<u>Annex II</u>

Food and Environmental Hygiene Department Leasing of Public Market Stalls by Auction Terms and Conditions

FOREWORD

This document is issued by the Food and Environmental Hygiene Department containing the terms and conditions applicable to the leasing of public market stalls by auction held by the Government acting through the Food and Environmental Hygiene Department. The Government may issue addenda to these terms and conditions whenever necessary.

The Chinese translation of this document is for reference only. In the event of any conflict or inconsistency between the English text and the Chinese translation of this document, the English text shall prevail.

PART I

INTERPRETATION

(a) Unless the context otherwise requires, the following expressions shall bear the meaning as set out below:

means the auctions held by the Government acting through the
FEHD to lease stall(s) on an Auction Date, comprising one or two
Rounds of Auction;
means the date of auction specified in the Auction List or any
deferred date as provided under Paragraph 1 of Part II hereof;
means the list(s) issued by the Government setting out the stall(s) to
be leased by auction and the date of auction, which may be amended
by the Government from time to time;
means the venue at which the Auction is held;
means an auctioneer appointed by the Government for conducting
the Auction;
refers to the bidding paddle provided to a Registered Person
under Paragraph 3.1 of Part II hereof;
means an organisation on the list of charitable institutions and trusts
of a public character maintained by the Inland Revenue Department
of the Government;
means the public markets close or consolidate by the Food and
Environmental Hygiene Department;
means the contract between the Government and the Successful
Bidder comprising these terms and conditions, any addendum to
these terms and conditions, and the Auction List;
means the Food and Environmental Hygiene Department of the
Government;

means an organization established under the Marine Fish
(Marketing) Ordinance (Cap. 291);
means a first round of bidding of the stalls on the Auction List, to be
closed upon the fall of hammer for the last of those stalls or upon
withdrawal of the last of those stalls where no bid is received;
means the Government of the Hong Kong Special
Administrative Region of the People's Republic of China;
means the Information Services Department of the Government;
means the overhaul or redevelopment projects etc. of public
markets under the Food and Environmental Hygiene
Department carried out by the Government of the Hong Kong
Special Administrative Region. Please refer to footnote 1 for
details ¹ ;
means a person who is registered with the FEHD to bid in the
Auction under Paragraph 3.1 of Part II hereof;
means either a First Round of Auction or a Second Round of
Auction, or both of them;
means a second round of bidding, immediately following the closing
of the First Round of Auction, of stalls that have not been leased in
the First Round of Auction, to be closed upon the fall of hammer for
the last of those stalls or upon withdrawal of the last of those stalls
where no bid is received;
means a stall in a public market;
means a person whose bid is accepted by the Auctioneer;
means an organization established under the Agricultural Products
(Marketing) Ordinance (Cap. 277);
means Monday to Friday, other than a public holiday (as defined in
the Interpretation and General Clauses Ordinance (Cap. 1) or a day
on which tropical cyclone warning signal No. 8 or above is hoisted,
or black rainstorm warning signal or "extreme conditions" after super
typhoons announced by the Government is/are in force, for any time
during the normal business hours.

- (b) The following rules of interpretation shall apply:
 - (i) references to statutes or statutory provisions shall be construed as references to those statutes or statutory provisions as replaced, amended, modified or re-enacted from time to time, and shall include all subordinate legislation made under those statutes;
 - (ii) words importing the singular shall include the plural and vice versa, words importing a gender shall include all other genders;
 - (iii) references to "laws" and "regulations" shall include any constitutional provisions, treaties, conventions, ordinances, subsidiary legislation, orders, rules and regulations having the force of law and rules of civil and common law and equity, regardless of the jurisdiction;
 - (iv) a time of a day shall be construed as a reference to Hong Kong time;
 - (v) references to a day mean a calendar day;
 - (vi) references to a month mean a calendar month;
 - (vii) references to "normal business hours" mean 0900 to 1700 hours;

- (viii) words importing the whole shall be treated as including a reference to any part of the whole;
 - (ix) the expressions "include" and "including" shall be construed without limitation to the words following;
 - (x) references to "Cap." mean a Chapter of the Laws of Hong Kong; and
 - (xi) references to "Paragraph" are to that of Part II of these terms and conditions, and references to "Clause" are to that of Part III of these terms and conditions;

