

EXECUTIVE COMMITTEE INTRODUCTION

The Executive Committee is a group of individuals elected by the Owners Corporation at each Annual General Meeting. A maximum of nine (9) individuals may form the Executive Committee. The Executive Committee may appoint individuals to hold office bearers positions which include:

- The chairperson who is responsible for presiding over all meetings of the Owners Corporation and Executive Committee;
- The secretary who is responsible for maintaining the strata roll, issuing notices, preparing minutes and other administrative duties; and
- The treasurer who is responsible for accounting of all monies and other financial management of the Owners Corporation.

These office bearer positions are explained below:

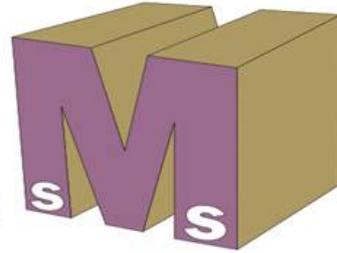
Note: Whilst the Office Bearers can perform these duties many have been delegated to the Strata Manager. It should be noted that whilst the Strata Manager can perform these duties the Office Bearers can elect to undertake any or all of these duties if they are inclined to do so.

OFFICE BEARERS ROLES

THE SECRETARY

The responsibilities of the Secretary include:

- preparation and distribution of minutes of meetings and putting a motion to confirm any previous minutes;
- giving notices for the Owners Corporation and its Executive Committee that are required under the *Strata Schemes Management Act (1996)*;
- maintaining the strata roll;
- providing information to a person for the Owners Corporation under Section 108 of the *Strata Schemes Management Act (1996)*;
- replying to correspondence addressed to the Owners Corporation;
- convening meetings of the Owners Corporation and its Executive Committee (with the exception of the strata scheme's first AGM); and
- providing all administrative and secretarial duties for the Owners Corporation and the Executive Committee.



THE TREASURER

The responsibilities of the Treasurer include:

- providing owners notice of any levies under the *Strata Schemes Management Act* (1996);
- providing receipts, completing the banking and accounting for any monies paid to the Owners Corporation;
- preparation of any certificates under Section 109 of the *Strata Schemes Management Act* (1996); and
- maintaining all accounting records and preparation of the financial statements.

THE CHAIRPERSON

The responsibilities of the Chairperson include:

- to preside at all meetings of the Executive Committee and Owners Corporation.

The Chairperson does not have a casting vote but does have a single vote like all other owners. If the Chairperson is not present at a meeting, the Executive Committee must elect a person to perform this role. Generally, if the Strata Manager is in attendance they will volunteer to fulfil this role on the Chairperson's behalf.

MEETINGS OF THE EXECUTIVE COMMITTEE

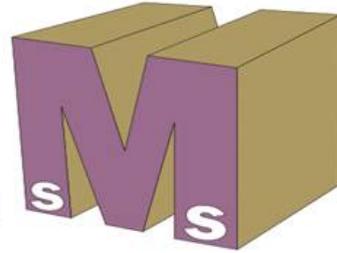
The *Strata Schemes Management Act* (1996) does not determine how often an Executive Committee must meet.

The Secretary may call a meeting or will be required to call a meeting if at least one-third of the Executive Committee members request that a meeting be held. This should be a written request to the Secretary outlining any items of business they request be included on the agenda. The Secretary determines the date, time and place for the meeting and has discretion to do this with or without any input from the other Executive Committee members.

The Secretary must ensure that at least 72 hours written notice is provided to all lot owners advertising the meeting. The Strata Manager will distribute notice of the meeting and minutes of the meeting on behalf of the Secretary, if requested to do so.

If a scheme has more than 100 lots it is a "large scheme" as defined by the *Strata Schemes Management Act* (1996) and as such the **meeting notices and minutes must be provided to all lot owners**. If it is not a large scheme the notice and minutes must be issued to Executive Committee members and a copy placed on the notice board/s.

Minutes of a meeting must be distributed within seven (7) days of the meeting date.



VOTING RIGHTS

No meeting of the Executive Committee may proceed unless at least one-half of the members are present at the meeting. It is possible to appoint a substitute representative should a member be unable to attend a meeting. A substitute representative is a person who is nominated in writing by an Executive Committee member and they can only represent that member if the other Executive Committee members present at the meeting agree to their appointment. No proxy vote is permitted.

Any decision of the Executive Committee requires a simple majority (i.e. at least 50% in favour).

Each member of the Executive Committee has one vote. Any tied vote means a decision has been made in the negative and the matter is not approved.

