the ASP.

20.2.3 Where the Development is an uncompleted development or the Phase is an uncompleted phase –

(a) if the Vendor fails to apply for and obtain any necessary extension of time for completing the Development under clause 4(4)(a) of the ASP and fails to complete the Development by the expiry date of the Building Covenant Period, the Vendor must notify in writing the purchaser within 7 days after the expiry date and must draw his attention in the notice to his rights under clause 4(4)(b) of the ASP; or

(b) if the Vendor makes any application for extension of time from the Government for completing the Development, the Vendor must comply with clause 4(4)(a) of the ASP and notify the purchaser of the application and (if and when obtained) the terms of extension within 30 days after each event.

20.2.4 One copy of each of the form of notice sent to the purchaser under Paragraph 20.2 of this Section III together with a confirmation in writing from the Vendor that notices in that form have been sent to all the purchasers must be sent to LACO within 3 working days after the date of sending the first notice to the purchasers.

## 20.3 Notification to Purchasers of Completion of Sale and Purchase

20.3.1 The Vendor must notify the purchaser within one calendar month after the issue of the certificate of compliance or the Director's consent to assign (whichever first happens) for completion of the sale and purchase in accordance with clause 6(2) of the ASP.

20.3.2 One copy of the form of notice sent to the purchaser, notifying him to complete the sale and purchase, pursuant to the terms and conditions of the ASP together with a confirmation in writing from the Vendor's Solicitors that notices in that form have been sent to all the purchasers must be sent to LACO within 35 days after the issue of the certificate of compliance or the Director's consent to assign (whichever first happens).

## **Section IV**

### **Periodic Release of Consent Information**

The Lands Department issues monthly and quarterly reports to provide, among other things, information on consent to sell residential units. Members of the public may visit [www.landsd.gov.hk](http://www.landsd.gov.hk) to obtain the reports containing information on the consent applications in respect of residential developments which were approved, rejected or withdrawn in the previous month / quarter or which were being processed as at the end of the previous month.

**CHECKLIST FOR APPLICATION FOR CONSENT  
TO ENTER INTO AGREEMENTS FOR SALE AND PURCHASE OF RESIDENTIAL UNITS** <sup>(Note 1)</sup>

(To be completed by the solicitors' firm submitting the consent application ("Lead Solicitors' Firm"))

This application is submitted by way of  electronic submission  paper submission. (Please tick ("✓") the relevant box ("□") as appropriate)

<b>(I) MANDATORY DOCUMENTS</b> <sup>(Note 2)</sup>  (Please confirm submission by a tick ("✓") against the relevant box ("□")) (*Delete as appropriate)		For Official Use Only	
		Checked	Remarks
	Electronic submission (E1) <input type="checkbox"/> Paper submission (P) <input type="checkbox"/>		
1.	<input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> An up-to-date land register of the land concerned (see item 1 of Part (II)) obtained from the Land Registry showing the current particulars of the land		

<sup>(Note 1)</sup> The consent application will not be accepted if:

- for application by electronic submission - the electronic copies of any of the documents in column (E1) of Part (I), if applicable, are not attached to the application email or the original hard copies of any of the documents in column (E2) of Part (I), if applicable, are not delivered to LACO within 3 working days from the date of receipt of the application by LACO;
- for application by paper submission – the original hard copies of any of the documents in column (P) of Part (I), if applicable, are not submitted at the time of the application; or
- the foundations of the building(s) within the Development have not been completed, or the consent to commence building works on the superstructure of the building(s) within the Development has not been given by the Building Authority under section 14 of the Buildings Ordinance.

<sup>(Note 2)</sup> Where the application is made by electronic submission, tick ("✓") the relevant box ("□") in column (E1) for electronic copies of documents attached to the application email, and the relevant box ("□") in column (E2) for the original hard copies of documents to be delivered to LACO within 3 working days from the date of receipt of the application by LACO. Where the application is made by paper submission, tick ("✓") the relevant box ("□") in column (P) for the original hard copies of documents submitted at the time of the application.

<b>(I) MANDATORY DOCUMENTS</b> <small>(Note 2)</small>		For Official Use Only	
		Checked	Remarks
(Please confirm submission by a tick (“✓”) against the relevant box (“□”)) (*Delete as appropriate)  Electronic submission (E1)    Paper submission (E2)    (P)			
2.	<input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> Draft Statutory Declaration (“SD”) (in form as per Appendix ..... to the Annex to LACO Circular Memorandum (“CM”) No. ....)		
3.	<input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> Draft Agreement for Sale and Purchase (“ASP”) <sup>(Note 3)</sup> (in form as per Appendix ..... to the Annex to LACO CM No. .... with variations) (if applicable)		
4.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Authorized Person’s Certificate (“AP’s Certificate”) dated ..... (in form as per Appendix ..... to the Annex to LACO CM No. ....)		
	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Independent *Authorized Person’s Certificate/Quantity Surveyor’s Certificate dated ..... (in form as per Appendix ..... to the Annex to LACO CM No. ....) (if applicable)		

(Note 3) There is no need to submit the draft ASP to LACO for approval if its contents in all respects accord with the form of ASP annexed to the relevant LACO Circular Memorandum. Where variations are proposed to the form, then full justification for each of the proposed variations must be provided. Any variations to the form must be highlighted in the draft ASP submitted.

<b>(I) MANDATORY DOCUMENTS</b> <small>(Note 2)</small>		For Official Use Only	
		Checked	Remarks
(Please confirm submission by a tick (“✓”) against the relevant box (“□”)) (*Delete as appropriate)			
	Electronic submission (E1) (E2)      Paper submission (P)		
5.	<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Full set of Building Mortgage (“BM”) (certified as true copy by the Land Registrar or a solicitor), with the partial release clause (Clause No. .... on page ....) and provisions in compliance with sub-clauses (d)(i) and (d)(ii) of the “Restriction on alienation before compliance” clause in the Government Grant (Clause No. .... on page ....) highlighted (if applicable)		
	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Certificate from the Mortgagee (see item 13 of Part (II)) (“Mortgagee’s Certificate”) to confirm the amount already drawn and the undrawn balance under BM (see items 3(a)(iv) and 3(a)(v) of Part (V)) (if applicable)		
	<input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> *Draft Undertaking as to Partial Release (in form as per Appendix ..... to the Annex to LACO CM No. ....) / Draft Deed of Variation to BM relating to partial release (if applicable)		
	<input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> Draft Finance Undertaking (“FU”) (in form as per Appendix ..... to the Annex to LACO CM No. ....) (if applicable)		
6.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Letter(s) of appointment of solicitors’ firm(s) from the Vendor (see item 4(a) of Part (II))		



(II) GENERAL INFORMATION		English	Chinese	For Official Use Only	
				Checked	Remarks
1.	Lot No. of the land (“the land”)				
2.	Name of the development now being constructed or to be constructed on the land (“the Development”)				
3.	Postal address of the Development as confirmed with the Commissioner of Rating and Valuation				
4.	(a) Name of the registered owner of the land (“the Vendor”)				
	(b) Address of the Vendor				
	(c) Fax No. of the Vendor		N/A		
5.	Name of every holding company <sup>(Note 4)</sup> of the Vendor				

<sup>(Note 4)</sup> Every holding company (within the meaning of the Companies Ordinance) must be listed.

(II) GENERAL INFORMATION		English	Chinese	For Official Use Only	
				Checked	Remarks
6.	Name of person engaged by the Vendor to co-ordinate and supervise the process of designing, planning, constructing, fitting out, completing and marketing the Development or the phase of the Development (“the JV Partner”)				
7.	Name of every holding company <sup>(Note 4)</sup> of the JV Partner				
8.	(a) Name of the Lead Solicitors’ Firm				
	(b) Name(s) of other participating solicitors’ firm(s)				
9.	(a) Address of the Lead Solicitors’ Firm				

(II) GENERAL INFORMATION		English	Chinese	For Official Use Only	
				Checked	Remarks
	(b) Fax No. of the Lead Solicitors' Firm		N/A		
	(c) E-mail address of the Lead Solicitors' Firm		N/A		
10.	Name of the authorized person appointed as co-ordinator of the building works ("AP")				
11.	Name of the professional firm / corporation to which the AP belongs				
12.	Name of the building contractor named in the AP's Certificate				
13.	Name of the licensed bank or the registered deposit-taking company ("the Mortgagee") in whose favour the BM was created				

<b>(II) GENERAL INFORMATION</b>		English	Chinese	For Official Use Only	
				Checked	Remarks
14.	Name of the licensed bank or the registered deposit-taking company which will undertake to provide finance under the FU				
15.	Name of person (“the Financier”) who has made unsecured loan(s) to the Vendor or the JV Partner				

(III) PREMISES AFFECTED BY THIS APPLICATION (*Delete as appropriate)				For Official Use Only	
				Checked	Remarks
1.	Phase	Phased development within the meaning of the Residential Properties (First-hand Sales) Ordinance <sup>(Note 5)</sup> ?	*Yes, Phase ..... comprising <i>(please specify all buildings and the total number of units)</i> .....  *N/A		
2.	Block	*Block ..... *N/A			
3.	Units	..... residential units *(including - * ..... houses * ..... flats)  * ..... car parking spaces * ..... motor cycle parking spaces			
4.	Consent fee in the sum of HK\$.....			Paid on .....	

<sup>(Note 5)</sup> A development is divided into 2 or more phases if plans are approved by the Building Authority for the purposes of section 14(1) of the Buildings Ordinance in respect of building works for those phases of the development.

<b>(IV) LEASE REQUIREMENTS</b> (*Delete as appropriate)		For Official Use Only		
		Checked	Remarks	
1.	Land grant conditions ("Government Grant")	*Government Lease dated ..... / Conditions of Sale / Conditions of Grant / Conditions of Exchange / New Grant No. .... *as varied or modified by -  *Modification Letter dated ..... (M/N .....)  *Extension Letter dated ..... (M/N .....)  *Paragraph No. .... of Exclusion Order dated ..... (M/N .....)  *Paragraph No. .... of redevelopment order dated ..... (M/N .....)  *Paragraph No. .... of order for sale dated ..... (M/N .....)  		
2.	Lease term <sup>(Note 6)</sup>			

<sup>(Note 6)</sup> The lease term must have at least 10 years to run. Where the lease is non-renewable and has less than 10 years to run, the consent application will not be entertained until a regrant or lease extension has been applied for and obtained.

(IV) LEASE REQUIREMENTS (*Delete as appropriate)				For Official Use Only	
				Checked	Remarks
3.	Premium	Fully paid?	*Yes *No *N/A		
4.	User restriction	*Private residential / Residential  *Non-industrial  *Other ( <i>please specify</i> ) .....  (*SC / Paragraph No. .... in ..... )			
5.	(a) Expiry date of the building covenant period (“BC period”)	BC period to expire on .....  (*SC / Paragraph No. .... in ..... )			
	(b) BC period extension	(i) BC period extension granted?	*Yes, to expire on ..... *No *N/A		
		(ii) BC period extension premium paid?	*Yes *No *N/A		

(IV) LEASE REQUIREMENTS (*Delete as appropriate)				For Official Use Only	
				Checked	Remarks
		(iii) Copy of BC period Extension Letter submitted?	*Yes *No *N/A		
6.	(a) Estimated material date <sup>(Note 7)</sup> as certified in the AP's Certificate	.....			
	(b) Date of completion in Clause 4(1)(c) of draft ASP <sup>(Note 8)</sup>	.....			
7.	(a) Consent to sell prior to compliance	Required under SC / Paragraph No. .... in .....			
	(b) Approval of Deed of Mutual Covenant incorporating Management Agreement (if any)	*Required under SC / Paragraph No. .... in ..... Draft submitted on ..... Draft approved on .....  *Not required			

<sup>(Note 7)</sup> This date must not exceed 3 calendar months after the current expiry date of the BC period referred to in item 5(a) or 5(b)(i) of Part (IV).

<sup>(Note 8)</sup> This date must correspond with the date in item 6(a) of Part (IV).



<b>(IV) LEASE REQUIREMENTS</b> (*Delete as appropriate)		For Official Use Only	
		Checked	Remarks
(c) Approval of design and disposition/design, disposition and height	*Required under SC / Paragraph No. .... in ..... Approved on .....  *Not required		
(d) Approval of Master Layout Plan	*Required under SC / Paragraph No. .... in ..... Approved on .....  *Not required		
(e) Approval of Landscaping Proposal <sup>(Note 9)</sup>	*Required under SC / Paragraph No. .... in ..... Approved on .....  *Not required		
(f) Approval of carving out of the land and surrender of carved out portion	*Required under SC / Paragraph No. .... in ..... Approved on .....  *Deed Poll/Agreement to Surrender/ Deed of Surrender executed on ..... (M/N .....)  *Not required		

<sup>(Note 9)</sup> Where a comprehensive landscaping clause requiring a two-stage submission is imposed in the Government Grant, approval to the conceptual submission will be accepted for the consent application.

(IV) LEASE REQUIREMENTS (*Delete as appropriate)		For Official Use Only		
		Checked	Remarks	
	(g) Deposit of approved car park layout plan	*Required under SC / Paragraph No. .... in ..... Deposited on .....		
		*Not required		
	(h) Approval and registration of natural terrain hazard mitigation and stabilization works plan	*Required under SC / Paragraph No. .... in ..... Approved on ..... Registered in the Land Registry on ..... (M/N .....)		
		*Not required		
	(i) Other lease approval/consent	*Further requirements ( <i>please specify</i> ) ..... required under SC / Paragraph No. .... in ..... Approved on .....		
		*No		
8.	Provision of Government Accommodation	*( <i>Please specify type of accommodation</i> ) ..... required under SC / Paragraph No. .... in .....		
		*Not required		

(V) DEVELOPMENT COSTS & FINANCE (*Delete as appropriate)			For Official Use Only		
			Checked	Remarks	
1.	Amount of the Total Development Costs (defined in the AP's Certificate) as certified in the AP's Certificate	HK\$.....			
2.	Total amount of that part of the Total Development Costs expended but not yet paid and that part of the Total Development Costs remaining to be expended ("Outstanding Development Costs") <sup>(Note 10)</sup> as certified in the AP's Certificate	HK\$..... as at ..... <sup>(Note 11)</sup>			
3.	(a) *BM	(i) Date of the BM	.....		
		(ii) Registered in the Land Registry by	M/N .....		

<sup>(Note 10)</sup> This amount must be the same as the amount mentioned in paragraph (1)(k) of the AP's Certificate.

<sup>(Note 11)</sup> This date must be the same date as referred to in paragraph (1)(i) of the AP's Certificate.

(V) DEVELOPMENT COSTS & FINANCE (*Delete as appropriate)			For Official Use Only	
			Checked	Remarks
	(iii) Total amount secured to finance development costs <sup>(Note 12)</sup>	HK\$.....		
	(iv) Amount already drawn as certified in the Mortgagee's Certificate	HK\$..... as at ..... <sup>(Note 13)</sup>		
	(v) Amount of undrawn balance as certified in the Mortgagee's Certificate	HK\$..... as at ..... <sup>(Note 13)</sup>		
	(vi) Undrawn balance sufficient to cover Outstanding Development Costs?	*Yes  *No, further BM by ...../ FU by ..... for HK\$..... <sup>(Note 14)</sup>		

<sup>(Note 12)</sup> This relates solely to the amount secured under the loan document for construction purposes.

<sup>(Note 13)</sup> This date must be the same date as referred to in the Mortgagee's Certificate and must not be earlier than the date referred to in item 2 of Part (V).

<sup>(Note 14)</sup> This must be the amount of the Total Development Costs of the Development or the phase of the Development less the amount of the facilities granted or to be granted by the Mortgagee under the BM to finance the Total Development Costs of the Development or the phase of the Development.

(V) DEVELOPMENT COSTS & FINANCE (*Delete as appropriate)			For Official Use Only	
			Checked	Remarks
	(vii) Professional fees secured under the BM not exceed 5% of the total amount secured?	*Does not exceed  *Exceed		
(b) *FU	(i) Liability amount	HK\$.....		
	(ii) Liability amount sufficient to cover Outstanding Development Costs?	*Yes  * No, BM by ...../ Further FU by ..... for HK\$..... (Note 15)		
(c) Unsecured loan (loan already advanced or to be advanced)	(i) Unsecured loan advanced?	*Yes  *No		
	(ii) The Financier to covenant in ASP not to call back the whole or any of the unsecured loan and to provide further finance until completion of the Development?	*Yes, Clause ..... of ASP  *N/A		

(Note 15) Financing the Outstanding Development Costs by two or more FUs would generally not be accepted unless there is good justification.

**Certificate by Solicitor**

I, [*insert name of solicitor*], \*the sole proprietor / a partner in the firm of [*insert name of solicitors' firm*], certify and confirm that this Checklist has been duly and accurately completed.

Dated this ..... day of .....

[*insert name of solicitor*]  
Solicitor, Hong Kong SAR

\*Delete as appropriate

**For Official Use Only**

First check by \_\_\_\_\_ on \_\_\_\_\_  
(Name and signature of LCO)

Final check and update before issue of consent, in particular, to request an updated AP's Certificate and Mortgagee's Certificate if the AP's Certificate submitted was issued more than 3 calendar months.

Final check by \_\_\_\_\_ on \_\_\_\_\_  
(Name and signature of LCO)

**Appendix II**

**(Form A - For use where  
there is one solicitors' firm)**

**STATUTORY DECLARATION**

IN THE MATTER of [*insert lot number of  
land*]

and

IN THE MATTER of the Oaths and  
Declarations Ordinance

I, [*insert name of solicitor*] of [*insert address of solicitor*], solicitor, solemnly and sincerely declare as follows:-

(1) I am a proprietor (within the meaning given by section 2 of the Residential Properties (First-hand Sales) Ordinance) in the firm of [*insert name of solicitors' firm*], solicitors, which has been instructed by [*insert name of registered owner of land*] ("the Vendor") to act in connection with the sale of residential units &[and parking spaces] in the development now being constructed or to be constructed on the above-mentioned land and intended to be known as "[*insert name of development*]" ("the Development"). \*I confirm that I am a sole proprietor in my firm.]

(2) I make this declaration on behalf of my firm in relation to the consent of the Director of Lands ("the Consent") to the Vendor to enter into agreements for sale and purchase of residential units &[and parking spaces] in <sup>β</sup>[Phase [*insert phase number*] of] the Development <sup>β</sup>[("the Phase")] under the provisions of \*the Government Lease dated [*insert date*]/Conditions of Sale/Conditions of Grant/Conditions of Exchange/New Grant No. [*insert number*] \*[as varied or modified by \*a Modification Letter/an Extension Letter/an Exclusion Order/a redevelopment order/an order for sale dated [*insert date of instrument*] and registered in the Land Registry by Memorial No. [*insert memorial number*]] ("the Government Grant") under which the above-mentioned land is held from the Government of the Hong Kong Special Administrative Region. <sup>β</sup>[The Phase comprises [*insert description of buildings comprising the Phase*].]

(3) In accordance with instructions received from the Vendor, my firm has drawn up the



form of Agreement for Sale and Purchase (“ASP”) for the sale of residential units &[and parking spaces] in the √Phase/Development. I have PERSONALLY EXAMINED the form of ASP now produced to me marked Exhibit A-1 and exhibited to this declaration. I declare that \*[except insofar as any variations have been approved by the Director of Lands] its contents in all respects accord with the standard form of ASP annexed to Legal Advisory and Conveyancing Office (“LACO”) Circular Memorandum No. [insert number].

Ⓜ(4) My firm has received instructions from the Vendor to prepare the form of Deed of Mutual Covenant incorporating a Management Agreement (if any) (“DMC”) for the sale of residential units &[and parking spaces] in the √Phase/Development. I have PERSONALLY EXAMINED the form of DMC now produced to me marked Exhibit A-2 and exhibited to this declaration. #[I declare that \*[except insofar as any variations have been approved by the Director of Lands] its contents:

(a) in all respects accord with:-

(i) the guidelines set out in LACO Circular Memorandum No. [insert number];  
and

(ii) all the provisions of the Government Grant; and

(b) are not in any respect contrary to any of the guidelines \*[except as aforesaid] nor to any of the provisions of the Government Grant,

and its form has been approved by the Director of Lands.]

(5) (a) My firm has received confirmation from the Vendor that [insert name of authorized person] (“the Authorized Person”) of [insert name and address of firm/corporation of authorized person] has been appointed as the co-ordinator of building works for the √Phase/Development.

(b) The Authorized Person has issued his certificate dated [insert date of certificate] (“the AP’s Certificate”) in respect of the √Phase/Development which certificate is now produced to me marked Exhibit A-3 and exhibited to this declaration.

(c) The Authorized Person has confirmed in the AP’s Certificate that [insert name of building contractor as stated in the AP’s Certificate] (“the Building Contractor”) has been appointed as the building contractor to carry out building works for the √Phase/Development.

<sup>∞</sup>[(d) Pursuant to paragraph (1)(n) of the AP's Certificate, [*insert name of independent authorized person/quantity surveyor*] has verified and confirmed the respective amounts set out in paragraphs (1)(h), (1)(i), (1)(j) and (1)(k) of the AP's Certificate in his certificate dated [*insert date of certificate*] which certificate is now produced to me marked Exhibit A-4 and exhibited to this declaration.]

<sup>#∞</sup>[(6) The Authorized Person has issued his certificate dated [*insert date of certificate*] confirming to me the basis for allocation of undivided shares <sup>\*</sup>[and management shares] under the DMC in respect of the whole of the Development which certificate is now produced to me marked Exhibit A-[*insert exhibit number*] and exhibited to this declaration.]

<sup>∧</sup>[(7) (a) To finance the total of the construction costs and the professional fees to complete the <sup>∇</sup>Phase/Development as stated in the AP's Certificate (collectively "the Total Development Costs"), a <sup>\*</sup>building mortgage/debenture dated [*insert date of instrument*] and registered in the Land Registry by Memorial No. [*insert memorial number*] ("the Building Mortgage") has been entered into between the Vendor and [*insert name of licensed bank or registered deposit-taking company*] ("the Mortgagee") <sup>∪</sup>[for facilities up to [*insert the amount of the facilities granted or to be granted by the Mortgagee under the Building Mortgage*] and an undertaking as referred to in paragraph 8 hereof ("the undertaking") has been procured by the Vendor].

(b) My firm has received confirmation in writing from the Mortgagee as to the amount of the facilities remaining undrawn under the Building Mortgage and that the facilities <sup>∪</sup>[, together with the amount set out in paragraph 8 hereof, being the amount covered by the undertaking,] are sufficient to finance that part of the Total Development Costs expended but not yet paid and that part of the Total Development Costs remaining to be expended to complete the <sup>∇</sup>Phase/Development as stated in the AP's Certificate (collectively "the Outstanding Development Costs"). A copy of the confirmation dated [*insert date of confirmation*] is now produced to me marked Exhibit A-[*insert exhibit number*] and exhibited to this declaration. The Mortgagee has undertaken to inform in writing my firm in the event of any of the facilities still remaining being cancelled for any reason other than drawings pursuant to the Building Mortgage or payment of the Outstanding Development Costs from other sources.

(c) In the event of the Mortgagee advising my firm of the cancellation of the facilities for any reason, my firm undertakes to inform in writing LACO and to confirm

whether <sup>υ</sup> [the undertaking together with] the funds held by my firm in the stakeholder account as provided in the ASP is sufficient to finance the Outstanding Development Costs. If not, the Consent will be deemed to have been cancelled insofar as the residential units <sup>&</sup>[and the parking spaces] unsold at that time are concerned and I have informed the Vendor accordingly.]