¹ Please refer to the following Papers for details:

- LC Paper No. CB(2)922/19-20(05)
- (https://www.legco.gov.hk/yr19-20/english/panels/fseh/papers/fseh20200512cb2-922-5-e.pdf)
 LC Paper No. CB(2)58/2022(02)
- (https://www.legco.gov.hk/yr2022/english/panels/fseh/papers/fseh20220208cb2-58-2-e.pdf)
 LC Paper No. CB(2)741/2022(05)
- (https://www.legco.gov.hk/yr2022/english/panels/fseh/papers/fseh20221011cb2-741-5-e.pdf)
 The Chief Executive's 2023 Policy Address Policy Measures
 - (https://www.policyaddress.gov.hk/2023/public/pdf/measure/measure-full_en.pdf)

PART II

TERMS OF AUCTION

1. The Auction

- 1.1 An auction to lease stall(s), each to be leased for <u>a fixed term of three years</u> commencing on 1 August 2024 on terms and conditions set out in the form of tenancy agreement, that is available for inspection at respective Hawkers and Markets Section Offices and district offices of the FEHD during office hours from 7 June 2024, will be conducted by the Auctioneer on behalf of the Government at the Auction Venue on the Auction Date.
- 1.2 If tropical cyclone warning signal No. 8 or above is hoisted, or black rainstorm warning signal or "extreme conditions" after super typhoons announced by the Government is/are in force, for any duration between 0700 and 1000 hours on the date of auction specified in the Auction List or any deferred date of auction, the Auction will be deferred to a date to be announced via press releases on the websites of the ISD (https://www.info.gov.hk/gia/general/today.htm) and FEHD (https://www.fehd.gov.hk/) as soon as practicable.
- 1.3 The Government reserves the right to change the Auction Venue and defer the Auction. The Government will announce any such change or deferment via press releases on the websites of the ISD (https://www.info.gov.hk/gia/general/today.htm) and FEHD (https://www.fehd.gov.hk/) before or on the day preceding the date of the auction specified in the Auction List or any deferred date of the auction.
- 1.4 If public access to the Auction Venue is blocked at any time between 0700 and 1000 hours on the date of auction specified in the Auction List or any deferred date of auction, the Government may cancel the Auction, or change the Auction Venue, or defer the Auction. The Government will announce any such cancellation, change or deferment via press releases on the websites of the ISD (https://www.info.gov.hk/gia/general/today.htm) and FEHD (https://www.fehd.gov.hk/) as soon as practicable.

2. Qualification of a Bidder

- 2.1 A bidder must meet the following requirements to bid in an Auction:
 - (a) (i) he is 18 years of age or above and is an ordinarily resident in Hong Kong within the meaning as defined in section 2 of the Immigration Ordinance (Cap. 115); or
 - (ii) he is 18 years of age or above and is an authorized representative of a Charitable Organisation which has been approved by the FEHD to bid in the Auction; or
 - (iii) he is 18 years of age or above and is an authorized representative of the Fish Marketing Organization which has been approved by the FEHD to bid in the Auction; or
 - (iv) he is 18 years of age or above and is an authorized representative of the Vegetable Marketing Organization which has been approved by the FEHD to bid in the Auction; and
 - (b) he is a Registered Person and is admitted to the Auction Venue.
- 2.2 By entering into the Auction Venue, a Registered Person is regarded to have agreed to be bound by these terms and conditions, any addendum to these terms and conditions, the Auction List, any other terms and conditions provided by the

Government to apply to the Auction, and all notice(s) published by the Government at the Auction Venue (if any).

