| Chief Estate Surveyor/ Estate Management (Regrant Section) | MO<br>To Distribution |
|--|-----------------------|
| Ref. (15) <sub>in</sub> BLD/SPL/WEL/75                     |                       |
| Tel. No. 848 6212  | Your RefIn            |
| Date 23 FEB 1990   | dated                 |

## Proposed Lease Extension of New Kowloon Inland Lot No.

The above lot is held by Lease dated 8.3.1982 for the purposes of a non-profit-making hospital. The lease under which the above lot is held has been classified as a special purpose lease under the New Territories Leases (Extension) Ordinance 1988 and this office is currently considering the extension of the lease term up to 30.6.2047.

- It is now intended that the extension will be dealt with by means of the simplified extension document at Annex B. That is, the lease will be extended on the existing conditions. Any necessary amendments will be incorporated in the Conditions of Lease Extension or in a Modification Letter if appropriate. However, please note that only certain basic and essential conditions will be amended/inserted where there appears to be serious defect in the existing lease. Mere updating of special conditions to accord with standard clause will not be incorporated. The suggested modifications are now listed at Annex C attached.
- Enclosed please find a copy of the existing lease at Annex A for your reference. I would be grateful if you could let me have your reply within 4 weeks from the date of this memo.
- Would DSO/KW confirm that the area of actual occupation agrees with the leased area.

(Wilfred MOK) for Chief Estate Surveyor/Estate Management (Regrant Section)

Distribution

DLO/KW

DSO/KW

RG(LO/MB)SPLU

Planning Dept. CHE/K, HyD CE/UD, DSD

D of FS D of EP

WSD

po(Kowloon City) GCO/CESD

....Director.of.Hospital\_ServicesCBS/K

CETE/K, TD

Encl.

WM/cl



| This Indenture made the 8th day of March One thousand Nine hundred and eighty two Between Our Sovereign Lady ELIZABETH II  |
|--|
|  |
| by the Grace of God of the United Kingdom of Great Britain and Northern Ireland and of Her other   |
| Realms and Territories Queen Head of the Commonwealth Defender of the Faith (hereinafter referred to   |
| as "Her said Majesty" which expression shall where the context admits be deemed to include Her Heirs   |
|  |
| Successors and Acigns) of the one part and   |
| a company incorporated in Hong Kong under the Companies Ordinance whose registered   |
| office is situate at No. Kovloom Hong Kong   |
|  |
|  |
|  |
|  |
|  |
|  |
| (hereinafter referred to as "the said Lessee" which expression shall where the context-admits be deemed to include   |
|  |
|  |
| )  |
| of the other part Whereas the Governor and Commander-in-Chief of the Colony of Hong Kong and   |
| its Dependencies (who and whose successors in Office and the Acting Governor for the time being are  |
| its Dependencies (who and whose successors in Office and the Acting Governor for the time being are hereinafter referred to as "the Governor") is duly authorized to enter into these presents in the name and |
| its Dependencies (who and whose successors in Office and the Acting Governor for the time being are  |
| its Dependencies (who and whose successors in Office and the Acting Governor for the time being are hereinafter referred to as "the Governor") is duly authorized to enter into these presents in the name and |
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| its Dependencies (who and whose successors in Office and the Acting Governor for the time being are hereinafter referred to as "the Governor") is duly authorized to enter into these presents in the name and |

in consideration of the yearly rent covenants and stipulations hereinafter reserved and contained by and on the part and behalf of the said Lessee to be paid done and performed Her said Majesty Doth hereby grant and demise unto the said Lessee All that piece or parcel of ground situate lying and being at

Kowloon Hong Kong bounded on or towards the North by the Remaining Portion of New Kowloon Inland Lot No. and having a frontage thereto of One hundred and fifthen metres and eighty two centimetres or thereabouts on or towards the East by Crown Land and having a frontage thereto of Forty eight metres and seventy seven centimetres or

Inland Lot No. and having a combined frontage thereto of One hundred and fifteen metres and eighty two centimetres or thereabouts and on or towards the West by such and having a frontage thereto of Forty eight metres and seventy seven centimetres or thereabouts which said piece or parcel of ground hereby expressed to be demised contains in the whole Five thousand six hundred and forty nine square metres or thereabouts and is more particularly delineated and described on the plan annexed hereto and thereon coloured pink and is known as NEW KOWLOOM INLAND LOT NO.