<sup>%</sup>[(8) [Insert name of licensed bank or registered deposit-taking company] has undertaken with the Government of the Hong Kong Special Administrative Region and the Director of Lands that if the Vendor shall be unable to finance the \*Total Development Costs/total of the construction costs and the professional fees to complete the <sup>γ</sup>Phase/Development as stated in the AP's Certificate (collectively "the Total Development Costs"), he will pay to the Vendor or to any other person or persons as the Director of Lands shall direct an amount not exceeding HK\$[insert amount]. A copy of the undertaking dated [insert date of undertaking] is now produced to me marked Exhibit A-[insert exhibit number] and exhibited to this declaration.]

<sup>+</sup>[(9) (a) To finance the Total Development Costs, unsecured loans have been made and will be made to \*[the Vendor/the JV Partner referred to in paragraph (14)(b) below] by [insert name of Financier] ("the Financier").

(b) My firm has received confirmation in writing from the Financier that the Financier will not call back any loans made or to be made to \*[the Vendor/the JV Partner referred to in paragraph (14)(b) below] until the Development has been completed and that, if necessary, the Financier will provide all further finance to enable the Vendor <sup>ϖ</sup>[and the JV Partner referred to in paragraph (14)(b) below] to complete the Development.

(c) In the event of the Financier advising my firm that the Financier will not, or will not be able to, provide all further finance to complete the Development for any reason, my firm undertakes to inform in writing LACO and recognizes that the Consent will be deemed to have been cancelled insofar as the residential units <sup>&</sup>[and the parking spaces] unsold at that time are concerned and I have informed the Vendor accordingly.]

(10) My firm undertakes that all purchase monies paid by purchasers of residential units <sup>&</sup>[and parking spaces] in the <sup>γ</sup>Phase/Development will be held by my firm as stakeholder and will not be released except in accordance with the terms and conditions of the ASP and the conditions of the Consent.

(11) In the event of my firm ceasing to act in respect of the <sup>γ</sup>Phase/Development or any

part of the <sup>γ</sup>Phase/Development and the sale of any residential units <sup>&</sup>[and parking spaces] in the <sup>γ</sup>Phase/Development, my firm undertakes to inform in writing LACO and recognizes that the Consent will be deemed to have been cancelled insofar as the residential units <sup>&</sup>[and the parking spaces] unsold at that time are concerned and I have informed the Vendor accordingly.

(12) My firm undertakes that we will check the terms and conditions of all signed preliminary agreements for sale and purchase (“PASP”) in respect of the residential units <sup>&</sup>[and the parking spaces] which have been sold and for which we are instructed by the purchaser to prepare the ASP and will satisfy ourselves that the terms and conditions of the PASP do not breach any conditions of the Consent. My firm will not act for either party in the sale of any residential units <sup>&</sup>[and parking spaces] in respect of which the terms and conditions of the PASP are in breach of the conditions of the Consent and my firm will immediately notify in writing LACO of any such breach with details of the residential units <sup>&</sup>[and the parking spaces] concerned. I acknowledge that any breach of the conditions of the Consent apparent on the face of any PASP will immediately act as a suspension of the Consent for the whole of the <sup>γ</sup>Phase/Development and that my firm will immediately inform the Vendor that no further sale of residential units <sup>&</sup>[and parking spaces] in the <sup>γ</sup>Phase/Development shall take place until the Director of Lands has confirmed in writing that the Consent is reinstated in respect of the unsold residential units <sup>&</sup>[and parking spaces].

(13) My firm has received confirmation from the Vendor that the sales brochure for the <sup>γ</sup>Phase/Development complies with the conditions of the Consent and contains all information as required in the Consent.

(14) <sup>φ</sup>(a) I confirm that:

- (i) the Vendor is a corporation and is a \*private/listed company; and
- (ii) the Building Contractor is a corporation and is a \*private/listed company; and
- (iii) the holding company of the Vendor, [*insert name of the holding company of the Vendor*] (“the holding company of the Vendor”), is a \*private/listed company; and
- (iv) \*no director/a director/*[insert number]* directors of the Vendor \*is/are my immediate family member\*[s] \*[and \*no director/a director/*[insert number]* directors of the Vendor \*is an immediate family member/are immediate family members of the other proprietor\*[s] of my firm]; and

- (v) the secretary (company secretary) of the Vendor is \*[not] my immediate family member \*[and the secretary (company secretary) of the Vendor is \*[not] an immediate family member of the other proprietor\*[s] of my firm]; and
- (vi) \*no director/a director/[insert number] directors of the Building Contractor \*is/are my immediate family member\*[s] \*[and \*no director/a director/[insert number] directors of the Building Contractor \*is an immediate family member/are immediate family members of the other proprietor\*[s] of my firm]; and
- (vii) the secretary (company secretary) of the Building Contractor is \*[not] my immediate family member \*[and the secretary (company secretary) of the Building Contractor is \*[not] an immediate family member of the other proprietor\*[s] of my firm]; and
- (viii) \*no director/a director/[insert number] directors of the holding company of the Vendor \*is/are my immediate family member\*[s] \*[and \*no director/a director/[insert number] directors of the holding company of the Vendor \*is an immediate family member/are immediate family members of the other proprietor\*[s] of my firm]; and
- (ix) the secretary (company secretary) of the holding company of the Vendor is \*[not] my immediate family member \*[and the secretary (company secretary) of the holding company of the Vendor is \*[not] an immediate family member of the other proprietor\*[s] of my firm]; and
- (x) I \*[do not] hold at least [insert 1% where the Vendor is a listed company OR insert 10% where the Vendor is a private company] of the issued shares in the Vendor \*[and \*no/[insert number] other proprietor\*[s] of my firm \*[each] holds at least [insert 1% where the Vendor is a listed company OR insert 10% where the Vendor is a private company] of the issued shares in the Vendor]; and
- (xi) I \*[do not] hold at least [insert 1% where the holding company of the Vendor is a listed company OR insert 10% where the holding company of the Vendor is a private company] of the issued shares in the holding company of the Vendor \*[and \*no/[insert number] other proprietor\*[s] of my firm \*[each]

holds at least [*insert 1% where the holding company of the Vendor is a listed company OR insert 10% where the holding company of the Vendor is a private company*] of the issued shares in the holding company of the Vendor]; and

- (xii) I *\*[do not]* hold at least [*insert 1% where the Building Contractor is a listed company OR insert 10% where the Building Contractor is a private company*] of the issued shares in the Building Contractor *\*[and \*no/[insert number]* other proprietor*\*[s]* of my firm *\*[each]* holds at least [*insert 1% where the Building Contractor is a listed company OR insert 10% where the Building Contractor is a private company*] of the issued shares in the Building Contractor]; and
- (xiii) I am *\*[not]* an employee of the Vendor *\*[and \*no/[insert number]* other proprietor*\*[s]* of my firm *\*is an employee/are employees* of the Vendor]; and
- (xiv) I am *\*[not]* a director of the Vendor *\*[and \*no/[insert number]* other proprietor*\*[s]* of my firm *\*is a director/are directors* of the Vendor]; and
- (xv) I am *\*[not]* the secretary (company secretary) of the Vendor *\*[and \*no/one* other proprietor of my firm is the secretary (company secretary) of the Vendor]; and
- (xvi) I am *\*[not]* an employee of the Building Contractor *\*[and \*no/[insert number]* other proprietor*\*[s]* of my firm *\*is an employee/are employees* of the Building Contractor]; and
- (xvii) I am *\*[not]* a director of the Building Contractor *\*[and \*no/[insert number]* other proprietor*\*[s]* of my firm *\*is a director/are directors* of the Building Contractor]; and
- (xviii) I am *\*[not]* the secretary (company secretary) of the Building Contractor *\*[and \*no/one* other proprietor of my firm is the secretary (company secretary) of the Building Contractor]; and
- (xix) I am *\*[not]* an employee of the holding company of the Vendor *\*[and \*no/[insert number]* other proprietor*\*[s]* of my firm *\*is an employee/are employees* of the holding company of the Vendor]; and

- (xx) I am \*[not] a director of the holding company of the Vendor \*[and no/[*insert number*] other proprietor\*[s] of my firm \*is a director/are directors of the holding company of the Vendor]; and
- (xxi) I am \*[not] the secretary (company secretary) of the holding company of the Vendor \*[and \*no/one other proprietor of my firm is the secretary (company secretary) of the holding company of the Vendor].
- ∞[(b) My firm has received confirmation from the Vendor that the Vendor has engaged [*insert name of corporation engaged*] (“the JV Partner”) to co-ordinate and supervise the process of designing, planning, constructing, fitting out, completing and marketing the √Phase/Development. I confirm that:
- (i) the JV Partner is a corporation and is a \*private/listed company; and
- (ii) the holding company of the JV Partner, [*insert name of the holding company of the JV Partner*] (“the holding company of the JV Partner”), is a \*private/listed company; and
- (iii) \*no director/a director/[*insert number*] directors of the JV Partner \*is/are my immediate family member\*[s] \*[and \*no director/a director/[*insert number*] directors of the JV Partner \*is an immediate family member/are immediate family members of the other proprietor\*[s] of my firm]; and
- (iv) the secretary (company secretary) of the JV Partner is \*[not] my immediate family member \*[and the secretary (company secretary) of the JV Partner is \*[not] an immediate family member of the other proprietor\*[s] of my firm]; and
- (v) \*no director/a director/[*insert number*] directors of the holding company of the JV Partner \*is/are my immediate family member\*[s] \*[and \*no director/a director/[*insert number*] directors of the holding company of the JV Partner \*is an immediate family member/are immediate family members of the other proprietor\*[s] of my firm]; and
- (vi) the secretary (company secretary) of the holding company of the JV Partner is \*[not] my immediate family member \*[and the secretary (company secretary) of the holding company of the JV Partner is \*[not] an immediate family member of the other proprietor\*[s] of my firm]; and

- (vii) I *\*[do not]* hold at least [*insert 1% where the JV Partner is a listed company* OR *insert 10% where the JV Partner is a private company*] of the issued shares in the JV Partner *\*[and \*no/[insert number] other proprietor\*[s] of my firm \*each] holds at least [*insert 1% where the JV Partner is a listed company* OR *insert 10% where the JV Partner is a private company*] of the issued shares in the JV Partner]; and*
- (viii) I *\*[do not]* hold at least [*insert 1% where the holding company of the JV Partner is a listed company* OR *insert 10% where the holding company of the JV Partner is a private company*] of the issued shares in the holding company of the JV Partner *\*[and \*no/[insert number] other proprietor\*[s] of my firm \*each] holds at least [*insert 1% where the holding company of the JV Partner is a listed company* OR *insert 10% where the holding company of the JV Partner is a private company*] of the issued shares in the holding company of the JV Partner]; and*
- (ix) I am *\*[not]* an employee of the JV Partner *\*[and \*no/[insert number] other proprietor\*[s] of my firm \*is an employee/are employees of the JV Partner]; and*
- (x) I am *\*[not]* a director of the JV Partner *\*[and \*no/[insert number] other proprietor\*[s] of my firm \*is a director/are directors of the JV Partner]; and*
- (xi) I am *\*[not]* the secretary (company secretary) of the JV Partner *\*[and \*no/one other proprietor of my firm is the secretary (company secretary) of the JV Partner]; and*
- (xii) I am *\*[not]* an employee of the holding company of the JV Partner *\*[and \*no/[insert number] other proprietor\*[s] of my firm \*is an employee/are employees of the holding company of the JV Partner]; and*
- (xiii) I am *\*[not]* a director of the holding company of the JV Partner *\*[and no/[insert number] other proprietor\*[s] of my firm \*is a director/are directors of the holding company of the JV Partner]; and*
- (xiv) I am *\*[not]* the secretary (company secretary) of the holding company of the JV Partner *\*[and \*no/one other proprietor of my firm is the secretary (company secretary) of the holding company of the JV Partner].]*



°(c) In this paragraph,

- (i) “company secretary” and “director” have the respective meanings given by the Companies Ordinance; and
- (ii) “corporation”, “holding company”, “immediate family member”, “listed company”, “private company” and “proprietor” have the respective meanings given by the Residential Properties (First-hand Sales) Ordinance.

(d) My firm undertakes to inform in writing LACO immediately if there is:

- (i) a change of the information contained in paragraphs (5)(a) and (5)(c) of this declaration; and
- φ(ii) a change in the holding company of the Vendor °[and the JV Partner]; and
- (iii) a change to φ[(a)(i) to (a)(xxi)] °[and (b)(i) to (b)(xiv)] of this paragraph.

(15) My firm undertakes to provide to the Vendor and copy to the Housing Bureau and LACO \*[and the Mortgagee] on a calendar monthly basis reports as per the form prescribed under the conditions of the Consent. The reports will be forwarded to the parties on or before the 15th day of each succeeding calendar month:

- (a) until the issue by the Director of Lands of the consent to assign in respect of the °Phase/Development; or
- (b) if no consent to assign has been issued, until the issue by the Director of Lands of a certificate of compliance in respect of the Development and the issue of a certificate by the Authorized Person to the Director of Lands confirming that the fittings, finishes and appliances of those residential units in the °Phase/Development which have been sold under the Consent will be incorporated in accordance with the terms and conditions of the ASP,

at which time a final report covering the period from the end of the last calendar month to either (a) or (b) of this paragraph will be submitted within 15 days of either (a) or (b) of this paragraph.

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Ordinance.

DECLARED by                                 )  
   )  
   )  
   )

Before me,

IN THE MATTER of [*insert lot number of land*]

and

IN THE MATTER of the Oaths and  
Declarations Ordinance

---

STATUTORY  
DECLARATION

---

REGISTERED in the Land Registry by  
Memorial No. [            ]  
on [                            ]

for Land Registrar

- & For sale of parking spaces constituting separate units only. Delete if all the parking spaces form parts of the residential units.
- \* Delete as appropriate.
- β For phased development (within the meaning of the Residential Properties (First-hand Sales) Ordinance) only. Delete as appropriate.
- γ Delete “Development” for phased development (within the meaning of the Residential Properties (First-hand Sales) Ordinance). Otherwise delete “Phase”.
- ∞ Amend as appropriate where Sub-DMC is involved.
- # Applicable where DMC approval is required. Delete as appropriate.
- ∞ Applicable where an Independent Authorized Person’s Certificate/Quantity Surveyor’s Certificate is required. Delete as appropriate.
- Δ Applicable where the Vendor has entered into a building mortgage/debenture. Delete as appropriate.
- ∪ Applicable where the Vendor has entered into a building mortgage/debenture and procured a finance undertaking. Delete as appropriate.
- % Applicable where a licensed bank/registered deposit-taking company has undertaken to provide finance by way of a finance undertaking. Delete as appropriate.
- + Applicable where unsecured loans have been or will be made. Delete as appropriate.
- Ω Applicable where unsecured loans have been or will be made to the JV Partner. Delete as appropriate
- φ Amend as appropriate where the Vendor or the Building Contractor is an individual or a partnership or where the Vendor is a corporation, there is no or there are more than one holding company of the Vendor.
- ∞ Applicable where there is a person engaged to co-ordinate and supervise the process of designing, planning, constructing, fitting out, completing and marketing the Development or the Phase (as the case may be). If applicable, amend as appropriate where the person so engaged is an individual or a partnership or where the person so engaged is a corporation, there is no or there are more than one holding company of the corporation so engaged.
- ∅ Delete definition(s) as appropriate.

**Appendix II**

**(Form B - For use where there are more than one solicitors' firm)**

**STATUTORY DECLARATION**

IN THE MATTER of [*insert lot number of land*]

and

IN THE MATTER of the Oaths and  
Declarations Ordinance

We, [*insert name and address of solicitor in solicitors' firm submitting consent application*] and [*insert name(s) of solicitor(s) in other participating solicitors' firm(s)*], solicitors, solemnly and sincerely declare as follows:-

- (1) (a)(i) [*Insert name of solicitor*] is a proprietor (within the meaning given by section 2 of the Residential Properties (First-hand Sales) Ordinance) in the firm of [*insert name of solicitors' firm submitting consent application*], solicitors \*[and is a sole proprietor in that firm].
- (ii) [*Insert name of solicitor*] is a proprietor (within the meaning given by section 2 of the Residential Properties (First-hand Sales) Ordinance) in the firm of [*insert name of participating solicitors' firm*], solicitors \*[and is a sole proprietor in that firm].
- ^[(iii) [*Insert similar statement as in (a)(ii) of this paragraph for other participating solicitors' firm*].]
- (b) [*Insert names of solicitors' firms*], solicitors, have been instructed by [*insert name of registered owner of land*] ("the Vendor") to act in connection with the sale of residential units &[and parking spaces] in the development now being constructed or to be constructed on the above-mentioned land and intended to be known as "[*insert name of development*]" ("the Development").

(2) We make this declaration on behalf of our respective firms in relation to the consent of the Director of Lands (“the Consent”) to the Vendor to enter into agreements for sale and purchase of residential units &[and parking spaces] in <sup>β</sup>[Phase *[insert phase number]* of] the Development <sup>β</sup>[ (“the Phase”)] under the provisions of \*the Government Lease dated *[insert date]*/Conditions of Sale/Conditions of Grant/Conditions of Exchange/New Grant No. *[insert number]* \*[as varied or modified by \*a Modification Letter/an Extension Letter/an Exclusion Order/a redevelopment order/an order for sale dated *[insert date of instrument]* and registered in the Land Registry by Memorial No. *[insert memorial number]*] (“the Government Grant”) under which the above-mentioned land is held from the Government of the Hong Kong Special Administrative Region. <sup>β</sup>[The Phase comprises *[insert description of buildings comprising the Phase]*.]

(3) In accordance with instructions received from the Vendor, *[insert name of relevant solicitors’ firm]* has drawn up the form of Agreement for Sale and Purchase (“ASP”) for the sale of residential units &[and parking spaces] in the <sup>γ</sup>Phase/Development. Each of us has PERSONALLY EXAMINED the form of ASP now produced to us marked Exhibit A-1 and exhibited to this declaration. Each of us declares that \*[except insofar as any variations have been approved by the Director of Lands] its contents in all respects accord with the standard form of ASP annexed to Legal Advisory and Conveyancing Office (“LACO”) Circular Memorandum No. *[insert number]*.

<sup>ω</sup>(4) *[Insert name of relevant solicitors’ firm]* has received instructions from the Vendor to prepare the form of Deed of Mutual Covenant incorporating a Management Agreement (if any) (“DMC”) for the sale of residential units &[and parking spaces] in the <sup>γ</sup>Phase/Development. Each of us has PERSONALLY EXAMINED the form of DMC now produced to us marked Exhibit A-2 and exhibited to this declaration. <sup>#</sup>[Each of us declares that \*[except insofar as any variations have been approved by the Director of Lands] its contents:

(a) in all respects accord with:-

(i) the guidelines set out in LACO Circular Memorandum No. *[insert number]*;  
and

(ii) all the provisions of the Government Grant; and

(b) are not in any respect contrary to any of the guidelines \*[except as aforesaid] nor to any of the provisions of the Government Grant,

and its form has been approved by the Director of Lands.]

- (5) (a) Our respective firms have received confirmation from the Vendor that [*insert name of authorized person*] (“the Authorized Person”) of [*insert name and address of firm/corporation of authorized person*] has been appointed as the co-ordinator of building works for the <sup>y</sup>Phase/Development.
- (b) The Authorized Person has issued his certificate dated [*insert date of certificate*] (“the AP’s Certificate”) in respect of the <sup>y</sup>Phase/Development which certificate is now produced to us marked Exhibit A-3 and exhibited to this declaration.
- (c) The Authorized Person has confirmed in the AP’s Certificate that [*insert name of building contractor as stated in the AP’s Certificate*] (“the Building Contractor”) has been appointed as the building contractor to carry out building works for the <sup>y</sup>Phase/Development.
- <sup>z</sup>[(d) Pursuant to paragraph (1)(n) of the AP’s Certificate, [*insert name of independent authorized person/quantity surveyor*] has verified and confirmed the respective amounts set out in paragraphs (1)(h), (1)(i), (1)(j) and (1)(k) of the AP’s Certificate in his certificate dated [*insert date of certificate*] which certificate is now produced to us marked Exhibit A-4 and exhibited to this declaration.]
- <sup>#</sup>[(6) The Authorized Person has issued his certificate dated [*insert date of certificate*] confirming to us the basis for allocation of undivided shares <sup>\*</sup>[and management shares] under the DMC in respect of the whole of the Development which certificate is now produced to us marked Exhibit A-[*insert exhibit number*] and exhibited to this declaration.]
- <sup>^</sup>[(7) (a) To finance the total of the construction costs and the professional fees to complete the <sup>y</sup>Phase/Development as stated in the AP’s Certificate (collectively “the Total Development Costs”), a <sup>\*</sup>building mortgage/debenture dated [*insert date of instrument*] and registered in the Land Registry by Memorial No. [*insert memorial number*] (“the Building Mortgage”) has been entered into between the Vendor and [*insert name of licensed bank or registered deposit-taking company*] (“the Mortgage”) <sup>u</sup>[for facilities up to [*insert the amount of the facilities granted or to be granted by the Mortgagee under the Building Mortgage*] and an undertaking as referred to in paragraph 8 hereof (“the undertaking”) has been procured by the Vendor].

(b) Our respective firms have received confirmation in writing from the Mortgagee as to the amount of the facilities remaining undrawn under the Building Mortgage and that the facilities <sup>u</sup>[, together with the amount set out in paragraph 8 hereof, being the amount covered by the undertaking,] are sufficient to finance that part of the Total Development Costs expended but not yet paid and that part of the Total Development Costs remaining to be expended to complete the <sup>v</sup>Phase/Development as stated in the AP's Certificate (collectively "the Outstanding Development Costs"). A copy of the confirmation dated [*insert date of confirmation*] is now produced to us marked Exhibit A-*[insert exhibit number]* and exhibited to this declaration. The Mortgagee has undertaken to inform in writing our respective firms in the event of any of the facilities still remaining being cancelled for any reason other than drawings pursuant to the Building Mortgage or payment of the Outstanding Development Costs from other sources.

(c) In the event of the Mortgagee advising our respective firms of the cancellation of the facilities for any reason, each of our respective firms undertakes to inform in writing LACO and to confirm whether <sup>v</sup>[the undertaking together with] the funds held by our respective firms in the stakeholder account as provided in the ASP is sufficient to finance the Outstanding Development Costs. If not, the Consent will be deemed to have been cancelled insofar as the residential units <sup>&</sup>[and the parking spaces] unsold at that time are concerned and each of us has informed the Vendor accordingly.]

<sup>%</sup>[(8) [*Insert name of licensed bank or registered deposit-taking company*] has undertaken with the Government of the Hong Kong Special Administrative Region and the Director of Lands that if the Vendor shall be unable to finance the \*Total Development Costs/total of the construction costs and the professional fees to complete the <sup>v</sup>Phase/Development as stated in the AP's Certificate (collectively "the Total Development Costs"), he will pay to the Vendor or to any other person or persons as the Director of Lands shall direct an amount not exceeding HK\$*[insert amount]*. A copy of the undertaking dated [*insert date of undertaking*] is now produced to us marked Exhibit A-*[insert exhibit number]* and exhibited to this declaration.]