The Executive Committee can make its decisions by holding a paper vote meeting. The meeting date, time and place is still advertised with the agenda but members send their 'yes' or 'no' vote on voting slips to the Strata Manager who collates and records a decision, and then prepares and distributes the minutes. This can be useful for obtaining swift decisions without the need for coordinating a face-to-face meeting of Executive Committee members. Note that for this form of meeting to be valid all members will be deemed to be in attendance and more than 50% of the total number of Executive Committee members voting in favour of any motion for it to be resolved.

The Owners Corporation may limit the powers of the Executive Committee by passing motions at the AGM. Refer to Section 21(2) of the *Strata Schemes Management Act (1996)*.

REPAIR AND MAINTENANCE PROCEDURES

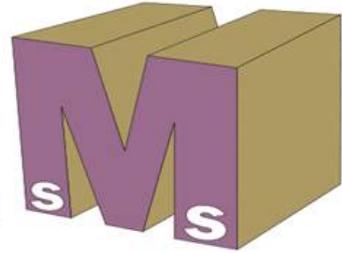
To assist with the flow of work orders, attainment of quotes and to ensure any work arranged and paid for by the Owners Corporation is a genuine repair of common property, the following procedures have been implemented.

The Strata Manager is to arrange all work and quote requests

The only exception being emergency or after hours callouts which can be arranged by a lot owner or the caretaker should the need arise. In such instances the tradesmen must be chosen from the preferred contractors list shown on the notice board or accessed via the Strata Manager's website. The type of matters that may require after hours service would include burst or leaking pipes causing substantial flooding, storm damage, loss of power, failure of the garage gates and broken glass.

Lot owners and their appointed rental agent place work requests with the Strata Manager. Tenants must report any fault with common property or complaint about behaviour, etc. to their lot owner or the rental agent. Tenants do not deal directly with the Strata Manager unless they are responding to a direct enquiry from the Strata Manager.

The Strata Manager will use only licensed and insured contractors as approved by Trades Monitors and will record all work orders in their computer software.



Any invoice for repair and maintenance is to be approved by the Treasurer where the amount of expenditure exceeds \$2,000. This excludes any periodic maintenance performed under contract and service agreements or amounts paid to utilities. For example: Telstra; Energy Australia; and Sydney Water.

To assist with the flow of all work orders the Executive Committee is to nominate a Representative and Substitute Representative who will be the Liaison Officers with the Strata Manager.

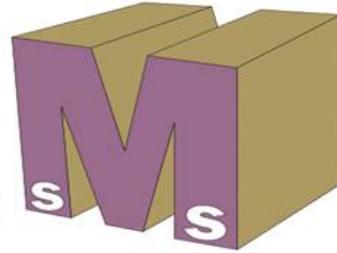
STRATA MANAGER'S ROLE

The Strata Manager is appointed in accordance with Section 27 of the *Strata Schemes Management Act (1996)* to assist the Owners Corporation fulfil its obligations under the Act. The role includes administrative tasks, to help facilitate decision-making and to ensure compliance with the legislation.

The delegation is also made in accordance with the terms of the "Agency Agreement". This contract document sets out the agreed services, additional services (provided by mutual consent and subject to extra fees) and disbursement costs.

The Strata Manager performs the following tasks. However, for a more detailed point of reference please refer to the Agency Agreement.

- Undertaking the financial management of funds and books of account;
- Providing financial statements and other reports;
- Paying accounts, issuing notices and collecting levies from lot owners;
- Storing documents and maintaining records relating to the strata scheme;
- Engaging appropriately qualified tradespersons to complete work to common property or to provide quotes for work (subject to monetary limitations);
- Arranging insurance cover for the scheme;
- Assisting in the recovery of any outstanding monies payable to the Owners Corporation;
- Representing the Owners Corporation in tribunal or court proceedings;
- Preparing budgets, meeting notices and minutes of meetings;
- Lodging insurance claims; and
- Managing correspondence in general.



Executive Committee Legislation

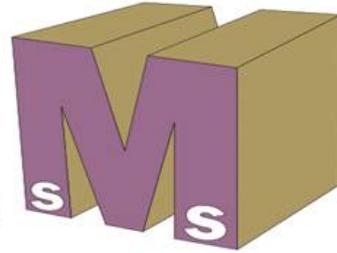
SCHEDULE 3: CONSTITUTION OF EXECUTIVE COMMITTEE OF THE OWNERS CORPORATION AND MEETINGS OF EXECUTIVE COMMITTEE

The information below is an extract of the Strata Schemes Management Act (1996) with particular reference to the responsibilities imparted on the Executive Committee appointed by the Owners Corporation at the Annual General Meeting.