3. Admission to the Auction Venue

- 3.1 On an Auction Date, any person who wishes to bid in the Auction shall present himself at the waiting area outside the Auction Venue, and shall produce his Hong Kong Identity Card or passport as his identification document for registration as a Registered Person. Upon registration, the Registered Person will be provided with an admission ticket to the Auction Venue with his registration number marked on it, and a Bidding Paddle bearing his registration number.
- 3.2 The Registered Person shall not transfer the admission ticket or the Bidding Paddle with which he is provided and shall use them for admission to the Auction Venue and for bidding and identification purposes respectively. Only a Registered Person holding a valid admission ticket and his Bidding Paddle will be permitted to bid in the Auction.
- 3.3 As the Auction Venue has a limited capacity, registration is on a first-come, firstserved basis, which shall take place 30 minutes before the start of the Auction on the Auction Date. The FEHD may advance or postpone the time for registration depending on the circumstances on the Auction Date.
- 3.4 No photographs or videos may be taken at the Auction Venue. During auction, no person shall behave in such a manner to cause undue disturbance to other persons or disorder at the Auction Venue, or in any manner whatsoever to interfere with the bids of other persons or cause other persons to surrender their bids. Any person who commits such an act will be removed and will not be allowed to enter the Auction Venue again on the Auction Date. Any person who uses abusive language to the public officers at the Auction Venue, or wilfully obstructs or resists the public officers at the Auction Venue in the execution of their duties will be removed.
- 3.5 All persons entering the Auction Venue are required to pay attention to and comply with the rules and regulations of Auction Venue, failing which the FEHD may refuse admission to the Auction Venue. The measures may include, but not limited to, the following: -
 - (a) Persons with fever or acute respiratory symptoms or sudden loss of taste or smell and those with higher risk of developing severe illness are advised not to enter the Auction Venue.
 - (b) Eating and drinking are not allowed at the Auction Venue.
 - (c) All persons are advised to avoid activities which can generate aerosol such as shouting, chanting and singing along at the Auction Venue.

4. Use of Bidding Paddle

4.1 A Registered Person must use the Bidding Paddle bearing his registration number to bid, failing which his bid is invalid and any acceptance of his bid is of no effect.

5. Auction List and Round(s) of Auction

- 5.1 Each Registered Person acknowledges that the Auction List is subject to amendment by the Government at any time before the start of the Auction on the Auction Date.
- 5.2 The Government reserves the right to withdraw any stalls on the Auction List at any time before the fall of hammer.
- 5.3 A Second Round of Auction will be held for the stalls on the Auction List that have not been leased in the First Round of Auction. If all stalls on the Auction

List have been leased in the First Round of Auction, a Second Round of Auction will not be held.

5.4 A Registered Person should note that, as it is possible that not all stalls may be leased in the First Round of Auction hence there may be a Second Round of Auction, he, if unsuccessful in the First Round of Auction, may consider waiting until the close of the First Round of Auction to see if any stalls may have not been leased and may then be put up for auction in a Second Round of Auction.

6. Formation of Contract

- 6.1 The Auctioneer shall accept the highest bid for a stall by the fall of hammer whereupon a Contract is formed between the Successful Bidder and the Government, except where such acceptance is of no effect or is revoked as provided in these terms and conditions.
- 6.2 A Successful Bidder shall not assign or transfer any of his rights or obligations under the Contract without the prior written consent of the Government.

7. Personal Data Provided

- 7.1 All personal data provided by a person (including his name, Hong Kong Identity Card number and date of birth) when making arrangements for registering and participating in an Auction will be used by the Government for the purposes of the Auction including for registering as a bidder, checking compliance with these terms and conditions, signing tenancy agreement, resolving dispute arising from or relating to the Auction, complying with any laws or regulations, and making disclosure pursuant to Paragraph 8 below.
- 7.2 An individual to whom personal data belongs and a person authorized by him in writing has the right of access and to request correction with respect to the individual's personal data as provided for in sections 18 and 22 and Principle 6 of Schedule 1 to the Personal Data (Privacy) Ordinance (Cap. 486).
- 7.3 The right of access includes the right to obtain a copy of the individual's personal data provided when making arrangements for registering and participating in an Auction. Enquiries concerning the personal data collected for the said purposes, including the making of access and corrections, should be addressed to the Personal Data Privacy Officer of the Environmental Hygiene Branch of FEHD, Chief Executive Officer at 45/F, Queensway Government Offices, 66 Queensway, Hong Kong.

