

Executive Summary

- Raine & Horne Strata Sydney (acquired by BCS Strata Management in 2010) became Strata Manager in large strata scheme at Macquarie Park, NSW at the adjourned general meeting on 11th of May 1999 without a tender and purely because they were personal friend of a member of the Executive Committee (Lot 151).
- Raine & Horne owner Mr. John Fry was personally present at that general meeting before they were even approved as new strata manager. As it will be proven later on, BCS Strata Management BCS prepared the minutes of this adjourned extraordinary general meeting with misconstrued and false information:

MINUTES OF EXTRAORDINARY GENERAL MEETING OF STRATA SCHEME
NORTH RYDE HELD IN THE NORTH RYDE COMMUNITY CENTRE AT
201 COX'S ROAD, NORTH RYDE ON TUESDAY 4 MAY 1999 AT 7.00PM.

PRESENT

PROXIES

IN ATTENDANCE from Raine & Horne Strata-Sydney.

AS A QUORUM WAS NOT PRESENT THE MEETING WAS NOT ABLE TO PROCEED.

THE CHAIRPERSON DIRECTED THAT THE MEETING BE ADJOURNED UNTIL THE
11TH MAY 1999 AT 7.00PM TO BE HELD IN UNIT 205.

MINUTES OF ADJOURNED EXTRAORDINARY GENERAL MEETING OF STRATA SCHEME
NORTH RYDE HELD IN THE NORTH RYDE COMMUNITY
CENTRE AT 201 COX'S ROAD, NORTH RYDE ON 11MAY 1999 AT 7.00PM.

PRESENT

PROXIES

MOTION 2

That the resignation of _____ as managing agents for
Strata Plan _____ be accepted.

That pursuant to Section 26-29 of the Strata Schemes Management Act
1996 Body Corporate Management Services Pty Ltd trading as Raine &
Horne Strata-Sydney be appointed as the Strata Managing Agents being
delegated the powers, authorities, duties and functions of the Owners
Corporation, it's Executive Committee, Chairperson, Secretary and
Treasurer of such Committee.

The terms of this appointment and delegation are set out in an Agency
Agreement tabled at the meeting which pursuant to Section 238 of the Act is
to have the Common Seal affixed and to be signed by two Committee
Members - Carried.

Inequitable and Undisclosed Water and Gas Expenses Reimbursements to Selective Townhouse Owners 1997-2017

According to available documents (files for many years are still undisclosed by BCS Strata Management) \$106,427.21 was paid for private water and gas reimbursements to selective townhouse owners in period 1997 to 2013 without a special resolution or registered by-law. Hidden scheme as allegedly applied to provide more equitable levies to townhouse owners who do not use lifts and have to share water and gas expenses for common property in buildings (units in buildings do not have individual water and gas meters).

Data for eight years deliberately hidden from owners and undisclosed even though Strata Schemes Management Act 1996 S108 requires the financial documents to be provided upon payments. BCS Strata Management refused to provide access to full financial statements and receipts seven times in period 2011 to 2015.

Reasonable calculation of losses in the Admin Fund that includes data from missing years: \$160,000.00.

After uncovering this hidden scheme, BCS Strata Management, together with the Executive Committee of the large strata scheme at Macquarie Park, rushed to approve Special By-Law at general meeting in October 2012, without giving owners any details of the size of reimbursements. The Special By-Law was registered eight months later, on 6 May 2013. Since its registration, water and gas reimbursements were paid to selective townhouse owners in non-compliance with the by-law.

An owner tried to make the water and gas reimbursements equitable and fair to all owners in the complex, but due to dormant proxy votes and extremely co-ordinated efforts by BCS Strata Management and the members of the Executive Committee, these Motions failed at FY 2013 and 2014.

On average, only 18 (out of 26) townhouse owners claimed water and gas reimbursements. The financial data for these claims were undisclosed in balance sheets for owners at every Annual General Meeting (AGM) since 1997 (including the general meeting in November 2014).

