

PRINCIPAL DMC: SECTION IV - MANAGEMENT OF THE CITY

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

1. Each Owner shall deposit with the Manager as security for the due payment of all amounts which may be or become payable by him under this Deed of Mutual Covenant and any Sub-Deed of Mutual Covenant a sum equal to 3/12th of the total budgeted Management Expenses of the City and the Village and where applicable the car park management expenses and Manager's Remuneration for the Property of which he is the Owner.
2. If any Owner shall fail to pay any amount payable hereunder or under any Sub-Deed of Mutual Covenant within 30 days of the date on which the demand is made as aforesaid, he shall further pay to the Manager
 - (1) Interest calculated at the rate of \$1.50 for each \$100 or part thereof remaining unpaid for each period of 30 days or part thereof for which it remains unpaid.
 - (2) Such collection charge as the Manager shall decide to cover the cost (other than legal costs of proceedings as hereinafter mentioned) of the extra work occasioned by the default.
3. All amounts which become payable by any Owner in accordance with the provisions of this Deed of Mutual Covenant or the Sub-Deed of Mutual Covenant together with interest thereon as aforesaid and the said collection charge and all damage claimed for breach of any of the provisions of this Deed of Mutual Covenant and the Sub-Deed of Mutual Covenant and all other expenses incurred in or in connection with recovering or attempting to recover the same shall be recoverable by civil action at the suit of the Manager (and the claim in any such action may include a claim for the solicitor and own client costs of the Manager in such action and the defaulting Owner shall in addition to the amount claimed in such action be liable for such costs). In any such action the Manager shall conclusively be deemed to be acting as the agent or agents for and on behalf of the Owners as a whole and no Owner sued under the provisions of this Deed of Mutual Covenant or the Sub-Deed of Mutual Covenant shall raise or be entitled to raise any defence of want of authority or take objection to the right of the Manager as plaintiff to sue or to recover such amounts as may be found to be due.
4. In the event of any Owner failing to pay any sum due and payable by him in accordance with the provisions of this Deed of Mutual Covenant or the Sub-Deed of Mutual Covenant or failing to pay any damages awarded by any court for breach of any of the terms or conditions of this Deed of Mutual Covenant or the Sub-Deed of Mutual Covenant within 30 days of the date on which the same became payable, the amount thereof together with interest as aforesaid and the said collection charge and all costs and expenses which may be incurred in recovering or attempting to recover the same including the legal expenses referred to in Clause 3 of this Sub-Section and in registering the charge hereinafter referred to, shall stand charged on the Undivided Shares of the defaulting Owner and the Manager shall be entitled without prejudice to any other remedy hereunder to register a Memorial of such charge in the said District Land Office against the Undivided Shares of the defaulting Owner and the Residential Unit or Commercial Unit or Other Unit held therewith. Such charge shall remain valid and enforceable as hereinafter mentioned notwithstanding that judgement has been obtained for the amount thereof unless and until such judgement has been satisfied.
5. Any charge registered in accordance with the last preceding paragraph shall be enforceable as an equitable charge by action at the suit of the Manager for an Order for sale of the Undivided Shares of the defaulting owner together with the right to the exclusive use, occupation and enjoyment of the Residential Unit Commercial Unit or Other Unit held therewith and the provisions of Clause 3 of this Sub-Section shall apply equally to any such action. Any such equitable charge shall rank in priority to any legal or equitable charge given or made by the Owner in respect of such Undivided Shares and the Residential Unit Commercial Unit or Other Unit held therewith notwithstanding that such other charge shall have been created and registered prior to such equitable charge.
6. The Manager shall further have power to commence proceedings for the purpose of enforcing the observance and performance by any Owner and any person occupying any Residential Unit or Commercial Unit or Other Unit through under or with the consent of any such Owner of the covenants, conditions and provisions of this Deed and any Sub-Deed of Mutual Covenant binding on such owner and of the City Rules and Village Rules made hereunder or thereunder and of recovering damages for the breach non-observance or non-performance thereof. The provisions of Clause 3 of this Sub-Section shall apply to all such proceedings.
7. The Manager shall have all the powers of a Corporation Incorporated under the Multi-storey Buildings (Owners Incorporation) Ordinance insofar as it may lawfully exercise such powers.