

HONG KONG / JUDGMENT

N v. C**COURT**

Family Court

DECIDED

27 January 2006

CASE / FILE NUMBER

FCMC7245/2004

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bjbj IN THE DISTRICT COURT OF THE HONG KONG SPECIAL ADMINISTRATIVE REGION
MATRIMONIAL CAUSES SUIT NO. 7245 OF 2004

BETWEEN N Petitioner and C Respondent

Coram : H.H. Judge Bruno Chan in Chambers Date of Hearing : 12, 13 May, 19 21, 24 October, 11
November, 6 and 21 December 2005 Date of Handing Down of Judgment : 27 January 2006

J U D G M E N T

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1. This is the Respondent Wife s application for ancillary relief against the Petitioner Husband upon the dissolution of their 14 years marriage, specifically for a lump sum to enable her to purchase a home for her and the child of the family, and periodical payments for the child. Although the parties are already divorced by a decree nisi granted on 28th September 2004, for convenience purpose I shall refer to them as Husband and Wife in this judgment.

Background

2. The parties were married on 29th October 1990 in Hong Kong. There is 1 child of the family a daughter who is now almost 13 years old. At the time of the marriage both parties were gainfully employed and had worked throughout the marriage. The Husband is the service manager of a computer system company while the Wife is an account clerk. It is common ground that he earned a much higher income but both parties contributed their income towards the support of the family throughout the marriage, during which they also invested in 3 properties.

3. In 1990 they purchased their 1st property at Allway Gardens in Tsuen Wan as their matrimonial home for \$650,000 of which the Husband paid the down payment of \$150,000 with the balance by means of a mortgage, the monthly instalments of which were also paid by him while the Wife paid for the deduction costs as well as the household expenses.
4. In May 1991 the parties sold the property for \$970,000 with the net sale proceeds kept by the Husband. They then moved to live with the Husband's parents in a flat at Heng Fa Chuen purchased by the Husband jointly with his eldest sister K prior to the marriage.
5. At or about the same time the Husband bought a property at Sceneway Garden, Kowloon jointly with his other sister L with the assistance of a bank mortgage jointly paid by both of them. Several months later the said L sold her share to the parties who funded the purchase with the sale proceeds of their Allway Gardens property while the Husband took over the mortgage instalments. The property was subsequently let out for rental income. In late 1994 the parties moved into this property with their daughter and hired a domestic helper to look after her while they worked to jointly support the family.
6. In January 1996 the Husband and his sister sold their Heng Fa Chuen property and purchased another property at Kai Yuen Street, North Point, Hong Kong (The former matrimonial home) jointly with the Wife, with the said K holding 50% and the parties 25% each. The purchase price was \$3,188,000 and another sum of about \$800,000 was spent on decoration. The parties paid for their share of \$2,000,000 from the sale proceeds of the Heng Fa Chuen property together with a bank loan by means of a further charge against their Sceneway Garden property.
7. In about November 1996 the parties moved into the former matrimonial home with the 2 said sisters of the Husband, K and L, while their Sceneway Gardens property was let out again for rental income to meet its mortgage payments. The mortgage was paid off in August 2002 and in April of the following year the parties sold their Sceneway Gardens property for \$1,690,000, from which the Husband gave the Wife a sum of \$836,550 being her half share of the net sale proceeds.
8. Going back somewhat in time to 1999, there was an incident of significance that should be mentioned. On 3rd December of that year the Wife passed out on the street and was hospitalised for some 45 days when she was treated for nephrotic syndrome, a disease of the kidney. After her discharge from the hospital, she quitted her job in February 2000 and took one year off work for recuperation until about February 2001 when she returned to work for the same employer at a salary of \$25,000 per month. In April 2002 her employer ceased business in Hong Kong and she was laid off upon the payment of \$120,000 in severance pay. In May 2003 she found her present job but at a much lower monthly salary of \$12,000 plus a travelling allowance of \$2,000. She has remained in this job since.