Years 1997 to 2000: All gas and water reimbursements were illegal without a Special Resolution or Registered By-Law; owners who claimed these expenses were unfinancial; AGMs were void and invalid due to lack of quorum.

Years 2001 to 6 May 2013: All gas and water reimbursements were illegal without a Special Resolution or Registered By-Law; GST and Service Charges claimed by owners for gas usage as well; owners who claimed these expenses were unfinancial; AGM were void and invalid due to lack of quorum; owners corporation made illegal GST claims from the Australian Taxation Office for private expenses paid to townhouses from common funds.

6 May 2013 till July 2016: GST and Service Charges claimed by owners for gas usage in non-compliance with Special By-Law 13; owners who claimed these expenses were unfinancial at AGM 2013, AGM 2014, and AGM 2015; AGM 2013 and two following General Meetings were void and invalid due to lack of quorum; owners corporation made illegal GST claims from the Australian Taxation Office for private expenses paid to townhouses from common funds.

By having inequitable private water and gas usage reimbursements for selective townhouse owners (typically 18 owners out of 26), another illegal activity occurred over 15 years and at AGM 2014: the rights to vote at general meeting is affected by differences in lot entitlement. Drastic example for FY 2014: Townhouse owner of Lot A, with Lot Entitlement 55, did not have any water and gas claims and paid all levies in amount of \$5,125.82. Townhouse owner of Lot B, also with Lot Entitlement 55, after getting water and gas reimbursements, contributed in levies only \$4,607.16. Law says they cannot have equal rights to vote in NSW!

In eight years for which all evidence was collected (2003, 2004, 2007, 2008, 2009, 2012, 2011, 2012, 2013, 2014, 2015, and 2016) three current or ex-EC members were paid without a By-Law or Special Resolution that approved Admin Fund being used for this kind of benefits. Add to it payments since the Special By-Law 13 was "approved" but did not comply with it (FY 2013 and 2014) and the years for which BCS Strata Management failed to provide financial documents, the conservative estimate is that one member of EC alone was paid at least around AU\$6,000.00 from the common funds without legal rights. That means he did not pay any levies for more than a year. Other financial years are undisclosed, in non-compliance with SSMA 1996 S108.

Incomplete spreadsheet with data for illegal water and gas reimbursements from common funds. All payments before 6th of May 2013 were secret (undisclosed to owners corporation in any financial statements) and without Special Resolution or a registered Special By-Law.

<http://www.nswstratasleuth.id.au/BCS-Strata-Management-Illegal-and-Inequitable-Gas-and-Water-Reimbursements-for-Townhouses-1997-to-2016.pdf>

General meetings without quorum, or non-compliant proxy count, or non-compliant notice period

The large strata scheme at Macquarie Park, NSW has 218 properties and the minimum quorum is 55 owners in person or through proxy votes, or 2,500 in entitlements.

BCS Strata Management was solely responsible for the following general meetings that were non-compliant with SSMA 1996:

- **Extraordinary General Meeting 1999**

22 owners present in person and four via proxy on 4th of May 1999. Meeting failed due to lack of quorum.

Meeting adjourned for 11th of May 1999.

Branch Manager of BCS Strata Management attended this meeting without being an official strata manager (not even an employee of strata scheme on that day) - dubious, questionable, and unprofessional action because this meeting was discussing his own future engagement and the salary.

18 owners attended the adjourned meeting. BCS Strata Management BCS counted five completely new proxy votes as valid, which was in non-compliance with SSMA 1996 Schedule 2 Section 3 (b) which stipulates that no additional proxies can be received or owners make payment of outstanding levies during the adjourned period.