And all the casements and appurtenances whatsoever to the said piece or parcel of ground belonging or in any-wise appertaining Except and Reserved unto Her said Majesty all Mines Minerals Mineral Oils and Quarries of Stone in under and upon the said piece or parcel of ground and all such Earth Soil Marl Clay Chalk Brick-earth Gravel Sand Stone and Stones and other Earths or Materials which now are or hereafter during the continuance of this demise shall be under or upon the said piece or parcel of ground or any part or parts thereof as: Her said Majesty may require for the Roads Public Buildings or other Public Purposes of the said Colony of Hong Kong with full liberty of Ingress Egress and Regress to and for Her said Majesty Her Agents Servants and Workmen at reasonable times in the day during the continuance of this demise with or without horses carts carriages and all other necessary things into upon from and out of all or any part or parts of the said piece or parcel of ground to view dig for convert and carry away the said excepted Minerals Stone Earths and other things respectively or any



\*Note by Clerk, PAC: The location plan not attached.



part or parts thereof respectively thereby doing as little damage as possible to the said piece or parcel of ground And also Save and Except full power to Her said Majesty to make and conduct in through and under the said piece or parcel of ground all and any public or common sewers drains or watercourses To have and to hold the said piece or parcel of ground together with the easements and appurtenances and subject to the exceptions and reservations aforesaid (all hereinafter referred to as "the demised premises") unto the said Lessee from the First day of July One thousand nine hundred and seventy three for and during and unto the full end and term of TWENT'S FOUR YEARS LESS THE LAST THREE DAYS THEREOF from the next ensuing and fully to be complete and ended YIEIDING AND PAYING therefor yearly and every year during the term hereby granted the same yearly Rent as would be payable from time to time under section 9 of the Crown Leases Ordinance as if the said piece or parcel of ground were a lot the Crown lease

of which was reneved by wirtue of that Ordinance -

yearly and every year during the term hereby granted the sum of

from the FIRST day of JULY ONE THOUSAND EIGHT HUNDRED AND NINETY-EIGHT for and during and unto the full end and term of NINETY NINE YEARS LESS THE LAST THREE DAYS

dollars in Current Money of the said Colony (hereinafter referred to as "the said yearly Rent") by equal half-yearly payments on the Twenty-fourth day of June and the Twenty-fifth day of December in every year free and clear of and from all Taxes Rates Charges Assessments and Deductions whatsoever charged upon or in respect of the demised premises or any part thereof the first half-yearly payment of the said yearly Rent becoming due and to be made on the JUH day of following that is to say that the said Lessee will yearly and every year during the said term hereby granted well and truly pay or cause to be paid to Her said Majesty the said yearly Rent clear of all

deductions as aforesaid on the several days and times and in the manner hereinbefore reserved and made

THEREOF from then next ensuing and fully to be complete and ended Yielding and Paying therefor

And will during the whole of the said term hereby granted bear pay and discharge all taxes rates charges and assessments whatsoever which now are or shall be hereafter assessed or charged upon or in respect of the demised premises or any part thereof And will from time to time and at all times hereafter when where and as often as need or occasion shall require at the said Lessee 6 own proper costs and charges well and sufficiently Repair Uphold Support Maintain Pave Purge Scour Cleanse Empty Amend and keep the messuage or tenement messuages or tenements and all other erections and buildings now or at any time hereafter standing upon the said piece or parcel of ground and all the thereunto belonging and and 🖛

payable.



which shall in any-wise belong or appertain unto the same in by and with all and all manner of needful and necessary reparations cleansings and amendments whatsoever the whole to be done to the satisfaction of Her said Majesty's Director of Public Works (hereinafter referred to as "the said Director"). AND in the event of the demolition at any time during the continuance of this decise of the said messuage or tenement messuages or tenements or any other erections and buildings now or at any time hereafter standing upon the said piece or parcel of ground or any of them or any part thereof the said Lessee will replace the same either by sound and substantial buildings of the same type and of no less volume or by buildings of such type and value as shall be approved by the said Director. AND in the event of denoitation as aforesaid the said Lessee will within one month of such demolition apply to the said Director for consent to carry out building works for the redevelopment of the said piece or parcel of ground and upon necesiving such consent will within three ments thereof commence the necessary work of redevelopment and will complete the same to the satisfaction of and within such time limit as shall be laid down by the said Director

