

18th December 2014

To All Members
OC Plan No. 318104R
24-38 Little Bourke Street
MELBOURNE VIC 3000

Dear Sir / Madam,

**RE: MINUTES OF THE 2014 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 Wednesday, 17th December 2014 at 4:00 p.m.

1. Attendance

The following Members were present:

Mr A Yuksel	Lot 3
Mrs Z Yuksel	Lot 4
Mr J and Mrs C Duff	Lot 6
Mr D Dzur	Lot 7
Mr D Fitt representing Quest Gordon Place Pty Ltd	Lot 21
Mr R Sumpton representing Quest Gordon Place Pty Ltd	Lot 22
Mr E Smith	Lot 30
Mrs E McDonald	Lots 34 & 141
Mr P Mousaferiadis	Lot 40
Ms M Kelly and Ms C Sundblom	Lot 41
Mr R Wilson	Lot 109
Mr J and Mrs E Brehaut representing Brehaut Administration Pty Ltd	Lot 117
Mrs V Carter	Lot 124
Mr M Stewart	Lot 129

Proxies were received from:

Janola Crest Pty Ltd	Lot 1
S Jansen	Lot 17
Quest Gordon Place Pty Ltd	Lots 21, 22, & 23
I Oldstein	Lot 25
R & J Hayes	Lot 29
L & J Warfe	Lot 31
G Williams and L Brophy	Lot 33
Coppelius Pty Ltd	Lot 35
Kenneth Nominees Pty Ltd	Lot 39
F Merante	Lot 43

W Hick	Lot 104
Kenneth Nominees Pty Ltd	Lots 106, 107 & 108
R Wilson	Lot 109
J Larosa	Lot 111
J Cowdell	Lot 113
L S Duong	Lot 115
J & D Nevill	Lot 118
E Gown & X J Zhou	Lot 119
G.L. Hosking Family Trust	Lot 121
A Wills	Lot 122
D Fawcett	Lot 123
R & V Carter	Lot 124
R & A Carr	Lot 127
K Madden	Lot 130
N Spry	Lot 132
A Tripodi	Lot 133
E D'Alessio	Lot 134
D Iser	Lot 136
R & J Paine	Lot 137
JAM McKenzie Superannuation Fund	Lot 138
B Ferguson	Lot 142
R Lojszczyk	Lot 147
A Cook	Lot 149
R & K Hamill	Lot 150
D & N Iser	Lot 152
P Miach	Lot 157
D Pearson	Lot 159
All appointed Mr R Sumpton as their proxy	
A & Z Yuksel	Lot 3
Appointed Mrs Z Yuksel as their proxy	
A & Z Yuksel	Lot 4
Clifford Hall as Trustee for Hall Family SMSF	Lot 36
Appointed Mr A Yuksel as their proxy	
J & C Duff	Lot 6
G O'Brien	Lot 42
S & A Clarke	Lot 146
All appointed Mr J Duff as their proxy	
Brehaut Administration Pty Ltd	Lot 117
Appointed E Brehaut as their proxy	
Dale Middleton on behalf of Ellen McDonald	Lots 34 & 141
Appointed E McDonald as his proxy	
D & C Dzur	Lot 7
Appointed Mr D Dzur as their proxy	
Quest Gordon Place Pty Ltd	Lot 45
J O'Reilly	Lot 143
Appointed Mr D Fitt as their proxy	

Quest Gordon Place Pty Ltd Lot 22
Appointed Ms C Miles as their proxy to be representative on Committee

Quest Gordon Place Pty Ltd Lot 23
Appointed Mr P Sweetland as their proxy to be representative on Committee

Apologies were received from:

Mr K Lawandi	Lot 14
Mr D Luscombe	Lot 148
Mrs D Preston	Lot 112
For being unable to attend the meeting	

In attendance:

Mr G Martin representing Kliger Wood Real Estate – Managing Agent of the Owners Corporation and Ms P Dover although it was un-confirmed which lot she was representing.

Members were advised in accordance with Section 77 of the *Owners Corporations 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.

Voting was conducted on a show of hands (proxies included). Motions were passed unanimously unless where shown otherwise.

2. **Chairperson**

Mr G Martin was appointed as chairperson of the meeting.

3. **Previous Minutes**

Members resolved to adopt the Minutes of the 2013 Annual General Meeting held on 26th September 2013, a copy of which was attached to the Notice.

4. **Managing Agents / Committee of Management Report**

Members resolved to accept the combined Managing Agents and Committee of Management report (copy attached).