9. Perhaps as a result of the financial strain caused to the family during the period of the Wife's unemployment when the Husband had to shoulder up the entire financial burden of the family, the parties' relationship began to deteriorate and they started to sleep in separate bedrooms in about mid-2003.
10. By May 2004 the parties agreed that their marriage was at an end and started discussing matters over custody of their daughter and the financial arrangements between them in contemplation of a divorce. It is the Wife's case that the parties had subsequently reached an agreement to have joint custody of their daughter with care and control to her and reasonable access to the Husband, that all their family assets be shared equally, that the Husband shall pay the Wife \$20,000 per month for the maintenance of the daughter, and that she shall move to a place close to the former matrimonial home with the daughter to facilitate the Husband's access and that her domestic helper could work in both households.
11. Whilst agreeing that the parties did reach an agreement on the arrangement for their daughter, the Husband denies that there was any financial agreement between them, and that in any event whatever terms which the Wife claims that he might have agreed were without the benefit of proper legal advice and are not therefore binding on him.
12. On 31st May 2004 the Wife rented her present flat at Park Avenue, Kowloon and has since left the former matrimonial home to reside there with the daughter and the domestic helper. On 5th July 2004 the Husband through his solicitors formally informed the Wife's that there was no settlement agreement between them, and on the same day instituted these proceedings for divorce based on the parties' separation.
13. On 28th September 2004 the decree nisi of divorce was granted to the Husband, followed shortly thereafter by a consent order of joint custody of the daughter to the parties with care and control to the Wife and reasonable access including staying access during weekends and school holidays to the Husband, with the question of ancillary relief adjourned for trial upon the exchange of the parties' financial statements and other relevant documents.
14. In compliance of the Practice Direction, the parties exchanged their open proposals in May 2005. The Wife's proposal was, not surprisingly, along the line of what she claims to be the agreement reached with the Husband about a year ago, that he should pay her a lump sum of \$3.64 million representing about 50% of their matrimonial assets, of which she agreed that \$1,085,000 had already been paid from the sale proceeds of their Sceneway Gardens Property and certain stock and shares investment, with the balance of \$2,555,000 to be paid within 14 days, whereupon she shall transfer her interest in the former matrimonial home to the Husband within 1 month of the receipt of the above payment, and that he shall pay \$20,000 per month for the maintenance of the daughter.
15. The Husband counter-proposed that he would pay the Wife a lump sum of \$1.4 million, of which he said \$1,045,966.90 had already been paid to her being her share of the sale proceeds of the said property and stocks investment, in return for her transfer of her

interest in the former matrimonial home to him, and to pay \$7,500 per month only for the daughter because he believes that is all she needs and that he cannot afford to pay more in view of the uncertainty of his job security and his future obligation to any new family that he may have.