Outcome: BCS Strata Management attended adjourned general meeting that was discussing their engagement as strata manager without tender, and counted five proxy votes illegally. Selective group of townhouse owners (including three members of the Executive Committee, of which one was future long-term EC member) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law, hence directly decreasing their voting entitlements and being unfinancial. Meeting was non-compliant with SSMA 1996 Schedule 2 Section 10 (8), SSMA 1996 Schedule 2 Section 3 (b), and SSMA 1996 Section 183. These secret and undeclared reimbursements were never provided in accounting books even in 2017.

- **Extraordinary General Meeting 2000**

51 owners via proxy on 23rd of August 2000.

BCS Strata Management - orchestrated approval of decisions at Extraordinary General Meeting (EGM) and introducing Goods and Services Tax and special levy without quorum in year 2000.

BCS Strata Management failed to disclose this information to owners corporation in spite of my repeated requests. Officially, owners corporation was not allowed to have this knowledge presented to them.

BCS Strata Management staff, including their NSW COO, so far stayed silent on many reports of non-compliant meetings in my complex.

- a) The first EGM was held in Epping office on Saturday 21 May 2000 at 10:00 hours. No owner attended in person. There were only 33 proxy votes given to Chairperson of the meeting (strata managing agent himself).

One of the Motions that was defeated at the failed meeting due to lack of quorum was:

QUOTE

That the Owners resolve with effect from 1 July 2000 that the levy contributions approved for the Administration and Sinking Funds shall be increased by an amount equivalent to the GST payable in accordance with the relevant GST Law.
END QUOTE

- b) The second EGM meeting was held in Epping office on 23 August 2000 at 10:00 hours. There were no official general meetings in-between the EGM held on 21 May 2000 and the one on 23 August 2000.

No owner was present at this meeting too. There were 51 proxy votes given to Chairperson of the meeting (strata managing agent himself).

The count of proxy votes did not satisfy the quorum.

Two of the Motions that were "approved" at the meeting were:

<u>MOTION 2</u>	That the Owners Corporation resolve and acknowledge that Goods and Services Tax at the rate of 10% is payable on the portion of levies due to the Administrative Fund and Sinking Fund for the period from 1 July 2000 to 31 August 2000 and resolve that an additional charge equivalent to the amount of the Goods and Services Tax shall be payable by the Owners to the Strata Scheme on the 14 September 2000 by way of Special Contribution - Carried.
<u>MOTION 3</u>	That the Owners Corporation resolve that an additional charge will be added to all future approved levy contributions due to the Administration and Sinking Fund such charge being equivalent to the rate of Goods and Services Tax that applies from time to time in accordance with any relevant Goods and Services Tax Law - Carried.
<u>CLOSURE</u>	There being no further business the meeting closed.

- c) The complex has 218 lots and for the meeting to be valid it has to have around 55 lots in attendance (in person or via proxy), although in various public statements to owners the EC and strata agency always maintained that around 60 lots should be counted at the general meetings to make them valid.

- d) In-between the two EGMs, there was only an Executive Committee meeting on 2 August 2000, which was attended by eight owners only. Minutes of this meeting did not display any intention for an EGM, and only listed details of next planned EC meeting for 12 September 2000.

For the sake of proper recoding of facts, the AGM in my complex was held on 5 October 2000.

e) BCS Strata Management failed to declare that selective group of townhouse owners (including three members of the Executive Committee, of which one was future long-term EC member) received reimbursements for personal water and gas usage without Special Resolution or Special By-Law, hence directly decreasing their voting entitlements without special resolution and being unfinancial.

The details of the undeclared reimbursements have never been listed in accounting reports to owners in any financial year until now (March 2017).

EGM held on 23 August 2000 was non-compliant with SSMA 1996 Schedule 2 Section 10 (8) and SSMA 1996 Section 183.

- **Annual General Meeting 2000**

28 owners present in person and 25 via proxy on 5th of October 2000.

Group of townhouse owners (including three members of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law, hence directly decreasing their voting entitlements.