6. **Financial Accounts**

Members resolved to accept the financial accounts to 30th June 2014 reflecting a surplus in members' funds of \$65,237.51 in the Administration Fund and \$329,244.35 in the Sinking Fund.

Questions without notice were asked:

1. **Repairs and Maintenance – Locksmith:** The question was raised from the floor in relation to this expense. The meeting noted that some works to common locks had occurred in the past year. This was accepted.
2. **Painting – Common Areas:** There was a question from the floor in relation to this expense. It was explained to the meeting that the painting of common areas is performed under contract. This was accepted.

3. **Recreation – Pool:** A question from the floor was, why is this expense unchanged if the spa has been decommissioned? The meeting was informed that the pool contractor had advised that their service fee, given that it had not risen in the past several years, would otherwise have increased had it not been for the reduction in scope associated with the spa. It was suggested that the pool service contract be reviewed. This matter was referred to the Committee.
4. **Fire – MFB Attendance:** Information was requested in relation to this expense
[Manager's Note: *Two callout fees were applied by the MFB the first, on the 27th July 2013 charge was applied due to cooking smoke which emanated from Apartment 33 and activated a detector in the corridor. The second attendance, which occurred on the 5th June 2014, was caused by a detector in the walkway in the north-wing which activated for no apparent reason. The Owners Corporation appealed the charges but charges were nevertheless applied by the MFB.]*
5. **Air-conditioning – Contract and Maintenance:** It was suggested from the floor that the Committee review the current maintenance agreement. This matter was referred to the Committee for consideration.
6. **Gas:** It was suggested that the last twelve months of gas invoices be attached to the Minutes and that an investigation be undertaken by a suitable expert to review gas supply, metering invoicing. The meeting resolved that this be undertaken.

7. Insurances

a) Insurance Coverage

Members noted the insurance coverage currently in effect on behalf of Members to 1st July 2015 as follows:

Underwriter	CHU Underwriting
Policy No.	29372
Contact Details:	Whitbread Insurance Brokers – Ph: (03) 8646 0222
Building	\$ 37,318,000.00
Loss Of Rent	\$ 5,597,700.00
Public Liability	\$ 20,000,000.00

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 dated December 2009 and it was noted that a new valuation is being obtained to comply with *Owners Corporations Act 2006*.

B) Insurance Standing Instruction

Members confirmed that, should no other instructions be resolved by the Owners Corporation and advised to Kliger Wood at least 2 business days prior to the date of policy renewal, Kliger Wood is authorised to renew the existing insurance policy at the same level of cover or, if a change to a different underwriter is recommended by the broker, to place the insurances through the brokers recommended underwriter.

NB: Members should review the attached information page for important details relating to insurances.

The Managing Agent was asked to clarify whether Machinery Breakdown cover has been retained in the current policy.

[Manager's Note: *Upon review following the meeting, it is confirmed that Machinery Breakdown cover of \$100,000.00 – Limit any one loss – is covered.]*

A question arose from the floor as to the reason for the increased allowance for the insurance premium.

[Manager's Note: *The anticipated expense for insurance reflects the increase in cost of Strata Insurance in Victoria. It was noted that instructions were given to the Managing Agent by the previous committee to change insurance brokers for the Owners Corporation and another suggestion was received from the floor to engage in discussions with Edgewise Brokers. This was approved.]*

A question arose from the floor regarding Insurance – Claims and Excess expense.

[Manager's Note: *Please find below a breakdown of insurance claims expenses throughout the year.]*

Date	Description – Supplier	Amount \$
09/08/2013	Repair Plaster – Unit 67 - Stripes	650.00
06/09/2013	Water Extraction – AFS Property Services	1,350.00
03/10/2013	Security Guard 29/9/13 – 01/10/2013 – Business Risks International	1,014.00
17/10/2013	Replace Auto Door Brackets – Dorma Automatics	780.80
11/11/2013	Repaint ceilings in Bathroom – Unit 51 - Stripes	650.00
22/11/2013	Refit Skirting boards – Unit 74 – Handon Services	1,500.00
11/02/2014	Repair Light and make safe wiring – Unit 51 – Atkins Electrical	187.20
25/03/2014	Water Ingress Repair – Apt 14 – Climb Access	725.00

8. Committee of Management

It was resolved to limit the maximum number of Committee members to seven.

Moved: Mr R Sumpton

Seconded: Mr D Fitt

Motion passed: Mr R Sumpton voted in favour with his proxies.