<sup>+</sup>[(9) (a) To finance the Total Development Costs, unsecured loans have been made and will be made to \*[the Vendor/the JV Partner referred to in paragraph (14)(b) below] by [*insert name of Financier*] ("the Financier").



- (b) Our respective firms have received confirmation in writing from the Financier that the Financier will not call back any loans made or to be made to \*[the Vendor/the JV Partner referred to in paragraph (14)(b) below] until the Development has been completed and that, if necessary, the Financier will provide all further finance to enable the Vendor <sup>Ω</sup>[and the JV Partner referred to in paragraph (14)(b) below] to complete the Development.
- (c) In the event of the Financier advising our respective firms that the Financier will not, or will not be able to, provide all further finance to complete the Development for any reason, each of our respective firms undertakes to inform in writing LACO and recognizes that the Consent will be deemed to have been cancelled insofar as the residential units <sup>&</sup>[and the parking spaces] unsold at that time are concerned and each of us has informed the Vendor accordingly.]
- (10) Each of our respective firms undertakes that all purchase monies paid by purchasers of residential units <sup>&</sup>[and parking spaces] in the <sup>∇</sup>Phase/Development will be held by our respective firms as stakeholders and will not be released except in accordance with the terms and conditions of the ASP and the conditions of the Consent.
- (11) In the event of any of our respective firms ceasing to act in respect of the <sup>∇</sup>Phase/Development or any part of the <sup>∇</sup>Phase/Development and the sale of any residential units <sup>&</sup>[and parking spaces] in the <sup>∇</sup>Phase/Development, each of our respective firms undertakes to inform in writing LACO and recognizes that the Consent will be deemed to have been cancelled insofar as the residential units <sup>&</sup>[and the parking spaces] unsold at that time are concerned and each of us has informed the Vendor accordingly.
- (12) Each of our respective firms undertakes that we will check the terms and conditions of all signed preliminary agreements for sale and purchase (“PASP”) in respect of the residential units <sup>&</sup>[and the parking spaces] which have been sold and for which we are instructed by the purchaser to prepare the ASP and will satisfy ourselves that the terms and conditions of the PASP do not breach any conditions of the Consent. Our respective firms will not act for either party in the sale of any residential units <sup>&</sup>[and parking spaces] in respect of which the terms and conditions of the PASP are in breach of the conditions of the Consent and our respective firms will immediately notify in writing LACO of any such breach with details of the residential units <sup>&</sup>[and the parking spaces] concerned. Each of us acknowledges that any breach of the conditions of the Consent apparent on the face of any PASP will immediately act as a suspension of the Consent for the whole of the <sup>∇</sup>Phase/Development and that our respective firms will immediately inform the Vendor that no further sale of residential units <sup>&</sup>[and parking spaces] in the <sup>∇</sup>Phase/Development shall take place until the Director of

Lands has confirmed in writing that the Consent is reinstated in respect of the unsold residential units &[and parking spaces].

(13) Our respective firms have received confirmation from the Vendor that the sales brochure for the 7Phase/Development complies with the conditions of the Consent and contains all information as required in the Consent.

(14) <sup>φ</sup>(a) Each of us confirms (insofar as the matters mentioned in (a)(iv) to (a)(xxi) of this paragraph are concerned, to the extent that they relate to the relevant declarant and/or the relevant declarant's firm) that:

- (i) the Vendor is a corporation and is a \*private/listed company; and
- (ii) the Building Contractor is a corporation and is a \*private/listed company; and
- (iii) the holding company of the Vendor, [*insert name of the holding company of the Vendor*] (“the holding company of the Vendor”), is a \*private/listed company; and
- (iv) \*no director/a director/[*insert number*] directors of the Vendor \*is our immediate family member/is an immediate family member of [*insert name(s) of relevant declarant(s)*]/are immediate family members of [*insert name(s) of relevant declarant(s)*] \*[and \*no director/a director/[*insert number*] directors of the Vendor \*is an immediate family member/are immediate family members of the other proprietor\*[s] of our respective firms]; and
- (v) the secretary (company secretary) of the Vendor is \*not our immediate family member/an immediate family member of [*insert name(s) of relevant declarant(s)*] \*[and the secretary (company secretary) of the Vendor is \*[not] an immediate family member of the other proprietor\*[s] of our respective firms]; and
- (vi) \*no director/a director/[*insert number*] directors of the Building Contractor \*is our immediate family member/is an immediate family member of [*insert name(s) of relevant declarant(s)*]/are immediate family members of [*insert name(s) of relevant declarant(s)*] \*[and \*no director/a director/[*insert number*] directors of the Building Contractor \*is an immediate family

member/are immediate family members of the other proprietor\*[s] of our respective firms]; and

(vii) the secretary (company secretary) of the Building Contractor is \*not our immediate family member/an immediate family member of [*insert name(s) of relevant declarant(s)*] \*[and the secretary (company secretary) of the Building Contractor is \*[not] an immediate family member of the other proprietor\*[s] of our respective firms]; and

(viii) \*no director/a director/[*insert number*] directors of the holding company of the Vendor \*is our immediate family member/is an immediate family member of [*insert name(s) of relevant declarant(s)*]/are immediate family members of [*insert name(s) of relevant declarant(s)*] \*[and \*no director/a director/[*insert number*] directors of the holding company of the Vendor \*is an immediate family member/are immediate family members of the other proprietor\*[s] of our respective firms]; and

(ix) the secretary (company secretary) of the holding company of the Vendor is \*not our immediate family member/an immediate family member of [*insert name(s) of relevant declarant(s)*] \*[and the secretary (company secretary) of the holding company of the Vendor is \*[not] an immediate family member of the other proprietor\*[s] of our respective firms]; and

(x) \*[except [*insert name(s) of relevant declarant(s)*] \*[each] holding at least [*insert 1% where the Vendor is a listed company OR insert 10% where the Vendor is a private company*] of the issued shares in the Vendor, \*[*insert name of remaining declarant*]/each of us]/each of us \*does not hold/holds at least [*insert 1% where the Vendor is a listed company OR insert 10% where the Vendor is a private company*] of the issued shares in the Vendor \*[and \*no/[*insert number*] other proprietor\*[s] of our respective firms \*[each] holds at least [*insert 1% where the Vendor is a listed company OR insert 10% where the Vendor is a private company*] of the issued shares in the Vendor]; and

(xi) \*[except [*insert name(s) of relevant declarant(s)*] \*[each] holding at least [*insert 1% where the holding company of the Vendor is a listed company OR insert 10% where the holding company of the Vendor is a private company*] of the issued shares in the holding company of the Vendor, \*[*insert name of remaining declarant*]/each of us]/each of us \*does not hold/holds at least

*[insert 1% where the holding company of the Vendor is a listed company OR insert 10% where the holding company of the Vendor is a private company]* of the issued shares in the holding company of the Vendor *\*[and \*no/[insert number] other proprietor\*[s] of our respective firms \*[each] holds at least [insert 1% where the holding company of the Vendor is a listed company OR insert 10% where the holding company of the Vendor is a private company]* of the issued shares in the holding company of the Vendor]; and

- (xii) *\*[except [insert name(s) of relevant declarant(s)] \*[each] holding at least [insert 1% where the Building Contractor is a listed company OR insert 10% where the Building Contractor is a private company]* of the issued shares in the Building Contractor, *\*[insert name of remaining declarant]/each of us]/each of us \*does not hold/holds at least [insert 1% where the Building Contractor is a listed company OR insert 10% where the Building Contractor is a private company]* of the issued shares in the Building Contractor *\*[and \*no/[insert number] other proprietor\*[s] of our respective firms \*[each] holds at least [insert 1% where the Building Contractor is a listed company OR insert 10% where the Building Contractor is a private company]* of the issued shares in the Building Contractor]; and
- (xiii) *\*[except [insert name(s) of relevant declarant(s)] who \*is an employee/are employees of the Vendor, \*[insert name of remaining declarant]/each of us]/each of us is \*[not] an employee of the Vendor \*[and \*no/[insert number] other proprietor\*[s] of our respective firms \*is an employee/are employees of the Vendor]; and*
- (xiv) *\*[except [insert name(s) of relevant declarant(s)] who \*is a director/are directors of the Vendor, \*[insert name of remaining declarant]/each of us]/each of us is \*[not] a director of the Vendor \*[and \*no/[insert number] other proprietor\*[s] of our respective firms \*is a director/are directors of the Vendor]; and*
- (xv) *\*[except [insert name of relevant declarant] who is the secretary (company secretary) of the Vendor, \*[insert name of remaining declarant]/each of us]/each of us is not the secretary (company secretary) of the Vendor \*[and \*no other proprietor of our respective firms/one other proprietor of [insert name of relevant solicitors' firm] is the secretary (company secretary) of the Vendor]; and*

- (xvi) \*[except [*insert name(s) of relevant declarant(s)*] who \*is an employee/are employees of the Building Contractor, \*[*insert name of remaining declarant*]/each of us]/each of us is \*[not] an employee of the Building Contractor \*[and \*no/[*insert number*] other proprietor\*[s] of our respective firms \*is an employee/are employees of the Building Contractor]; and
- (xvii) \*[except [*insert name(s) of relevant declarant(s)*] who \*is a director/are directors of the Building Contractor, \*[*insert name of remaining declarant*]/each of us]/each of us is \*[not] a director of the Building Contractor \*[and \*no/[*insert number*] other proprietor\*[s] of our respective firms \*is a director/are directors of the Building Contractor]; and
- (xviii) \*[except [*insert name of relevant declarant*] who is the secretary (company secretary) of the Building Contractor, \*[*insert name of remaining declarant*]/each of us]/each of us is not the secretary (company secretary) of the Building Contractor \*[and \*no other proprietor of our respective firms/one other proprietor of [*insert name of relevant solicitors firm*] is the secretary (company secretary) of the Building Contractor]; and
- (xix) \*[except [*insert name(s) of relevant declarant(s)*] who \*is an employee/are employees of the holding company of the Vendor, \*[*insert name of remaining declarant*]/each of us]/each of us is \*[not] an employee of the holding company of the Vendor \*[and \*no/[*insert number*] other proprietor\*[s] of our respective firms \*is an employee/are employees of the holding company of the Vendor]; and
- (xx) \*[except [*insert name(s) of relevant declarant(s)*] who \*is a director/are directors of the holding company of the Vendor, \*[*insert name of remaining declarant*]/each of us]/each of us is \*[not] a director of the holding company of the Vendor \*[and no/[*insert number*] other proprietor\*[s] of our respective firms \*is a director/are directors of the holding company of the Vendor]; and
- (xxi) \*[except [*insert name of relevant declarant*] who is the secretary (company secretary) of the holding company of the Vendor, \*[*insert name of remaining declarant*]/each of us]/each of us is not the secretary (company secretary) of the holding company of the Vendor \*[and \*no other proprietor of our respective firms/one other proprietor of [*insert name of relevant solicitors*]’

*firm*] is the secretary (company secretary) of the holding company of the Vendor].

- ∞[(b)Our respective firms have received confirmation from the Vendor that the Vendor has engaged [*insert name of corporation engaged*] (“the JV Partner”) to co-ordinate and supervise the process of designing, planning, constructing, fitting out, completing and marketing the γPhase/Development. Each of us confirms (insofar as the matters mentioned in (b)(iii) to (b)(xiv) of this paragraph are concerned, to the extent that they relate to the relevant declarant and/or the relevant declarant’s firm) that:
- (i) the JV Partner is a corporation and is a \*private/listed company; and
  - (ii) the holding company of the JV Partner, [*insert name of the holding company of the JV Partner*] (“the holding company of the JV Partner”), is a \*private/listed company; and
  - (iii) \*no director/a director/[*insert number*] directors of the JV Partner \*is our immediate family member/is an immediate family member of [*insert name(s) of declarant(s)*]/are immediate family members of [*insert name(s) of declarant(s)*] \*[and \*no director/a director/[*insert number*] directors of the JV Partner \*is an immediate family member/are immediate family members of the other proprietor\*[s] of our respective firms]; and
  - (iv) the secretary (company secretary) of the JV Partner is \*not our immediate family member/an immediate family member of [*insert name(s) of declarant(s)*] \*[and the secretary (company secretary) of the JV Partner is \*[not] an immediate family member of the other proprietor\*[s] of our respective firms]; and
  - (v) \*no director/a director/[*insert number*] directors of the holding company of the JV Partner \*is our immediate family member/is an immediate family member of [*insert name(s) of declarant(s)*]/are immediate family members of [*insert name(s) of declarant(s)*] \*[and \*no director/a director/[*insert number*] directors of the holding company of the JV Partner \*is an immediate family member/are immediate family members of the other proprietor\*[s] of our respective firms]; and

- (vi) the secretary (company secretary) of the holding company of the JV Partner is not our immediate family member/an immediate family member of [*insert name(s) of declarant(s)*] \*[and the secretary (company secretary) of the holding company of the JV Partner is \*[not] an immediate family member of the other proprietor\*[s] of our respective firms]; and
- (vii) \*[except [*insert name(s) of relevant declarant(s)*] \*[each] holding at least [*insert 1% where the JV Partner is a listed company OR insert 10% where the JV Partner is a private company*] of the issued shares in the JV Partner, \*[*insert name of remaining declarant*]/each of us]/each of us \*does not hold/holds at least [*insert 1% where the JV Partner is a listed company OR insert 10% where the JV Partner is a private company*] of the issued shares in the JV Partner \*[and \*no/[*insert number*] other proprietor\*[s] of our respective firms \*[each] holds at least [*insert 1% where the JV Partner is a listed company OR insert 10% where the JV Partner is a private company*] of the issued shares in the JV Partner]; and
- (viii) \*[except [*insert name(s) of relevant declarant(s)*] \*[each] holding at least [*insert 1% where the holding company of the JV Partner is a listed company OR insert 10% where the holding company of the JV Partner is a private company*] of the issued shares in the holding company of the JV Partner, \*[*insert name of remaining declarant*]/each of us]/each of us \*does not hold/holds at least [*insert 1% where the holding company of the JV Partner is a listed company OR insert 10% where the holding company of the JV Partner is a private company*] of the issued shares in the holding company of the JV Partner \*[and \*no/[*insert number*] other proprietor\*[s] of our respective firms \*[each] holds at least [*insert 1% where the holding company of the JV Partner is a listed company OR insert 10% where the holding company of the JV Partner is a private company*] of the issued shares in the holding company of the JV Partner]; and
- (ix) \*[except [*insert name(s) of relevant declarant(s)*] who \*is an employee/are employees of the JV Partner, \*[*insert name of remaining declarant*]/each of us]/each of us is \*[not] an employee of the JV Partner \*[and \*no/[*insert number*] other proprietor\*[s] of our respective firms \*is an employee/are employees of the JV Partner]; and

- (x) \*[except [*insert name(s) of relevant declarant(s)*] who \*is a director/are directors of the JV Partner, \*[*insert name of remaining declarant*]/each of us]/each of us is \*[not] a director of the JV Partner \*[and \*no/[*insert number*] other proprietor\*[s] of our respective firms \*is a director/are directors of the JV Partner]; and
- (xi) \*[except [*insert name of relevant declarant*] who is the secretary (company secretary) of the JV Partner, \*[*insert name of remaining declarant*]/each of us]/each of us is not the secretary (company secretary) of the JV Partner \*[and \*no other proprietor of our respective firms/one other proprietor of [*insert name of relevant solicitors' firm*] is the secretary (company secretary) of the JV Partner]; and
- (xii) \*[except [*insert name(s) of relevant declarant(s)*] who \*is an employee/are employees of the holding company of the JV Partner, \*[*insert name of remaining declarant*]/each of us]/each of us is \*[not] an employee of the holding company of the JV Partner \*[and \*no/[*insert number*] other proprietor\*[s] of our respective firms \*is an employee/are employees of the holding company of the JV Partner]; and
- (xiii) \*[except [*insert name(s) of relevant declarant(s)*] who \*is a director/are directors of the holding company of the JV Partner, \*[*insert name of remaining declarant*]/each of us]/each of us is \*[not] a director of the holding company of the JV Partner \*[and no/[*insert number*] other proprietor\*[s] of our respective firms \*is a director/are directors of the holding company of the JV Partner]; and
- (xiv) \*[except [*insert name of relevant declarant*] who is the secretary (company secretary) of the holding company of the JV Partner, \*[*insert name of remaining declarant*]/each of us]/each of us is not the secretary (company secretary) of the holding company of the JV Partner \*[and \*no other proprietor of our respective firms/one other proprietor of [*insert name of relevant solicitors' firm*] is the secretary (company secretary) of the holding company of the JV Partner].]

<sup>2</sup>(c) In this paragraph,

- (i) “company secretary” and “director” have the respective meanings given by



the Companies Ordinance; and

- (ii) “corporation”, “holding company”, “immediate family member”, “listed company”, “private company” and “proprietor” have the respective meanings given by the Residential Properties (First-hand Sales) Ordinance.
- (d) Each of our respective firms undertakes to inform in writing LACO immediately if there is:
  - (i) a change of the information contained in paragraphs (5)(a) and (5)(c) of this declaration; and
  - φ(ii) a change in the holding company of the Vendor °[and the JV Partner]; and
  - (iii) a change to φ[(a)(i) to (a)(xxi)] °[and (b)(i) to (b)(xiv)] of this paragraph.

(15) Each of our respective firms undertakes to provide to the Vendor and copy to the Housing Bureau and LACO \*[and the Mortgagee] on a calendar monthly basis reports as per the form prescribed under the conditions of the Consent. The reports will be forwarded to the parties on or before the 15th day of each succeeding calendar month:

- (a) until the issue by the Director of Lands of the consent to assign in respect of the °Phase/Development; or
- (b) if no consent to assign has been issued, until the issue by the Director of Lands of a certificate of compliance in respect of the Development and the issue of a certificate by the Authorized Person to the Director of Lands confirming that the fittings, finishes and appliances of those residential units in the °Phase/Development which have been sold under the Consent will be incorporated in accordance with the terms and conditions of the ASP,

at which time a final report covering the period from the end of the last calendar month to either (a) or (b) of this paragraph will be submitted within 15 days of either (a) or (b) of this paragraph.

And each of us makes this solemn declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Ordinance.

DECLARED by )  
)  
)  
)

Before me,

DECLARED by )  
)  
)  
)

Before me,

^[DECLARED by )  
)  
)  
)

Before me,

]

IN THE MATTER of [*insert lot number of land*]

and

IN THE MATTER of the Oaths and  
Declarations Ordinance

---

STATUTORY  
DECLARATION

---

REGISTERED in the Land Registry by  
Memorial No. [            ]  
on [                            ]

for Land Registrar

- \* Delete as appropriate.
- ♣ Applicable where there are more than two solicitors' firms acting for the Vendor.
- & For sale of parking spaces constituting separate units only. Delete if all the parking spaces form parts of the residential units.
- β For phased development (within the meaning of the Residential Properties (First-hand Sales) Ordinance) only. Delete as appropriate.
- γ Delete "Development" for phased development (within the meaning of the Residential Properties (First-hand Sales) Ordinance). Otherwise delete "Phase".
- ⊞ Amend as appropriate where Sub-DMC is involved.
- # Applicable where DMC approval is required. Delete as appropriate.
- ∞ Applicable where an Independent Authorized Person's Certificate/Quantity Surveyor's Certificate is required. Delete as appropriate.
- Δ Applicable where the Vendor has entered into a building mortgage/debenture. Delete as appropriate.
- ∪ Applicable where the Vendor has entered into a building mortgage/debenture and procured a finance undertaking. Delete as appropriate.
- % Applicable where a licensed bank/registered deposit-taking company has undertaken to provide finance by way of a finance undertaking. Delete as appropriate.
- + Applicable where unsecured loans have been or will be made. Delete as appropriate.
- Ω Applicable where unsecured loans have been or will be made to the JV Partner. Delete as appropriate.
- φ Amend as appropriate where the Vendor or the Building Contractor is an individual or a partnership or where the Vendor is a corporation, there is no or there are more than one holding company of the Vendor.
- ∞ Applicable where there is a person engaged to co-ordinate and supervise the process of designing, planning, constructing, fitting out, completing and marketing the Development or the Phase (as the case may be). If applicable, amend as appropriate where the person so engaged is an individual or a partnership or where the person so engaged is a corporation, there is no or there are more than one holding company of the corporation so engaged.
- ∂ Delete definition(s) as appropriate.

## Appendix III

THIS AGREEMENT is made the [ ] day of [ ] Two thousand and [ ]

BETWEEN the Vendor \*[the Financier] and the Purchaser whose particulars are set out in Schedule 1.

WHEREAS :

Recitals

- (1) \*[The Vendor is obliged under the Government Grant to erect and complete on the land before [*insert building covenant expiry date*] the Development in all respects complying with the conditions of the Government Grant.

### OR

Under the Exclusion Order the Vendor is obliged to erect and complete not later than [*insert building covenant expiry date*] the Development on the land in accordance with the building plans.

### OR

Under the Redevelopment Order the Vendor is obliged to erect and complete not later than [*insert building covenant expiry date*] the Development on the land in accordance with the building plans.]

- <sup>α</sup>(2) The Occupation Permit in respect of every building in the <sup>γ</sup>Phase/Development has been issued on [*insert date of occupation permit*].]

- (3) The land and the Development are notionally divided into undivided shares, such shares being subject to adjustment by the Vendor under clause 22.

- (4) The Vendor has obtained the consent of the Director of Lands to enter into (inter alia) this Agreement for the sale of the Property.