PART 1: PROVISIONS RELATING TO CONSTITUTION OF EXECUTIVE COMMITTEE

2. CONSTITUTION OF EXECUTIVE COMMITTEES FOR STRATA SCHEMES WITH MORE THAN 2 LOTS:

1. This clause applies to an owner's corporation for a strata scheme comprising more than 2 lots.
2. The executive committee is to consist of such number of members, being not more than 9, as the Owners Corporation may determine.
3. The members of an executive committee must be elected at each annual general meeting of the owner's corporation.
4. A person is not eligible for election as a member of an executive committee unless the person is:
 - a) an individual who is an owner,
 - b) a company nominee of a corporation that is an owner, or
 - c) an individual who is not an owner but who is nominated for election by an owner who is not a candidate for election.
5. A person who is co-owner of a lot may not be a candidate for election as a member of the executive committee unless the person is nominated for office:
 - d) by an owner who is not a co-owner of the lot, or
 - e) by a co-owner of the lot who is not a candidate for election as a member.
6. An owner of a lot who is not a co-owner of the lot may nominate himself or herself for election as a member of the executive committee.
7. If an executive committee for an owner's corporation is constituted before the first annual general meeting of the owner's corporation, the following provisions apply:
 - a) the members of the executive committee are to be elected at a general meeting of the owner's corporation,



b) the provisions of Schedule 2 relating to the election of members of executive committees apply to and in respect of that election,

c) the provisions of this Schedule (clause 2 (2) and (3) excepted) apply to and in respect of the executive committee and its members,

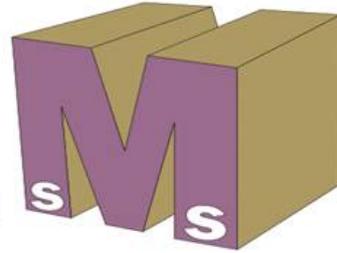
d) without limiting the operation of clause 4, a member of the executive committee vacates office as a member on another person being elected as a member in his or her place at a general meeting of the owner's corporation.

3 ACTING MEMBERS OF THE EXECUTIVE COMMITTEE

1. A member of the executive committee may, with the consent of the executive committee, appoint an owner or company nominee of a corporation which is an owner to act in his or her place as a member at any meeting of the executive committee.
2. The owner or company nominee so appointed is, while so acting as a member, taken to be a member.
3. An owner or company nominee of a corporation may be so appointed whether or not he or she is a member of the executive committee already.
4. If a person so appointed is a member of the executive committee the person may, at any meeting of the executive committee, separately vote in the person's capacity as such a member and on behalf of the member in whose place the person has been appointed to act.

4 VACATION OF OFFICE OF MEMBER OF EXECUTIVE COMMITTEE

1. A person elected as a member of an executive committee vacates office as a member:
 - e) if the person was an owner at the time of election and the person ceases to be an owner, or
 - f) if the person was not an owner at the time of election or was a company nominee and the individual who nominated the person for election or the corporation for which the person is a company nominee ceases to be an owner or notifies the owners corporation in writing that the person's office is vacated, or
 - g) on the receipt by the owners corporation from the person of notice in writing of the person's resignation as a member, or
 - h) at the end of the next meeting at which a new executive committee is elected by the owners corporation, or
 - i) if the owner's corporation, in accordance with a special resolution, determines that the person's office as a member is vacated.
2. When a vacancy occurs in the office of a member of an executive committee (otherwise than by reason of subclause (1) (d)), the owners corporation must appoint a person eligible for election as a member to fill the vacancy. Any person so appointed holds office, subject to this clause, for the balance of his or her predecessor's term of office.
3. For the avoidance of doubt, a special resolution referred to in subclause (1) (e) may relate to more than one member of an executive committee or to all members of an executive committee.



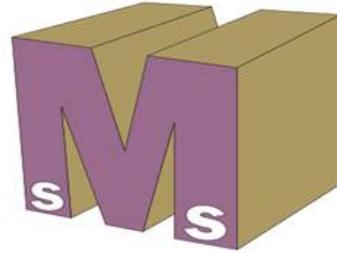
5 APPOINTMENTS OF CHAIRPERSON, SECRETARY AND TREASURER OF EXECUTIVE COMMITTEE

1. A person must not be appointed as chairperson, secretary or treasurer unless the person is a member of the executive committee.
2. A person may be appointed to one or more of the offices of chairperson, secretary and treasurer.
3. A person appointed as chairperson, secretary or treasurer holds office as such until:
 - a) the person ceases to be a member of the executive committee, or
 - b) the receipt by the owners corporation from the person of notice in writing of the person's resignation from that office, or
 - c) another person is appointed by the executive committee to hold that office,
 - d) whichever first happens.