And the said messuage or tenement messuages or tenements erections buildings and premises so being well and sufficiently repaired sustained and amended at the end or sooner determination of the term hereby granted will peaceably and quietly deliver up to Her said Majesty And will during the term hereby granted as often as need shall require bear pay and allow a reasonable share and proportion for and towards the costs and charges of making building repairing and amending all or any roads lanes pavements channels fences and party walls draughts private or public sewers and drains requisite for or in or belonging to the demised premises or any part thereof in common with other premis - near or adjoining thereto and that such proportion shall be fixed and ascertained by the said Directo be recoverable in the nature of rent in arrear And that it shall and may be lawful to and for Her said Majesty by the said Director or other persons deputed to act for Her twice or oftener in every year during the said term at all reasonable times in the day to enter into and upon the demised premises to view search and see the condition of the same and of all decays defects and wants of reparation and amendment which upon every such view shall be found to give or leave notice in writing at or upon the demised premises or some part thereof unto or for the said Lessee to repair and amend the same within Three Calendar Months then next following within which time the said Lessee will repair and amend the same accordingly AND that the said Lessee will not erect and maintain or permit to be erected and maintained upon the said piece or parcel of ground or any part thereof any building or buildings other than a non-profit-making bospital (which bospital is hereinafter referred to as "the said hospital") together with such staff quarters as may be approved by Her said Majesty's Director of Medical and Health Services and will not erect or maintain or permit to be erected or maintained upon the said piece or percel of ground any building other than a building required for the purposes of the said hospital to which the said Director shall have given his written approval subject to the terms and covenants herein contained will not use or permit or suffer the use of the said piece or percel of ground or any part thereof or any building erected thereon or any part of such building for any purpose other than for the purposes



of the said hospital AND will not do or permit or suffer enything to be done at any time in or upon the said piece or parcel of ground or any pert thereof or any building or any part of any building erected or to be erected thereon which may be or become a nuisance or annoyance or which may cause damage or inconvenience to the Government of Hong Kong or to the lessees owners or occupiers of any adjoining or neighbouring premises AND will conduct the said hospital in accomiance with all Ordinances and Regulations if any relating to such hospital that shall or may at any time be in force in Hong Kong and in all respects to the satisfaction of the said Director of Medical and Health Services AND -ubject to the terms and covenants herein contined will upon re-development of the said piece or parcel of ground or any part thereof comply in all respects the provisions of the Buildings Ordinance any regulations made thereunder and any amending legislation AND vill obtain the approval in writing of the said Director to the design disposition and height of any building erected or to be erected on the said piece or parcel of ground. AND except with the prior written approval of the said Director will not erect or allow to be erected on the said piece or parcel of ground any building or structure any part of which shall exceed a height of 51 metres and 82 centimetres above the Hong Kong principal Datum AND will not erect or allow to be erected any building or structure within 6 metres and 10 centimetres of that boundary of the said piece or parcel of ground abutting on Waterloo Road AND will provide within the said piece or parcel of ground adequate space to the satisfaction of the said Director for the parking of motor vehicles and will not use the space so provided for any other purpose not assign mortgage charge demise underlet or part with the possession of or otherwise dispose of or encumber the said piece or parcel of ground or any part thereof or any interest therein or any build's or buildings erected thereon or any part of such building or buildings or enter into any agreement so to do AND where any cutting away removal or setting back of adjacent or nearby hillside or banks or any building up or filling in is or has been required for the purpose of or in connection with the formation levelling and development of the said piece or parcel of ground or any part thereof the said Lessee will construct or bear the cost of the construction of such retaining walls or other support as shall or may at any time become necessary to

At.



protect and support such hillside and banks and the said piece or parcel of ground and to obviate and prevent any falling away landslips or subsidence occurring thereafter and will at all times maintain the said retaining valls or other support in good and substantial repair and condition and in the event that as a result or arising out of any such formatior levelling or development any landslip subsidence or falling away occurring at any time whether in or from adjacent hillside or banks whether the same be Crown or leased land or in or from the said piece or parcel of ground the said Lessee will at its own expense reinstate and make good the same and will indemnify the Government of Hong Kong from and against all costs charges damages demands and claims whatsoever which shall or may be made suffered or incurred through or by reason of such landslip subsidence or falling away and will if required by the said Director so to do by notice in writing carry out such construction and or maintenance or reinstate and make good any falling away landslip or subsidence and if the said Lessee shall neglect or fail to comply with such notice within the period specified therein the said Director may forthwith execute and carry out the same and the said Lessee will on demand repay to the Government of Hong Kong the cost thereof AMD in the event of spoil or debris from the said piece or parcel of ground or from other areas affected by any development of the said piece A or parcel of ground being eroded and washed down on to public lanes or roads or into road-culverts severs storm-water drains or nullahs or other properties belonging to the Government of Hong Kong the said Lessee will be held responsible and will pay to the Government of Hong Kong on demand the cost of removal of the spoil and debris from or for damage to the public lames or roads or road-culverte severs storm-water drains or nullahs or other properties belonging to the Government of Hong Kong and will also indemnify the Government of Hong Kong against all actions claims and demands arising out of any damage or nuisance to private property caused by such erosion and AND will at its own expense construct and maintain to the satisfaction washing down of the said Director such drains or channels as the said Director may consider necessary to intercept and carry off into the nearest stresm course catchpit channel or storm-water drain storm or rain water falling on or flowing from the hillside on to the demised premises and or the approach road and will be solely liable for