Note: A minority of votes represented in person or by proxy voted against.

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 Corporations Act 2006*, excluding Section 119(6) as follows:

Mr D Dzur	Lot 7
Mr R Sumpton	Lot 21
Ms C Miles	Lot 22
Mr P Sweetland	Lot 23
Mr D Fitt	Lot 45
Mrs E Brehaut	Lot 117
Mr D Luscombe	Lot 148

The appointment of Chairperson and Secretary was deferred to the first Committee of Management Meeting.

Committee contact details

The meeting requested that the contact details for each Committee Member be made available to members for communication purposes. It was noted that given that a number of the newly elected Committee Members were not present at the meeting that they would be consulted prior to publishing their personal contact details. Further information is expected to be provided in due course.

9. Accepted Budget

Members resolved to adopt the proposed budget to 30th June 2015 in accordance with Section 23 of the *Owners Corporations Act 2006* of \$319,000.00 (GST Inclusive) as follows:

Accounting Fees	\$	2,650.00
Air Conditioning – Contract and Maintenance	\$	2,000.00
Air Conditioning – Cooling Tower Registration and Audit	\$	1,200.00
Air Conditioning – Cooling Tower Treatment	\$	4,000.00
Air Conditioning – Repairs	\$	2,000.00
Anchor Testing	\$	800.00
Auto/Sliding Door – Maintenance and Repairs	\$	1,000.00
Building – Valuation	\$	2,000.00
Caretaking – Contract and Maintenance	\$	17,500.00
Cleaning – Maintenance and Supplies	\$	44,000.00
Cleaning – Windows	\$	13,000.00
Consulting Fees	\$	5,000.00
Electricity	\$	50,000.00
Fire – Alarm Monitoring and Phone	\$	2,100.00
Fire – Contract and Maintenance	\$	5,225.00
Fire – Equipment Repairs	\$	2,000.00
Fire – ESM Audit	\$	600.00
Fire – Exit and Emergency Lighting	\$	1,000.00
Garden – Maintenance and Repairs	\$	2,000.00
Gas	\$	17,500.00
Insurance – Claim and Excess	\$	5,000.00
Lift – Contract and Maintenance	\$	9,750.00
Lift – Phone Line	\$	350.00
Lift – Repairs	\$	500.00
Management Fees	\$	44,100.00
Management Fees – Other	\$	1,300.00
Painting – Common Areas	\$	11,000.00
Pest Control – Contract and Maintenance	\$	2,500.00
Plant Hire – Contract and Maintenance	\$	1,000.00
Postage and Stationery	\$	2,400.00
Recreation – Pool	\$	9,500.00
Repairs and Maintenance – Electrical	\$	1,500.00
Repairs and Maintenance – General	\$	11,025.00
Repairs and Maintenance – Locksmiths	\$	2,000.00
Repairs and Maintenance – Plumbing	\$	5,000.00
Security – Key Purchases/Refunds	\$	500.00
Security – Maintenance and Repairs	\$	5,000.00
Sundry Expense	\$	2,000.00
Sub-total	\$	290,000.00
Plus GST	\$	29,000.00
ADMINISTRATION FUND TOTAL	\$	319,000.00
Insurance Fund	\$	54,545.45
Reserve Fund	\$	25,026.55
Sub-total	\$	79,572.00
Plus GST	\$	7,957.20
SINKING FUND TOTAL	\$	87,529.20
Administration Fund Total	\$	319,000.00
Sinking Fund Total	\$	87,529.20
TOTAL BUDGET (inc. GST)	\$	406,529.20

The above budget being accepted contributions will remain unchanged and be due and payable on the first day of April, July, October and January to the 30th June 2015 and will continue unchanged until the budget is amended by members as follows:

Lot	Unit	Units of Liability	Administration Fund Contributions Per Quarter \$	Sinking Fund Contributions Per Quarter \$	Combined Contributions Per Quarter \$	Combined Contributions Per Annum \$
Quest Leased	Quest Leased	12301	48,952.32	13,431.84	62,384.16	249,536.64
3	Café	188	748.16	205.28	953.44	3,813.80
4	Café	135	537.24	147.41	684.65	2,738.60
6	65	135	537.24	147.41	684.65	2,738.60
8	Restaurant	96	382.04	104.83	486.90	1,947.00
9	Restaurant	243	967.04	265.34	1,232.40	4,929.60
10	Restaurant	80	318.36	87.36	405.70	1,622.80
12	77B	135	537.24	147.41	684.65	2,738.60
14	Former Gym	54	214.89	58.97	273.86	1,095.44
21	Courtyard	135	537.24	147.41	684.65	2,738.60
22	Courtyard	243	967.04	265.34	1,232.40	4,929.60
23	BBQ	109	433.77	119.02	552.75	2,211.00
24	Restaurant	163	648.66	177.99	826.65	3,306.60
26	67	48	191.01	52.41	243.40	973.60
28	68	105	417.85	114.65	532.50	2,130.00
36	61	137	545.20	149.59	694.80	2,779.20
37	62	50	198.97	218.39	253.60	1,014.40
40	78	64	254.69	69.89	324.60	1,298.40
101	1	207	823.75	226.03	1,049.80	4,199.20
102	2	235	935.20	256.60	1,191.80	4,767.20
103	3	233	927.23	254.42	1,181.65	4,726.60
105	5	190	756.12	207.47	963.55	3,854.20
112	12	243	967.04	265.34	1,232.40	4,929.60
114	14	201	799.89	219.48	1,019.40	4,077.60
116	16	210	835.70	229.31	1,065.00	4,260.00
117	17	235	935.20	256.60	1,191.80	4,767.20
120	20	191	760.10	208.56	968.65	3,874.60
125	25	235	935.20	256.60	1,191.80	4,767.20
126	26	239	951.12	260.97	1,212.05	4,848.20
128	28	249	990.91	271.89	1,262.80	5,051.20
136	36	337	1,341.12	367.98	1,709.10	6,836.40
139	39	265	1,054.58	289.36	1,343.95	5,375.80
140	40	190	756.12	207.47	963.55	3,854.20
145	45	270	1,074.47	294.82	1,369.30	5,477.20
146	46	194	772.03	211.84	983.90	3,935.60
148	48	281	1,118.25	306.83	1,425.10	5,700.40
151	51	265	1,054.58	289.36	1,343.95	5,375.80
153	53	286	1,138.16	312.29	1,450.45	5,801.80
154	54	198	787.95	216.20	1,004.15	4,016.60
156	56	294	1,170.00	321.03	1,491.05	5,964.20
158	58	371	1,476.40	405.11	1,881.50	7,526.00

10. Maintenance

Members determined the following in relation to items of maintenance:

a) **Palm Tree**

It was noted that the Palm Tree was recently trimmed around the top and this has provided some additional clearance, nonetheless further to correspondence throughout the year the Owners Corporation progressed applications to Heritage Victoria in respect to either removing the tree or lowering it. An update on this was provided to the meeting, to explain that the process had been suspended due to excessive cost but will be reconsidered by the Committee of Management, if considered necessary.

b) **Pot plants**

It was requested that pot plants be considered at either side of the main entrance to the premises with plantings such as yuccas. This matter was deferred to the Committee.

c) **Contract Reviews**

It was suggested that the Owners Corporation conduct a review of any contracts in excess of \$20,000.00 every three years (two additional quotations to be obtained). This was approved.

d) **Front Entranceway Moat, cleaning**

It was requested that the entrance pit/moat be tidied up as it currently presents an untidy appearance. The meeting noted that this may be difficult to achieve but the matter was nonetheless referred to the Committee for its attention.

11. General Business

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

a) **Log-in system for members**

Information was requested on the availability of a log-in internet system for members. The Managing Agent was requested to include a note in these minutes.

[Manager's Note: This function is not currently available through Klinger Wood website, however it is being considered for future implementation.]

b) **Correspondence received – agenda item request**

It was requested that correspondence received and sent be included in the AGM agenda. The Managing Agent advised the meeting that the inclusion of correspondence in the AGM agenda is not a requirement under the *Owners Corporations Act 2006*. It was nonetheless requested that this convention be adopted in future agendas for consideration by Klinger Wood.

c) **Next AGM date**

It was resolved to fix the next AGM for Wednesday, 23rd September 2015 at 5:30 p.m. Members expressed a preference to hold the meeting at Gordon Place however it was accepted that the meeting venue would be determined by the Committee in due course. It was requested that 28 days prior notice (including the provision of a written Managing Agents report and Committee of Management report) be provided.

d) **VCAT decision**

Mr J Duff sought leave to table a document and have it attached to the Minutes in relation to the successful defence of the VCAT application brought by a former owner, Mr B Halls. It was resolved that the document be tabled and attached to the Minutes along with a copy of the decision for reference purposes (please find attached).

e) **After-hours caretaker**

Some members sought clarification on the role/scope of the building caretaker. Specifically, whether or not the caretaker would be on-call outside of normal office hours. It was explained that whilst this is not the caretaker's role, fortunately the caretaker often has a representative onsite who can assist with emergency requirements. This is accessed through the Quest Gordon Place telephone number.

f) **Managing Agent**

It was noted that the Contract of Appointment with Kliger Wood is current although discussions with the Committee of Management are continuing in respect to the proposal for the on-going arrangement. It was noted that insurance commission had formed part of this discussion and that Kliger Wood has agreed to forego the insurance commission and instead return any future insurance commission to the Owners Corporation.