PART 2: PROVISIONS RELATING TO MEETINGS OF EXECUTIVE COMMITTEE

6. NOTICE OF EXECUTIVE COMMITTEE MEETINGS

1. An executive committee of a large strata scheme must give notice of its intention to hold a meeting at least 72 hours before the time fixed for the meeting:
 - a) by giving written notice (which may be done by electronic means) to each owner and executive committee member, and
 - b) if the owners corporation is required by the by-laws to maintain a notice board, by displaying the notice on the notice board.
2. An executive committee of a strata scheme that is not a large strata scheme must give notice of its intention to hold a meeting at least 72 hours before the time fixed for the meeting:
 - c) by displaying the notice on the notice board, or
 - d) if the owner's corporation is not required by the by-laws to maintain a notice board, by giving written notice (which may be done by electronic means) to each owner and executive committee member.
3. The notice must specify when and where the meeting is to be held and contain a detailed agenda for the meeting.
4. A notice may be given to a person by electronic means only if the person has given the owners corporation an e-mail address for the service of notices under this Act and the notice is sent to that address.



7 EXECUTIVE COMMITTEE MEETINGS MAY BE REQUIRED TO BE CONVENED

1. The secretary of an owner's corporation or, in the secretary's absence, any member of the executive committee must convene a meeting of the executive committee if requested to do so by not less than one-third of the members of the executive committee, within the period of time, if any, specified in the request.
2. If a member of the executive committee other than the secretary is requested to convene a meeting of the executive committee under this clause, the member may give, on behalf of the executive committee, the notice required to be given under clause 6.

8 CHAIRPERSON TO PRESIDE AT MEETINGS

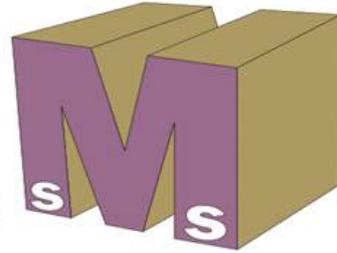
1. The chairperson presides at all meetings of the executive committee at which the chairperson is present and, if absent from any such meeting, the members of the executive committee present at that meeting must appoint one of their number to preside at that meeting during the absence of the chairperson.
2. The chairperson does not have a casting vote in relation to any motion but may vote in his or her own right as a member of the executive committee.

9 QUORUM FOR EXECUTIVE COMMITTEE MEETINGS

1. A motion submitted at a meeting of an executive committee must not be considered unless there is a quorum present to consider and vote on the motion or on the election.
2. The quorum for considering and voting on a motion submitted at a meeting of an executive committee is one if there is only one member of the executive committee.
3. The quorum for considering and voting on a motion submitted at a meeting of an executive committee that has 2 or more members is at least one-half of the members.
4. If 2 executive committee meetings are held at the same time, both meetings are invalid.
5. The quorum for meetings of the executive committee is to be calculated on the basis of the number of members last determined by the owner's corporation to be elected to the executive committee.

10 VOTING IN WRITING BY MEMBERS OF EXECUTIVE COMMITTEE

1. A resolution is taken to have been validly passed even though the meeting at which the motion for the resolution was proposed to be submitted was not held if:
 - a) notice was given in accordance with clause 6 of the intended meeting, and
 - b) a copy of the motion for the resolution was served on each member of the executive committee, and
 - c) the resolution was approved in writing by a majority of members of the executive committee.
2. This clause is subject to clause 11 (2).



11 DECISIONS OF EXECUTIVE COMMITTEE

1. Subject to this Act, the decision on any matter, where there is only one member of the executive committee, of that member or, if there are 2 or more members of an executive committee, of the majority of the members voting on that matter is the decision of the executive committee at any meeting of an executive committee at which a quorum is present.
2. A decision of an executive committee has no force or effect if, before that decision is made, notice in writing is given to the secretary of the executive committee by one or more owners, the sum of whose unit entitlements exceeds one-third of the aggregate unit entitlement, that the making of the decision is opposed by those owners.

12 RECORDS AND MINUTES TO BE KEPT

An executive committee must cause to be kept a record of its decisions and of any notices given to its secretary under clause 11 (2) and full and accurate minutes of its meetings.

13 ADJOURNMENT OF MEETINGS

1. A meeting of the executive committee may be adjourned for any reason if a motion is passed at the meeting for the adjournment.
2. Notice of when and where the adjourned meeting is to take place must be displayed on the notice board or, if the owners corporation is not required by the by-laws to maintain a notice board, must be given in writing to each owner at least 1 day prior to the meeting.