8. Consent to Disclosure

- 8.1 The Government may disclose, whenever it considers appropriate, information (including personal data) in relation to or concerning the Auction, any Registered Person or his bid if the disclosure is made under any of the following circumstances (whether the information will upon disclosure become public information): -
 - (a) the disclosure of any information to any public officer or public body as defined in the Interpretation and General Clauses Ordinance (Cap. 1);
 - (b) the disclosure of any information already known to the recipient;
 - (c) the disclosure of any information which is public knowledge;
 - (d) the disclosure of any information in circumstances where such disclosure is required pursuant to any laws or regulations, or an order of a court of Hong Kong or a court or tribunal with competent jurisdiction;
 - (e) the disclosure of any information regarding anti-competitive collusive conduct to the Competition Commission of Hong Kong (and other authorities

as relevant); or

(f) to the extent the information relates to or concerns a Registered Person, with the prior consent of that person.

9. Government's Right to Refuse Admission to or Remove Person from Auction Venue

- 9.1 In addition to the rights and powers of the Government under Paragraph 3 above, the Government shall have the right to refuse admission of a Registered Person to or remove a Registered Person from the Auction Venue upon occurrence of either of the following events:
 - (a) the Registered Person is found to have submitted a false or inaccurate statement or forged document for registration as a Registered Person;
 - (b) the Registered Person is found to have allowed his Bidding Paddle to be used by another Registered Person during auction;
 - (c) the Registered Person is found to have taken any photograph or video at the Auction Venue;
 - (d) the Registered Person is found to have failed to comply with the Prevention of Bribery Ordinance (Cap. 201);
 - (e) the Registered Person is found to have caused undue disturbance to other persons or disorder at the Auction Venue or have interfered with the bids of other persons or caused other persons to surrender their bids;
 - (f) the Registered Person is found to have used abusive language to the public officers at the Auction Venue, or wilfully obstructed or resisted them in the execution of their duties; or
 - (g) the Registered Person is found to be restricted from bidding pursuant to Paragraph 10.1 below.

10. Restrictions on Bidding

- 10.1 The following persons are not allowed to bid at an Auction (subject to any exception set out in this Paragraph 10.1) and none of their bids is valid and acceptance of any such bid is of no effect: -
 - (a) a sitting tenant in a public market where his stall is located on the same market in any Auction Date, who is however allowed to bid a stall in a Second Round of Auction (excluding a sitting tenant who is renting a public market stall under the three-year fixed term tenancy scheme);
 - (b) Successful Bidder in the same public market in any rounds on any Auction Date;
 - (c) a former tenant of a stall in any public market, whose tenancy was terminated by the Government on the ground of non-observance or non-performance of any of the terms and conditions of the tenancy agreement and which termination took place within 1 year before the Auction Date;
 - (d) notwithstanding sub-paragraph (c) above, a former tenant of a stall in any public market, whose tenancy was terminated by the Government on the ground of non-payment of rent (no matter when the termination took place), who is however allowed to bid if the rent in arrears together with any interest thereon are fully paid;
 - (e) notwithstanding sub-paragraph (c) above, a former tenant of a stall in any public market, who is repaying any rentals in arrears of the tenancy by instalments, is however allowed to bid if the rent in arrears thereon are fully

paid;

- (f) notwithstanding sub-paragraph (c) above, a sitting tenant or former tenant of a stall in any public market, whose tenancy was early terminated by the Government (other than temporary decanting or permanent relocation arranged by the Government) (the restriction will not be applicable after the period of one year counting from the date of the notice of termination of tenancy agreement);
- (g) a former tenant who leased a stall in a public market twice (or more) in respect of the same stall, each time for a period of 3 months or less (other than the short-term tenancy offered by the Government), within 1 year before the Auction Date;
- (h) a person who was successful in bidding a stall in any public market at auction but failed to pay the requisite deposit as required under the terms of the auction, who is however allowed to bid if the outstanding sum together with any interest thereon are fully paid;
- (i) a person who was successful in bidding a stall in any public market at auction but failed to sign a tenancy agreement for that stall within 1 year before the Auction Date;
- (j) a former tenant of any public market under the Market Modernisation Programme who chose to leave for good and receive an ex-gratia payment (the restriction will not be applicable after the period of five years counting from the date of receiving the ex-gratia payment); and
- (k) a former tenant of Tui Min Hoi Market, Choi Hung Road Market, and Kwun Tong Ferry Concourse Cooked Food Market under the Closure and Consolidation of Public Markets Plan who chose to leave for good and receive an ex-gratia payment (the restriction will not be applicable after the period of five years counting from the date of receiving the ex-gratia payment).
- 10.2 No person who is renting a public market stall under the three-year fixed term tenancy scheme shall be allowed to rent more than one stall of three-year fixed term tenancy in the same market (the arrangement for bidding by a sitting tenant who is renting a public market stall in the same market under the three-year fixed term tenancy scheme may refer to Clauses 1.3 of Part III).
- 10.3 For the avoidance of doubt, if a Successful Bidder in a First Round of Auction is found to be currently a sitting tenant (excluding a sitting tenant who is renting a public market stall under the three-year fixed term tenancy scheme) or has in a first round of Auction successfully bid another stall in the same public market, the bidder will be ineligible to sign the tenancy agreement. The stall will be released for bidding again within the first round (during which the bidder in question will not be allowed to bid).
- 10.4 Any person who was successful in bidding a stall in any public market at auction but failed to complete the registration and/or pay the requisite deposit, or give up his tenancy right of that stall, will not be allowed to bid again in that Auction of any stalls.