NOW IT IS AGREED AS FOLLOWS :

Interpretation

1. (1) In this Agreement -

- (a) “Authorized Person” means the authorized person of the <sup>γ</sup>Phase/Development within the meaning given by section 2 of the Residential Properties (First-hand Sales) Ordinance (Cap. 621);
- \*(b) “Building Mortgage” means the [*insert description of the instrument*] dated [*insert date of instrument*] and registered in the Land Registry by Memorial No. [*insert memorial number*];]
- (c) “building plans” -
- (i) means the plans prepared by the Authorized Person in respect of the <sup>γ</sup>Phase/Development and approved by the Building Authority; and
  - (ii) includes any approved amendments to the plans mentioned in paragraph (i);
- (d) “business day” means a day -
- (i) that is not a Saturday, Sunday or public holiday; and
  - (ii) on which banks are open for business in the Hong Kong Special Administrative Region;
- (e) “Certificate of Compliance” means the certificate issued or to be issued by or on behalf of the Director of Lands to the effect that all the positive obligations of the Vendor under the Government Grant in relation to the land have been complied with;
- (f) “Construction Costs” means the aggregate of -
- (i) any sum incurred or to be incurred in connection with any works done or to be done, and materials or goods supplied or to be supplied, in connection with the site formation on the land and the substructure and superstructure construction for the <sup>γ</sup>Phase/Development (including the communal \*[and

recreational] facilities as set out in clause 32), and the making of the <sup>γ</sup>Phase/Development fit to qualify for the issue of an <sup>λ</sup>Occupation Document/Occupation Permit (where applicable) and to comply with the conditions of the Government Grant <sup>Σ</sup>[in so far as they relate to the Phase];

- (ii) any sums needed to be incurred by the Vendor to install the fittings, finishes and appliances of the <sup>γ</sup>Phase/Development (including the fittings, finishes and appliances as set out in clause 31) and in making every unit in the <sup>γ</sup>Phase/Development ready for handover to purchasers on completion of the sale and purchase; and
  - (iii) any other sums (excluding Professional Fees) which in the reasonable opinion of the Authorized Person needed to be incurred to complete the <sup>γ</sup>Phase/Development to qualify for the issue of an <sup>λ</sup>Occupation Document/Occupation Permit (where applicable) and to comply with the conditions of the Government Grant <sup>Σ</sup>[in so far as they relate to the Phase] and this Agreement;
- (g) “Deed of Mutual Covenant” means the document to be registered in the Land Registry which defines the rights, interests and obligations of all or any of the co-owners of the land and the Development among themselves and incorporates a Management Agreement (if any);
- (h) “Development” means [*insert brief description of the development giving as much information as reasonably practicable so that a purchaser will have a general understanding as to the nature and composition of the development, the communal and recreational facilities (if any) provided in the development, and other special features (if any), etc.*] now being constructed or to be constructed on the land and intended to be known as “[*insert name of the development*]”;

\*[(i) “Exclusion Order” -

- (i) means the Exclusion Order dated [*insert date of instrument*] and registered in the Land Registry by Memorial No. [*insert memorial number*]; and
- (ii) includes any order amending that Exclusion Order;]

<sup>δ</sup>[(j) “expiry date of the Building Covenant Period” means -

- (i) the last day of the period within which the Development is required to be completed under the \*Government Grant/Exclusion Order/Redevelopment Order; or
  - (ii) if that period has been extended by the Government, the last day of the extended period;]
- (k) “Government” means the Government of the Hong Kong Special Administrative Region;
  - (l) “Government Grant” means [*insert description of the instrument*] as set out in Schedule 2;
  - (m) “land” means all that piece or parcel of land registered in the Land Registry as [*insert lot number*];
  - (n) <sup>δ</sup>[“Occupation Document” -
    - (i) where the Development is a Relevant NTEH Development, means the letter to be issued by the Director of Lands confirming that the Director of Lands has no objection to every building in the <sup>γ</sup>Phase/Development being occupied; or
    - (ii) in any other case, means the occupation permit or temporary occupation permit to be issued by the Building Authority under section 21 of the Buildings Ordinance (Cap. 123) for every building in the <sup>γ</sup>Phase/Development;]

**OR**



<sup>α</sup>["Occupation Permit" means the occupation permit or temporary occupation permit to be issued by the Building Authority under section 21 of the Buildings Ordinance (Cap. 123) for every building in the <sup>γ</sup>Phase/Development;]

(o) "office hours" means the period beginning at 10 a.m. of a day and ending at 4:30 p.m. of the same day;

<sup>β</sup>[(p) "Phase" means Phase [*insert phase number*] of the Development comprising [*insert description of buildings comprising the Phase*];]

(q) "Professional Fees" means any sums incurred or to be incurred by the Vendor for the employment of the Authorized Person and other professional persons or consultants in relation to completion of the <sup>γ</sup>Phase/Development;

(r) "Property" means the property described in Schedule 3 <sup>ζ</sup>[and in the context of clause 11(1)(b) <sup>δ</sup>[and clause 33] and Schedule 4, excludes the parking space constituting separate unit described in Schedule 3];

<sup>\*</sup>[(s) "Redevelopment Order" -

(i) means <sup>\*</sup>a redevelopment order (as defined by the Demolished Buildings (Re-development of Sites) Ordinance (Cap. 337)/an order for sale (as defined by the Land (Compulsory Sale for Redevelopment) Ordinance (Cap. 545)), dated [*insert date of instrument*] and registered in the Land Registry by Memorial No. [*insert memorial number*]; and

(ii) includes any order amending that <sup>\*</sup>redevelopment order/order for sale;]

<sup>δ</sup>[(t) "Relevant NTEH Development" means a specified NT development as defined in section 5 of the Residential Properties (First-hand Sales) Ordinance (Cap. 621) where,

under the Government Grant, the consent of the Director of Lands is not required to be given for this sale and purchase;]

(u) “Statutory Declaration” means the Statutory Declaration of the Vendor’s Solicitors and all other solicitors (if any) acting for the Vendor registered in the Land Registry by Memorial No. [*insert memorial number*] in relation to the consent of the Director of Lands to sell the Property; and

(v) “Vendor’s Solicitors” means Messrs. [*insert name of solicitors’ firm of the vendor*].

(2) <sup>ζ</sup>[In this Agreement -

(a) “saleable area” has the meaning given by section 8 of the Residential Properties (First-hand Sales) Ordinance (Cap. 621);

(b) the floor area of an item under paragraph (a) of Schedule 4 is calculated in accordance with section 8(3) of that Ordinance; and

(c) the area of an item under paragraph (b) of Schedule 4 is calculated in accordance with Part 2 of Schedule 2 to that Ordinance.]

**OR**

<sup>ρ</sup>[In this Agreement, the area of the Property is measured from the centre of its demarcating lines or (if applicable) the interior face of the enclosing walls.]

(3) In this Agreement, if the context permits or requires, the singular number includes the plural and the masculine gender includes the feminine and the neuter.

Sale and purchase

2. The Vendor shall sell and the Purchaser shall purchase the Property 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 Property the lifts, entrance hall, staircases and landings in the Development and

such of the passages in the Development intended for common use and serving the Property 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 Property 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 \*[including the external walls (if any) of the Property] SAVE AND EXCEPT -

- (1) the Property; and
- (2) such areas and facilities (if any) as may be designated as common areas or common parts and common facilities in the Deed of Mutual Covenant or are intended for common use.

Purchase price

3. (1) The purchase price is the sum as set out in Schedule 5, payable by the Purchaser to the Vendor's Solicitors as stakeholders in the manner as set out in Schedule 5.
- (2) In the event of any money paid under this Agreement to the stakeholders not being applied in the manner set out in clause 26, such money is deemed to have been paid by the Purchaser to the Vendor's Solicitors as agents for the Vendor.
- (3) In the event of the Purchaser being required pursuant to Schedule 5 to pay the balance of the purchase price when the Vendor is not at that time in a position validly to assign the Property to the Purchaser for whatever reason, the Purchaser is entitled to withhold such payment until the Vendor is in a position validly to assign the Property and has given at least 14 days' notice in writing to that effect to the Purchaser. Where the Purchaser has opted for payment of the full balance of the purchase price within a specified period after the signing of this Agreement as set out in Schedule 5, then this sub-clause (3) shall not apply.
- (4) In respect of each payment of the purchase price or any part of the purchase price required to be made under this Agreement, the Purchaser shall deliver to the Vendor's Solicitors on the date on

which such payment is required to be made a cashier's order issued or a cheque certified good for payment by a licensed bank in the Hong Kong Special Administrative Region in favour of the Vendor's Solicitors for the relevant amount.

- (5) Subject to sub-clause (3) but without prejudice to any other remedy under this Agreement, the Vendor is 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.

Construction of  
Development

4. (1) The Vendor shall -
- (a) continue the construction of the Development with all due expedition;
  - (b) comply with the requirements of the Building Authority (where applicable) and of any other relevant Government authority relating to the Development; and
  - (c) complete the <sup>0</sup>Phase/Development in all respects in compliance with the conditions of the Government Grant <sup>Σ</sup>[in so far as they relate to the Phase] and the building plans (if any) on or before the [*insert the estimated material date for the development, or the estimated material date for the phase (in the case of a phase of a phased development, other than the final phase of a phased development), as provided by the Authorized Person – see sections 2(1) and 3(3) of the Residential Properties (First-hand Sales) Ordinance (Cap. 621) for the meanings of “material date” and “phased development”*] subject to such extensions of time as may be granted by the Authorized Person in accordance with sub-clause (3)(a).
- (2) (a) Subject to sub-clause (2)(b), if the Vendor fails to complete the <sup>0</sup>Phase/Development by the date specified in sub-clause (1)(c) as extended by any extensions of time granted by the Authorized Person under sub-clause (3)(a), the Purchaser is

at liberty, in addition to any other remedy that the Purchaser may have, by notice in writing to the Vendor to rescind this Agreement and upon service of such notice, this Agreement is rescinded, and the Vendor shall, within 7 days after the rescission, repay to the Purchaser all amounts paid by the Purchaser under this Agreement together with interest on those amounts at the rate of 2% per annum above the prime rate specified by The Hongkong and Shanghai Banking Corporation Limited from time to time from the date or dates on which such amounts were paid up to the date of repayment, the repayment of such amounts and interest to be in full and final settlement of all claims by the Purchaser against the Vendor under this Agreement.

- (b) If the Purchaser does not rescind this Agreement under sub-clause (2)(a) within 28 days after the date specified in sub-clause (1)(c) or any extended date under sub-clause (3)(a), the Purchaser is deemed, without prejudice to the Purchaser's rights under sub-clause (2)(c), to have elected to wait for completion of the <sup>0</sup>Phase/Development. In such event the Vendor shall pay to the Purchaser interest at the rate of 2% per annum above the prime rate specified by The Hongkong and Shanghai Banking Corporation Limited from time to time on all amounts paid under this Agreement from the date following the date specified in sub-clause (1)(c) or any extended date under sub-clause (3)(a) up to the date of completion of the <sup>0</sup>Phase/Development. Such interest shall be paid or allowed as a credit to the Purchaser in respect of the purchase price on completion of the sale and purchase.
- (c) Despite sub-clauses (2)(a) and (2)(b), if the <sup>0</sup>Phase/Development is not completed within a period of 6 months from the date specified in sub-clause (1)(c) or any extended date under sub-clause (3)(a), the Purchaser is at liberty either to rescind this Agreement in which event the provisions of sub-clause (2)(a) relating to repayment and interest apply or to await the completion of the <sup>0</sup>Phase/Development in which event the provisions of sub-clause (2)(b) relating to the payment of interest apply.

- (3) (a) The Vendor is entitled to such extensions of time for completion of the <sup>0</sup>Phase/Development beyond the date specified in sub-clause (1)(c) as granted by the Authorized Person and appear to the Authorized Person to be reasonable having regard to delays caused exclusively by any one or more of the following reasons -
- (i) strike or lock-out of workmen;
  - (ii) riots or civil commotion;
  - (iii) force majeure or Act of God;
  - (iv) fire or other accident beyond the Vendor's control;
  - (v) war; or
  - (vi) inclement weather.

For the purpose of this Clause, "inclement weather" means rainfall in excess of 20 millimetres in a twenty-four hour period (mid-night to mid-night) as recorded at the Hong Kong Observatory, or the issue of a Black Rainstorm Warning Signal, or the hoisting of Typhoon Signal No. 8 or above, at any time between the hours of 8 a.m. and 5 p.m.

- (b) The Vendor shall within 14 days after the issue of any such extensions of time granted by the Authorized Person under sub-clause (3)(a) furnish the Purchaser with a copy of the relevant certificate of extension.
- <sup>δ\*</sup>[(4) (a) Despite sub-clause (1)(c), the Vendor shall complete the Development by the expiry date of the Building Covenant Period as required under the \*Government Grant/Exclusion Order/Redevelopment Order. If at any time it appears likely in the opinion of the Authorized Person that the Development will not be completed by the expiry date of the Building Covenant Period, the Vendor shall promptly apply for and obtain such extension of time for completing the Development as is required and shall pay any premium to the Government for such extension. The Vendor shall notify

the Purchaser in writing of such application and the terms of extension granted within 30 days after each event.

- (b) If the Vendor fails to apply for and obtain any necessary extension of time for completing the Development under sub-clause (4)(a) and fails to complete the Development by the expiry date of the Building Covenant Period, the Purchaser is entitled, <sup>β</sup>[unless the completion of the sale and purchase in this Agreement has taken place], in addition to any other remedy that the Purchaser may have, to give the Vendor notice in writing to rescind this Agreement and upon service of such notice, this Agreement is rescinded, and the Vendor shall, within 7 days after the rescission, repay to the Purchaser all amounts paid by the Purchaser under this Agreement together with interest on those amounts at the rate of 2% per annum above the prime rate specified by The Hongkong and Shanghai Banking Corporation Limited from time to time from the date or dates on which such amounts were paid up to the date of repayment, the repayment of such amounts and interest to be in full and final settlement of all claims by the Purchaser against the Vendor under this Agreement.]

Certificate of  
Compliance, consent  
to assign

5. (1) The Vendor shall apply in writing for a Certificate of Compliance or the consent of the Director of Lands to assign in respect of the <sup>θ</sup>Phase/Development within 14 days after its having completed the <sup>θ</sup>Phase/Development as stipulated in clause 4(1)(c).
- (2) <sup>δ</sup>[For the purpose of clauses 4(1), 4(2), 4(3)(a) and 5(1) -
- (a) where, under the Government Grant, the consent of the Director of Lands is required to be given for this sale and purchase, the issue of a Certificate of Compliance or consent to assign by the Director of Lands is conclusive evidence that the <sup>θ</sup>Phase/Development has been completed or is deemed to be completed as the case may be and nothing in this sub-clause (2) precludes the Vendor from proving that the Vendor has complied with clause 4(1)(c) by any other means; or

- (b) where, under the Government Grant, the consent of the Director of Lands is not required to be given for this sale and purchase, the <sup>γ</sup>Phase/Development is deemed to be completed on the date on which the Occupation Document is issued.]

**OR**

<sup>α</sup>[For the purpose of clauses 4(1), 4(2), 4(3)(a) and 5(1), the issue of a Certificate of Compliance or consent to assign by the Director of Lands is conclusive evidence that the <sup>θ</sup>Phase/Development has been completed or is deemed to be completed as the case may be and nothing in this sub-clause (2) precludes the Vendor from proving that the Vendor has complied with clause 4(1)(c) by any other means.]

Completion of sale  
and purchase

6. (1) <sup>δ</sup>[(a) Where, under the Government Grant, the consent of the Director of Lands is required to be given for this sale and purchase, the Vendor shall notify the Purchaser in writing that the Vendor is in a position validly to assign the Property within one month after the issue of the Certificate of Compliance or the consent of the Director of Lands to assign, whichever first happens.
- (b) Where, under the Government Grant, the consent of the Director of Lands is not required to be given for this sale and purchase, the Vendor shall notify the Purchaser in writing that the Vendor is in a position validly to assign the Property within six months after the issue of the Occupation Document.]

**OR**

<sup>α</sup>[The Vendor shall notify the Purchaser in writing that the Vendor is in a position validly to assign the Property within one month after the issue of the Certificate of Compliance or the consent of the Director of Lands to assign, whichever first happens.]

- (2) The sale and purchase shall be completed at the offices of the Vendor's Solicitors during office hours within 14 days after the



date of the notification to the Purchaser that the Vendor is in a position validly to assign the Property to the Purchaser.

- |                                   |     |  |
|-----------------------------------|-----|--|
| Proper assurance                  | 7.  | On completion of the sale and purchase, the Vendor and all other necessary parties (if any) shall execute an Assignment of the Property to the Purchaser in accordance with this Agreement but otherwise free from incumbrances.   |
| Risk                              | 8.  | The Property, as between the Vendor and the Purchaser, remains at the Vendor's risk until the date fixed for completion of the sale and purchase in clause 6.  |
| Requisition on title              | 9.  | <p>(1) Subject to clause 12(2) and without prejudice to Sections 13 and 13A of the Conveyancing and Property Ordinance (Cap. 219), the Vendor shall not restrict the Purchaser's right under the law to raise requisition or objection in respect of title.</p> <p>(2) If the Purchaser makes and insists on any objection or requisition in respect of the title or otherwise which the Vendor is unable or (on the ground of difficulty, delay or expense or on any other reasonable ground) unwilling to remove or comply with, the Vendor is, notwithstanding any previous negotiation or litigation, 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 is in the meantime withdrawn, the sale is cancelled on the expiry of such notice and the Purchaser is entitled to a return of the deposit and other sums of money already paid but without interest, costs or compensation.</p> |
| Government Grant, mis-description | 10. | <p>(1) The Property is sold subject to and with the benefit of the Government Grant, for the term of years created by and with any right of renewal granted by the Government Grant and subject to all easements (if any) subsisting in the Government Grant.</p> <p>(2) No error, mis-statement or mis-description shall cancel the sale nor shall any compensation be allowed in respect of such error, mis-statement or mis-description 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 Property.</p>  |

## Warranties

## 11. (1) The Vendor warrants -

- (a) that the fittings, finishes and appliances as set out in clause 31 shall, on or before completion of the <sup>θ</sup>Phase/Development, be incorporated into the Property;
- (b) that <sup>δζ</sup>[subject to clause 33,] the Property will, on completion of the <sup>θ</sup>Phase/Development, be as shown on the plan attached to this Agreement and the measurements of the Property will be those as set out in Schedule 4; and
- (c) that on completion of the Development the Vendor shall provide the communal <sup>\*</sup>[and recreational] facilities as set out in clause 32.

<sup>λ</sup>[(2) The Vendor also warrants that the parking space constituting separate unit described in Schedule 3 will, on completion of the <sup>θ</sup>Phase/Development, be as shown on the plan attached to this Agreement and the area of such parking space to be measured from the centre of its demarcating lines or (if applicable) the interior face of the enclosing walls is as follows –

*[insert figure]* square metres/*[insert figure]* square feet.]

## (3) The Vendor further warrants –

- (a) that consent in writing for the Vendor to enter into this Agreement has been obtained under the <sup>\*</sup>Government Grant/Exclusion Order/Redevelopment Order; and
- (b) that at the date hereof -
  - (i) the building plans have been duly approved;
  - (ii) the Authorized Person has duly certified that the foundations of the <sup>γ</sup>Phase/Development have been completed;
  - (iii) the consent of the Building Authority has been given under the Buildings Ordinance (Cap. 123) to

commence building works on the superstructure of the <sup>y</sup>Phase/Development; and

- (iv) to the best of the Vendor's knowledge, no impediment exists which would prohibit or impede the completion of the <sup>0</sup>Phase/Development within the time specified in clause 4(1)(c).

- |                          |  |
|--------------------------|--|
| Good title               | <p>12. (1) The Vendor shall at its own expense show a good title to the Property 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 the Purchaser requires certified copies of any documents in the Vendor's possession relating to other property retained by the Vendor as well as to the Property, pay the cost of such certified copies.</p> <p>(2) The Purchaser shall raise no objection if the Vendor's interest in the Property is an equitable interest and not a legal estate.</p> |
| Documents of title       | <p>13. Such of the documents of title as relate exclusively to the Property shall be delivered to the Purchaser. All other documents of title in the possession of the Vendor shall be retained by the Vendor who shall, if so required on completion of the sale and purchase, give to the Purchaser a covenant for the safe custody of those documents and for production and delivery of copies of those documents at the expense of the Purchaser, such covenant to be prepared by the Purchaser.</p>  |
| No transfer of Agreement | <p>14. (1) Subject to sub-clause (2), the Purchaser shall not nominate any person to take up the Assignment of the Property, sub-sell the Property or transfer the benefit of this Agreement (whether by way of direct or indirect reservation, right of first refusal, option, trust, power of attorney or any other method, arrangement or document of any description, conditional or unconditional) or enter into any agreement so to do before completion of the sale and purchase and execution of the Assignment to the Purchaser.</p>  |
| Rights of Purchaser      | <p>(2) The Purchaser is at any time before completion of the sale and purchase at liberty to -</p>   |

- (a) charge or mortgage the Property for the purchase money or any part of the purchase money Provided Always that notice in writing of any such charge or mortgage is given to the Vendor or the Vendor's Solicitors; and
- (b) instruct any firm of solicitors of his choice to act for him in this Agreement and the Assignment to the Purchaser and in the event that the Purchaser instructs solicitors other than the Vendor's Solicitors to act for him, each party shall pay its own solicitors' costs of and incidental to this Agreement and the Assignment to the Purchaser (including all legal costs and disbursements of and incidental to the preparation, completion, stamping and registration of this Agreement and the Assignment).

Cancellation of Agreement

- (3) In the event of the Purchaser requesting and the Vendor agreeing to execute a Cancellation Agreement or any other means which has the effect of cancelling this Agreement or the obligations of the Purchaser under this Agreement, the Vendor is entitled to retain the sum of 5% of the total purchase price of the Property as consideration for its agreeing to cancel this Agreement and not as a penalty and the Purchaser will in addition pay or reimburse, as the case may be, to the Vendor all legal costs, charges and disbursements (including any stamp duty) in connection with the cancellation of this Agreement.

Costs and disbursements of Agreement, stamp duty, etc.

- 15. (1) Subject to clause 14(2)(b), all legal costs and disbursements of and incidental to the preparation, completion, stamping and registration of this Agreement and the Assignment to the Purchaser shall be borne and paid by the \*Purchaser/Vendor.
- (2) The ad valorem stamp duty, if any, payable on this Agreement and the Assignment shall be borne and paid by the \*Purchaser/Vendor.
- (3) The special stamp duty, if any, payable on this Agreement and the Assignment shall be borne and paid by the \*Purchaser/Vendor.
- (4) The registration fees payable on this Agreement and the Assignment shall be borne and paid by the \*Purchaser/Vendor.

- (5) The professional fees for the plan(s) to be annexed to this Agreement and the Assignment shall be borne and paid by the \*Purchaser/Vendor.

Time of the essence 16. Time is in every respect of the essence of this Agreement.

Default of Purchaser 17. (1) Should the Purchaser fail to observe or comply with any of the terms and conditions contained in this Agreement or to make the payments in accordance with Schedule 5 or any interest payable under this Agreement within 7 days after the due date, the Vendor may (subject to clause 3(3)) give to the Purchaser notice in writing calling upon the Purchaser to make good his default. If the Purchaser fails within 21 days after 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 and in such event -

(a) the sum paid by the Purchaser under paragraph (a) of Schedule 5 by way of deposit shall be forfeited to the Vendor; and

(b) where the Purchaser has entered into possession of the Property, the Vendor is entitled to re-enter upon the Property and repossess the same free from any right or interest of the Purchaser in the Property and to receive from the Purchaser as occupation fee a sum equal to interest at the rate of 2% per annum above the prime rate specified by The Hongkong and Shanghai Banking Corporation Limited from time to time on the unpaid balance of the purchase price for the period during which the Purchaser was in occupation.

- (2) Upon determination of this Agreement pursuant to sub-clause (1), the Vendor may resell the Property 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 belongs 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 Property is resold within 6 months after the determination of this Agreement.

- |                                    |     |   |
|------------------------------------|-----|---|
| Default of Vendor                  | 18. | In the event of the Vendor failing to complete the sale in accordance with the terms and conditions of this Agreement, 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.   |
| Deed of Mutual Covenant            | 19. | On completion of the sale and purchase, the Purchaser shall EITHER enter into a Deed of Mutual Covenant with the Vendor OR at the Vendor's option accept an Assignment of the Property from the Vendor subject to and with the benefit of the Deed of Mutual Covenant entered into by the Vendor with another purchaser or purchasers in respect of the land and the Development. Such Deed of Mutual Covenant shall follow closely the draft exhibited to the Statutory Declaration subject however to such modifications as are necessitated by changes in the building plans, adjustment of the undivided shares, change in the management company and the like. The provisions of the Deed of Mutual Covenant shall not conflict with the Guidelines set out in Legal Advisory and Conveyancing Office Circular Memorandum No. 79 as amended from time to time unless otherwise permitted by the Director of Lands. |
| Costs of Deed of Mutual Covenant   | 20. | The Purchaser shall pay to *the Vendor's Solicitors/Messrs. [ <i>insert name of solicitors' firm to whom the costs of the Deed of Mutual Covenant is to be paid</i> ] the costs of and incidental to the Deed of Mutual Covenant 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 of such Deed of Mutual Covenant to the Purchaser.   |
| Possession, utility deposits, etc. | 21. | <p>(1) Subject as mentioned in this Agreement, the Purchaser is, on completion of the sale and purchase, entitled to vacant possession of the Property, all outgoings including Government rent, rates and management fees up to and inclusive of the completion date being paid by the Vendor.</p> <p>(2) Before the Purchaser is entitled to possession of the Property, the Purchaser shall -</p>  |

- (a) 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 areas or common parts of the Development; and
- (b) pay to the Vendor or the manager of the Development all the deposits and advance payments \*[and a debris removal fee] payable under the Deed of Mutual Covenant.