BCS Strata Management - AGM 2000 conducted without quorum, without disclosure of conflict of interests for EC members, approving special levies in amount of \$100,000.00, approving increase of strata manager's contract without tender, and failed to provide access to ballot papers when requested.

Details of the AGM:

a) It was held on 5 October 2000; 28 owners were present in person and 25 via proxy, which failed to satisfy quorum of at least 55 lots (complex has 218 lots). In various public statements to owners the EC and strata agency always maintained that around 60 lots should be counted at the general meetings to make them valid.

b) BCS Strata Management failed to declare that selective group of townhouse owners (including three members of the Executive Committee, of which one was future long-term EC member) received reimbursements for personal water and gas usage without Special Resolution or Special By-Law, hence directly decreasing their voting entitlements without special resolution and being unfinancial.

The details of the undeclared reimbursements have never been listed in accounting reports to owners in any financial year until now (March 2017).

c) BCS Strata Management failed to declare that two owners (one of them will later become long-service EC member), were given special privileges in regards to decreasing legal fees (this privilege has never been given to any other owner) at Executive Committee meeting on 22 March 2000:

ITEM 7 To consider correspondence from the Owners of Lot 103 and 218 regarding outstanding legal fees:

Resolved that an offer be made to the proprietors concerned that the outstanding legal fees be reduced by 50%, but that any interest is to be paid in full.

The offer is to be made available for a period of 30 days, following which the balance outstanding is to be settled in full.

d) Management fees awarded to BCS Strata Management were significantly increased without any attempt to conduct a tender:

... from the initial contract without tender on 16 June 1999 in amount of \$18,700.00 plus expenses of \$1.60 per lot per month (for postage photocopying, and similar)

... to \$21,947.00 plus expenses of \$1.80 per lot per month (for postage, photocopying, and similar).

MOTION 8 That Body Corporate Management Services Pty Limited t/a Raine & Horne Strata-Sydney continue as managing agents for a fee of \$21947.20 management expenses (Postage, photocopying etc) of \$1.80 per lot per month - Carried.

BCS Strata Management enjoyed winning contract for 16 years until they were removed at AGM on 19 October 2016 without any evidence of tenders at general meetings.

f) Evidence of how owners voted at the ballot for the Executive Committee was never provided by BCS Strata Management, in spite of multiple requests.

g) This Motion was also approved at the AGM 2000, indirectly confirming the fact that owners corporation had no money in the Sinking Fund (complex actually had negative balance in the accounting books but owners were not given full details):

MOTION 9

That a Special Levy of \$100,000 which includes GST be raised due and payable on the 1 December 2000 to improve the balance of the Sinking Fund - Carried subject to the levy being payable four equal instalments on 1 December 2000, 1 February, 1 May and 1 August 2001.

Outcome: BCS Strata Management failed to declare the meeting invalid due to lack of quorum. Selective group of townhouse owners (including three members of the Executive Committee, of which one was future long-term EC member) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law, hence directly decreasing their voting entitlements without special resolution and being unfinancial. Meeting was non-compliant with SSMA 1996 Schedule 2 Section 12 2 (a) and (b), SSMA 1996 Section 10 (8), and SSMA 1996 Section 183. These secret and undeclared reimbursements were never provided in accounting books even in 2017.

- **Annual General Meeting 2001**

17 owners present in person and 28 via proxy on 17th of October 2001 at this adjourned meeting; details of the original meeting unknown (documents for this meeting do not exist) and the number of proxy votes unavailable. Of 28 proxy votes, 15 were given to EC member. Ballot paper destroyed straight after the meeting by decision of only 17 owners present at the meeting (ballot papers must be kept for FIVE YEARS).

To determine the number of Members for the Executive Committee and to elect Members of the Executive Committee.

Resolved that the number of the Executive Committee Members be set at 9.

10 nominations were received and a ballot held with the following persons elected as members of the Executive Committee:

It was agreed that the ballot papers be destroyed after the meeting.