11. Prevention of Bribery Ordinance and Warranty against Collusion

11.1 Each Registered Person is reminded that he must comply with the provisions of the Prevention of Bribery Ordinance (Cap. 201), including section 7 thereof according to which it is an offence for any person to offer an advantage or to solicit or accept an advantage as an inducement to or reward for refraining from bidding at an auction conducted by any public body.

- 11.2 If the Auctioneer suspects that a Registered Person is conspiring with any other person to defeat competitive bidding of a stall at the Auction, the Auctioneer shall have the right to withdraw the stall or, if any bid is accepted, to revoke the acceptance.
- 11.3 A Successful Bidder shall sign a warranty in the form at Appendix IV in the presence of an officer of the FEHD and submit it to the FEHD immediately after his bid is accepted.
- 11.4 Bid rigging is anti-competitive in nature and is a serious anti-competitive conduct under the Competition Ordinance (Cap. 619). Registered Persons shall not collude with each other to bid or refrain from bidding at the Auction.
- 11.5 By entering into the Auction Venue, a Registered Person represents, warrants and undertakes that he has not entered into any prior agreement, arrangement or understanding with any other person, or otherwise engage in any conduct which has or is likely to have the effect of preventing or hindering competitive bidding.
- 11.6 Without prejudice to any other rights and powers of the Government/Auctioneer, if the Government/Auctioneer has reasonable ground to suspect or believe that a Registered Person is in breach of Paragraph 11.5 above, the Auctioneer may revoke any acceptance of his bid and the Government may:-
 - (a) remove the Registered Person from the Auction Venue; and/or
 - (b) at its discretion report any suspected bid-rigging or other incidents of anticompetitive practices to the Competition Commission of Hong Kong and provide the Commission with any information in relation thereto including information on the bids and personal data of the persons involved.
- 11.7 By entering into the Auction Venue, a Registered Person is regarded to have undertaken to indemnify and keep indemnified each of the Government and the Auctioneer against all demands, claims, actions, proceedings, liabilities, losses (including all monetary and economic losses), damages, costs and expenses arising out of in relation to any breach of any of the representation, warranty or undertaking made under this Paragraph 11.

12. Information for Reference

12.1 The FEHD may arrange for modernisation improvement works including retrofitting of air-conditioning system to be carried out in some public markets or public markets with cooked food centre. Persons interested in the Auction should note that some stalls may be affected during the works and that the tenants of the stalls concerned would be required to pay recurrent and maintenance cost of the air-conditioning system after the completion of the works.

PART III

OBLIGATIONS OF SUCCESSFUL BIDDER

1. Procedures after bidding

- 1.1 A Successful Bidder, immediately after acceptance of his bid of a stall, is required to register in person with an officer of the FEHD at the Auction Venue in his own name as tenant of the stall.
- 1.2 Upon registration under Clause 1.1 above, a Successful Bidder is required to do the following within 1 hour or a time period specified by the Auctioneer after the close of the Round of Auction in which his bid is accepted: -