and will indeanify the Government of Hong Kong and its officers from and against all actions claims and demands arising out of any damage or nuisance caused by such storm or rain water and will at all times during the continuance of this demise maintain and repair such drains or channels whether within the boundaries of the said piece or parcel of ground or on Crown Land AND in the event of any damage or obstruction being caused to any nullah sever storm-vater drain vatermain or other properties belonging to the Government of Hong Kong within or adjoining the said piece or parcel of ground by the said Lessee its servants or agents the said Lessee will pay on demand the cost of making good or removing such damage or obstruction (it being agreed and declared that the necessary works shall be carried out by the Government of Hong Kong at the cost of the said Lessee) AND will take or cause to be taken all proper and adequate care skill and precautions at all times and perticularly ... during any construction maintenance renewal or repair work to avoid doing any damage to any Government or other existing drain waterway or watercourse (including waterwain) footpath sever muliah pipe cable wire utility service or any other works or installations (all together hereinafter referred to as "the said works and services") being or running upon over under or adjacent to the said piece or parcel of ground or any part thereof provided that the said Lessee before carrying out any such work as aforesaid will make or cause to be made such proper search and enquiry as may be necessary to ascertain the present position and levels of any of the said works and services and will submit its proposals for dealing with any of such eaid works and services in writing to the said birector for his approval in all respects and will not carry out any work whatsoever until the said Lirector shall have given his written approval to the works and to such proposals afortsaid and will comply with any requirement of the said Director in respect of the said works and services and will bear the cost of meeting such requirements including the cost of any necessary diversion relaying or reinstatement and will at its own expense in all respects repair make good and reinstate to the satisfaction of the said Director any damage or disturbance caused to the surface of the said piece or parcel of ground or any of the said works and services running on over under or adjacent to the said piece or parcel of ground in any manner arising out of any such construction maintenance renewal or repair work (it being sureed and declared that if the said Lessee fail)

J. F



to carry cut any such necessary diversion relaying repairing making good and reinstatement of the said piece or parcel of ground or any part thereof or of any of the said works and services to the satisfaction of the said Director he the said Director may carry out any such diversion relaying reinstatement or making good as he considers necessary and the said L-ssee will pay to the Government of Hong Kong on demand the cost of such works) WID will pay to the Government of Hong Kong on demand the cost of connecting any drains and nevers from the said piece or percel of ground to the Government storm-water drains and severs (it being agreed and declared that such works shall be carried out by the said Director who shall incur no liability to the said Lessee in respect thereof) AND will not interfere with or remove any trees growing on the said piece or parcel of ground or adjacent thereto without the prior written consent of the said Director who may in granting consent impose such conditions as: to replanting or landscaping as he may deem appropriate AND upon any redevelopment of the said piece or parcel of ground the said Lessee will not erect or permit to be erected thereon any building or buildings which does not or do not accord with the alignment of the said piece or percel of ground as set out by the said Director and in the event of any building or buildings being erected otherwise than in due accord with such alignment the said Lessee Will demolish such building or buildings when called upon by the said Director so to do and will rebuild upon the correct alignment and if the said Lessee shall fail so to demolish the building or buildings as aforesaid then it shall be lawful for the said Director to cause such building or buildings to be. demolished and the said Lesses will on demand pay to the said Director such a sum as the said Director shall certify to be the cost of such demcittion (it being agreed and declared that a certificate purporting to have been signed by or on behalf of the said Director as to the alignment of any building or buildings or as to the cost of the demolition shall be final and conclusive evidence as between the parties hereto as to the facts certified therein) PROVIDED ALWAYS AND IT IS HERREY AGREED AND DECLARED that in the event that it is at any time shown to the satisfaction of the Governor that there has been a breach of the covenant by the said Lessee hereinbefore contained that the said Lessee will conduct Mi



