

SECTION V

EXTINGUISHMENT OF RIGHTS UNDER THIS DEED

1. In the event of any Building in the City being so damaged by fire, typhoon, earthquake, subsidence or other cause so as to render the same substantially unfit for habitation, the Manager shall convene a meeting of the Owners of the Residential Units and/or Commercial Units in that Building and such meeting may resolve by a 75% majority of the Owners present and voting that by reason of insufficiency of insurance monies, changes in building law and/or regulations or any other circumstances whatsoever, it is not practicable to reinstate and rebuild such Building then in such event the Undivided Shares in the Lot and the City representing the Residential Units and/or Commercial Units in such Building shall be acquired by the Manager and the Owners of such Undivided Shares shall in such event be obliged to assign the same and all rights and appurtenances thereto to the Manager upon trust to forthwith dispose of the same by public auction and to distribute the net proceeds of sale amongst the Owners of such Undivided Shares in proportion to the respective Undivided Shares previously held by such former Owners. All insurance moneys received in respect of any policy of insurance on such Building shall likewise be distributed amongst such former Owners. In such event all the rights privileges obligations and covenants of such former Owners under this Deed of Mutual Covenant or any Sub-Deed of Mutual Covenant shall be extinguished so far as the same relate to such former Owners of that Building.

2. The following provisions shall apply to a meeting convened by the Manager as provided in Clause 1 of this SECTION V.

- (a) a meeting shall not proceed unless a quorum is present. A quorum shall consist of Owners of Residential Units and/or Commercial Units in that Building in whom not less than 50% of the Undivided Shares allocated to that Building are vested. If within half an hour from the time appointed for the meeting a quorum be not present the meeting shall stand adjourned to the same time and day in the next week and at the same place and if at such adjourned meeting a quorum be not present the Owner present shall be deemed to be a quorum,
- (b) the Manager shall preside at such meeting,

- (c) a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by at least one Owner entitled to be present and present at the meeting. A poll if demanded shall be taken at such time and in such manner as the Manager shall direct,
- (d) on a show of hands every Owner entitled to be present and present at the meeting shall have one vote. **In case of a poll every Owner of a Residential Unit or Commercial Unit in that Building shall have one vote for every Undivided Share held by him.**