- (a) sign and submit a declaration in the form at Appendix I and V (if applicable) hereto to the FEHD;
- (b) sign and submit a warranty in the form at Appendix IV hereto to the FEHD; and
- (c) pay to the Government the following sums in cash, by cheque (post-dated cheque will not be accepted) or by Faster Payment System (FPS):
 - (i) a deposit equivalent to two months' rent and, if applicable, two months' air-conditioning charge, which will be applied as the deposit payable under the tenancy agreement upon signing of the tenancy agreement. Subject to Clause (ii) below, this deposit is refundable when the tenant delivers vacant possession of the stall to FEHD on or before the effective date of termination of the tenancy after giving notice in writing to FHED in accordance with the relevant clauses in the tenancy agreement; and
 - (ii) one month's rent in advance and, if applicable, one month's airconditioning charge in advance, which will be applied as payment of the rent and, if applicable, air-conditioning charge for the first month of the term upon signing of the tenancy agreement. The tenancy cannot be terminated by the tenant in the first 3 months after the commencement of the tenancy agreement. If the tenant terminates the tenancy within the first 3 months after the commencement of the tenancy agreement, the tenant shall pay to FEHD an amount equivalent to 3 months' rent plus air-conditioning charge (if applicable), less the same he has paid under the tenancy agreement for any period which falls within that 3 months. The amount to be paid is in addition to any other charges or costs due to FEHD.
- 1.3 If a Successful Bidder is found to be currently a sitting tenant who is renting a public market stall in the same market under the three-year fixed term tenancy scheme, he shall sign and submit a declaration in the form at Appendix V hereto to the FEHD immediately, and must deliver vacant possession of the current stall under the three-year fixed term tenancy scheme in the same market to FEHD before the effective date of commencement of the tenancy agreement.
- 1.4 Note to bidders: the Government has implemented an arrangement since 1 July 2017 to compensate for inflation by adjusting the rent of market stalls yearly. Generally speaking, the rent of public market stalls will be adjusted annually on the rent adjustment date specified in the tenancy agreement. The adjustment is linked to the annual rate of change of the Consumer Price Index (A) for the past twelve months (that is, the past twelve months for the six months preceding the rent adjustment date).

2. Signing of Tenancy Agreement

2.1 Upon compliance with all the requirements under Clauses 1.1 and 1.2 above by a Successful Bidder, the Successful Bidder is required to sign a tenancy agreement for a fixed term of three years, on a date to be specified in writing by the FEHD or any other date as agreed by the FEHD at the following offices: -

For market stalls in Hong Kong & Islands District

Hawkers and Markets Section (Hong Kong and Islands) Office 8/F, Lockhart Road Municipal Services Building, 225 Hennessy Road, Wan Chai, Hong Kong

For market stalls in Kowloon

Hawkers and Markets Section (Kowloon) Office Room 301-302, 3/F, Food and Environmental Hygiene Department Nam Cheong Offices and Vehicle Depot, 87 Yen Chow Street West, Kowloon

<u>For market stalls in the New Territories</u> Tsuen Wan District Environmental Hygiene Office 3/F, Yeung Uk Road Municipal Services Building, 45 Yeung Uk Road, Tsuen Wan, New Territories

Kwai Tsing District Environmental Hygiene Office 9/F, Kwai Hing Government Offices, 166-174 Hing Fong Road, Kwai Chung, New Territories

North District Environmental Hygiene Office 4/F, Shek Wu Hui Municipal Services Building, 13 Chi Cheong Road, Sheung Shui, New Territories

Sai Kung District Environmental Hygiene Office 8/F, Sai Kung Tseung Kwan O Government Complex, 38 Pui Shing Road, Tseung Kwan O, New Territories

Yuen Long District Environmental Hygiene Office 2/F-5/F, Yuen Long Government Offices, 2 Kiu Lok Square, Yuen Long, New Territories

Tuen Mun District Environmental Hygiene Office 1/F & 3/F, Tuen Mun Government Offices Building, 1 Tuen Hi Road, Tuen Mun, New Territories

(The form of the tenancy agreement for a fixed term of three years is available for inspection at respective Hawkers and Markets Section Offices and district offices of the FEHD during office hours from 7 June 2024.)