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

g) **Penalty Interest & Other Fees**

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 \$25 + GST is payable to Kliger Wood (by the delinquent owner) 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.

h) **Mediation & VCAT Action**

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 (excluding any matters implicating Kliger Wood).

i) **Authorisation for Legal Action**

Members resolved that 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 Owners Corporation (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 6:30 p.m.

Insurances

Coverage

Under Section 54 of the *Owners Corporations Act 2006*, the Owners Corporation effects insurance on the building and public liability within the common areas only. Cover does not extend to the inside of a members lots (or car park lots) including privately owned fixtures and fittings (e.g., carpets, drapes, light fittings, temporary floors, wall coverings etc.) and public liability within the lot. It is therefore important that members organize their own insurance whether it be Personal Contents Insurance or Landlord's Insurance (if renting out the unit). You can contact the underwriter directly to confirm what personal insurances may be required.

Commission

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.

Excess & Owners Liability

In the instance where a claim has arisen as a result of lack of maintenance within an individual lot or negligence by a lot owner, their tenant(s) and/or invitee(s), please note the following:

1. Where Common Property is involved, the Owners Corporation reserves the right to recover from the Lot Owner, any costs not recovered through the insurance policy, including excess and repairs.
2. Where only private Lot(s) are involved, but not the common property, the Owners Corporation may submit a claim through the Owners Corporation policy for determination. The Owners Corporation reserves the right to recover from the relevant Lot Owner any costs not recovered through the insurance policy, including excess and repairs.
3. Where multiple Lots are involved, any costs not recovered through the insurance policy, such as investigative works, excess and repairs, will be referred back to the Owner(s) who submitted a claim. The Lot Owner at their sole discretion will thereafter be responsible for seeking recompense for such out of pocket expenses from the person(s) responsible for causing the loss.

Product Disclosure Statement & Financial Services Guide:

These documents can be made available upon request to our office or by contacting the Insurance Underwriter/Broker directly.

Lot owner duty of disclosure:

Lot owners must ensure that any change in occupant use of their lot is immediately advised to our office. Changes in use may affect or invalidate the Owners Corporation's insurance policy and non-disclosure may result in significant uninsured risk and liability. The Owners Corporation will seek to recover any such losses from owners who fail to duly disclose changes to their lot. If in doubt, please contact our office.

Managers note (General Advice Warning):

In accordance with the *Financial Services Reform Act 2001*, we are authorised by Whitbread Insurance Brokers to provide general and factual advice regarding their products. When providing you with general advice and/or arranging general insurance for you we act as an Authorised Representative of Whitbread. For all other products which are not administered by Whitbread's, we are only able to provide factual advice.

We are not authorised to provide personal advice. This means we cannot provide advice that takes into account your personal needs, objectives and financial circumstances. If you require personal advice you can contact the relevant broker or underwriter as shown above.

ESSENTIAL SAFETY AND OCCUPATIONAL HEALTH & SAFETY

Essential Safety Measures (e.g. smoke detectors, fire hydrants, hose reels, sprinklers):

The Owners Corporation is only responsible for the servicing and maintenance of ESM's located within the common property. Any ESM's located within private lots are the duty and responsibility of the relevant lot owner to service and maintain except when otherwise advised in writing by the Owners Corporation. If you are unsure, please check with our office.

Occupational Health & Safety

Should it come to their attention, it is the duty and responsibility of lot owners or their tenants to advise our office immediately by phone and in writing should any OH&S issues arise at the property.

OWNERS CORPORATION RULES

All Lot Owners, along with any lessee, sub-lessee or occupier of a lot, are bound by the Model and/or Special Rules of the Owners Corporation. The Owners Corporation recommend you include these rules within any lease or licence agreement between Lot Owners and Tenants. Should you not hold a copy of the Rules relating to your Owners Corporation, please contact our office.