!?!?

Outcome: BCS Strata Management failed to declare the meeting invalid due to lack of quorum and destroyed crucial owners corporation documents without legal rights. Selective group of townhouse owners (including three members of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law, hence directly decreasing their voting entitlements and being unfinancial. Meeting was non-compliant with SSMA 1996 Schedule 2 Section 12 2 (a) and (b), SSMA 1996 Schedule 2 Section 10 (8), SSMA 1996 Section 104, and SSMA 1996 Section 183. These secret and undeclared reimbursements were never provided in accounting books even in 2017.

- **Annual General Meeting 2002**

22 owners present in person and 48 via proxy on 2nd of October 2002.

Outcome: BCS Strata Management failed to declare the meeting invalid due to lack of quorum. Of 48 proxies, 30 were given to EC member, who, along with a selective group of townhouse owners (including two other members of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law, hence directly decreasing their voting entitlements and being unfinancial. Meeting was non-compliant with SSMA 1996 Schedule 2 Section 12 2 (a) and (b), SSMA 1996 Schedule 2 Section 10 (8), and SSMA 1996 Section 183. These secret and undeclared reimbursements were never provided in accounting books even in 2017.

- **Extraordinary General Meeting 2003**

First meeting failed due to lack of quorum on 2nd of January 2003.

The general meeting was adjourned for 24th of January 2003.

BCS Strata Management counted 74 owners via proxy, which was a complete fabrication because no owner attended the adjourned meeting in person.

SSMA 1996 Schedule 2 Section 3 (b) which clearly stipulates that no additional proxies can be received or owners make payment of outstanding levies during the adjourned period.

Outcome: BCS Strata Management BCS forged number of proxy votes at the adjourned general meeting and ensured that Special By-Law granting exclusive rights to common property to owner who was ex-EC member of the EC succeeded (the owner is non-compliant with the Special By-Law registered for them ever since 2003). Selective group of 17 (out of 26) townhouse owners (including three members of the Executive Committee, of which one is long-term EC member) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law, hence directly decreasing their voting entitlements and being unfinancial. Meeting was non-compliant with SSMA 1996 Schedule 2 Section 12 2 (a) and (b), SSMA 1996 Schedule 2 Section 10 (8), and SSMA 1996 Section 183. These secret and undeclared reimbursements were never provided in accounting books even in 2017.

One Special By-Laws was, hence, illegally registered with the Land and Property NSW. This by-law is secret and undisclosed in any official owners corporation documentation. All prospective and new owners in the complex are not given access to this by-law (for example, as required by SSMA 1996 S108 for any document search). This is confirmed on BCS web site (document ID 2544110 does not contain this special by-law):

By-Laws

Plan: NSW 52948						
ItemId	PlanNo	PlanNameAdd		Category	Title	DocDate
9681097	n52948	PARK NSW	MACQUARIE	By-Laws	Special By-Law 13 AMENDMENT	6/01/2015
6092727	n52948	PARK NSW	MACQUARIE	By-Laws	Special By-Laws 11, 12 & 13	11/09/2013
3902970	N52948	PARK NSW	MACQUARIE	By-Laws	New Bylaw 10.03.2012 - By-law 10	12/07/2012
2541110	N52948	PARK NSW	MACQUARIE	By-Laws	MACQUARIE GARDENS regisitered by laws 1 - SBL9	10/10/2011

"4. The Owner for the time being of lot 3 shall be entitled to a special privilege in respect of a common property window dividing the lounge room and the courtyard of the lot for the purpose of removing that section to permit the installation of a sliding door on the following terms and conditions:-