to such hospital that shall or may at any time be in force in Hong Kong and in all respects to the satisfaction of the said Director of Medical and Health Services them it shall be lawful for Her said Majesty by the Governor or any person duly authorized in that behalf without notice to re-enter upon and take back possession of the said piece or parcel of ground or any part thereof and all building or buildings thereon and thereupon the rights of the said lessee in and to the same under this Indenture shall absolutely cease and determine and upon the exercise of this power no compensation whatever shall be payable to the said Lessee by the Government of Hong Kong in respect of the land re-entered but there shall be payable to the said Lessee by the Government of Hong Kong in respect of any Lawfully erected buildings such sum as the said Director shall on a fair and impartial valuation determined to be the value thereof (including site formation) less the amount of any building grant or grants made by the Government of Hong Kong towards the cost of such buildings PROVIDED ALSO AND IT IS HEREBY FURTHER AGREED AND DECLARED that in case it is at any time during the term hereby granted shown to the satisfaction of the Governor that the said piece or parcel of ground or any part thereof or any building or buildings thereon or any part of such building or buildings has ceased to be used for the purposes of the said hospital as hereinbefore mentioned (as to which the non-user thereof for such purposes for a period of three months shall be conclusive) or that the extent of the user thereof for such purposes has so diminished that "he retention of the demised premises or any part thereof for such purposes is no longer justified it shall be lawful for Her said Majesty by the Governor or other person duly authorized in that behalf to re-enter upon and take back possession of the said piece or parcel of ground or any part thereof and all building or buildings thereon without notice in like manner as if a breach of any of the covenants and conditions herein contained had been committed by the said Lessee and the rights of the said lessee in and to the same under this Indenture shall absolutely cease and determine PROVIDED ALSO AND IT IS HEREBY FURTHER AGREED AND DECLARED that the Government of Hong Kong shall have full power to resume enter into and retake possession of all or

any part of the demised premises if required for the improvement of Hong Kong or for

the said hospital in accordance with all Ordinances and regulations if any relating

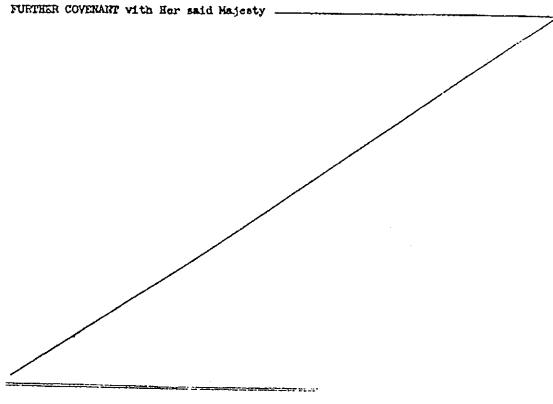
Covenant

"Fesumption"



amy other public purposes whatsoever twelve calendar months' notice being given to the said Lessue of its being so required and upon the exercise of this power the term and estate hereby created in this Indenture shall cease determine and be void and the said Lessee shall on the expiration of the said notice quit and deliver up possession of the land so resumed and the building or buildings thereon and vill not be entitled to any compensation whatsoever in respect of the land so resumed but there shall be paid to the said Lassee such sum if any in respect of any lawfully erected building or buildings or part of any such building or buildings demolished damaged or disturbed in consequence of the exercise of such pover as the said Director shall on a fair and impartial valuation determine to be the value thereof (including site formation) or the cost of reserecting or reconstituting the same whichever shall to him seem just provided that where any building grant or grants have been made by the Government of Hong Kong towards the cost of any building or buildings on the said piece or parcel of ground the said grant or grants or the due proportion thereof may at the Governor's discretion be deducted from any sum payable to the said Lessee as aforesaid and the decision of the Governor that any particular purpose is a public purpose shall be conclusive. AND the said Lessee DOTH HERENY







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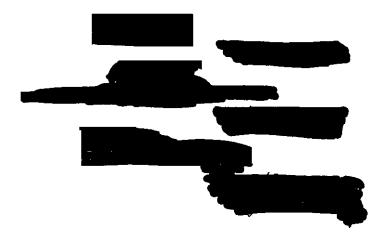
And that the said Lessee or any other person or persons will not during the continuance of this demise use exercise or follow in or upon the demised premises or any part thereof the trade or business

or any other noisy noisome or offensive

trade or business whatever without the previous licence of Her said Majesty signified in writing by the Governor or other person duly authorized in that behalf And will not assign mortgage charge underlot or otherwise alienate all or any part of the demised premises for all or any part of the term hereby granted without at the same time registering such alienation in the Land Office or in such other Office as may hereafter be instituted for the purposes of Registration in the said Colony and paying the presoribed foos therefor Provided Annays 2nd it is hereby/agreed and declared that in case the said yearly Rent or any part thereof