16. The first issue for my determination is whether the parties, as alleged by the Wife, did reach overall financial agreement to inter alia divide their matrimonial assets equally and for the Husband to pay \$20,000 per month for the maintenance of the daughter. It is not in dispute that the parties did discuss settlement in 2004 in contemplation of a divorce, and I believe that they might even have in fact agreed in principle to share their matrimonial assets in the manner as suggested by the Wife, and that instructions were given to the Wife's solicitors for the purpose of drawing up the agreement, but no agreement has actually been signed, not even a memorandum of agreement, and so the draft produced by the Wife at best can only be said to be a preliminary agreement in principle but subject to further details to be provided and amendments as well as the Husband's final approval and execution.
17. Although the Husband might have agreed in principle to share the matrimonial assets with the Wife equally, surely he, as was the Wife, as well as any parties in similar situation, was entitled to proper legal advice and thereafter was also entitled to change his mind about any of the terms under negotiation and to seek the Court's determination, which is exactly what he is now doing. The fact that the Wife had also departed from what she said to be a term of the agreement by moving away with the daughter from the neighbourhood of the former matrimonial home further suggests that there was never any binding agreement between the parties. I shall therefore accordingly proceed to consider the relevant matters required under section 7 of the Matrimonial Proceedings and Property Ordinance.
18. I shall start with the Husband's financial situation. He is now 48 and is still employed as his company's service manager. In his Financial Statement filed in August 2004 he put his income at \$85,813.50 per month including bonuses. However in his 3rd Affirmation filed in October 2005 he claimed his monthly income at \$83,000. In his evidence at the trial he explained that his income is only guaranteed at \$800,000 per annum while \$200,000 is a performance or objective linked allowance which is only discretionary of his employer and that he may not be able to receive in full, although he has also admitted that he did receive the entire amount last year, and 80% of the amount the 2 previous years. Given the improved economy, I see no reason why he should not expect to receive the entire amount this year. I therefore put his income at slightly above \$85,000 per month.
19. The Husband however claims to be very concerned about his job security as he was originally promoted to the post of Regional Service Director of Greater China of his company in 1999 but has since been demoted to his present position, albeit at the same salary, but the market salary of which, he says, should be only about \$60,000, and which therefore makes him an overpaid staff and hence he is worried that he may soon be laid off, or forced to take a pay cut, or even early retirement for health reason.

20. The Husband has been employed by the same company, a public company in the US, for more than 12 years since 1993 at the initial salary of \$37,700 to the present amount of over \$85,000 per month, an income that has remained stable since 1999 despite the economic crisis and Sars in between. No job is of course guaranteed for life, but with the improving economy and in the absence of evidence or sufficient evidence to suggest that the Husband is at risk of facing a pay cut or losing his job in the near future, and that if and when that misfortune does happen, the matter can always be brought back before the Court for review and proper adjustment be made as far as the daughter s maintenance is concerned. His worry is perhaps understandable but unjustified.
21. There is no dispute that he has also been suffering from diabetes since 1997 which he believes was inherited from his mother, but he claims that his stressful and demanding job is also a contributing factor. As a result he is said to be taking Chinese medicine as well as his regular western medicine to better control his diabetic condition, and because he is also suffering from psoriasis and complication of his immune system, he has to incur additional expenses on medicine and medical treatment which he says are not covered by his insurance policies.
22. The Wife does not seriously dispute the additional expenses on medication for the Husband s diabetic condition which she says has little impact on his financial means and is therefore not an issue as far as she is concerned. She however believes that he has exaggerated his health effects on his earning capacity as his diabetic condition has been ongoing since 1997 and appears to have been brought under control by medication all these years. She argues that as long as he diligently follows his doctor s advice and takes his medication regularly, as suggested by the medical report produced by him (Exhibit P3), she sees no reason why he should not be able to bring his various health conditions under control and remain healthy to carry on with his job.
23. The Husband updated his assets in his latest affirmation (A163) filed during the trial which can be summarised as follows : -
- (i) bank savings \$1,590,000 (ii) stocks and share investments \$890,000 (iii) interest in the former \$700,000 matrimonial home (iv) debts owed by his sisters \$340,000
 - (v) insurance policies \$84,000 (vi) provident fund / pension \$1,658,000

Total : about \$5,262,000 =====

24. Of item (iv) stated above, the Husband claims that they were loans made to his elder sisters after they had suffered losses in their investments and that although they had made some repayments by instalments in the past, in view of their limited income, he does not expect these debts to be repaid either any time soon or in full.