- 2.2 If there are additional installations left behind by a former tenant of the stall concerned, the Successful Bidder is required, before signing the tenancy agreement(s), to sign an undertaking in the form at Appendix III to acknowledge his acceptance of such installations and his assumption of responsibilities of such installations.
- 2.3 Before signing the tenancy agreement(s), the Successful Bidder shall surrender to the Director of Food and Environmental Hygiene any valid hawker licence held by him, which will be cancelled forthwith and will not be returned or re-issued under any circumstances.
- 2.4 Public market stall tenant shall not assign, sublet, transfer or otherwise part with any of the benefits or obligations of the stall tenancy agreement. Before entering into the public market stall tenancy agreement(s) with FEHD, a Successful Bidder shall sign a declaration for renting market stall (a sample at Appendix II) that he shall not assign, sublet, transfer or otherwise part with any benefits or obligations of the stall tenancy agreement.

3. Consequences of Non-compliance

- 3.1 Upon default of a Successful Bidder in complying with either of the requirements under Clauses 1 and 2 above, the Government is entitled, without prejudice to any other rights of and remedies available to the Government, to exercise any one or more of the following rights or remedies: -
 - (a) to commence legal proceedings against the Successful Bidder for breach of the Contract;
 - (b) to cancel the Successful Bidder's registration as tenant of the stall concerned, and to withdraw the stall concerned from the Auction, or put it up for auction in that Round of Auction, or deal with it in any other manner as the Government deems fit;
 - (c) to forfeit the sums paid pursuant to Clause 1.2 (c)(i) above, if any;
 - (d) to claim for all loss and damage suffered or sustained by the Government arising out of or in connection with his default, including any shortfall in the amount of rent received in re-leasing the stall concerned.

4. Salient Provisions of Tenancy Agreement

- 4.1 A Successful Bidder should note that the tenancy agreement(s) shall impose the following restrictions or obligations on him as tenant: -
 - (a) Transfer or succession of the tenancy agreement is not permitted. However, this does not affect the rights of the tenant's legal personal representative.
 - (b) The tenant of a stall designated for selling cooked food shall provide a structure in strict conformity with the design and dimension specified by the FEHD if no such structure has already been provided.
 - (c) Cooked food centres and cooked food markets under FEHD generally offer communal seating, which is for the shared use of all customers and not for the exclusive use of any one stall. The tenant shall not in any manner occupy the communal seating for the exclusive use of his stall.
 - (d) The tenant is required to arrange for the supply of electricity and water direct with the Hong Kong Electric Co. Ltd./China Light and Power Co. Ltd. and the Water Supplies Department.
 - (e) The FEHD has the right to specify from time to time the number of stalls to be designated for selling the prescribed commodities or to vary the specific purpose or use of an individual stall in a market.
 - (f) The tenant shall not be entitled to any form of compensation from the Government due to the termination of the tenancy agreement. Any relocation or relocation plan of the Government, and other policies applicable to any other public market stalls, shall not in any way apply or affect the tenancies of stalls rented out on a three-year fixed term tenancy scheme, and the tenant shall not acquire any rights, claims or compensation from such policy of the Government.
 - (g) There may be additional installations (e.g. roller shutter, wire-mesh stall top cover, etc.) left behind by a former tenant of the stall. The Government does not guarantee that such installations are fit for use by the tenant or are in good working condition. Subject to the consent of the Government, the tenant may remove such installations at his own expense. The tenant is responsible for the removal and disposal of the installations (except those to be retained with the Government's permission) upon expiry or termination of the tenancy at his own expense.

Food and Environmental Hygiene Department June 2024

Appendix I

Food and Environmental Hygiene Department

Declaration

I am (Name : _____) (HKID No. : _____), the successful bidder of Stall No. ______ of _____ Market (hereinafter referred to as "the Market Stall"). I am willing to be the tenant of the Market Stall and I hereby declare that : -

I clearly understand and acknowledge that the term of the tenancy agreement of the Market Stall will be for <u>a fixed term of three years certain</u> from the ____day of _____20___ to the ____day of _____20___. On the expiry of the term of the tenancy agreement or early termination of the tenancy agreement, I have <u>no right to renew the tenancy</u> <u>agreement</u>. The Government of the Hong Kong Special Administrative Region will not be liable for any loss or damage incurred by or caused to me arising from or in connection with the expiry or early termination of the tenancy agreement.