shall be in arrear and unpaid for the space of twenty one days next after any of the said days whereon the same ought to be paid as aforesaid (whether lawfully demanded or not) or in case of the breach or non-performance of any of the covenants and conditions herein contained and by or on the part of to be performed then and in either of the said cases it shall be lawful for Her said the said Lessee Majesty by the Governor or other person duly authorized in that behalf into and upon the demised premises or any part thereof in the name of the whole to re-enter and the same to have again repossess and enjoy as in Her former estate as if these presents had not been made and the said Lessee all other occupiers of the demised premises thereout to expel this Indenture or anything contained herein , to the contrary notwithstanding Provided also and it is hereby further agreed and declared that Hersaid Majesty shall have full power to resume enter into and re-take possession of all or any part of the demised premises if required for the improvement of the said Colony or for any other public purpose whatsoever Three Calendar Months' notice being given to the said Lessee of its being so required and a full and fair compensation for the said Land and the Buildings thereon being paid to the said at a Valuztion to be fairly and impartially made by the said Director and upon the exercise of such power the term and estate hereby created shall respectively cease determine and be void And This Indenture Purther Witnesseth that the Governor doth hereby exempt the said piece or parcel of ground from the provisions of Part II of the New Territories Ordinance. ...

In Witness whereof the said lessee hath caused its Common Seal to be hereunto affixed the day and year first above written.



Examined and certified to be correct

Dated 8th March 1982.

(COUNTERPART)

Lease

OF

New Kowloon Inland Lot No.

(Xo. (Xo.

24 years
Term: 199 years less the last three days thereof.

1973 Commencing 1st day of July, 1890.

Annual Crown Rent \$

Registered C/L Card

S. H. Wan p. Land Officer.

PRINTED BY THE GOVERNMENT PRINTER, HONG KONG,

SEI/TYL/pl

Annex B

PARTICULARS AND CONDITIONS

OP

EXTENSION OF LEASE TERM

OF (

PARTICULARS AND CONDITIONS FOR THE GRANT by the Government of Hong Kong (hereinafter called "the Government"), acting in accordance with the provisions of the Joint Declaration of the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the People's Republic of China on the Question of Hong Kong, of the land (hereinafter referred to as "the lot") described in the within-written lease/Condtions of /New Grant No. dated (hereinafter called "the lease"), subject to the same exceptions, reservations and provisos as are contained in the lease and affect the lot at the date hereof, to the lessee named and described in the Memorandum of Agreement to which these Particulars and Conditions are attached and of which they form part (hereinafter called "the lessee") for a term of years commencing on the day immediately following the expiry of the term of years granted by the lease and expiring on (not later than 30th June 2047) and subject to the payment and subject to the payment of the yearly rent and the performance and observance of the terms and conditions hereinafter reserved and contained.

#### CONDITIONS

1. Except as amended, varied and modified by these Conditions the term of years hereby agreed to be granted shall be upon the same terms, covenants and conditions and subject to the same exceptions, reservations and provisos as are contained in the lease and affect the lot at the date hereof with such variations only as the grant of the said term shall require.

# Rent during existing lease term

2. (a) From the date of this Agreement until the (date of expiry) rent shall be paid in accordance with the provisions of the lease.

## Rent during extended lease term

From the date immediately following the (b) expiration of the lease until the the yearly rent for the lot shall be calculated and paid with reference to the period commencing on the 1st day of April and ending on the 31st day of March in each year, and the lessee shall pay and there shall be collected by the Director of Buildings and Lands (hereinafter called "the Director") as rent for the lot for each such period an amount equal to 3% of the rateable value from time to time of the lot, the said rent to be paid by four equal quarterly instalments in advance on the 1st day of April, the 1st day of July, the 1st day of October and the 1st day of January in each year, the first quarterly payment together with all accrued arrears of rent becoming due and to be paid on the first quarterly day after the date on which the lease of the lot would have expired were it not extended by this Agreement.

#### Rateable value

(c) For the purposes of this Condition the value of the lot shall be the rateable value as set out from time to time in the list declared or the interim valuation made by the Commissioner of Rating and Valuation (hereinafter called "the Commissioner") under the Rating Ordinance or any legislation amending or replacing the same, of the tenement, or, if there is more than one tenement, the aggregate of the rateable values and/or interim valuations as so set out or made of all the tenements comprised wholly or partly within the lot.