- (a) The owner of lot 3 shall at its sole expense carry out such works and shall be responsible for all future maintenance costs.
- (b) The work must be undertaken in a proper and workmanlike manner by a suitably qualified tradesperson.
- (c) The owner of lot 3 must obtain any required approvals from Ryde City Council.
- (d) The owner of lot 3 shall indemnify, and keep indemnified, the Owners Corporation in respect of all claims, action, costs and expenses whether for injury to persons, or damage to property, arising in any way out of the carrying out of the works and future maintenance and the owner shall at all times keep in effect a public risk insurance policy in a sum of not less than \$5,000,000 to cover the owners obligations hereunder.
- (e) If the owner defaults in the performance of any term or condition on this By-Law and such default continues for a period of fourteen (14) days after notice thereof is given to him by the Secretary of the Owners Corporation in writing, then the rights and privileges conferred by this By-Law may thereafter be terminated by an Ordinary Resolution of the Executive Committee of the Owners Corporation.
- (f) The rights and privileges conferred by this By-Law shall be terminated automatically in the event of the Strata Scheme being varied or terminated pursuant to Sections 50,51 or 51A of the Strata Schemes (Freehold Development Act) 1973 as amended.
- (g) The owner shall reimburse the Owners Corporation on demand for all legal and other costs reasonably incurred in the preparation and registration of this By-Law and in respect of any steps taken by the Owners Corporation to terminate this By-Law under paragraph (g) above."

- **Annual General Meeting 2003**

19 owners present in person and 35 via proxy on 1st of October 2003.

Outcome: BCS Strata Management failed to declare the meeting invalid due to lack of quorum. Of 35 proxies, 19 were given to EC member, who, along with a selective group of 17 (out of 26) townhouse owners (including two other members of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law, hence directly decreasing their voting entitlements and being unfinancial. These secret and undeclared reimbursements were never provided in accounting books even in 2017. Six proxy votes were given to Strata Manager himself, who voted for his own increased remuneration at the meeting. Meeting was non-compliant with SSMA 1996 Schedule 2 Section 12 2 (a) and (b), SSMA 1996 Schedule 2 Section 10 (8), SSMA 1996 Schedule 2 Section 11 (7A) and (7B), and SSMA 1996 Section 183.

Two Special By-Laws were, hence, illegally registered with the Land and Property NSW:

Special By-Law 6

That the Owners Corporation agree to install on common property equipment comprising of a telecommunications infrastructure for the provision of services to residents to enable them to receive the following – broadband internet, wireless connectivity, home working, ip telephone capabilities, home security and automation.

The Executive Committee shall be granted the power to review the services available and enter into a contract on behalf of the Owners Corporation.

Special By-Law 7

In addition to the powers, authorities, duties and functions conferred upon the Owners Corporation by the Act and By Laws it shall have the following additional powers, authorities, duties and functions:

1. The power to convert the existing steam room facility into a sauna.
2. The power and duty to repair, maintain, renew and replace such sauna including associated equipment as may be necessary from time to time.

- **Annual General Meeting 2004**

18 owners present in person and 52 via proxy on 6th of October 2004.

Outcome: BCS Strata Management failed to declare the meeting invalid due to lack of quorum. Of 52 proxies, 30 were given to EC member, who, along with a selective group of 19 (out of 26) townhouse owners (including two other members of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law, hence directly decreasing their voting entitlements and being unfinancial. These secret and undeclared reimbursements were never provided in accounting books even in 2017. Seven proxy votes were given to Strata Manager himself, who voted for his own increased remuneration at the meeting.

MOTION 8:

That Body Corporate Management Services Pty. Limited T/A Raine & Home Strata - Sydney continue as managing agents for a fee of \$26,500.00 plus GST per annum and management expenses (postage, photocopying etc) with the committee being authorised to negotiate and sign a new agreement – Carried.

Meeting was non-compliant with SSMA 1996 Schedule 2 Section 12 2 (a) and (b), SSMA 1996 Schedule 2 Section 10 (8), SSMA 1996 Schedule 2 Section 11 (7A) and (7B), and SSMA 1996 Section 183.