25. There is no dispute that the Husband has a very good relationship with his 2 said sisters both of whom are unmarried with limited income, and hence there is a distinct possibility that they may indeed not make full repayments in future, nor would the Husband be expected to press for them. This situation however may no longer be true if K agrees with the Husband to sell the former matrimonial home in which case at least she should be in a position to make some repayment, if not in full.
26. The Wife however argues that the following a further sums should also be included as part of his assets :
 - (a) \$50,000 being the deposit he paid during the trial for the purchase of a property in Leighton Road, Causeway Bay for \$1.85 million which he says is for the future matrimonial home for himself and his girlfriend whom he plans to marry after the divorce; \$253,920.92 being the value of stocks and shares which he gifted to his girlfriend during the trial; \$454,130.51 being the surplus of his income after deducting for his alleged monthly expenses since August 2004 which the Wife says he has failed to account for.
27. Whilst there is no serious dispute by the Wife of the Husband s plan to marry his girlfriend, she suspects his purchase of the Leighton Road Property as dubious as it was made during the trial when he well knew that it would have a serious impact on his means. The facts that the property was in fact purchased from the sister and mother of his girlfriend, and that a lower sum of deposit was paid and a longer period for completion than usual further add to the Wife s suspicion of the purchase.
28. The Husband s explanation is that as he plans to marry soon after the divorce and needs a matrimonial home for his new family, and as the Leighton Road Property happened to be available and was within his means, and not certain when the divorce proceedings would be concluded, he therefore asked for a more flexible terms of the purchase. He denies there is anything dubious or suspicious about the transaction.
29. Having heard and seen the Husband in his evidence, I find him to be generally a truthful witness and I believe that he purchased the property with a genuine intention to use it as the future matrimonial home for his new family. The timing of the purchase in the middle of the trial is perhaps unfortunate but not unreasonable given his marriage plan. The Wife however is correct to ask the Court to take into account of the sum of \$50,000 paid towards the purchase of the property.
30. The same can also be said about the gifts of shares to the girlfriend. Again I do not believe it was a transaction designed to defeat the Wife s claims, as otherwise the Husband could have transferred a lot more than such a relatively small amount which would not have much impact on his total assets. I accept his explanation that it was part of the wedding gifts to give his future wife some financial security but which the Wife rightly argues that the Court should also take into account when considering the Husband s total assets.

31. As to the so called surplus of the Husband s salaries, there is simply no evidence to indicate that he has systematically siphoned his money away and as I have not seen or heard anything to give me cause to doubt his evidence, I believe that the whereabouts of the alleged surplus could be explained by any additional or non-regular expenses including the purchase of the Leighton Road Property and the legal costs in these proceedings.
32. As to the Husband s provident fund, it is accepted that the amount may now stand at about \$1.65 million, but the Wife argues that the amount will have grown to more than double at \$3.5 million or more based on his current salary and his employer s contribution by the time of his retirement at the age of 55, and I agree that it would be a reasonable expectation.
33. Lastly, before I leave the Husband s assets, it is relevant to further update the value of his shares to about \$940,000 given their rise in value in December 2005. In summary I find his assets as follows : -
- (i) bank savings \$1,590,000 (ii) stocks and shares \$ 940,000 (iii) interest in the former \$ 700,000 matrimonial home (iv) debts owed by his sisters \$ 340,000
 - (v) insurance policies \$ 84,000 (vi) provident fund / pension \$3,500,000 if retires at 55 (vii) deposit for Leighton Road \$ 300,000 property and gifts of shares to girlfriend

Total : \$7,454,000 =====

34. Of these assets, the first 3 items are fairly liquid and amount to more than \$3.2 million, and possibly more if some of his sisters debts are paid upon the sale of the former matrimonial home, whilst the most valuable asset, his pension, will of course not be available until he retires.
35. In his Financial Statement filed on 19th August 2004 the Husband put his expenditure at \$37,530 per month, and even taking into account of the subsequent interim maintenance of \$10,000 for the Wife and the daughter, his total monthly expenditure would still be under \$50,000. However one year later at the trial he claimed to have increased his monthly expenditure to \$71,698, an increase of almost 50% of what he used to spend.
36. One of the main reasons for such dramatic increase is that, having paid a deposit for the Leighton Road Property, the Husband plans to take out a mortgage to finance the purchase and has therefore included his estimation of the mortgage monthly instalment of \$12,000. He claims that he also intends to hire a domestic helper for his new family and estimates an additional monthly expense of \$4,500 including the helper s salary.
37. He has also revised his entertainment and holiday expenses upward to \$6,000 and \$5,000 per month respectively, all of which account for the substantial increase to his monthly expenditure.

38. Whilst she does not seriously challenge the Husband's plan to marry his girlfriend, whom she also knows personally, the Wife not surprisingly looks at such additional and increased expenses suspiciously, believing them to be either unnecessary, unreasonable, inflated or deliberately incurred to defeat or frustrate her claims.
39. It is well established in law that remarriage by a person against whom an order for periodical payments has been made does not terminate the order or of itself entitle that parties to a reduction in the amount ordered, and as regard the position of the after-taken wife, she must, on general principle, be presumed to take the other spouse subject to all existing encumbrances, whether known or not, including an obligation to support the wife or child of a former dissolved marriage, as per Hodson LJ in *Cockburn v Cockburn* [1957] 1 WLR 1020, CA when he said : - The law being as it is, it is quite impossible for the courts to ignore the just claims of the first wife because the man has taken on himself other obligations, although the courts have to take into account these obligations, as involving a reduction in the capacity of the man to pay for the upkeep of his first wife and child .
40. So in the case of *Cowie v Cowie* (1983) 13 Fam Law 250 where the husband had remarried, had a child and obtained increased mortgage, but his former wife was still able to obtain increase in periodical payments. On appeal by the husband it was held that he had increased his obligations with his eyes open; and in *Moon v Moon* (1980) 1 FLR 115 where the husband has remarried and his second wife was pregnant, it was held that he must cut his coat according to his responsibilities to his first family.
41. In the present case the Husband has not yet married his girlfriend, as he is unable to do so without the decree absolute, which will not be issued until the conclusion of these proceedings. So his re-marriage has not yet materialized and can at best only be said to be highly likely. Although it was initially his evidence that he would shoulder up the entire monthly mortgage instalment payments as well as the household expenses of his new family after his re-marriage, he subsequently conceded under cross-examination that as his girlfriend happens to be a manager in his company earning a good income, he would find it difficult to argue why she should not be expected to share their household expenses including the mortgage payments after their marriage, a matter which the Court will no doubt have to take into account in ascertaining his ability to meet the reasonable needs of the Wife and the daughter, which I shall consider next.
42. The Wife is now aged 40 and is currently earning \$16,000 per month as an accounting clerk. She is also attending a part-time degree programme on accounting and finance at the Hong Kong Polytechnic University which she claims she needs to keep her present job and not to advance her career. Either way it will have the benefit of improving her earning capacity.

43. The present condition of her nephrotic syndrome appears to have stabilized according to her latest medical report (E438), but from time to time she still has some mild symptoms such as proteinuria and facial and lower limbs oedema which have to be closely monitored and regularly reviewed at the Eastern Hospital Kidney Unit. The report however reveals that as the cause of her disease is still not known, her doctors are unable at this stage to confidently predict her future prognosis and the effects it may have on her earning capacity.
44. Her assets and property are set out in her Financial Statement which have since been updated as follows :
- (i) Bank savings \$450,000 (ii) stocks and shares \$265,000 (iii) 25% interest in the \$700,000 former matrimonial home (iv) Insurance policies \$ 16,000
 - (v) debts owed to her by her friend \$100,000 (vi) Mandatory Provident Fund \$ 18,000 (vii) Watches and Jewelleries \$ 88,000

Total : \$1,637,000 =====

45. Of her bank savings, the Wife explains that the major portion of it came from her share of the sale proceeds of the Sceneway Gardens Property but which has since dwindled to the present amount due mainly to her removal costs after leaving the former matrimonial home and the legal costs of these proceedings.
46. As to the \$100,000 which she has lent to one of her good friends for treatment of her serious health problem, she does not expect any repayment any time soon as she believes that her friend is still in financial difficulty, a claim which is not seriously disputed by the Husband as it appears to be in the similar situation with his sisters debts owed to him.
47. As for the jewelleries and watches under her last item, the Husband believes that 2 of the man Rolex watches belong to him and that they should be returned to him, to which the Wife does not appear have any serious objection.
48. In her Financial Statement the Wife initially put the total expenditure for herself and the daughter at about \$41,000 per month, which she subsequently updated in her later affidavit to slightly over \$47,000, with the bulk of the increase coming from the holiday expenses for the 2 of them as well as the daughter s personal expenses and extra tuition fees.
49. Although there is some dispute by the Husband of some of these expenses such as extra English lessons for the daughter or their entertainment and holiday expenses, I do not find them to be unreasonable or excessive in particularly by comparison with the Husband s stated expenses for similar items.
50. One of the main items of the Wife s current expenditure is of course her rental expenses of \$10,800 for her Park Avenue apartment which will however be no longer necessary if and when she purchases her own property for herself and the daughter with the lump sum

which she hopes to obtain in these proceedings, to which the Husband does not dispute that they need a roof over their head, but at issues are what sort of property the Wife is entitled to purchase and how much by way of a lump sum the Husband should finance such purchase.

51. The Wife wishes to purchase a flat in her present neighbourhood at Park Avenue in the area of the Olympic City which is near her parents who she says can offer her support as well as assistance in the care of her daughter, and also because it is in a safer neighbourhood where properties have better security and are newer and hence require less renovation and maintenance expenses. Having looked into various flats in Park Avenue, she figures that she will need about \$3.6 million for a 650 sq ft flat with 2 bedrooms including furnishing costs.
52. She says she did initially look into properties in the same neighbourhood of the former matrimonial home but found most of them too old and worn down which would likely require substantial and expensive renovation, but most importantly that they provided no or insufficient security which is the main concern to her over her daughter's safety, and is the reason why she subsequently deviated from her agreement with the Husband to move close to his home so as to facilitate his access to the daughter, and instead moved to her present residence. She did however accept under cross-examination that if she is unable to get a lump sum enough to purchase a property at Park Avenue, she would have no choice but to look again for a cheaper property in North Point.
53. The Husband insists that it is possible for the Wife to find a suitable property with proper security for her and the daughter in his neighbourhood at no more expensive than \$2 million which should be of similar standard of the former matrimonial home, but that she chose to move to Park Avenue so as to justify her claims for a bigger lump sum against him.
54. Having heard the Wife in evidence, I also find her, as I have with the Husband, a generally honest and truthful witness and I accept her reasons for moving to Park Avenue out of her genuine concern for her daughter and her wish to be close to her parents, her immediate family, which is in fact only natural and normal for divorcing couples to do so after the dissolution of their marriage, especially for a wife as this one with a small child who used to be heavily dependent on her husband throughout the marriage and who has serious health problem and with limited financial resources. I therefore do not see anything wrong or improper for the Wife to want to buy in the vicinity of Park Avenue.
55. There is no dispute that the parties did in 2004 prior to their separation agree that the Wife should stay close to the former matrimonial home after the divorce to facilitate his access to the daughter, and although the Husband may not agree with the Wife's reasons for changing her mind afterwards about the location of her future home, this appears to be a non-issue now that the Husband has also decided to move out of the former matrimonial home at North Point into the Leighton Road property in Causeway Bay. In any event I do not think it would be proper for the Husband, or for the Court for that matter to dictate to the Wife where she should live after the divorce, unless her decision is found to be incompatible with

the welfare and interests of the daughter, which is not the case here.

56. What is then at issue is whether it is reasonable under the circumstances for the Husband to finance the Wife to purchase a property of her choice at Park Avenue that costs as much as \$3.6 million. The Husband argues that she does not need such an expensive property as it does not reflect the standard of living that she used to enjoy during the marriage including in the former matrimonial home which was generally of lower standard than the type of property that the Wife has in mind.
57. It is not in dispute that the former matrimonial home is in a 40 years old building without any facilities. It is however also bigger at 1,000 sq ft with 3 bedrooms and is agreed to be worth about \$2.8 million. It was of course also occupied by both the Husband's elder sisters and in addition to the parties and their daughter during the marriage. There is no question that the property preferred by the Wife at Park Avenue should be newer with better security.
58. The Wife wishes to pay for her property without the needs of a mortgage because of her concern for her health and her limited income. At present she has about \$700,000 in cash and stocks and shares readily at her disposal for the purchase. She also has 25% share in the former matrimonial home which she says is worth \$700,000. Although she has proposed to transfer this share to the Husband as part of her claims for a lump sum from his, it is likely that the former matrimonial home will be sold now that the Husband has decided to move into the Leighton Road property upon his marriage with his girlfriend, and that his sisters will no longer need, nor can they afford, the former matrimonial home. This means if the property can be sold within the expected price range, the Wife will get an additional sum of \$700,000 in cash, bringing her total disposable capital some \$1.4 million, with a deficit of about \$2.2 million for the property she has in mind, which she says can easily come from the Husband's liquid assets of more than \$3 million.
59. The Husband however will need part of this capital to complete the purchase of the Leighton Road property, for which he has so far paid only \$50,000 for the initial deposit. Since it is his evidence to finance the purchase by means of a mortgage, that means there will be a balance of more than \$500,000 payable on completion plus stamp duty and legal costs as well as decoration and furnishing. He had of course indicated earlier that he would like to pay for the property entirely himself as a gift to his future wife, but admitted at the trial that it would be difficult to argue that his girlfriend with her good income should not have to contribute towards either the down payment or the subsequent mortgage instalment. On this basis it appears that he should have sufficient capital to finance the Wife's purchase of her property. The ultimate question is therefore : Is it fair and reasonable in the circumstances to order him to pay the Wife a lump sum at such amount ?

60. The Husband has offered in his final submission to pay the Wife \$1.5 million which he says together with her own capital should be more than sufficient to enable her to buy a property of about \$2 million at North Point. He also argues that his offer would represent about 33% of the total family assets which is fair given the fact that it has not been a lengthy marriage, and her limited contribution does not justify giving her a higher award.
61. While a 14 years marriage cannot be said to be a really lengthy one, it was certainly not a short marriage, during which I am satisfied that both parties had properly discharged their duties towards the marriage and the family as both had worked and contributed financially towards the support of the family and their matrimonial assets according to their respective means.
62. The evidence before the Court also indicates that it was the Wife who was mainly responsible for the care and upbringing of their daughter during the marriage, a burden and responsibility which she has shouldered up by herself since the parties separation and for years to come before the child reaches majority.
63. For these reasons and in view of her health condition and her much lower earning capacity and pension or provident fund situation when she retires, I am unable to say that the Wife's claim is unreasonable or unjustified, although as she claims that properties at Park Avenue are newer and with less decoration expenses, she may not need as much as \$3.6 million as she claims.
64. While her claim may appear to have the result of taking the bulk of the Husband's liquid assets, with his much higher income and substantial pension when he retires, together with the financial contribution from his future wife, and with the security of his own home in the Leighton Road property, I do not think he can be said to be in a worse financial situation than the Wife. In fact, with his much higher earning capacity and pension situation as well as the support of his future wife who also has good earning capacity, I believe his future situation will still compare more favorably to the Wife. I am therefore satisfied, for all the reasons given above, that the Husband shall within 3 months of the decree absolute pay to the Wife a lump sum of \$2 million on the basis that she will also receive her 25% share of the former matrimonial home upon its sale. The current interim maintenance order payable by the Husband to the Wife shall cease upon payment of the said lump sum to her. The Wife shall of course return the 2 Rolex Watches to the Husband. This arrangement shall be in full and final settlement of the parties claims against each other as a clean break situation between them.
65. The Husband has, of course, his on-going financial responsibility towards the daughter which he has agreed to shoulder up entirely and which he says a monthly sum of \$7,500 would be sufficient. This is however much lower than the \$20,000 asked for by the Wife and which she says he did initially agree.

66. As aforesaid the Wife's current monthly expenditure for herself and the daughter has been updated at the trial to about \$47,000. Since she intends to purchase her home without the need of any mortgage, it will be reduced accordingly by her current rental expenses of \$10,800, thereby cutting her household expenses by half, but adjusting the possible management fees for her property, I would put her household expenses at \$12,000 per month, of which it would be fair to apportion about half to the daughter which together with her personal expenses of \$10,242, would bring the daughter's total expenses to about \$16,000 per month which I find to be reasonable under the circumstances and given that she is already a teenager with growing expenses.
67. At her present income of \$16,000 per month, which is barely sufficient to meet her own share of the household expenses as well as her personal expenses, the Wife simply cannot spare any part of her income for the daughter's expenses which will obviously have to be met entirely by the Husband.
68. At his current income, even accepting all his alleged increases to his monthly expenditure at slightly over \$70,000 as reasonable, and which I do not, the Husband should still be able to manage to pay much more than his offer of \$7,500 for his daughter. The facts that he ought to come down substantially from his alleged entertainment and holiday expenses to a more acceptable and reasonable level, and with his future wife also sharing and contributing towards his future household expenses including possibly the mortgage instalments, utilities, food and domestic helper, it is clear that he can easily pay a monthly sum of \$16,000 per month for the daughter, which I so order and to commence from the 1st day of the month following the cessation of the interim maintenance order and payable thereafter on the 1st day of each month until she reaches the age of 18 or ceases full time education whichever is later.
69. Lastly, on the question of costs, as the Wife is largely successful with her application, she should be entitled to her costs, but taking into account of its impact on the Husband's financial position, I think it would be more appropriate that he should bear only 1/2 of the Wife's costs in this application to be taxed if not agreed with certificate for counsel, which is an order nisi to be made absolute at the expiration of 21 days. (signed) (Bruno Chan)
 District Judge Ms Candy E Fong instructed by m / s Peter W K Lo & Co for the Petitioner Husband Ms Ho Wai Yang instructed by m / s Ho & Partners for the Respondent Wife PAGE - PAGE - &`#\$~!P] ,f@- sy \$ he~"Td c(#\$ 0kJ\$\$ @P\$\$:!L- E{k' XW(\$ -3*\$ 43*\$:p . (\$p2\$ 4g3\$ 4QQ4 0b50p M];\$ wzO?p= H#@ \$ 3i@\$ nSDH lEFE kxL\$ /eNH S\$O\$ N=Q" c;R\$ G%9UT C:~W x% X\$ x8Y\$ L}YH (Yq[*n\T #b2^ \$ Q^f Y6xc\$ e>tD ?Dep= ZJg\$ hx;r N)/h vCip= gsTu\$ 4xv\$ xDs\ *y\$ __z4w C? } R\$ ~\$ f!\$- C:~W N)/h E{k' 4QQ4 lEFE C? } wzO? gsTu x% X (\$p2 0kJ\$ #b2^ Y6xc R\$ ~ he~" G%9U (Yq[:p . @HP LaserJet 1200 Series PCL 6 LPT1: winspool HP LaserJet 1200 Series PCL 6 HP LaserJet 1200 Series PCL 6 Letter HP LaserJet 1200 Series PCL 6 Hjc)b 97wfj B]gT)Yn@{i9Z -9]pVvr) HP LaserJet 1200 Series PCL 6 Letter HP LaserJet 1200 Series PCL 6 Hjc)b 97wfj B]gT)Yn@{i9Z -9]pVvr) IN THE DISTRICT COURT OF HONG KONG user Normal Judiciary Microsoft Word 9.0 user IN THE DISTRICT COURT OF HONG KONG Title

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Prepared on 25 October 2026 · Esheria