(d) For the purposes of sub-clause (c) hereof -

Bffective date (i) a rateable value in a new list, when declared, an interim valuation, when made, and a correction, alteration or variation of a rateable value or an interim valuation, when made, shall take effect from the effective dates for the same under the Rating Ordinance;

Adjustment of effective date

if the effective date of an interim (11)valuation is earlier than the date of the making of the interim valuation, or if the rateable value has been corrected, altered or varied and the effective date of such correction, alteration or variation is earlier than the date of the making of the correction, alteration or variation, and as a result the rent for the lot is increased, the rent due for the period since the effective date of the interim valuation or the correction, alteration or variation shall, in so far as it has not been already paid, be added by the Director to the next payment of rent due following the date of the making of the interim valuation, correction, alteration or variation, and if as a result of the making of the interim valuation, correction, alteration or variation the rent for the lot is reduced, any amount found to be overpaid by the lessee may be deducted by the Director from the next payment of rent due following the date of the making of the interim valuation, correction, alteration or variation, or shall be otherwise credited to the account of or refunded to the lesses;

Tenement partly on lot

a tenement shall be deemed to be (tit) comprised partly within the lot if the building in which it is contained stands partly within the lot; and where a tenement is so deemed to be comprised partly within the lot, there shall be included for the purpose of determining the rateable value of the lot only the same proportion of the rateable value in the list declared or the interim valuation made under the Rating Ordinance or, as the case may be, the rateable value fixed under sub-clauses (d)(iv), (d)(v) and (d)(vi) hereof, as, in the opinion of the Director whose decision thereon shall be final, the area of the lot bears to the area of all the lots on which the building stands:

Notional rateable value (iv) in the event that no rateable value has been ascertained under the Rating Ordinance in respect of a tenement, whether by reason of the exemption of such tenement from assessment to rates or otherwise, the Director may cause to be fixed such rateable value as if the tenement were assessable to rates under that Ordinance, and the rateable value so fixed shall be the rateable value of the tenement:

Deletion of rateable value

(v) in the event that as a result of the demolition of a tenement or of a tenement being unoccupied by reason of an order of the Government its rateable value is deleted under the Rating Ordinance, the rateable value of the lot shall, if the Director in his absolute discretion thinks fit and until an interim valuation of a tenement or tenements wholly replacing the demolished or unoccupied tenement is made under the Rating Ordinance, include the rateable value of such tenement as last ascertained by the Commissioner:

Tenement partly replaced

(vi) where an interim valuation is made of a tenement or tenements which replace part of a former tenement in respect of which the rateable value as last ascertained by the Commissioner was included in the rateable value of the lot in accordance with sub-clause (d)(v) hereof the rateable value of the part of the former tenement not replaced by the interim valuation shall be such portion of the rateable value of the former tenement, as last ascertained by the Commissioner, as the Director shall in his absolute discretion consider appropriate to that part.

Rounding up

(e) There shall be added to the yearly rent of the lot fixed in accordance with sub-clause (b) hereof such sum as may be necessary to make the total number of dollars a multiple of four.

Collection of amount in lieu of rent

З.

In lieu of the collection of the yearly rent by (a) the Director under Condition 2(b) hereof, there may, in addition to the rates to be collected quarterly by the Collector of Rates under the Rating Ordinance in respect of any tenement comprised wholly or partly within the lot, be demanded and collected by the Collector of Rates from the lessee an amount equal to one fourth of 3% of the rateable value of any such tenement together with such sum as may be necessary to make the total number of dollars in any such demand an integer. For the purpose of this sub-clause the provisions of Condition 2(d)(i) and (ii) hereof shall apply mutatis mutandis,

Tenement partly on lot

(b) For the purpose of sub-clause (a) hereof, in the event that only part of a tenement is comprised within the lot the amount that may be demanded in respect of that part shall bear the same proportion to 3% of the rateable value of the tenement as, in the opinion of the Director whose decision shall be final, the area of such part bears to the area of the whole of such tenement.

Payment on demand

(c) Upon a demand being made by the Collector of Rates under sub-clause (a) hereof the lessee shall pay the amount so demanded within the time specified in such demand.

Discharge

(d) Payment under sub-clause (c) hereof of an additional demand under sub-clause (a) hereof shall operate as an absolute discharge for the lessee from his liability to pay the rent in respect of the quarter for which such demand was made.

Correction rateable etc. of rateable value

4. The reference in Condition 2(c) hereof to the rateable value of a tenement as set out from time to time in the list declared or to an interim valuation made under the Rating Ordinance shall include in a case where such rateable value or interim valuation is corrected, altered or varied under that Ordinance, a reference to such rateable value or interim valuation as so corrected, altered or varied.