Name of the successful bidder (in capital letter)):
funde et me successiur studet (in cupitur tetter)	

Signature : _____ Date : _____

Name of the witness (in c	capital letter) :	Post :	

Signature : _____ Date : _____

<u>Appendix II</u>

Food and Environmental Hygiene Department

Declaration for Renting Market Stall

Stall No. ______ at _____ Market

I understand that in public markets under the management of the Food and Environmental Hygiene Department, market stall tenant shall not assign, sublet, transfer or otherwise part with any of the benefits or obligations of the stall tenancy agreement. The stall tenancy agreement cannot be transferred or succeeded either.

I undertake that upon entering into the captioned market stall tenancy agreement with the Food and Environmental Hygiene Department, I will not assign, sublet, transfer or otherwise part with any of the benefits or obligations of the stall tenancy agreement. I confirm to acknowledge that the stall tenancy agreement cannot be transferred or succeeded.

Signature :

Name of Tenant :

HKID No. :

Date : _____

Witness

Signature :

Name :	 		

Food and Environmental Hygiene Department

Undertaking Signed by Market Stall Tenants

I, _____(Hong Kong Identity Card No.: _____), succeeded in bidding for Stall No. _____ of _____ Market on ______. I am fully aware that there may be additional installations, such as roller shutter and wire-mesh stall top cover, (the "installations") in the said stall.

I hereby agree to accept the installations (if any). I will be responsible for their inspection and maintenance (including fair wear and tear). The Government does not guarantee that such installations are fit for my use and/or in good working condition. Subject to the consent of the Government, I may remove the installations at my own expense.

I will be responsible for the removal and disposal of the installations (except those allowed to be retained in the stall) upon expiry or termination of the tenancy at my own expense.

Signed by Tenant :
Name of Tenant :
Date :
Signed by Witness :
Name of Witness :
Post of Witness :
Date :

Food and Environmental Hygiene Department

<u>Warranty</u>

- (1) By making a bid, the bidder represents and warrants that in relation to the auction of (date of auction) for letting out the vacant stalls in <u>(name of market)</u>:
- (i) he has not communicated and will not communicate to any person other than the Government the amount of any bid price;
- (ii) he has not fixed and will not fix the amount of any bid price by arrangement with any person;
- (iii) he has not made and will not make any arrangement with any person as to whether he or that other person will or will not make a bid; and
- (iv) he has not otherwise colluded and will not otherwise collude with any person in any manner whatsoever in the auction process.

(2) In the event that the bidder is in breach of any of the representations and/or warranties in Clause (1) above, the Government shall be entitled to, without compensation to any person or liability on the part of the Government:

- (i) reject the bid;
- (ii) if the Government has accepted the bid, withdraw its acceptance of the bid; and
- (iii) if the Government has entered into the tenancy with the bidder, terminate the tenancy.

(3) The bidder shall indemnify and keep indemnified the Government against all losses, damages, costs or expenses arising out of or in relation to any breach of any of the representations and/or warranties in Clause (1) above.

(4) For the avoidance of doubt, the making of a bid by a bidder to the Government in public during an auction will not by itself be regarded as a breach of the representation and warranty in Clause 1(i) above.

(5) The rights of the Government under Clauses (2) and (3) above are in addition to and without prejudice to any other rights or remedies available to it against the bidder.

Bidder's signature:	Witness's signature:
Bidder's name:	Witness's name:
HKID No.:	Witness's post:
Date:	Date:

<u>Appendix V</u>

Food and Environmental Hygiene Department

Declaration

I am (Name : _____) (HKID No. : _____), the successful bidder of Stall No. ______ of _____ Market (hereinafter referred to as "the Market Stall"). I am willing to be the tenant of the Market Stall and I hereby declare that : -

I clearly acknowledge and agree that regardless of whether I have entered into a three-year fixed term tenancy agreement for the Market Stall before 31 July 2024, the Food and Environmental Hygiene Department (FEHD) will terminate the tenancy agreement for Stall no. ______ at _____ Market in accordance with Clause 13 of the tenancy agreement signed between myself and FEHD on ______. It is further understood that the tenancy agreement will invalid on 1 August 2024. I will vacate and deliver up possession of the stall to the Government on or before 31 July 2024. I shall not be entitled to claim any compensation in any form from the Government as a result of the earlier termination of the tenancy agreement of Stall no. ______ of _____ Market.

Bidder's signature:	Witness's signature:
Bidder's name:	Witness's name:
HKID No.:	Witness's post:
Date:	Date: