

15th October 2013

To All Members
OC Plan No. 318104R
24 Little Bourke Street
MELBOURNE VIC 3000

Dear Sir / Madam,

**RE: MINUTES OF THE 2013 ANNUAL GENERAL MEETING
OWNERS CORPORATION PLAN No. 318104R**

The Meeting was held in the office of Kliger Wood Real Estate, Level 3, 250 Queen Street, Melbourne on Thursday, 26th September 2013 at 4:00pm.

1. Attendance

The following Members were present:

Mr Z & Ms A Yuksel	Lots 3 & 4
Mr J Duff	Lot 6
Mr L & J Tong representing Eleganza Imports Pty Ltd	Lots 8, 9, 10 & 24
Mr K Landawi representing Real Estate Pty Ltd	Lot 14
Mr P Sweetland representing QGP Pty Ltd	Lot 21
Mr R Sumpton representing QGP Pty Ltd	Lots 23 & 45
Ms E McDonald	Lots 34 & 141
Ms M Kelly & Ms C Sundblom	Lot 41
Mr B Halls	Lot 112
Mr J & Ms E Brehaut representing Brehaut Administration Pty Ltd	Lot 117
Mr K & Ms P Shaw	Lot 139
Mr D & Ms J Luscombe	Lot 148

Proxies were received from:

Mr Z & Ms A Yuksel	Lots 3 & 4
Appointed Mr Z Yuksel as their proxy	
Mr J & C Duff	Lot 6
Appointed Mr J Duff as their proxy	
Eleganza Imports P/L	Lots 8, 10 & 24
Appointed Mr J Tong as their proxy	
Eleganza Imports P/L	Lot 9
Appointed Mr L Tong as its proxy	
Mr K & Ms P Shaw	Lot 139
Appointed Mr J Duff as their proxy	

Mr S & Ms A Clarke Appointed Mr S Clarke to represent them on the Committee	Lot 146
Mr A & Ms P Muleta	Lot 12
Jobsz Investments	Lots 26 & 44
Mr J Xenidis	Lots 28 & 105
Hall Family Superannuation Fund	Lot 36
Mr J Xenidis	Lots 37 & 116
Mr G O'Brien	Lot 42
Mr P Day	Lot 103
Mr N & Ms L Spry	Lot 114 & 145
Ms P Xenidis	Lot 120
J Sui-Ping & W Wai-Kuen Kwok	Lot 140
Mr S & A Clarke	Lot 146
Mr M Perriman	Lot 158
All appointed Mr B Halls as their proxy	
Quest Gordon Place Pty Ltd Appointed Mr P Sweetland as its proxy	Lot 21
Quest Gordon Place Pty Ltd Appointed Mr D Fitt as its proxy	Lot 22
Quest Gordon Place Pty Ltd Appointed Mr R Sumpton as its proxy	Lots 23 & 45
<i>Note: Mr B Halls tabled Certificates of Title dated 26th September 2013 that described the Registered Sole Proprietor of each of Lots 21, 22, 23 and 45 as 'Oakford Australia Pty Ltd'. The Secretary (Mr G Martin) advised the meeting that the records of the Owners Corporation show Quest Gordon Place Pty Ltd as the owner of these lots and therefore the ownership and proxies were accepted.</i>	
Mr F Merante	Lot 43
Mr R Wilson	Lot 109
Both appointed Mr D Barton as their proxy	
Janola Crest Pty Ltd	Lot 1
Mr D & Ms C Dzur	Lot 7
Mr S Jansen	Lot 17
K S Soh & M C Yip	Lot 27
Mr R & Ms J Hayes	Lot 29
Mr E Smith	Lot 30
Mr L Warfe	Lot 31
Ms V Chen	Lot 32
Mr G Williams & Ms L Brophy	Lot 33
Coppelius Pty Ltd	Lot 35
Mr W & Ms M Hick	Lot 104
Ms L & Ms J Kelly	Lot 110
Ms J Larosa	Lot 111
L S Duong	Lot 115
Mr J & Ms D Nevill	Lot 118

Mr E Gowin & X J Zhou	Lot 119
Mr A Wills	Lot 122
V & R Carter	Lot 124
Mr M Stewart	Lot 129
Ms K Madden	Lot 130
M & V Doerner Pty Ltd Provident Fund	Lot 131
Mr N & Ms L Spry	Lot 132
Ms S Tripodi	Lot 133
Mr R Paine	Lot 137
JAM McKenzie Superannuation Fund	Lot 138
Mr B Ferguson	Lot 142
Ms J O'Reilly	Lot 143
Mr J Khalil & Ms N Lorient	Lot 144
Mr R Lojszczyk	Lot 147
Ms A Cook	Lot 149
Mr P Miach	Lot 157
Ms D Pearson	Lot 159
All appointed Mr R Sumpton as their proxy	

In attendance:

Mr D Barton & Mr G Martin representing Kliger Wood Real Estate – Managing Agent of the Owners Corporation

Members were advised in accordance with Section 77 of the Owners Corporation Act 2006, there being 50% or more members or lot entitlement represented, a quorum was achieved. All decisions set out below are therefore resolutions of the Owners Corporation.

2. Chairperson

Mr G Martin was appointed as chairperson of the meeting.

3. Previous Minutes

Members resolved to adopt the Minutes of the 2012 Annual General Meeting held on 29th April 2013, a copy of which was attached to the Notice, as a true record of that meeting.

Moved: Mr K Landawi

Seconded: Mr D Luscombe

Passed unanimously (with Mr B Halls the only abstention)

4. Managing Agents Report

Members resolved to accept to receive and accept the Managing Agents Report, a copy of which was attached to the Notice.

Moved: Ms M Kelly

Seconded: Ms E McDonald

Passed unanimously

5. Committee of Management Report

Members resolved to accept to receive and accept the Managing Agents Report. It was noted that no Committee of Management meetings had been held since the last Annual General Meeting (since 29th April 2013).

Moved: Mr K Shaw

Seconded: Mr D Luscombe

Passed unanimously

6. Financial Accounts

Members resolved to accept the financial accounts to 30th June 2013 reflecting a surplus in members' funds of \$24,309.06 in the administration fund and \$383,926.81 in the sinking fund as attached to the Notice of Meeting.

Moved: Mr D Luscombe

Seconded: Mr K Shaw

Passed unanimously (with Mr B Halls the only abstention)

It was requested that details of income received from the imbedded electricity network for the 12 months to 30th June 2013 be included in these Minutes (*Note: the amount of income for this period was \$14,114.54 + GST*), subject to the completion of a financial audit.

7. Insurance

Members noted the insurance coverage currently in effect to 1st July 2014 as follows:

Underwriter	CHU Underwriting Pty Ltd
Policy No.	29372
Contact Details:	Whitbread Insurance Brokers (tel. 8646 0222)
Building	\$ 37,318,000
Loss Of Rent	\$ 5,597,000
Public Liability	\$ 20,000,000
Machinery Breakdown	\$ 100,000

Members resolved that the current levels of cover were satisfactory.

The Managing Agent confirmed that Under Section 65 of the Owners Corporations Act 2006, prescribed Owners Corporations are required to undertake a Building Valuation at least every 5 years to ensure the building is covered for the correct amount of replacement and reinstatement value. Insurances are placed according to a valuation undertaken by Roscon Property Services dated 2009 and a new Building Valuation would have to be undertaken to comply with the act for cover to 1st July 2015.

Note to Owners

Under Section 54 of the Owners Corporations Act 2006, the Owners Corporation effects insurance on the building and public liability in the common areas only. Cover does not extend to privately owned fixtures and fittings, e.g., carpets, drapes, light fittings, temporary floors, wall coverings etc. or public liability within the unit. To ensure you are fully covered it is suggested you take out either Owner or Landlord insurance for those items not covered by the Owners Corporation policy. You can contact the underwriter directly to confirm what personal insurances are required.

NB: Kliger Wood may receive a commission from the underwriter for placement of Owners Corporation Insurance for which Kliger Wood assist with the processing and overseeing of insurance claims. The commission does not add to the cost of the premium paid by the Owners Corporation.

It was resolved to refer the matter of insurance commissions to the Committee for its consideration.

8. Committee of Management

Members resolved the following members be appointed to act as the Committee of Management until the next Annual General Meeting assigning them powers of the Owners Corporation under Section 11 of the Owners Corporation Act 2006:

Ms Z Yuksel	Lot 3
Mr J Duff	Lot 6
Mr P Sweetland	Lot 21
Mr D Fitt	Lot 22

Mr R Sumpton	Lot 23
Mr James Xenidis	Lot 28
Mr John Xenidis	Lot 37
Ms E Brehaut	Lot 117
Mr K Shaw	Lot 139
Mr S Clarke	Lot 146
Mr D Luscombe	Lot 148
<i>Vacant position</i>	-

It was resolved to appoint the Chairperson and Secretary at the first Committee of Management Meeting to be held on 17th October 2013 (6pm at 24-38 Lt Bourke St).

Moved: Mr D Luscombe

Seconded: Mr P Sweetland

Passed unanimously

9. Accepted Budget

Members resolved to adopt an amended budget to 30th June 2014 in accordance with Section 23 of the Owners Corporations Act 2006 of \$406,529.20 (GST inclusive) as follows:

Accounting Fees	\$	2,550.00
Air Conditioning – Cooling Tower Registration & Audit	\$	1,200.00
Air Conditioning – Maintenance Contract	\$	1,950.00
Air Conditioning – Repairs	\$	1,000.00
Air Conditioning – Water Treatment Contract	\$	5,000.00
Anchor Testing – Windows	\$	800.00
Caretaking	\$	17,500.00
Cleaning & Supplies	\$	42,000.00
Cleaning – Windows	\$	8,000.00
Electricity	\$	52,000.00
Fire – Alarm Fee	\$	1,520.00
Fire – Emergency Lighting	\$	500.00
Fire – Equipment Repairs & Maintenance	\$	5,200.00
Fire – Essential Service Audit	\$	600.00
Fire – Phone Line	\$	480.00
Gas	\$	20,000.00
Insurance – Building	\$	47,000.00
Lift – Maintenance Contract	\$	9,500.00
Management Fees	\$	42,000.00
Management Fees – Other	\$	1,300.00
Painting – Common Areas	\$	11,000.00
Pest Control	\$	1,500.00
Postage & Stationery	\$	1,500.00
Recreation – Pool, Sauna & Spa	\$	9,500.00
Repairs & Maintenance – General	\$	4,400.00
Repairs & Maintenance – Plumbing	\$	2,000.00
Sub-Total	\$	290,000.00
Plus Sinking Fund	\$	79,572.00
<i>Plus GST</i>	<i>\$</i>	<i>36,957.20</i>
TOTAL	\$	406,529.20

The above budget was accepted effective from 1st July 2013 with an adjustment levy to be issued. Contributions are payable on the first day of July, October, January and April and will continue unchanged as follows until the budget is amended by members:

Lot	Units of Liability	Contributions Per Quarter \$	Contributions Per Annum \$
Quest Leased	12355	62,658.05	250,632.20
3	188	953.45	3,813.80
4, 6, 12, 21	135	684.65	2,738.60
8	96	486.90	1,947.60
9, 22, 112	243	1,232.40	4,929.60
10	80	405.70	1,622.80
23	109	552.75	2,211.00
24	163	826.65	3,306.60
26	48	243.40	973.60
28	105	532.50	2,130.00
36	137	694.80	2,779.20
37	50	253.60	1,014.40
40	64	324.60	1,298.40
101	207	1,049.80	4,199.20
102, 117, 125	235	1,191.80	4,767.20
103	233	1,181.65	4,726.60
105, 140	190	963.55	3,854.20
114	201	1,019.40	4,077.60
116	210	1,065.00	4,260.00
120	191	968.65	3,874.60
126	239	1,212.05	4,848.20
128	249	1,262.80	5,051.20
136	337	1,709.10	6,836.40
139, 151	265	1,343.95	5,375.80
145	270	1,369.30	5,477.20
146	194	983.90	3,935.60
148	281	1,425.10	5,700.40
153	286	1,450.45	5,801.80
154	198	1,004.15	4,016.60
156	294	1,491.05	5,964.20
158	371	1,881.50	7,526.00

10. Maintenance

Members determined the following in relation to items of maintenance:

a) Painting

Some members have advised that their windows have stuck closed following the external painting works. It was agreed that affected members notify the Managing Agent by email so that rectification works by the painters can be properly coordinated (*notifications must be received by the Managing Agent by COB on 15th November 2013*).

It was resolved to refer consideration regarding the treatment of the annual scheduled painting cost to the Committee (i.e. is it to be expended from the sinking fund or the administration fund?)

b) Palm tree

The Managing Agent informed members that investigations had progressed well to deal with the tall palm tree (listed on the Victorian Heritage Register) and that the initial engineering estimate of approximately \$1,000,000 to deal with the problem has now been revised down to approximately \$120,000 (by pruning, lifting and excavating underneath the palm). Some

members expressed a wish to have the tree removed altogether. It was resolved to refer this matter to Heritage Victoria and report their response to the Committee.

c) **Bird spikes**

Members resolved to have anti-bird spikes installed where it has become apparent that they are needed above the lower Little Bourke Street windows.

d) **Window cleaning**

Members were advised that the window cleaning contractor had been instructed to commence work since the painting works had been completed.

e) **Failing shower bases to private apartments / insurance excess**

Members were informed that a recent trend has emerged of shower bases failing and causing water to enter apartments below. This has resulted in an increased number of insurance claims (rectification of the resultant damage). Mr R Sumpton of Quest Gordon Place P/L advised that Quest is engaging a contractor to replace all old shower bases in their apartments. Mr Sumpton volunteered to provide information on their contractor which can then be provided to other members.

This matter prompted some opinions regarding the level of excess on the insurance policy. It was resolved to refer consideration of the insurance excess to the Committee.

11. **General Business**

Members determined the following in relation to items of general business including:

a) **Managing Agent**

Consideration of the continuation of the current appointment of Kliger Wood was referred to the Committee (*Note: the current term of appointment expires on 24th October 2014*).

NB: Kliger Wood Real Estate holds Professional Indemnity Insurance of \$10,000,000

b) **Penalty Interest**

Members confirmed the charging of penalty interest on arrears at the maximum rate payable under the Penalty Interest Rates Act 1983 and accepted that a fee of \$10 + GST is payable to Kliger Wood for the issuing of follow up arrears notices, together with the charging of penalty interest with the amount to be debited to the individual Owners account.

c) **VCAT**

Members were advised that an application by Mr B Halls proceeded to a VCAT Directions Hearing on 19th September 2013. The VCAT Senior Member Ordered that the Owners Corporation be added as a Second Respondent to this application (in addition to Kliger Wood).

The VCAT hearing date has been set for 14th November 2013.

The meeting was advised by the Managing Agent that the Owners Corporation will need to now defend itself against this application and that a special levy may be required in due course as this is unbudgeted.

Members approved the appointment of a representative of Kliger Wood to act on behalf of the Owners Corporation to represent them at all VCAT hearings..

- d) Members resolved that OC 318104R could recover outstanding Owners Corporation Fees by action in court of competent jurisdiction including but not limited to VCAT and the Magistrates Court and that the Owners Corporation may recover as a debt from the person,

persons or company in default or breach, the costs, charges and expense incurred by the OC (not including the personal time cost of any person acting in honorary capacity, including the Chairperson or Committee Member of the Owners Corporation) arising out of any default or breach by any owner or occupier of a Lot, of any obligation under the Owners Corporations Act 2006 or the Owners Corporations Regulations 2007.

There being no further business, the meeting concluded at 6:15pm.