- |                                  |     |  |
|----------------------------------|-----|--|
| Adjustment of undivided shares   | 22. | The Vendor reserves the right to adjust the number of undivided shares into which the land and the Development are notionally divided and the fraction which each share bears to the whole Provided That such adjustment shall not - <ul style="list-style-type: none"> <li>(1) alter the total number of undivided shares by more than 3% without the prior written consent of the Director of Lands; or</li> <li>(2) affect the Purchaser's exclusive right and privilege to hold, use, occupy and enjoy the Property.</li> </ul>                |
| Alteration of standard terms     | 23. | None of the terms and conditions of this Agreement shall in any way be altered or varied nor shall any arrangement or agreement (whether written or otherwise) whatsoever be entered into which has the effect of altering or varying the terms and conditions of this Agreement without the prior written approval of the Director of Lands.  |
| Registration                     | 24. | This Agreement shall be registered in the Land Registry within one month after [ <i>insert date of preliminary agreement for sale and purchase</i> ] being the date of the preliminary agreement referred to in paragraph (g) of Schedule 8.   |
| No *[further] mortgage by Vendor | 25. | The Vendor shall not after the execution of this Agreement enter into any *[further] mortgage or charge of the Property or any other part of the land or the Development without obtaining the prior written consent of the Director of Lands but nothing in this Agreement shall prevent the Vendor from charging the unpaid proceeds of sale under this Agreement (subject however to clause 26) to further finance the Construction Costs and the Professional Fees so long as notice of any such mortgage or charge is given to the Purchaser. |

- Release of purchase price
26. (1) Subject as provided in this Clause, any part of the purchase price paid by the Purchaser to the Vendor's Solicitors shall be held by them as stakeholders pending completion of the sale and purchase and shall be applied and released in the following manner only -
- (a) first, towards payment of the Construction Costs and the Professional Fees to the Vendor from time to time in such amount or amounts as certified by the Authorized Person as having been expended or having become payable on the construction of the <sup>y</sup>Phase/Development;
  - (b) second, towards repayment of funds drawn under the Building Mortgage (if any) for payment of the Construction Costs and the Professional Fees and interest on the Construction Costs or Professional Fees;
  - (c) third, in the event of the Vendor's Solicitors and all other solicitors (if any) acting for the Vendor in the sale of the residential units in the <sup>y</sup>Phase/Development at any time holding as stakeholders a sufficient sum to cover the entire outstanding balance of the Construction Costs and the Professional Fees as certified by the Authorized Person from time to time and other sums referred to in sub-clause (1)(b) above, towards payment of any other moneys secured by the Building Mortgage (if any); and
  - (d) fourth, in the event of the Vendor's Solicitors and all other solicitors (if any) acting for the Vendor in the sale of the residential units in the <sup>y</sup>Phase/Development at any time holding as stakeholders a sufficient sum to cover the total of the sums referred to in sub-clause (1)(c) above, then the Vendor's Solicitors may release the excess amount to the Vendor.

Provided Always that -

- (i) in respect of any payment under sub-clause (1)(a) above the Vendor's Solicitors shall not at any time release to the Vendor any sum in excess of the amount certified by the Authorized Person as having been paid and/or become payable towards the Construction Costs and the Professional



Fees at that time less the amount which the Vendor has drawn under the Building Mortgage (if any) for payment of the Construction Costs and the Professional Fees; and

(ii) the Vendor shall not in any circumstances draw under the Building Mortgage (if any) any part of the Construction Costs and the Professional Fees already paid under sub-clause (1)(a) above.

(2) All moneys received by the Vendor's Solicitors as stakeholders under this Agreement shall be placed in a client account bearing interest and subject to clearance (if the payment is made by cheque) the Vendor is entitled to all interest (if any) earned on such account.

#### Defects

27. (1) The Vendor shall, at its own cost and as soon as reasonably practicable after receipt of a written notice served by the Purchaser within 6 months after the date of completion of the sale and purchase under clause 6, remedy any defects to the Property, or the fittings, finishes or appliances as set out in clause 31, caused otherwise than by the act or neglect of the Purchaser. The provisions of this sub-clause (1) are without prejudice to any other rights or remedies that the Purchaser may have at common law or otherwise.

(2) The Vendor undertakes with the Purchaser to use its best endeavours to enforce all defects and maintenance obligations under all contracts relating to the construction of the Development in so far as such defects relate to or affect the Property or the common areas or common parts and common facilities of the Development.

(3) In the event of the winding-up (whether voluntary or otherwise) or dissolution of the Vendor, the benefit and rights of and in all warranties and guarantees under all contracts relating to the construction of the Development shall be assigned by the Vendor to the Owners' Corporation incorporated under the Building Management Ordinance (Cap. 344) or if no such corporation exists to the manager of the Development for the time being to be held in trust for the Purchaser and all other purchasers of units in the Development.

- Provisions to survive Assignment 28. Clauses 11, 13 and 27 will survive completion of the sale and purchase by the Assignment.
- Notice 29. Any notice required to be given under this Agreement -
- (1) is deemed to have been validly given to a party if -
- (a) the notice is addressed to the party; and
- (b) the notice is sent by ordinary prepaid post to -
- (i) the party's address stated in this Agreement; or
- (ii) the party's last known address (where a notification of change of address has previously been given to the other party or the other party's solicitors); and
- (2) is deemed to have been served on the second business day after the date of posting.
- Non-business day, etc. 30. If any date stipulated for payment in this Agreement or the day on which completion of the sale and purchase is to take place as provided in this Agreement falls on a day that is not a business day or on a day on which Typhoon Signal No. 8 or above is hoisted or Black Rainstorm Warning Signal is issued at any time between the hours of 9 a.m. and 5 p.m., such date for payment or completion of the sale and purchase is automatically postponed to the immediately following day that is a business day and on which no Typhoon Signal No. 8 or above is hoisted or Black Rainstorm Warning Signal is issued at any time between the hours of 9 a.m. and 5 p.m.
- Fittings, finishes and appliances 31. The Vendor shall, on or before completion of the <sup>0</sup>Phase/Development, incorporate into the Property the fittings, finishes and appliances as follows -
- the fittings, finishes and appliances as set out in Schedule 6.
- Provided Always that if the Vendor is prevented by force majeure or other reason beyond its control from obtaining such fittings, finishes

and appliances, other fittings, finishes and appliances certified by the Authorized Person to be of comparable quality may be substituted.

Communal \*[and recreational] facilities 32. The communal \*[and recreational] facilities are as follows -

the communal \*[and recreational] facilities as set out in Schedule 7.

δ[Alteration of building δ[plans]

(1) Despite anything contained in this Agreement, the Vendor reserves the right to alter the building plans (if any) whenever the Vendor considers necessary Provided That the Vendor shall notify the Purchaser in writing of such alteration if the same affects in any way the Property within 14 days after its having been approved by the Building Authority. ζ[If, as a result of such alteration, the measurements of the Property or any part of the Property according to such amended plans differs from the measurements of the Property as set out in Schedule 4, then the purchase price shall be adjusted in proportion to the variation of the measurements of the parts of the Property affected Provided That if the increase or reduction in the measurements of the Property, or any part of the Property, exceeds 5% of the measurements of the Property as set out in Schedule 4, then the Purchaser is at liberty to rescind this Agreement, in which event all moneys paid by the Purchaser under this Agreement shall be returned to the Purchaser with interest on those moneys at the rate of 2% per annum above the prime rate specified by The Hongkong and Shanghai Banking Corporation Limited from time to time from the date or dates of payment to the date of repayment. The Purchaser shall exercise the right of rescission by notice in writing to the Vendor within 30 days after the Purchaser is notified in writing by the Vendor of the approval of such amended plans by the Building Authority, and if no such notice is received by the Vendor within such time, the Purchaser is deemed to have accepted such plans.

(2) Any dispute as to -

- (a) the extent of any variation in the measurements of the Property under sub-clause (1);
- (b) the extent of any adjustment of the purchase price as a result of the variation; or

- (c) whether the proviso in clause 31 has been complied with and, if it has not, as to the extent of the damages which should be paid

shall first be referred to the Authorized Person for a decision thereon.

- (3) If either party is dissatisfied with the decision of the Authorized Person made pursuant to sub-clause (2), such party shall within 14 days after the decision is communicated to him give to the other party notice in writing of his intention to refer the decision to another authorized person as defined in section 2(1) of the Buildings Ordinance (Cap. 123) acting as an expert, otherwise the decision of the Authorized Person shall be final and binding on the parties. Should the parties fail to agree on such other authorized person to be appointed within 30 days after the giving of such notice, either party is entitled to apply within 7 days thereafter to the President of The Hong Kong Institute of Surveyors for the appointment of a member of the Institute whose decision shall be final and binding on both parties. If a party, after giving to the other party notice in writing of his intention to refer the decision of the Authorized Person to another authorized person as aforesaid, fails to refer the decision to another authorized person within 44 days after the giving of such notice, then the decision of the Authorized Person shall be final and binding on the parties. The costs of the Authorized Person shall be paid as directed by the Authorized Person in his award.]

- ∞[(4) The Vendor shall also notify the Purchaser in writing of any alteration of the building plans (if any) if the same affects in any way the parking space constituting separate unit described in Schedule 3 within 14 days after its having been approved by the Building Authority.]]

\*[Financier]

- \*[34. The Financier covenants with the Purchaser that the Financier will not call back the whole or any part of the loan which has been advanced or will be advanced to \*[the Vendor/[*insert the name of the JV Partner*], the person engaged by the Vendor to co-ordinate and supervise the process of designing, planning, constructing, fitting out, completing and marketing the Development,] until the Development has been completed and that the Financier will, if necessary, provide

all further finance to enable the Vendor <sup>Ω</sup>[and [*insert the name of the JV Partner*]] to complete the Development.]

- Marginal notes 35. The marginal notes to this Agreement shall not be deemed to be part of this Agreement and do not affect the interpretation or construction of this Agreement.
- <sup>ε</sup>[Certificate of value] <sup>ε</sup>[36. It is certified that the transaction effected by this Agreement 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\$[*insert amount*].]
- Stamp Duty Ordinance 37. For the purpose of sections 29B(1) and 29B(5) of the Stamp Duty Ordinance (Cap. 117), the matters required to be specified are as set out in Schedule 8.
- Contracts (Rights of Third Parties) Ordinance 38. This Agreement may be rescinded by agreement of the parties hereto without the consent of any person who is not a party to this Agreement and section 6(1) of the Contracts (Rights of Third Parties) Ordinance (Cap. 623) shall not apply to this Agreement. For the purpose of section 6(4) of that Ordinance, the Vendor agrees to give as soon as practicable notice of this Clause –
- (1) to the Owners' Corporation incorporated under the Building Management Ordinance (Cap. 344);
  - (2) if no Owners' Corporation exists, to the manager of the Development; and
  - (3) if no manager has been appointed, to the manager as and when it is appointed and also to the Owners' Corporation as and when it is incorporated.

Schedule 1

Parties

(a) Vendor :

(b) Purchaser :

\*(c) Financier :

Schedule 2Government Grant

\*Government Lease dated [*insert date*]/Conditions of Sale/Conditions of Grant/Conditions of Exchange/New Grant No. [*insert number*] \*[as varied or modified by a Modification Letter dated [*insert date of the instrument*] and registered in the Land Registry by Memorial No. [*insert memorial number*]], the particulars of which are as follows -

(a) Parties :

(b) Date :

(c) Term :                    years from                    expiring on

(d) User :

(e) Lot Number :

Schedule 3

Property

*[Insert description of the Property, and where the Property comprises residential unit and parking space each constituting separate unit, insert description of the residential unit and the parking space in separate paragraphs as follows:*

- (a) [insert description of the residential unit];*
  
- (b) [insert description of the parking space constituting separate unit], being the parking space constituting separate unit as referred to in this Agreement.]*



Schedule 4Measurements of the Property

The measurements of the Property are as follows -

ζ[(a) the saleable area of the Property is *[insert figure]* square metres/*[insert figure]* square feet \* [of which -]

\* *[insert figure]* square metres/*[insert figure]* square feet is the floor area of the balcony];

\* *[insert figure]* square metres/*[insert figure]* square feet is the floor area of the utility platform];

\* *[insert figure]* square metres/*[insert figure]* square feet is the floor area of the verandah];  
and

(b) other measurements are -

\* [the area of the air-conditioning plant room is *[insert figure]* square metres/*[insert figure]* square feet];

\* [the area of the bay window is *[insert figure]* square metres/*[insert figure]* square feet];

\* [the area of the cockloft is *[insert figure]* square metres/*[insert figure]* square feet];

\* [the area of the flat roof is *[insert figure]* square metres/*[insert figure]* square feet];

\* [the area of the garden is *[insert figure]* square metres/*[insert figure]* square feet];

\* [the area of the parking space is *[insert figure]* square metres/*[insert figure]* square feet];

\* [the area of the roof is *[insert figure]* square metres/*[insert figure]* square feet];

\* [the area of the stairhood is *[insert figure]* square metres/*[insert figure]* square feet];

\* [the area of the terrace is *[insert figure]* square metres/*[insert figure]* square feet];

\* [the area of the yard is *[insert figure]* square metres/*[insert figure]* square feet].]

OR

ρ [the area of the Property is *[insert figure]* square metres/*[insert figure]* square feet.]

Schedule 5

Purchase Price

The purchase price is HK\$[*insert amount*], payable by the Purchaser to the Vendor's Solicitors as stakeholders as follows -

- (a) the amount of [*insert amount*] has been paid as deposit on the signing of the agreement preliminary to this Agreement;
- (b) [*insert payment terms in such a way that the operation of clause 6(2) will not be affected*].

Schedule 6

Fittings, Finishes and Appliances

*[Insert fittings, finishes and appliances]*

Schedule 7

Communal \*[and Recreational] Facilities

*[Insert communal and recreational facilities]*

Schedule 8Matters Required to be Specified under Section 29B(5) of the Stamp Duty Ordinance (Cap. 117)

- (a) (1) Name of the Vendor -  
[insert name]  
Address/Registered Office of the Vendor -  
[insert address/registered office]
- (2) Name of the Purchaser -  
[insert name]  
Address/Registered Office of the Purchaser -  
[insert address/registered office]
- (b) (1) Identification Number of the Vendor -  
[insert description and number of identification document]
- (2) Identification Number of the Purchaser -  
[insert description and number of identification document]
- (c) (1) Business Registration Number of the Vendor -  
[insert business registration number]
- (2) Business Registration Number of the Purchaser -  
[insert business registration number]
- (d) Description and location of the Property -  
[insert description and location]
- (e) [Insert a statement as to whether the Property is residential property or non-residential property within the meaning of section 29A(1) of the Stamp Duty Ordinance (Cap. 117)]
- (f) Date of this Agreement -  
[insert date]
- (g) This Agreement was preceded by [insert description of the instrument, e.g. preliminary agreement for sale and purchase] on the same terms made between [insert names of the parties] on [insert date of the instrument].
- (h) [Insert a statement as to whether or not a date has been agreed for the Conveyance on Sale or Assignment of the Property and, if so, that date]

- (i) There is an agreed consideration for the Conveyance on Sale or Assignment that is to, or may, take place pursuant to this Agreement and the amount of the consideration is HK\$*[insert amount]*.
  
- (j) *[Insert a statement as to the amount or value of any other consideration which the parties signing this Agreement knows has been paid or given, or has been agreed to be paid or given, to any person for or in connection with this Agreement or any Conveyance on Sale or Assignment of the Property pursuant to this Agreement (excluding legal expenses), together with the name, address, and the identification number or business registration number of each person receiving or to receive such consideration, and a description of the benefit to which the consideration relates]*

AS WITNESS the hands of the parties to this Agreement the day and year first above written.

SIGNED by [*insert name(s) and description of office(s) of authorized signatory(ies)*] for and on behalf of the Vendor whose signature(s) is/are verified by:- )  
)  
)  
)  
)  
)

Solicitor, Hong Kong SAR

\*[<sup>Ø</sup>[(EXECUTED and DELIVERED as a deed and the Common Seal of the Financier affixed in the presence of [*insert name(s) and description of office(s) of authorized signatory(ies)*] whose signature(s) is/are verified by:- )  
)  
)  
)  
)  
)

Solicitor, Hong Kong SAR]

**OR**

©[(EXECUTED and DELIVERED as a deed by the Financier acting through [*insert name(s) and description of office(s) of authorized signatory(ies)*] whose signature(s) is/are verified by:- )  
)  
)  
)  
)  
)

Solicitor, Hong Kong SAR]]

SIGNED by \*the Purchaser in the )  
presence of/[*insert name(s) and* )  
*description of office(s) of authorized* )  
*signatory(ies)*] for and )  
on behalf of the Purchaser whose )  
signature(s) is/are verified by:- )

Solicitor, Hong Kong SAR

\*[INTERPRETED to the Purchaser in [*insert dialect*] of the Chinese language by:-

]

RECEIVED on or before the day and year first )  
) )  
above written of and from the Purchaser the sum )  
) )  
of HONG KONG DOLLARS [*insert amount*] ) HK\$

---

Messrs. [*insert name of the Vendor's Solicitors*] as  
stakeholders



Dated

20

---

A G R E E M E N T  
for Sale and Purchase of  
[ ]

---

REGISTERED in the Land Registry by  
Memorial No. [ ]  
on [ ]

for Land Registrar

---

- \* Delete as appropriate.
- α For completed development pending compliance or completed phase pending compliance (both within the meaning of the Residential Properties (First-hand Sales) Ordinance) only. Delete as appropriate.
- γ Delete “Development” for phased development (within the meaning of the Residential Properties (First-hand Sales) Ordinance). Otherwise delete “Phase”.
- λ Delete “Occupation Document” for completed development pending compliance or completed phase pending compliance (both within the meaning of the Residential Properties (First-hand Sales) Ordinance). Otherwise delete “Occupation Permit (where applicable)” for uncompleted development or uncompleted phase (both within the meaning of the Residential Properties (First-hand Sales) Ordinance).
- Σ Applicable for phased development (within the meaning of the Residential Properties (First-hand Sales) Ordinance) except the final phase of a phased development. Delete as appropriate.
- δ For uncompleted development or uncompleted phase (both within the meaning of the Residential Properties (First-hand Sales) Ordinance) only. Delete as appropriate.
- β For phased development (within the meaning of the Residential Properties (First-hand Sales) Ordinance) only. Delete as appropriate.
- χ For sale of property comprising residential unit and parking space each constituting separate unit. Delete as appropriate.
- ζ Delete for sale of property comprising parking space constituting separate unit only.
- ρ For sale of property comprising parking space constituting separate unit only. Delete as appropriate.
- θ Delete “Development” for phased development (within the meaning of the Residential Properties (First-hand Sales) Ordinance) except the final phase of a phased development. Otherwise delete “Phase”.
- ε For transaction of the value not exceeding the amount specified in Head 1(1A) of the First Schedule to the Stamp Duty Ordinance. Delete as appropriate.
- ω For cases where the Financier has provided or will provide unsecured loan(s) to the JV Partner; i.e. person engaged by the Vendor to co-ordinate and supervise the process of designing, planning, constructing, fitting out, completing and marketing the Development or the phase of the Development. Delete as appropriate.
- ∅ For execution by the Financier under its common seal in accordance with the provisions of its articles.
- © For execution by the Financier in accordance with section 127(3) of the Companies Ordinance.

**AUTHORIZED PERSON'S CERTIFICATE**

To: The Director of Lands

c.c.: (1) [*insert name of registered owner of land*]

(2) [*insert name of solicitors' firm*]

\*[(3) [*insert name of mortgagee under building mortgage*]]

Date: [*insert date*]

Lot No.: [*insert lot number*] ("the land")

(1) I, [*insert name of authorized person*] of [*insert name and address of firm/corporation of authorized person*] ("the AP Company"), certify and confirm as follows:

- (a) I am \*an architect/an engineer/a surveyor listed in the authorized persons' register kept by the Building Authority under section 3(1) of the Buildings Ordinance. I am \*a proprietor/the sole proprietor/a director/an employee of the AP Company.
- (b) I am appointed under section \*4(1)(a)/4(2) of the Buildings Ordinance as a co-ordinator of building works for <sup>β</sup>[Phase [*insert phase number*] ("the Phase") of] the development now being constructed or to be constructed on the land and intended to be known as "[*insert name of development*]" ("the Development"). The Building Authority was notified of this appointment in Form BA 4 dated [*insert date*].
- (c) I give this certificate for the purpose of obtaining consent of the Director of Lands ("the Consent") to [*insert name of registered owner of the land*] ("the Vendor") to enter into agreements for sale and purchase of residential units \*[and parking spaces] in the <sup>γ</sup>Phase/Development. <sup>β</sup>[The Phase is a phase within the meaning of the Residential Properties (First-hand Sales) Ordinance and comprises [*insert description of buildings comprising the Phase*].]
- (d) The building plans of the <sup>γ</sup>Phase/Development have been approved by the Building Authority under the Buildings Ordinance (Reference No. [*insert number*]).

- (e) Foundations of the building(s) (“the Building(s)”) within the √Phase/Development have been completed and the Building Authority was notified in Form BA 14 dated [insert date].
- (f) (I) Consent to commence building works on the superstructure of the Building(s) has been issued by the Building Authority on [insert date] in Form BD 103 under section 14 of the Buildings Ordinance.
- (II) The Building Authority was notified of the appointment of [insert name of building contractor] (“the Building Contractor”) in Form BA 10 dated [insert date]. The Building Contractor is a general building contractor registered with the Building Authority under section 8A of the Buildings Ordinance and is appointed under section \*9(1)/9(3) of the Buildings Ordinance to carry out building works for the √Phase/Development. Building works on the superstructure of the Building(s) \*have commenced/will commence on [insert date].
- (g) Contracts for [insert type of works such as site formation works, substructure works, superstructure works for which contracts have been entered into] and completion of the √Phase/Development (including the incorporation of all fittings, finishes and appliances and the provision of the communal and recreational facilities (if any) specified in the Agreements for Sale and Purchase (“the ASP”) in respect of units in the √Phase/Development) have been entered into. The contracts are as follows:

<u>Purpose of contracts</u>	<u>Names of contractors, subcontractors and suppliers</u>
[insert purpose]	[insert names]

I confirm that I will not certify any money to be drawn from the stakeholder account or the Building Mortgage (as defined in the ASP) (“the Building Mortgage”) (if any) for payment of the construction costs to any contractors, subcontractors and suppliers except for construction costs which are identified in this certificate or any other certificate(s) issued by me.

- (h) (I) The construction costs of the √Phase/Development is: HK\$[insert amount]
- (II) The professional fees in relation to completion of the √Phase/Development as confirmed by the Vendor to me in writing is: HK\$[insert amount]

- (III) The total of the construction costs and the professional fees (“the Total Development Costs”) for completion of the <sup>γ</sup>Phase/Development is: HK\$[*insert amount*]
- (i) As at [*insert date*] (“the Date”)<sup>(Note 1)</sup>, the following sums have been expended on the <sup>γ</sup>Phase/Development:
- (I) Construction costs HK\$[*insert amount*]
- (II) Professional fees HK\$[*insert amount*]
- (III) Total of (I) and (II) above HK\$[*insert amount*]
- (j) I have received written confirmation with supporting evidence from the Vendor that, as at the Date, in respect of the sums expended in (i) of this paragraph, the following sums have been paid:
- (I) Construction costs HK\$[*insert amount*]
- (II) Professional fees HK\$[*insert amount*]
- (III) Total of (I) and (II) above HK\$[*insert amount*]
- (k) The amount of that part of the Total Development Costs expended but not yet paid<sup>(Note 2)</sup> and that part of the Total Development Costs remaining to be expended to complete the <sup>γ</sup>Phase/Development<sup>(Note 3)</sup> is: HK\$[*insert amount*]
- (l) As at the Date, [*insert description of the stage the building works has reached*].
- (m) In my professional opinion, the provisions of the \*Government Lease dated [*insert date*]/Conditions of Sale/Conditions of Grant/Conditions of Exchange/New Grant No. [*insert number*] \*[as varied or modified by \*a Modification Letter/an Extension Letter/an Exclusion Order/a redevelopment order/an order for sale dated [*insert date*

---

<sup>(Note 1)</sup> The Date must not be more than 15 days before the date of this certificate.

<sup>(Note 2)</sup> The amount of that part of the Total Development Costs expended but not yet paid is the sum in paragraph (1)(i)(III) less the sum in paragraph (1)(j)(III).

<sup>(Note 3)</sup> The amount of that part of the Total Development Costs remaining to be expended to complete the Phase or the Development (as the case may be) is the sum in paragraph (1)(h)(III) less the sum in paragraph (1)(i)(III).

*of instrument*] and registered in the Land Registry by Memorial No. [*insert memorial number*] (“the Government Grant”) in respect of the <sup>0</sup>Phase/Development can be complied with by [*insert date estimated to be the material date within the meaning given by section 2 of the Residential Properties (First-hand Sales) Ordinance*].

- (n) \*[A certificate from an independent authorized person or quantity surveyor is not necessary.]

OR

The respective amounts set out in (h), (i), (j) and (k) of this paragraph will be verified and confirmed by [*insert name of independent authorized person/quantity surveyor*].]

(2) I undertake, in the event of my ceasing to be an authorized person for the <sup>7</sup>Phase/Development, to inform in writing Messrs. [*insert name(s) of solicitors’ firm(s) acting for the Vendor in the sale of units in the Phase or the Development (as the case may be)*] (“the Vendor’s Solicitors”) \*[and [*insert name of mortgagee under the Building Mortgage*] (“the Mortgagee”)] and the Legal Advisory and Conveyancing Office (“LACO”) of the Lands Department immediately. In the event of another authorized person being nominated to act temporarily in my absence in relation to the <sup>7</sup>Phase/Development, I understand that no certification from that authorized person will be accepted for the purposes of releasing monies from the stakeholder account or drawing of facilities under the Building Mortgage (if any) affecting the land except with the prior written approval of the Director of Lands.

(3) I undertake to inform in writing LACO, \*[the Mortgagee,] the Vendor and the Vendor’s Solicitors immediately if there is a change of information contained in paragraphs (1)(f)(II), (1)(h) and (1)(m) of this certificate.

(4) (a) <sup>ϕ</sup>(I) I confirm that:

- (i) the Vendor is a corporation and is a \*private/listed company; and
- (ii) the Building Contractor is a corporation and is a \*private/listed company; and
- (iii) the holding company of the Vendor, [*insert name of holding company of the Vendor*] (“the holding company of the Vendor”), is a \*private/listed company; and

- (iv) \*no director/a director/[insert number] directors of the Vendor \*is/are my immediate family member\*[s] \*[and \*no director/a director/[insert number] directors of the Vendor is an immediate family member/are immediate family members of [insert number] other authorized person\*[s] in the AP Company who \*is/are \*a proprietor/proprietors/a director/directors of the AP Company]; and
- (v) the secretary (company secretary) of the Vendor is \*[not] my immediate family member \*[and the secretary (company secretary) of the Vendor is \*[not] an immediate family member of [insert number] other authorized person\*[s] in the AP Company who \*is/are \*a proprietor/proprietors/a director/directors of the AP Company]; and
- (vi) no director/a director/[insert number] directors of the Building Contractor \*is/are my immediate family member\*[s] \*[and \*no director/a director/[insert number] directors of the Building Contractor \*is an immediate family member/are immediate family members of [insert number] other authorized person\*[s] in the AP Company who \*is/are \*a proprietor/proprietors/a director/directors of the AP Company]; and
- (vii) the secretary (company secretary) of the Building Contractor is \*[not] my immediate family member \*[and the secretary (company secretary) of the Building Contractor is \*[not] an immediate family member of [insert number] other authorized person\*[s] in the AP Company who \*is/are \*a proprietor/proprietors/a director/directors of the AP Company]; and
- (viii) \*no director/a director/[insert number] directors of the holding company of the Vendor \*is/are my immediate family member\*[s] \*[and \*no director/a director/[insert number] directors of the holding company of the Vendor \*is an immediate family member/are immediate family members of [insert number] other authorized person\*[s] in the AP Company who \*is/are \*a proprietor/proprietors/a director/directors of the AP Company]; and
- (ix) the secretary (company secretary) of the holding company of the Vendor is \*[not] my immediate family member \*[and the secretary (company secretary) of the holding company of the Vendor is \*[not] an immediate family member of [insert number] other authorized person\*[s] in the AP

Company who *\*is/are \*a proprietor/proprietors/a director/directors of the AP Company*]; and

- (x) I *\*[do not]* hold at least [*insert 1% where the Vendor is a listed company OR insert 10% where the Vendor is a private company*] of the issued shares in the Vendor *\*[and \*no/[insert number]* other authorized person*\*[s]* in the AP Company who *\*is/are \*a proprietor/proprietors/a director/directors of the AP Company \*each* holds at least [*insert 1% where the Vendor is a listed company OR insert 10% where the Vendor is a private company*] of the issued shares in the Vendor]; and
- (xi) I *\*[do not]* hold at least [*insert 1% where the holding company of the Vendor is a listed company OR insert 10% where the holding company of the Vendor is a private company*] of the issued shares in the holding company of the Vendor *\*[and \*no/[insert number]* other authorized person*\*[s]* in the AP Company who *\*is/are \*a proprietor/proprietors/a director/directors of the AP Company \*each* holds at least [*insert 1% where the holding company of the Vendor is a listed company OR insert 10% where the holding company of the Vendor is a private company*] of the issued shares in the holding company of the Vendor]; and
- (xii) I *\*[do not]* hold at least [*insert 1% where the Building Contractor is a listed company OR insert 10% where the Building Contractor is a private company*] of the issued shares in the Building Contractor *\*[and \*no/[insert number]* other authorized person*\*[s]* in the AP Company who *\*is/are \*a proprietor/proprietors/a director/directors of the AP Company \*each* holds at least [*insert 1% where the Building Contractor is a listed company OR insert 10% where the Building Contractor is a private company*] of the issued shares in the Building Contractor]; and
- (xiii) I am *\*[not]* an employee of the Vendor *\*[and \*no/[insert number]* other authorized person*\*[s]* in the AP Company who *\*is/are \*a proprietor/proprietors/a director/directors of the AP Company \*is an employee/are employees of the Vendor*]; and
- (xiv) I am *\*[not]* a director of the Vendor *\*[and \*no/[insert number]* other authorized person*\*[s]* in the AP Company who *\*is/are \*a proprietor/proprietors/a director/directors of the AP Company \*is a director/are directors of the Vendor*]; and



- (xv) I am \*[not] the secretary (company secretary) of the Vendor \*[and \*no/one other authorized person in the AP Company who is a \*proprietor/director of the AP Company is the secretary (company secretary) of the Vendor]; and
  
- (xvi) I am \*[not] an employee of the Building Contractor \*[and \*no/[insert number] other authorized person\*[s] in the AP Company who \*is/are \*a proprietor/proprietors/a director/directors of the AP Company \*is an employee/are employees of the Building Contractor]; and
  
- (xvii) I am \*[not] a director of the Building Contractor \*[and \*no/[insert number] other authorized person\*[s] in the AP Company who \*is/are \*a proprietor/proprietors/a director/directors of the AP Company \*is a director/are directors of the Building Contractor]; and
  
- (xviii) I am \*[not] the secretary (company secretary) of the Building Contractor \*[and \*no/one other authorized person in the AP Company who is a \*proprietor/director of the AP Company is the secretary (company secretary) of the Building Contractor]; and
  
- (xix) I am \*[not] an employee of the holding company of the Vendor \*[and \*no/[insert number] other authorized person\*[s] in the AP Company who \*is/are \*a proprietor/proprietors/a director/directors of the AP Company \*is an employee/are employees of the holding company of the Vendor]; and
  
- (xx) I am \*[not] a director of the holding company of the Vendor \*[and \*no/[insert number] other authorized person\*[s] in the AP Company who \*is/are \*a proprietor/proprietors/a director/directors of the AP Company \*is a director/are directors of the holding company of the Vendor]; and
  
- (xxi) I am \*[not] the secretary (company secretary) of the holding company of the Vendor \*[and \*no/one other authorized person in the AP Company who is a \*proprietor/director of the AP Company is the secretary (company secretary) of the holding company of the Vendor].

¥[(II) I have received confirmation in writing from the Vendor that:

- (i) the Building Contractor is \*[not] an associate corporation of the Vendor; and

- (ii) the Building Contractor is \*[not] an associate corporation of the holding company of the Vendor.]

∇[(III) I confirm that:

- (i) the AP Company is \*[not] an associate corporation of the Vendor; and
- (ii) the AP Company is \*[not] an associate corporation of the Building Contractor; and
- (iii) the AP Company is \*[not] an associate corporation of the holding company of the Vendor.]

∞[(b) (I) The Vendor has engaged [*insert name of corporation engaged*] (“the JV Partner”) to co-ordinate and supervise the process of designing, planning, constructing, fitting out, completing and marketing the ∇Phase/Development. I confirm that:

- (i) the JV Partner is a corporation and is a \*private/listed company; and
- (ii) the holding company of the JV Partner, [*insert name of the holding company of the JV Partner*] (“the holding company of the JV Partner”), is a \*private/listed company; and
- (iii) \*no director/a director/[*insert number*] directors of the JV Partner \*is/are my immediate family member\*[s] \*[and \*no director/a director/[*insert number*] directors of the JV Partner \*is an immediate family member/are immediate family members of [*insert number*] other authorized person\*[s] in the AP Company who \*is/are \*a proprietor/proprietors/a director/directors of the AP Company]; and
- (iv) the secretary (company secretary) of the JV Partner is \*[not] my immediate family member \*[and the secretary (company secretary) of the JV Partner is \*[not] an immediate family member of [*insert number*] other authorized person\*[s] in the AP Company who \*is/are \*a proprietor/proprietors/a director/directors of the AP Company]; and
- (v) \*no director/a director/[*insert number*] directors of the holding company of the JV Partner \*is/are my immediate family member\*[s] \*[and \*no director/a director/[*insert number*] directors of the holding company of the JV Partner \*is an immediate family member/are immediate family

members of [insert number] other authorized person\*[s] in the AP Company who \*is/are \*a proprietor/proprietors/a director/directors of the AP Company]; and

- (vi) the secretary (company secretary) of the holding company of the JV Partner is \*[not] my immediate family member \*[and the secretary (company secretary) of the holding company of the JV Partner is \*[not] an immediate family member of [insert number] other authorized person\*[s] in the AP Company who \*is/are \*a proprietor/proprietors/a director/directors of the AP Company]; and
- (vii) I \*[do not] hold at least [insert 1% where the JV Partner is a listed company OR insert 10% where the JV Partner is a private company] of the issued shares in the JV Partner \*[and \*no/[insert number] other authorized person\*[s] in the AP Company who \*is/are \*a proprietor/proprietors/a director/directors of the AP Company \*[each] holds at least [insert 1% where the JV Partner is a listed company OR insert 10% where the JV Partner is a private company] of the issued shares in the JV Partner]; and
- (viii) I \*[do not] hold at least [insert 1% where the holding company of the JV Partner is a listed company OR insert 10% where the holding company of the JV Partner is a private company] of the issued shares in the holding company of the JV Partner \*[and \*no/[insert number] other authorized person\*[s] in the AP Company who \*is/are \*a proprietor/proprietors/a director/directors of the AP Company \*[each] holds at least [insert 1% where the holding company of the JV Partner is a listed company OR insert 10% where the holding company of the JV Partner is a private company] of the issued shares in the holding company of the JV Partner]; and
- (ix) I am \*[not] an employee of the JV Partner \*[and \*no/[insert number] other authorized person\*[s] in the AP Company who \*is/are \*a proprietor/proprietors/a director/directors of the AP Company \*is an employee/are employees of the JV Partner]; and
- (x) I am \*[not] a director of the JV Partner \*[and \*no/[insert number] other authorized person\*[s] in the AP Company who \*is/are \*a proprietor/proprietors/a director/directors of the AP Company \*is a director/are directors of the JV Partner]; and

- (xi) I am \*[not] the secretary (company secretary) of the JV Partner \*[and \*no/one other authorized person in the AP Company who is a \*proprietor/director of the AP Company is the secretary (company secretary) of the JV Partner]; and
- (xii) I am \*[not] an employee of the holding company of the JV Partner \*[and \*no/[insert number] other authorized person\*[s] in the AP Company who \*is/are \*a proprietor/proprietors/a director/directors of the AP Company \*is an employee/are employees of the holding company of the JV Partner]; and
- (xiii) I am \*[not] a director of the holding company of the JV Partner \*[and \*no/[insert number] other authorized person\*[s] in the AP Company who \*is/are \*a proprietor/proprietors/a director/directors of the AP Company \*is a director/are directors of the holding company of the JV Partner]; and
- (xiv) I am \*[not] the secretary (company secretary) of the holding company of the JV Partner \*[and \*no/one other authorized person in the AP Company who is a \*proprietor/director of the AP Company is the secretary (company secretary) of the holding company of the JV Partner].

<sup>E</sup>[(II) I have received confirmation in writing from the Vendor that:

- (i) the Building Contractor is \*[not] an associate corporation of the JV Partner; and
- (ii) the Building Contractor is \*[not] an associate corporation of the holding company of the JV Partner.]

<sup>^</sup>[(III) I confirm that:

- (i) the AP Company is \*[not] an associate corporation of the JV Partner; and
- (ii) the AP Company is \*[not] an associate corporation of the holding company of the JV Partner.]]

(c) I undertake to inform in writing LACO, \*[the Mortgagee,] the Vendor and the Vendor's Solicitors immediately of any change of the information contained in

<sup>ϕ</sup>[(a)(I)(i) to (a)(I)(xxi)] <sup>ν</sup>[and (a)(III)(i) to (a)(III)(iii)] <sup>∞</sup>[and (b)(I)(i) to (b)(I)(xiv)] <sup>^</sup>[and (b)(III)(i) and (b)(III)(ii)] of this paragraph.

<sup>¥</sup>[(d) I also undertake to inform in writing LACO, \*[the Mortgagee,] and the Vendor's Solicitors on being notified by the Vendor of a change of the information contained in (a)(II)(i) and (a)(II)(ii) of this paragraph.]

<sup>∞E</sup>[(e) I further undertake to inform in writing LACO, \*[the Mortgagee,] and the Vendor's Solicitors on being notified by the Vendor of a change of the information contained in (b)(II)(i) and (b)(II)(ii) of this paragraph.]

(5) I undertake to provide to LACO and copy to \*[the Mortgagee,] the Vendor and the Vendor's Solicitors on a quarterly basis certificates in the form prescribed under the conditions of the Consent. Each of the quarterly certificates will be forwarded to the parties on or before the 15<sup>th</sup> day of the month following the quarter to which it relates:

- (a) until the issue by the Director of Lands of the consent to assign in respect of the <sup>γ</sup>Phase/Development; or
- (b) if no consent to assign has been issued, until the issue by the Director of Lands of a certificate of compliance in respect of the Development and the issue of a certificate by me to the Director of Lands confirming that the fittings, finishes and appliances of those units in the <sup>γ</sup>Phase/Development which have been sold under the Consent will be incorporated in accordance with the terms and conditions of the ASP,

at which time a final certificate covering the period from the end of the last quarter to either (a) or (b) of this paragraph will be submitted within 15 days of either (a) or (b) of this paragraph.

<sup>δ</sup>(6) For the purpose of this certificate,

(a) "associate corporation", in relation to a corporation, means-

(I) a subsidiary of the corporation; or

(II) a subsidiary of a holding company of the corporation;

(b) "authorized person" means an authorized person as defined in section 2(1) of the Buildings Ordinance;

- (c) “company secretary” has the meaning given by section 2(1) of the Companies Ordinance;
  - (d) “corporation” means-
    - (I) a company as defined by section 2(1) of the Companies Ordinance; or
    - (II) a company incorporated outside Hong Kong;
  - (e) “director” has the meaning given by section 2(1) of the Companies Ordinance;
  - (f) “holding company” means a holding company within the meaning of the Companies Ordinance;
  - (g) “immediate family member”, in relation to an individual, means a spouse, parent, child, sibling, grandparent or grandchild of the individual;
  - (h) “listed company” has the meaning given by section 2(1) of the Companies Ordinance;
  - (i) “private company” has the meaning given by section 11 of the Companies Ordinance;
  - (j) “proprietor”-
    - (I) in relation to a firm constituted of a sole proprietor, means the sole proprietor of the firm; or
    - (II) in relation to a firm constituted as a partnership, means a partner of the firm;
  - (k) “stakeholder account” means the client account maintained by the Vendor’s Solicitors for the purpose of placing purchase price under the terms and conditions of the ASP; and
  - (l) “subsidiary” means a subsidiary within the meaning of the Companies Ordinance.
- (7) A copy each of the Forms BA 4, BA 14, BD 103 and BA 10 referred to in this certificate is attached.

[insert name of authorized person]  
 Authorized Person for the <sup>Y</sup>Phase/Development

- \* Delete as appropriate.
- β For phased development (within the meaning of the Residential Properties (First-hand Sales) Ordinance) only. Delete as appropriate.
- γ Delete “Development” for phased development (within the meaning of the Residential Properties (First-hand Sales) Ordinance). Otherwise delete “Phase”.
- θ Delete “Development” for phased development (within the meaning of the Residential Properties (First-hand Sales) Ordinance) except the final phase of a phased development. Otherwise delete “Phase”.
- φ Amend as appropriate where the Vendor or the Building Contractor is an individual or a partnership or where the Vendor is a corporation, there is no or there are more than one holding company of the Vendor.
- ¥ Applicable where both the Building Contractor and the Vendor are corporations. If applicable, amend as appropriate where there is no or there are more than one holding company of the Vendor.
- ν Applicable where the AP Company is a corporation. If applicable, amend as appropriate where the Vendor or the Building Contractor is an individual or a partnership or where the Vendor is a corporation, there is no or there are more than one holding company of the Vendor.
- ∞ Applicable where there is a person engaged to co-ordinate and supervise the process of designing, planning, constructing, fitting out, completing and marketing the Development or the Phase (as the case may be). If applicable, amend as appropriate where the person so engaged is an individual or a partnership or where the person so engaged is a corporation, there is no or there are more than one holding company of the corporation so engaged.
- Æ Applicable where both the Building Contractor and the JV Partner are corporations. If applicable, amend as appropriate where there is no or there are more than one holding company of the JV Partner.
- ^ Applicable where both the AP Company and the JV Partner are corporations. If applicable, amend as appropriate where there is no or there are more than one holding company of the JV Partner.
- ∂ Delete definition(s) as appropriate.

**UNDERTAKING AS TO PARTIAL RELEASE**

To: *[insert name and address of registered owner of land]*

Lot No.: *[insert lot number]* (“the land”)

Development: *[insert name of development]* (“the Development”)

<sup>β</sup>[Phase: Phase *[insert phase number]* of the Development (“the Phase”)]

1. WE, *[insert name and address/registered office of mortgagee under the building mortgage of the land]*, IRREVOCABLY UNDERTAKE with you, your successors and assigns that, notwithstanding any provisions to the contrary contained in any documents entered into between us in relation to the provision of finance for completion of the \*Phase comprising *[insert description of buildings comprising the Phase]*/Development including but not limited to the \*building mortgage/debenture dated *[insert date of instrument]* and registered in the Land Registry by Memorial No. *[insert memorial number]* (“the Building Mortgage”), in the event of your entering into any agreement for sale and purchase (“ASP”) of any share or interest in the land together with the right to the exclusive use, occupation and enjoyment of any unit in the <sup>γ</sup>Phase/Development, the terms and conditions of which have been approved by us, if the total purchase price under the ASP is fully paid into the stakeholder account, then, upon completion of the sale and purchase, we shall unconditionally execute a partial release as may be necessary to discharge, reassign and release the relevant share or interest in the land together with the right to the exclusive use, occupation and enjoyment of the relevant unit in the <sup>γ</sup>Phase/Development from the security of the Building Mortgage.

2. For the purpose of this Undertaking, “stakeholder account” shall be as defined in a tripartite stakeholder agreement entered into or to be entered into under the conditions of the consent to the sale of units in the <sup>γ</sup>Phase/Development issued by the Director of Lands under the provisions of \*the Government Lease dated *[insert date]*/Conditions of Sale/Conditions of Grant/Conditions of Exchange/New Grant No. *[insert number]* \*[as varied or modified by \*a Modification Letter/an Extension Letter/an Exclusion Order/a redevelopment order/an order for sale dated *[insert date of instrument]* and registered in the Land Registry by Memorial No. *[insert memorial number]*] under which the land is held from the Government of the Hong Kong Special Administrative Region.



IN WITNESS whereof we have executed this Undertaking as a deed this [ ] day of [ ] 20[ ].

\*[∅[SEALED with the Common Seal of )  
[insert name of mortgagee] and SIGNED )  
by [insert name(s) and description of )  
office(s) of authorized signatory(ies)] )  
whose signature(s) is/are verified by:- )

Solicitor, Hong Kong SAR]

OR

©[EXECUTED and DELIVERED )  
as a deed by [insert name of mortgagee] )  
acting through [insert name(s) and )  
description of office(s) of )  
authorized signatory(ies)] whose )  
signature(s) is/are verified by:- )

Solicitor, Hong Kong SAR]]

\*[SIGNED SEALED and DELIVERED )  
by [insert name(s) of attorney(s)], the )  
lawful attorney(s) of [insert name of )  
mortgagee] whose signature(s) is/are )  
verified by:- )

Solicitor, Hong Kong SAR]

I, [*insert name of solicitor*], confirm that the above Undertaking has been duly authorized by [*insert name of mortgagee*] and duly executed as a deed by \*it/its lawful attorney(s) pursuant to a Power of Attorney granted by it.

Solicitor, Hong Kong SAR

- β For phased development (within the meaning of the Residential Properties (First-hand Sales) Ordinance) only. Delete as appropriate.
- \* Delete as appropriate.
- γ Delete “Development” for phased development (within the meaning of the Residential Properties (First-hand Sales) Ordinance). Otherwise delete “Phase”.
- ∅ For execution by mortgagee under its common seal in accordance with the provisions of its articles.
- © For execution by mortgagee in accordance with section 127(3) of the Companies Ordinance.

## Appendix VI

**(Form A – For use where the outstanding development costs is financed by Finance Undertaking only)**

### FINANCE UNDERTAKING

To: (1) The Government of the Hong Kong Special Administrative Region  
(2) The Director of Lands

Lot No.: [*insert lot number*] (“the land”)

Development: [*insert name of development*] (“the Development”)

<sup>β</sup>[Phase: Phase [*insert phase number*] of the Development (“the Phase”)]

1. IN CONSIDERATION of the Director of Lands granting consent (“the Consent”) under Special Condition No. [*insert number*] of the \*Government Lease dated [*insert date*]/Conditions of Sale/Conditions of Grant/Conditions of Exchange/New Grant No. [*insert number*] \*[as varied or modified by \*a Modification Letter/an Extension Letter/an Exclusion Order/a redevelopment order/an order for sale dated [*insert date of instrument*] and registered in the Land Registry by Memorial No. [*insert memorial number*]] (“the Government Grant”) under which the land is held from the Government of the Hong Kong Special Administrative Region to [*insert name of registered owner of the land*] (“the Vendor”) to enter into agreements for sale and purchase (“the ASP”) of undivided shares of and in the land together with the right to the exclusive use, occupation and enjoyment of units in the \*Phase comprising [*insert description of buildings comprising the Phase*]/Development as more particularly described in the ASP, prior to full compliance with the terms and conditions of the Government Grant, WE, [*insert name and address/registered office of licensed bank or registered deposit-taking company*], UNDERTAKE COVENANT AND CONFIRM that should the Vendor for any reason be unable to finance the completion of the <sup>γ</sup>Phase/Development in accordance with the terms and conditions of the Government Grant and the ASP, we shall pay any amounts to the Vendor or to any other person or persons as the Director of Lands shall direct, in either case as will ensure completion of the <sup>γ</sup>Phase/Development PROVIDED always that:-

(1) Our liability under this Undertaking shall be limited to whichever is the lesser of :

- (a) HK\$[insert amount as certified by an authorized person in his certificate in support of the application for the Consent]; and
  - (b) the total of the amounts being that part of the total construction costs and the total professional fees expended but not yet paid and that part of the total construction costs and the total professional fees remaining to be expended to complete the <sup>y</sup>Phase/Development at any time certified by the Authorized Person (as defined in the ASP) (“the Authorized Person”) as being required to complete the <sup>y</sup>Phase/Development (“the Outstanding Development Costs”), as reduced by the total of the amount(s) from time to time remaining in the stakeholder account(s) maintained by the solicitors acting for the Vendor in the sale of units in the <sup>y</sup>Phase/Development (“the Vendor’s Solicitors”) under the terms and conditions of the ASP.
- (2) Our liability under this Undertaking will automatically cease and determine on whichever is the earliest of the following:
- (a) the [ ] day of [ ] 20[ ] [this date to be whichever is the later of (i) the date which is 12 calendar months after the estimated material date in respect of the Development or the Phase (as the case may be), as certified by the Authorized Person at the time this Undertaking is given, and (ii) the date which is 12 calendar months after the expiry date of the building covenant period in the Government Grant]; or
  - (b) upon (i) the issue by the Director of Lands of the consent to assign in relation to the <sup>y</sup>Phase/Development, or (ii) if no consent to assign has been issued, the issue by the Director of Lands of a certificate of compliance in respect of the Development and the issue of a certificate by the Authorized Person to the Director of Lands confirming that the fittings, finishes and appliances of those units in the <sup>y</sup>Phase/Development which have been sold under the Consent will be incorporated in accordance with the terms and conditions of the ASP; or
  - (c) when the total of the amount(s) in the stakeholder account(s) maintained by the Vendor’s Solicitors is sufficient to meet the Outstanding Development Costs; or
  - (d) when our liability under this Undertaking, as ascertained in accordance with paragraph 1(1) above, has been reduced to zero.

2. For the purpose of determining from time to time our contingent liability under this Undertaking, we are entitled to rely upon certificates from the Vendor’s Solicitors maintaining the relevant stakeholder account(s) certifying as to the aggregate amounts maintained in these accounts and upon certificates from the Authorized Person certifying the Outstanding Development Costs.

3. We are entitled to require this Undertaking to be returned to us for cancellation when our liability under this Undertaking has ceased and determined in accordance with paragraph 1(2) above.

IN WITNESS whereof we have executed this Undertaking as a deed this [ ] day of [ ] 20[ ].

\*[<sup>Ø</sup>[SEALED with the Common Seal of )  
[insert name of licensed bank or registered )  
deposit-taking company] and SIGNED by )  
[insert name(s) and description of office(s) )  
of authorized signatory(ies)] whose )  
signature(s) is/are verified by:- )

Solicitor, Hong Kong SAR]

OR

©[EXECUTED and DELIVERED )  
as a deed by [insert name of licensed bank )  
or registered deposit-taking company] )  
acting through [insert name(s) and )  
description of office(s) of )  
authorized signatory(ies)] whose )  
signature(s) is/are verified by:- )

Solicitor, Hong Kong SAR]]

\*[SIGNED SEALED and DELIVERED    )  
by [*insert name(s) of attorney(s)*], the    )  
lawful attorney(s) of [*insert name of*    )  
*licensed bank or registered deposit-taking*    )  
*company*] whose signature(s) is/are    )  
verified by:-    )

Solicitor, Hong Kong SAR]

I, [*insert name of solicitor*], confirm that the above Undertaking has been duly authorized by [*insert name of licensed bank or registered deposit-taking company*] and duly executed as a deed by \*it/its lawful attorney(s) pursuant to a Power of Attorney granted by it.

Solicitor, Hong Kong SAR

- β For phased development (within the meaning of the Residential Properties (First-hand Sales) Ordinance) only. Delete as appropriate.
- \* Delete as appropriate.
- γ Delete “Development” for phased development (within the meaning of the Residential Properties (First-hand Sales) Ordinance). Otherwise delete “Phase”.
- ∅ For execution by licensed bank or registered deposit-taking company under its common seal in accordance with the provisions of its articles.
- © For execution by licensed bank or registered deposit-taking company in accordance with section 127(3) of the Companies Ordinance.



**(Form B – For use where the outstanding development costs is financed by both Building Mortgage and Finance Undertaking)**

**FINANCE UNDERTAKING**

To: (1) The Government of the Hong Kong Special Administrative Region  
(2) The Director of Lands

Lot No.: [*insert lot number*] (“the land”)

Development: [*insert name of development*] (“the Development”)

<sup>β</sup>[Phase: Phase [*insert phase number*] of the Development (“the Phase”)]

1. IN CONSIDERATION of the Director of Lands granting consent (“the Consent”) under Special Condition No. [*insert number*] of the \*Government Lease dated [*insert date*]/Conditions of Sale/Conditions of Grant/Conditions of Exchange/New Grant No. [*insert number*] \*[as varied or modified by \*a Modification Letter/an Extension Letter/an Exclusion Order/a redevelopment order/an order for sale dated [*insert date of instrument*] and registered in the Land Registry by Memorial No. [*insert memorial number*]] (“the Government Grant”) under which the land is held from the Government of the Hong Kong Special Administrative Region to [*insert name of registered owner of the land*] (“the Vendor”) to enter into agreements for sale and purchase (“the ASP”) of undivided shares of and in the land together with the right to the exclusive use, occupation and enjoyment of units in the \*Phase comprising [*insert description of buildings comprising the Phase*]/Development as more particularly described in the ASP, prior to full compliance with the terms and conditions of the Government Grant, WE, [*insert name and address/registered office of licensed bank or registered deposit-taking company*], UNDERTAKE COVENANT AND CONFIRM that should the Vendor for any reason be unable to finance the completion of the <sup>γ</sup>Phase/Development in accordance with the terms and conditions of the Government Grant and the ASP, we shall pay any amounts to the Vendor or to any other person or persons as the Director of Lands shall direct, in either case as will ensure completion of the <sup>γ</sup>Phase/Development PROVIDED always that:-

(1) Our liability under this Undertaking shall be limited to whichever is the lesser of :

- (a) HK\$[insert the aggregate amounts of the total construction costs and the total professional fees of the *ʸ*Phase/Development as certified by an authorized person in his certificate in support of the application for the Consent less the amount of the facilities granted or to be granted by the Mortgagee (as hereinafter defined) under the Building Mortgage (as hereinafter defined) to finance the total construction costs and the total professional fees of the *ʸ*Phase/Development]; and
  - (b) the total of the amounts being that part of the total construction costs and the total professional fees expended but not yet paid and that part of the total construction costs and the total professional fees remaining to be expended to complete the *ʸ*Phase/Development at any time (“the relevant time”) certified by the Authorized Person (as defined in the ASP) (“the Authorized Person”) as being required to complete the *ʸ*Phase/Development (“the Outstanding Development Costs”), as reduced by (i) the amount of the facilities remaining undrawn (“the Undrawn Balance”) at the relevant time under a \*building mortgage/debenture dated [insert date of instrument] and registered in the Land Registry by Memorial No. [insert memorial number] (“the Building Mortgage”) as certified by [insert name of licensed bank or registered deposit-taking company] (“the Mortgagee”) which may be used to finance the Outstanding Development Costs and (ii) the total of the amount(s) from time to time remaining in the stakeholder account(s) maintained by the solicitors acting for the Vendor in the sale of units in the *ʸ*Phase/Development (“the Vendor’s Solicitors”) under the terms and conditions of the ASP.
- (2) Our liability under this Undertaking will automatically cease and determine on whichever is the earliest of the following:
- (a) the [ ] day of [ ] 20[ ] [this date to be whichever is the later of (i) the date which is 12 calendar months after the estimated material date in respect of the Development or the Phase (as the case may be), as certified by the Authorized Person at the time this Undertaking is given, and (ii) the date which is 12 calendar months after the expiry date of the building covenant period in the Government Grant]; or
  - (b) upon (i) the issue by the Director of Lands of the consent to assign in relation to the *ʸ*Phase/Development, or (ii) if no consent to assign has been issued, the issue by the Director of Lands of a certificate of compliance in respect of the

Development and the issue of a certificate by the Authorized Person to the Director of Lands confirming that the fittings, finishes and appliances of those units in the 'Phase/Development which have been sold under the Consent will be incorporated in accordance with the terms and conditions of the ASP; or

- (c) when the total of the amount(s) in the stakeholder account(s) maintained by the Vendor's Solicitors is sufficient to meet the Outstanding Development Costs; or
- (d) when our liability under this Undertaking, as ascertained in accordance with paragraph 1(1) above, has been reduced to zero.

2. For the purpose of determining from time to time our contingent liability under this Undertaking, we are entitled to rely upon certificates from the Vendor's Solicitors maintaining the relevant stakeholder account(s) certifying as to the aggregate amounts maintained in these accounts and upon certificates from the Mortgagee certifying the Undrawn Balance and upon certificates from the Authorized Person certifying the Outstanding Development Costs.

3. We are entitled to require this Undertaking to be returned to us for cancellation when our liability under this Undertaking has ceased and determined in accordance with paragraph 1(2) above.

IN WITNESS whereof we have executed this Undertaking as a deed this [ ] day of [ ] 20[ ].

\*[<sup>o</sup>SEALED with the Common Seal of )  
[insert name of licensed bank or registered )  
deposit-taking company] and SIGNED by )  
[insert name(s) and description of office(s) )  
of authorized signatory(ies)] whose )  
signature(s) is/are verified by:- )

Solicitor, Hong Kong SAR]

OR

©[EXECUTED and DELIVERED )  
as a deed by [*insert name of licensed bank* )  
*or registered deposit-taking company*] )  
acting through [*insert name(s) and* )  
*description of office(s) of* )  
*authorized signatory(ies)*] whose )  
signature(s) is/are verified by:- )

Solicitor, Hong Kong SAR]]

\*[SIGNED SEALED and DELIVERED )  
by [*insert name(s) of attorney(s)*], the )  
lawful attorney(s) of [*insert name of* )  
*licensed bank or registered deposit-taking* )  
*company*] whose signature(s) is/are )  
verified by:- )

Solicitor, Hong Kong SAR]

I, [*insert name of solicitor*], confirm that the above Undertaking has been duly authorized by [*insert name of licensed bank or registered deposit-taking company*] and duly executed as a deed by \*it/its lawful attorney(s) pursuant to a Power of Attorney granted by it.

Solicitor, Hong Kong SAR

- β For phased development (within the meaning of the Residential Properties (First-hand Sales) Ordinance) only. Delete as appropriate.
- \* Delete as appropriate.
- γ Delete “Development” for phased development (within the meaning of the Residential Properties (First-hand Sales) Ordinance). Otherwise delete “Phase”.
- ∅ For execution by licensed bank or registered deposit-taking company under its common seal in accordance with the provisions of its articles.
- © For execution by licensed bank or registered deposit-taking company in accordance with section 127(3) of the Companies Ordinance.

**List of Information to be included in Sales Brochure for Parking Space**

- (A) The sales brochure for parking space must state -
- (1) the postal address of the development as confirmed with the Commissioner of Rating and Valuation;
  - (2)
    - (a) the date estimated to be the date on which the conditions of the land grant are complied with in respect of the development (“the estimated material date”), as provided by the authorized person for the development;
    - (b) that the estimated material date is subject to any extension of time that is permitted under the agreement for sale and purchase; and
    - (c) that for the purpose of the agreement for sale and purchase, the issue of a certificate of compliance or consent to assign by the Director of Lands is conclusive evidence that the development has been completed or is deemed to be completed (as the case may be) without limiting any other means by which the completion of the development may be proved;
  - (3) the names of the following -
    - (a) the vendor, and if a vendor is a corporation, every holding company of that vendor;
    - (b) the person engaged by the vendor to co-ordinate and supervise the process of designing, planning, constructing, fitting out, completing and marketing the development (“JV Partner”), and if a JV Partner is a corporation, every holding company of that JV Partner;
    - (c) the authorized person for the development, and the firm or corporation of which an authorized person for the development is a proprietor, director or employee in his or her professional capacity;
    - (d) the building contractor for the development;
    - (e) the firm of solicitors acting for the vendor in relation to the sale of parking spaces in the development;
    - (f) any licensed bank or registered deposit-taking company authorized under section 16 of the Banking Ordinance that has made a loan, or has undertaken to provide finance, for the construction of the development;

- (g) any other person who has made a loan for the construction of the development;
- (4) the following facts (if they exist) -
- (a) the vendor or the JV Partner or a building contractor for the development is an individual, and that vendor or JV Partner or contractor is an immediate family member of an authorized person for the development;
  - (b) the vendor or the JV Partner or a building contractor for the development is a partnership, and a partner of that vendor or JV Partner or contractor is an immediate family member of such an authorized person;
  - (c) the vendor or the JV Partner or a building contractor for the development is a corporation, and a director or the secretary (company secretary) of that vendor or JV Partner or contractor (or a holding company of that vendor or JV Partner) is an immediate family member of such an authorized person;
  - (d) the vendor or the JV Partner or a building contractor for the development is an individual, and that vendor or JV Partner or contractor is an immediate family member of an associate of such an authorized person;
  - (e) the vendor or the JV Partner or a building contractor for the development is a partnership, and a partner of that vendor or JV Partner or contractor is an immediate family member of an associate of such an authorized person;
  - (f) the vendor or the JV Partner or a building contractor for the development is a corporation, and a director or the secretary (company secretary) of that vendor or JV Partner or contractor (or a holding company of that vendor or JV Partner) is an immediate family member of an associate of such an authorized person;
  - (g) the vendor or the JV Partner or a building contractor for the development is an individual, and that vendor or JV Partner or contractor is an immediate family member of a proprietor of a firm of solicitors acting for the vendor in relation to the sale of parking spaces in the development;
  - (h) the vendor or the JV Partner or a building contractor for the development is a partnership, and a partner of that vendor or JV Partner or contractor is an immediate family member of a proprietor of a firm of solicitors acting for the vendor in relation to the sale of parking spaces in the development;

- (i) the vendor or the JV Partner or a building contractor for the development is a corporation, and a director or the secretary (company secretary) of that vendor or JV Partner or contractor (or a holding company of that vendor or JV Partner) is an immediate family member of a proprietor of such a firm of solicitors

(and for the purposes of this sub-paragraph (4) -

- (a) the name of the authorized person must be stated in the case of sub-paragraph (4)(a), (4)(b), (4)(c), (4)(d), (4)(e) or (4)(f);
- (b) the name of the firm of solicitors must be stated in the case of sub-paragraph (4)(g), (4)(h) or (4)(i);
- (c) it is not required to state whether the authorized person, associate or proprietor is -
  - (i) a spouse;
  - (ii) a parent;
  - (iii) a child;
  - (iv) a sibling;
  - (v) a grandparent; or
  - (vi) a grandchild,of the vendor, JV Partner, contractor, partner, director or secretary (company secretary); and
- (d) it is not required, in the case of sub-paragraph (4)(c), (4)(f) or (4)(i), to state the name of the director or secretary (company secretary));

(5) the following facts (if they exist) -

- (a) the vendor, a holding company of the vendor, the JV Partner, a holding company of the JV Partner, or a building contractor for the development, is a private company, and an authorized person for the development, or an associate of such an authorized person, holds at least 10% of the issued shares in that vendor, JV Partner, holding company or contractor;
- (b) the vendor, a holding company of the vendor, the JV Partner, a holding company of the JV Partner, or a building contractor for the development, is a listed company, and such an authorized person, or such an associate, holds at least 1% of the issued shares in that vendor, JV Partner, holding company or contractor;



- (c) the vendor, the JV Partner or a building contractor for the development is a corporation, and such an authorized person, or such an associate, is an employee, director or secretary (company secretary) of that vendor, JV Partner or contractor or of a holding company of that vendor or JV Partner;
- (d) the vendor, the JV Partner or a building contractor for the development is a partnership, and such an authorized person, or such an associate, is an employee of that vendor, JV Partner or contractor;
- (e) the vendor, a holding company of the vendor, the JV Partner, a holding company of the JV Partner, or a building contractor for the development, is a private company, and a proprietor of a firm of solicitors acting for the vendor in relation to the sale of parking spaces in the development holds at least 10% of the issued shares in that vendor, JV Partner, holding company or contractor;
- (f) the vendor, a holding company of the vendor, the JV Partner, a holding company of the JV Partner, or a building contractor for the development, is a listed company, and a proprietor of such a firm of solicitors holds at least 1% of the issued shares in that vendor, JV Partner, holding company or contractor;
- (g) the vendor, the JV Partner or a building contractor for the development is a corporation, and a proprietor of such a firm of solicitors is an employee, director or secretary (company secretary) of that vendor, JV Partner or contractor or of a holding company of that vendor or JV Partner;
- (h) the vendor, the JV Partner or a building contractor for the development is a partnership, and a proprietor of such a firm of solicitors is an employee of that vendor, JV Partner or contractor;
- (i) the vendor, the JV Partner or a building contractor for the development is a corporation, and the corporation of which an authorized person for the development is a director or employee in his or her professional capacity is an associate corporation of that vendor, JV Partner or contractor or of a holding company of that vendor or JV Partner;
- (j) the vendor, the JV Partner or a building contractor for the development is a corporation, and that contractor is an associate corporation of that vendor, JV Partner or of a holding company of that vendor or JV Partner

(and for the purposes of this sub-paragraph (5) -

- (a) the name of the authorized person must be stated in the case of sub-paragraph (5)(a), (5)(b), (5)(c) or (5)(d);

- (b) the name of the firm of solicitors must be stated in the case of sub-paragraph (5)(e), (5)(f), (5)(g) or (5)(h); and
  - (c) it is not required, in the case of sub-paragraph (5)(a), (5)(b), (5)(e) or (5)(f), to state the percentage or amount of share holding).
- (B) The sales brochure for parking space must contain -
- (1) the floor plans of the parking spaces in the development each of which must -
    - (a) show the location of the parking spaces;
    - (b) state the number of the parking spaces; and
    - (c) state the dimensions and area of each of the parking spaces;
  - (2) a summary of the provisions of the preliminary agreement for sale and purchase that deal with the following matters -
    - (a) that a preliminary deposit of 5% is payable on the signing of that preliminary agreement;
    - (b) that the preliminary deposit paid by the purchaser on the signing of that preliminary agreement will be held by a firm of solicitors acting for the vendor, as stakeholders;
    - (c) that if the purchaser fails to execute the agreement for sale and purchase within 5 working days after the date on which the purchaser enters into that preliminary agreement -
      - (i) that preliminary agreement is terminated;
      - (ii) the preliminary deposit is forfeited; and
      - (iii) the vendor does not have any further claim against the purchaser for the failure;
  - (3) a summary of provisions of the draft deed of mutual covenant or the deed of mutual covenant, as applicable, that deal with the following matters -
    - (a) the number of undivided shares assigned to each parking space in the development;
    - (b) the basis on which the management expenses are shared among the owners of the parking spaces in the development;
    - (c) the basis on which the management fee deposit is fixed;
  - (4) a summary of provisions of the land grant concerning the following -

- (a) the term of years under the lease;
- (b) the restrictions on alienation of the parking spaces (if any);
- (c) the lease conditions that are onerous to a purchaser of parking space.

(C) The sales brochure for parking space must state -

- (1) a recommendation to the purchaser to instruct a separate firm of solicitors (other than that acting for the vendor) to act for the purchaser in relation to the transaction and the following -
  - (a) that if the purchaser instructs such separate firm of solicitors to act for the purchaser in relation to the transaction, that firm will be able to give independent advice to the purchaser;
  - (b) that if the purchaser instructs the firm of solicitors acting for the vendor to act for the purchaser as well, and a conflict of interest arises between the vendor and the purchaser -
    - (i) that firm may not be able to protect the purchaser's interests; and
    - (ii) the purchaser may have to instruct a separate firm of solicitors; and
  - (c) that in the case of sub-paragraph (1)(b)(ii) above, the total solicitors' fees payable by the purchaser may be higher than the fees that would have been payable if the purchaser had instructed a separate firm of solicitors in the first place;
- (2) the date up to which the vendor is liable for the Government rent payable for the parking spaces;
- (3) the liability of the purchaser to reimburse the vendor for the deposits (if any) for the supply of water, electricity and gas to the common parts of the development on the delivery of the vacant possession of the parking space to the purchaser, whether or not the amount of the deposits is yet to be ascertained at the date on which the sales brochure for parking space is printed;
- (4) the duration of the period during which the vendor is liable to make good any defect in the parking space, as provided in the agreement for sale and purchase;
- (5) if the land grant requires the owners in the development to maintain any slope at their own cost, that each of the owners is obliged to contribute towards the costs of the maintenance work.