14 OWNERS' ATTENDANCE AT EXECUTIVE COMMITTEE MEETINGS

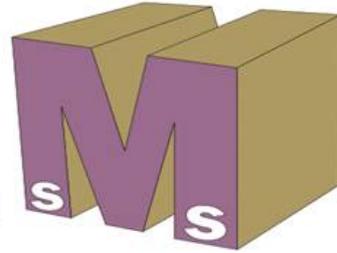
An owner or, where that person is a corporation, any company nominee of the corporation is entitled to attend a meeting of the executive committee but may not address the meeting unless authorised by resolution of the executive committee.

15 MINUTE OF CERTAIN RESOLUTIONS TO BE INCLUDED IN EXECUTIVE COMMITTEE'S MINUTES

The executive committee must cause to be included in its minutes a minute of all resolutions passed in accordance with this Schedule.

16 DISPLAY OF MINUTES

1. Within 7 days after a meeting of the executive committee of a large strata scheme, the executive committee must:
 - a) give each owner and executive committee member a copy of the minutes of the meeting, and
 - b) if the owner's corporation is required by the by-laws to maintain a notice board, cause a copy of the minutes of the meeting to be displayed on the notice board.
2. Within 7 days after the executive committee of a large strata scheme passes a resolution in accordance with this Schedule, the executive committee must:
 - a) give each owner and executive committee member a copy of the minute of the resolution, and
 - b) if the owner's corporation is required by the by-laws to maintain a notice board, cause a copy of the minute of the resolution to be displayed on the notice board.



3. Within 7 days after a meeting of the executive committee of a strata scheme that is not a large strata scheme, the executive committee must:
 - a) cause a copy of the minutes of the meeting to be displayed on the notice board, or
 - b) if the owner's corporation is not required by the by-laws to maintain a notice board, give each owner and executive committee member a copy of the minutes of the meeting.
4. Within 7 days after the executive committee of a strata scheme that is not a large strata scheme passes a resolution in accordance with this Schedule, the executive committee must:
 - a) cause a copy of the minute of the resolution to be displayed on the notice board, or
 - b) if the owner's corporation is not required by the by-laws to maintain a notice board, give each owner and executive committee member a copy of the minute of the resolution.
5. A copy of a minute or minutes required to be displayed on a notice board under this clause must be kept displayed on the notice board for a period of not less than 14 days.

17 ACTS AND PROCEEDINGS OF EXECUTIVE COMMITTEE VALID DESPITE CERTAIN CIRCUMSTANCES

Any act or proceeding of an executive committee done in good faith is, even though at the time when the act or proceeding was done, taken or commenced there was:

- a) a vacancy in the office of a member of the executive committee, or
 - b) any defect in the appointment, or any disqualification of a member of the executive committee,
6. as valid as if the vacancy, defect or disqualification did not exist and the executive committee were fully and properly constituted

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Can members of the executive committee be paid?

Section 25 of the Act allows EC members to be paid. There is no limit on the payment, only a requirement that the EC Member be paid an amount in recognition of their services. However, the decision has to be made at the AGM after the end of the period when the EX Member served. The decision to pay the EC member cannot be made in advance. The payment is for the services performed by the EC Member since the last AGM (the one when they were elected) up to this AGM.

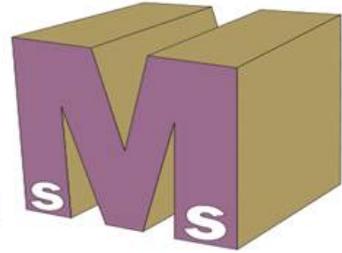
To repeat, there is nothing in the Act to allow an Owners corporation to elect EC Members and then agree in advance to pay on or more of them for that year.

This payment can only be authorised at an AGM (the AGM at the end of that year's service).

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There is nothing in the Act to require that this be only an honorarium (small amount). The payment can reflect the amount of work the member did.

There is nothing specific about expenses, however the best position is that reasonable expenses (Photocopying, stamps, phone calls etc) can be reimbursed.

This only applies to EC Members.

STRATA SCHEMES MANAGEMENT ACT 1996 - SECT 25

An owners corporation may pay to a person who is the chairperson, secretary, treasurer or a member of the executive committee such amount as the owners corporation determines at an annual general meeting in recognition of services performed by the person for the owners corporation in the period since the last annual general meeting.

ITEM

PHYSICAL ADDRESS

MAILING ADDRESS

TELEPHONE:

FACSIMILE:

EMAIL:

WEBSITE:

DETAILS

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