Compensation on resumption

- 5. Where the provisions of the lease -
  - (a) empower the Government, subject to payment of compensation to the leasee, to resume all or any part of the lot; and
  - (b) prescribe a method of calculating the compensation that includes reference to -
    - (1) a fraction, whose numerator is the figure one, of any sum; and
    - (ii) the portion of the term that is unexpired at the date of resumption,

the method of calculation shall be applied as if the denominator in the fraction were greater by 50 than that specified in the lease and as if the lease had originally been expressed to be granted for a term that included the term of years hereby agreed to be granted.

(6) If the term created by the lease shall be determined either under any provise for resumption or re-entry therein contained or by surrender, statutory resumption or acquisition, or otherwise howsever, this Agreement shall become absolutely void.

### MEMORANDUM OF AGREEMENT

| BETWEEN  |   |
|--|---|
| ***************************************  |   |
|  |   |
| of the one part and the Governor of Hon  | g Kong of the other part WHEREAS-   |
| The lesses has requested the G<br>of the lot for the further term of year<br>these Particulars and Conditions and th                           |   |
| NOW IT IS HEREBY AGREED THAT -   |   |
| The Government shall grant and the lot for the term of years and subjet he performance and observance of the these Particulars and Conditions. | the lessee shall accept a lease of<br>ct to the payment of the rent and<br>erms and conditions referred to in |
| Date this day of   | of 19   |
| Witness  | Seal /Signature of the lessee   |
| Address  |   |
| ******************   |   |
| Occupation   |   |
| Witness  | For and on behalf of the Governor   |
| Address  |   |
| *****  |   |
| Occupation   | Assistant Registrar General/<br>Government Land Agent<br>(Estate Management)                                  |
| Certified Correct  |   |
| P. Registrar General/<br>Senior Estate Surveyor  |   |

#### Annex C

### Proposed Modification to NKIL

| tem   | Existing Document  | Proposed Form  | Remarks   |
|---|--|--|---|
|   | Lease of NKIL  |  |   |
| 1   | Cessation of User<br>covenant  | PROVIDED ALSO AND IT IS HEREBY FURTHER AGREED AND DECLARED THAT in case it is at time during the term hereby granted shown to the satisfaction for a period of six months  | To amend the period from 3 months to 6 months.                                    |
| AGREED AND DECLARED THAT The of Hong Kong shall have power re-enter upon and retake possa all or any part of the lot if the improvement of Hong Kong other public purpose whatsoeve to which the decision of the shall be conclusive), twelve months' notice being given to Lessee of its being so require upon the exercise of this power town, and the Lessee shall on expiration of the said notice deliver up possession of the resumed and the buildings the the exercise of this power the exercise of this power the paid by the Government to Lessee the following compensa  a) in respect of the land resumed and in the opinion of the Dire been reasonably expended be Lessee on site formation of said land, multiplied by the said term unexpired at of resumption;  b) in respect of any building buildings or parts of any buildings or parts of any buildings or parts of the buildings or parts of the buildings or parts thereof date of resumption; it be agreed and understood that | _  | PROVIDED ALSO AND IT IS HEREBY FURTHER AGREED AND DECLARED THAT The Government of Hong Kong shall have power to resume re-enter upon and retake possession of all or any part of the lot if required for the improvement of Hong Kong or for any other public purpose whatsoever (as to which the decision of the Governor shall be conclusive), twelve calender months' notice being given to the Lessee of its being so required, and upon the exercise of this power the Lessee's tenancy of the land so resumed shall cease, determine and be void, and the Lessee shall on the expiration of the said notice quit and deliver up possession of the land so resumed and the buildings thereon. Upon the exercise of this power there shall be paid by the Government to the Lessee the following compensation only:  a) in respect of the land resumed:  one eighty-ninth of such amount as in the opinion of the Director has been reasonably expended by the | To introduce a fraction of 1/89 for calculating the compensation upon resumption. |
|   | Lessee on site formation of the said land, multiplied by the number of complete years in the portion of the said term unexpired at the date of resumption; |  |   |
|   |  | b) in respect of any building or buildings or parts of any building or buildings lawfully erected on the land resumed such sum as the Director shall, at his sole discretion, certify to be the depreciated current replacement cost or costs of the building or buildings or parts thereof as at the date of resumption; it being fully agreed and understood that separate sums shall be certified in respect  | To amend the basis of compensation.   |

sums shall be certified in respect of any separate addition or improvement to the building or buildings or parts thereof: Provided always