(D) The sales brochure for parking space must include the following statements -

- (1) a statement that the purchaser is required to agree with the vendor in the agreement for sale and purchase to the effect that other than entering into a mortgage or charge, the purchaser will not nominate any person to take up the assignment of the parking space, sub-sell the parking space or transfer the benefit of the agreement for sale and purchase of the parking space in any manner whatsoever or enter into any agreement so to do before completion of the sale and purchase and execution of the assignment;
- (2) a statement that if the vendor, at the request of the purchaser of a parking space, agrees (at its own discretion) to cancel an agreement for sale and purchase or the obligations of the purchaser under the agreement for sale and purchase, the vendor is entitled to retain the sum of 5% of the purchase price and the purchaser will in addition pay or reimburse (as the case may be) to the vendor all legal costs, charges and disbursements (including any stamp duty) in connection with the cancellation of the agreement for sale and purchase; and
- (3) a statement that a purchaser who has signed an agreement for sale and purchase has a right of access to and will, upon his request, be provided with a hard copy of an updated record of information as to the total construction costs and the total professional fees to complete the development as well as the total construction costs and the total professional fees expended and paid as at the end of the month preceding the month at which the request is made subject to payment of a nominal fee of not more than HK\$100 per request.

[Note 1 - For the purpose of this Appendix,

- (1) “associate”, in relation to an authorized person, means -
  - (a) a proprietor of the firm of which the authorized person is a proprietor in his or her professional capacity; or
  - (b) a director of the corporation of which the authorized person is a director in his or her professional capacity;
- (2) “associate corporation”, in relation to a corporation, means -
  - (a) a subsidiary of the corporation; or
  - (b) a subsidiary of a holding company of the corporation;
- (3) “authorized person” means an authorized person who is appointed under section 4(1)(a) or 4(2) of the Buildings Ordinance as a co-ordinator of building works for the development or the phase;
- (4) “building contractor” means a registered general building contractor who is appointed under section 9(1) or 9(3) of the Buildings Ordinance to carry out building works for the development or the phase;
- (5) “company secretary” has the meaning given by section 2(1) of the Companies Ordinance;
- (6) “corporation” means -
  - (a) a company as defined by section 2(1) of the Companies Ordinance; or
  - (b) a company incorporated outside Hong Kong;
- (7) “director” has the meaning given by section 2(1) of the Companies Ordinance;
- (8) “holding company” means a holding company within the meaning of the Companies Ordinance;
- (9) “immediate family member”, in relation to an individual, means a spouse, parent, child, sibling, grandparent or grandchild of the individual;
- (10) “listed company” has the meaning given by section 2(1) of the Companies Ordinance;
- (11) “private company” has the meaning given by section 11 of the Companies Ordinance;
- (12) “proprietor” -
  - (a) in relation to a firm constituted of a sole proprietor, means the sole proprietor of the firm; or

(b) in relation to a firm constituted as a partnership, means a partner of the firm; and

(13) “subsidiary” means a subsidiary within the meaning of the Companies Ordinance.

Note 2 - If the development is divided into 2 or more phases, a reference in this Appendix to the development is a reference to the phase of which the parking spaces form part.]

**TERMS AND CONDITIONS**  
**IN A TRIPARTITE STAKEHOLDER AGREEMENT**

- (1) The Vendor shall instruct the Vendor's Solicitors to open, maintain and operate, and the Vendor's Solicitors shall open, maintain and operate, with the Mortgagee a stakeholder account designated for the <sup>y</sup>Phase/Development ("stakeholder account").
- (2) The Vendor and the Vendor's Solicitors shall arrange the sale of units in respect of which consent has been given by the Director of Lands to enter into agreements for sale and purchase ("Consent") so that all payments (including payment of any preliminary deposit) however made (e.g. electronic payment) under any agreements for sale and purchase (including any preliminary agreements for sale and purchase) entered into between the Vendor and purchasers ("sales proceeds") are made directly to the stakeholder account. The Vendor's Solicitors shall, within 7 working days of payment or as soon as practicable upon request by the Mortgagee, provide the Mortgagee with a detailed list of units for which immediate full payment of the purchase price or payment of balance of the purchase price has been made for the purpose of the unconditional release from the building mortgage referred to in paragraph (4) below.
- (3) The Vendor's Solicitors shall hold the sales proceeds as stakeholder and shall not release any of the sales proceeds from the stakeholder account except –
  - (a) in accordance with the terms and conditions of the Tripartite Stakeholder Agreement as set out in this Appendix, the terms and conditions of the agreement for sale and purchase approved by the Director of Lands ("ASP") and the conditions imposed by the Director of Lands in giving the Consent; and
  - (b) with the prior written approval of the Mortgagee and with the prior written agreement of all of the solicitors' firms acting for the Vendor in the sale of units in the <sup>y</sup>Phase/Development, provided that the Mortgagee may withhold its approval in accordance with the terms and conditions of the building mortgage if, e.g. it has any reasonable doubts on any matter on which it requires to be satisfied under the building mortgage.

- (4) The Mortgagee irrevocably undertakes to, upon completion of the sale and purchase, release unconditionally from the security of the building mortgage, any share or interest in the land together with the right to the exclusive use, occupation and enjoyment of any unit in the <sup>y</sup>Phase/Development, in respect of which the total purchase price under an ASP, the terms and conditions of which have been approved by the Mortgagee, is fully paid into the stakeholder account.
- (5) The Vendor's Solicitors shall, on or before the 15th day of each calendar month, provide to the Vendor and copy to the Mortgagee, the Housing Bureau and the Legal Advisory and Conveyancing Office of the Lands Department each with a report in a form prescribed by the Director of Lands, on a calendar monthly basis, setting out information relating to the progress of sale of units, receipt and application of the sales proceeds, details of units for which immediate full payment of the purchase price or payment of the balance of the purchase price has been made during the preceding month and any other information which the Director of Lands may require under the conditions of the Consent.
- (6) In the event of the Vendor's Solicitors ceasing to act in the sale of any units in the <sup>y</sup>Phase/Development, the Vendor shall, in addition to other requirements under the conditions of the Consent, procure the solicitors' firm appointed by the Vendor to substitute the Vendor's Solicitors to enter into a similar Tripartite Stakeholder Agreement which shall include the terms and conditions as set out in this Appendix.
- (7) The Vendor and the Vendor's Solicitors shall not assign or transfer any of their respective rights and obligations under the Tripartite Stakeholder Agreement without the prior written consent of the Director of Lands.
- (8) If the Authorized Person informs the Vendor's Solicitors that the costs required to complete the <sup>y</sup>Phase/Development have exceeded or will exceed the total of the construction costs and the professional fees previously certified by the Authorized Person in obtaining the Consent, the Vendor's Solicitors may (subject to the terms and conditions of the building mortgage) continue to release money from the stakeholder account, provided that the Vendor's Solicitors shall not release from the stakeholder account any amount over and above the respective amounts of the total construction costs and the total professional fees previously certified by the Authorized Person in obtaining the Consent until sufficient proof of adequate finance to cover also the excess amount has been produced to the satisfaction of Director of Lands.



<sup>7</sup> Delete “Development” for phased development (within the meaning of the Residential Properties (First-hand Sales) Ordinance). Otherwise delete “Phase”.

**\*MONTHLY/FINAL REPORT BY SOLICITORS**

**Report on funds in the stakeholder account and progress of sale as at the last day of the month of \_\_\_\_\_, 20\_\_\_\_\_.**

To: [insert name of registered owner of land]

- c.c. (1) Housing Bureau (Attn: Principal Assistant Secretary for Housing (Private Housing))  
(2) Legal Advisory and Conveyancing Office of Lands Department  
\*[(3) [insert name of mortgagee under building mortgage]]

1. Lot No. of the land (“the land”): \_\_\_\_\_
2. Name of the registered owner of the land (“the Vendor”): \_\_\_\_\_
3. Name of the development (“the Development”): \_\_\_\_\_
4. Phase No. (if applicable) of the Development (“the Phase”): \_\_\_\_\_
5. No. of units in the Development: \_\_\_\_\_
6. No. of units in the Phase (if applicable): \_\_\_\_\_
7. Date of consent letter: \_\_\_\_\_
8. Effective date of consent: \_\_\_\_\_
9. Date of consent to assign (if issued): \_\_\_\_\_
10. (a) Date of certificate of compliance (if issued): \_\_\_\_\_  
(b) Date of certificate of fittings, finishes and appliances: \_\_\_\_\_

**I. Receipt and application of funds in the stakeholder account**

Item No.		Sum b/f from previous month (HK\$)	Sum received or paid in the month (HK\$)	Total of sum c/f to next month (HK\$)	Ref No.
<b>Receipt</b>					
(1)	Sales proceeds received				A
(2)	Interest on sales proceeds received				B
Sub-total [A+B]					C
<b>Payment</b>					
(3)	Payment pursuant to clause 26(1)(a) of Agreement for Sale and Purchase (“ASP”)				D
(4)	Repayment of funds drawn under building mortgage (if any) and interest under clause 26(1)(b) of ASP				E
(5)	Repayment of other moneys secured by the building mortgage (if any) under clause 26(1)(c) of ASP				F
(6)	Refund to purchasers				G
(7)	Release of funds to the Vendor under Clause 26(1)(d) of ASP				H
(8)	Release of interest on sales proceeds to the Vendor				I
Sub-total [D+E+F+G+H+I]					J
<b>Balance of funds in the stakeholder account c/f [C–J]:</b>					

**II. Progress of sale**

**A. No. of units sold**

	<b>b/f from previous month</b>	<b>Current month</b>	<b>Total</b>
(1) Total no. of units handled by my firm for which ASPs are signed and are subsisting			
(2) Total no. of units handled by my firm for which ASPs are subsisting and full payment of purchase price has been made			
(3) Total no. of units handled by my firm for which ASPs are cancelled			

**B. List of all units in IIA(2) for which full payment of the purchase price is made in the current month**

<b>Unit</b>	<b>Floor</b>	<b>Block</b>

**C. List of all units in IIA(3) for which ASPs are cancelled in the current month**

<b>Unit</b>	<b>Floor</b>	<b>Block</b>	<b>Percent of purchase price forfeited</b>

I, [*insert name of solicitor*], \*the sole proprietor/a partner in the firm of [*insert name of solicitors' firm*], solicitors which is acting for the Vendor in the sale of residential units \*[and parking spaces] in the <sup>y</sup>Phase/Development \*[now being constructed or to be] constructed on the land, certify the contents of this report as true and correct as at the last day of the month to which this report relates.

Dated this ..... day of .....

[*insert name of solicitor*]  
Solicitor, Hong Kong SAR

\* Delete as appropriate.

γ Delete “Development” for phased development (within the meaning of the Residential Properties (First-hand Sales) Ordinance). Otherwise delete “Phase”.

**QUARTERLY/FINAL CERTIFICATE**  
**BY AUTHORIZED PERSON**

To: The Director of Lands

c.c.: (1) [*insert name of registered owner of land*]

(2) [*insert name of solicitors' firm*]

\*[(3) [*insert name of mortgagee under building mortgage*]]

Date: [*insert date*]

Lot No.: [*insert lot number*] (“the land”)

Development: [*insert name of development*] (“the Development”)

<sup>β</sup>[Phase: Phase [*insert phase number*] of the Development (“the Phase”)]

(1) I, [*insert name of authorized person*] of [*insert name and address of firm/corporation of authorized person*], \*an architect/an engineer/a surveyor listed in the authorized persons’ register kept by the Building Authority under section 3(1) of the Buildings Ordinance, certify and confirm as follows:

- (a) I am appointed under section \*4(1)(a)/4(2) of the Buildings Ordinance as a co-ordinator of building works for the <sup>γ</sup>Phase/Development.
- (b) I have given a certificate dated [*insert date*] (“the AP’s Certificate”) for the purpose of obtaining consent of the Director of Lands to [*insert name of registered owner of land*] (“the Vendor”) to enter into agreements for sale and purchase of residential units \*[and parking spaces] in the <sup>γ</sup>Phase/Development.
- (c) Since the \*AP’s Certificate/quarterly certificate for the last quarter (“the Preceding Certificate”), there has been \*a/no change of the total of the construction costs and the professional fees (“the Total Development Costs”) for completion of the <sup>γ</sup>Phase/Development <sup>θ</sup>[, and I have informed the Legal Advisory and Conveyancing Office of the Lands Department and others on [*insert date*] immediately after the change].
- (d) As at the end of \*March/June/September/December [*insert year*], the Total Development Costs is HK\$[*insert amount*], the breakdown of which is as follows:

	Total sum (HK\$)
(I) Construction costs	[insert amount]
(II) Professional fees	[insert amount]

- (e) As at the end of \*March/June/September/December [insert year], the following sums have been expended on the <sup>Y</sup>Phase/Development:

	Sum reported as expended in the *AP's Certificate/ Preceding Certificate (HK\$)	Sum expended *since the AP's Certificate/in this quarter (HK\$)	Total sum expended (HK\$)
(I) Construction costs	[insert amount]	[insert amount]	[insert amount]
(II) Professional fees	[insert amount]	[insert amount]	[insert amount]
(III) Total of construction costs and professional fees	[insert amount]	[insert amount]	[insert amount]

- (f) I have received written confirmation with supporting evidence from the Vendor that, as at the end of \*March/June/September/December [insert year], in respect of the total sum expended in paragraph (1)(e) of this certificate, the following sums have been paid:

	Sum reported as paid in the *AP's Certificate/ Preceding Certificate (HK\$)	Sum paid *since the AP's Certificate/in this quarter (HK\$)	Total sum paid (HK\$)
(I) Construction costs	[insert amount]	[insert amount]	[insert amount]
(II) Professional fees	[insert amount]	[insert amount]	[insert amount]
(III) Total of construction costs and professional fees	[insert amount]	[insert amount]	[insert amount]



- (g) As at the end of \*March/June/September/December [*insert year*],
- (I) that part of the Total Development Costs expended but not yet paid<sup>(Note 1)</sup> is HK\$[*insert amount*]; and
- (II) that part of the Total Development Costs remaining to be expended<sup>(Note 2)</sup> to complete the <sup>Y</sup>Phase/Development is HK\$[*insert amount*].
- \*[(h) Since the \*AP's Certificate/Preceding Certificate, new contract\*[s] \*has/have been entered into. As at the end of \*March/June/September/December [*insert year*], the new contract\*[s] \*is/are as follows:

<u>Purpose of contract*[s]</u>	<u>Name*[s] of contractor*[s], subcontractor*[s] and supplier*[s]</u>
<i>[insert purpose]</i>	<i>[insert name(s)]</i>

- (i) As at the end of \*March/June/September/December [*insert year*], [*insert description of the stage the building works has reached*].

\*[(2) I confirm that a certificate from an independent authorized person or quantity surveyor is not necessary.]

OR

\*[(2) I confirm that the respective amounts set out in paragraphs (1)(d), (1)(e), (1)(f) and (1)(g) of this certificate will be verified and confirmed by [*insert name of independent authorized person/quantity surveyor*].]

*[insert name of authorized person]*  
Authorized Person for the <sup>Y</sup>Phase/Development

---

<sup>(Note 1)</sup> The amount of that part of the Total Development Costs expended but not yet paid is the sum in paragraph (1)(e)(III) less the sum in paragraph (1)(f)(III).

<sup>(Note 2)</sup> The amount of that part of the Total Development Costs remaining to be expended to complete the Phase or the Development (as the case may be) is the amount of the Total Development Costs in paragraph (1)(d) less the sum in paragraph (1)(e)(III).

- \* Delete as appropriate.
- β For phased development (within the meaning of the Residential Properties (First-hand Sales) Ordinance) only. Delete as appropriate.
- γ Delete “Development” for phased development (within the meaning of the Residential Properties (First-hand Sales) Ordinance). Otherwise delete “Phase”.
- ⊖ Applicable where there is a change of the total of the construction costs and the professional fees since the AP’s Certificate or the Preceding Certificate (as the case may be).

INDEPENDENT \*AUTHORIZED PERSON'S CERTIFICATE/  
QUANTITY SURVEYOR'S CERTIFICATE

To: The Director of Lands

c.c.: (1) [insert name of registered owner of land]

(2) [insert name of solicitors' firm]

\*[(3) [insert name of mortgagee under building mortgage]]

Date: [insert date]

Lot No.: [insert lot number] ("the land")

(1) I, [insert name of independent authorized person/quantity surveyor] of [insert name and address of firm/corporation of independent authorized person/quantity surveyor], \*[an architect/an engineer/a surveyor listed in the authorized persons' register kept by the Building Authority under section 3(1) of the Buildings Ordinance OR a quantity surveyor and a member of the Hong Kong Institute of Surveyors (Quantity Surveying Division) OR a registered professional surveyor (Quantity Surveying) registered under the Surveyors Registration Ordinance], certify as follows:-

◊[(a) I have verified the various amounts mentioned in paragraphs (1)(h), (1)(i) and (1)(k) of the certificate dated [insert date] ("the AP's Certificate") in respect of <sup>β</sup>[Phase [insert phase number] ("the Phase") of] the development now being constructed or to be constructed on the land and intended to be known as "[insert name of development]" ("the Development") issued by [insert name of authorized person] ("the Authorized Person") of [insert name of firm/corporation of authorized person] ("the AP Company"). I confirm that they are true and correct.

(b) I have received written confirmation with supporting evidence from [insert name of registered owner of the land] ("the Vendor") that the construction costs and the professional fees as referred to in paragraph (1)(j) of the AP's Certificate in respect of the <sup>γ</sup>Phase/Development have been paid.]

OR

Ĉ[(a) I have verified the various amounts mentioned in paragraphs (1)(d), (1)(e) and (1)(g) of the \*quarterly/final certificate dated [insert date] (“the \*Quarterly/Final Certificate”) in respect of <sup>β</sup>[Phase [insert phase number] (“the Phase”) of] the development now being constructed or to be constructed on the land and intended to be known as “[insert name of development]” (“the Development”) issued by [insert name of authorized person] (“the Authorized Person”) of [insert name of firm/corporation of authorized person] (“the AP Company”). I confirm that they are true and correct.

(b) I have received written confirmation with supporting evidence from [insert name of registered owner of the land] (“the Vendor”) that the construction costs and the professional fees as referred to in paragraph (1)(f) of the \*Quarterly/Final Certificate in respect of the <sup>γ</sup>Phase/Development have been paid.]

(2) I confirm that:-

(a) [Insert name of firm/corporation of independent authorized person/quantity surveyor] (“the Company”) is \*[not] a corporation and I am \*a proprietor/the sole proprietor/a director/an employee of the Company; and

<sup>ν</sup>[(b) the AP Company is a corporation and is a \*private/listed company; and]

(c) (i) the Authorized Person is not my immediate family member \*[or an immediate family member of the \*[other] \*proprietor/proprietors/director/directors of the Company]; and

(ii) I am not an employee of the Authorized Person \*[and no \*[other] \*proprietor/director of the Company is an employee of the Authorized Person]; and

(d) (i) no \*proprietor/director or secretary (company secretary) of the AP Company is my immediate family member \*[or an immediate family member of the \*[other] \*proprietor/proprietors/director/directors of the Company]; and

<sup>ν</sup>[(ii) I do not hold at least [insert 1% where the AP Company is a listed company OR insert 10% where the AP Company is a private company] of the issued shares in the AP Company \*[and no \*[other] \*proprietor/director of the Company holds at least [insert 1% where the AP Company is a listed company

OR insert 10% where the AP Company is a private company] of the issued shares in the AP Company]; and]

(iii) I am not an \*employee or proprietor/employee, director or secretary (company secretary) of the AP Company \*[and no \*[other] \*proprietor/director of the Company is an \*employee or proprietor/employee, director or secretary (company secretary) of the AP Company]; and

<sup>φ</sup>(e) (i) no director or secretary (company secretary) of the Vendor, [*insert name of holding company of the Vendor*] (“the holding company of the Vendor”), <sup>∞</sup>[[*insert name of corporation engaged by the Vendor to co-ordinate and supervise the process of designing, planning, constructing, fitting out, completing and marketing the Phase/Development*] (“the JV Partner”), [*insert name of holding company of the JV Partner*] (“the holding company of the JV Partner”) or [*insert name of building contractor for the Phase/Development*] (“the Building Contractor”) is my immediate family member \*[or an immediate family member of the \*[other] \*proprietor/proprietors/director/directors of the Company]; and

(ii) I do not hold at least 1% (in the case of a listed company), or at least 10% (in the case of a private company), of the issued shares in the Vendor, the holding company of the Vendor, <sup>∞</sup>[the JV Partner, the holding company of the JV Partner] or the Building Contractor \*[and no \*[other] \*proprietor/director of the Company holds at least 1% (in the case of a listed company), or at least 10% (in the case of a private company), of the issued shares in the Vendor, the holding company of the Vendor, <sup>∞</sup>[the JV Partner, the holding company of the JV Partner] or the Building Contractor]; and

(iii) I am not an employee, director or secretary (company secretary) of the Vendor, the holding company of the Vendor, <sup>∞</sup>[the JV Partner, the holding company of the JV Partner] or the Building Contractor \*[and no \*[other] \*proprietor/director of the Company is an employee, director or secretary (company secretary) of the Vendor, the holding company of the Vendor, <sup>∞</sup>[the JV Partner, the holding company of the JV Partner] or the Building Contractor].

<sup>E</sup>[(3) I confirm that:-

<sup>v</sup>[(a) the Company is not an associate corporation of the AP Company; and]

<sup>φ</sup>(b) the Company is not an associate corporation of the Vendor, the holding company of the Vendor, <sup>∞</sup>[the JV Partner, the holding company of the JV Partner] or the Building Contractor.]

<sup>θ</sup>(4) For the purpose of this certificate,

(a) “associate corporation”, in relation to a corporation, means-

(i) a subsidiary of the corporation; or

(ii) a subsidiary of a holding company of the corporation;

(b) “company secretary” has the meaning given by section 2(1) of the Companies Ordinance;

(c) “corporation” means-

(i) a company as defined by section 2(1) of the Companies Ordinance; or

(ii) a company incorporated outside Hong Kong;

(d) “director” has the meaning given by section 2(1) of the Companies Ordinance;

(e) “holding company” means a holding company within the meaning of the Companies Ordinance;

(f) “immediate family member”, in relation to an individual, means a spouse, parent, child, sibling, grandparent or grandchild of the individual;

(g) “listed company” has the meaning given by section 2(1) of the Companies Ordinance;

(h) “private company” has the meaning given by section 11 of the Companies Ordinance;

(i) “proprietor”-

(i) in relation to a firm constituted of a sole proprietor, means the sole proprietor of the firm; or

- (ii) in relation to a firm constituted as a partnership, means a partner of the firm;  
and
- (j) “subsidiary” means a subsidiary within the meaning of the Companies Ordinance.

*[insert name of independent authorized  
person/quantity surveyor]*

\*Authorized Person/Quantity Surveyor

- \* Delete as appropriate.
- ◊ Applicable for verification of information in AP's Certificate.
- β For phased development (within the meaning of the Residential Properties (First-hand Sales) Ordinance) only. Delete as appropriate.
- γ Delete "Development" for phased development (within the meaning of the Residential Properties (First-hand Sales) Ordinance). Otherwise delete "Phase".
- ć Applicable for verification of information in Quarterly/Final Certificate by Authorized Person.
- ν Applicable where the AP Company is a corporation.
- ϕ Amend as appropriate where any of the Vendor, the JV Partner and the Building Contractor is an individual or a partnership or where the Vendor or the JV Partner is a corporation, there is no or there are more than one holding company of the Vendor or the JV Partner.
- ∞ Applicable where there is a corporation engaged to co-ordinate and supervise the process of designing, planning, constructing, fitting out, completing and marketing the Development or the Phase (as the case may be).
- E Applicable where the Company is a corporation.
- ∂ Delete definition(s) as appropriate.