This meeting “approved” premediated plan by Raine & Horne Strat Sydney and EC member of the EC to run fraudulent tender for building painting without decision at the general meeting:

MOTION 9:

That upon the Strata Schemes Management Amendment Bill 2003 being gazetted, under Division 3 (Restrictions on Spending), Section 80A (1) shall have no affect for the period until the next Annual General Meeting in 2005 at which time this matter will be reconsidered.

Division 3 Restrictions on Spending

80A Limit on Spending by Executive Committees of large strata schemes

(1) If a specific amount has been determined as referred to in section 75 (5) for expenditure on any item or matter, the executive committee of the owners corporation concerned must not, in the period until the annual general meeting next occurring after the determination was made, spend on the item or matter an amount greater than that determined amount for expenditure on the item or matter plus 10 per cent – Carried.

(2) The owners corporation of a large strata scheme may by resolution at a general meeting remove the limitation imposed by subsection (1) generally or in relation to any particular item or matter – Carried.

Details of the painting project, which, eventually spent \$110,000.00 over approved value (of which \$43,000.00 are still unaccounted for, as of March 2015) are published here:

<http://www.nswstratasleuth.id.au/SP52948-BCS-Strata-Management-Rigged-Painting-Tender-with-losses-above-110000-dollars-2004-2005.pdf>

The poor quality of the work is displayed here:

<http://www.nswstratasleuth.id.au/Macquarie-Gardens-photos/gallery/>

- **Annual General Meeting 2005**

20 owners present in person and 45 via proxy on 19th of October 2005.

Outcome: BCS Strata Management failed to declare the meeting invalid due to lack of quorum. Of 45 proxies, 36 were given to EC member, who, along with a selective group of townhouse owners (including two other members of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law, hence directly decreasing their voting entitlements and being unfinancial. These secret and undeclared reimbursements were never provided in accounting books even in 2017. Four proxy votes were given to Strata Manager himself, who voted for his own increased remuneration at the meeting. Meeting was non-compliant with SSMA 1996 Schedule 2 Section 12 2 (a) and (b), SSMA 1996 Schedule 2 Section 10 (8), SSMA 1996 Schedule 2 Section 11 (7A) and (7B), and SSMA 1996 Section 183.

This meeting “approved” the following motion:

MOTION 8: That under Division 3 (Restrictions on Spending), Section 80A (1) shall be deleted.

Division 3 Restrictions on Spending

80A Limit on Spending by Executive Committees of large strata schemes

- (1) If a specific amount has been determined as referred to in section 75 (5) for expenditure on any item or matter, the executive committee of the owners corporation concerned must not, in the period until the annual general meeting next occurring after the determination was made, spend on the item or matter an amount greater than that determined amount for expenditure on the item or matter plus 10 per cent.
- (2) The owner's corporation of a large strata scheme may by resolution at a general meeting remove the limitation imposed by subsection (1) generally or in relation to any particular item or matter.

Carried.

This is not a registered by-law, although BCS Strata Management BCS and EC abused lack of Section 80A number of times for large expenditures.

There was also a special resolution that Raine & Horne Strat Sydney BCS failed to register:

MOTION 9: That the Owners Corporation be granted the power to arrange for the installation (and subsequent duty and responsibility to repair, maintain & replace) of rain water storage tanks and associated pumps and to approve expenditure of \$88,000 for such acquisition.

Special Resolution

Following discussion, the motion was carried subject to the positioning of the tanks being decided by the Executive Committee.

- **Annual General Meeting 2006**

16 owners present in person and 43 via proxy on 18th of October 2006.

Outcome: BCS Strata Management failed to declare the meeting invalid due to lack of quorum. Of 43 proxies, 33 were given to EC member, who, along with a selective group of townhouse owners (including one other member of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law, hence directly decreasing their voting entitlements and being unfinancial. These secret and undeclared reimbursements were never provided in accounting books even in 2017. Four proxy votes were given to Strata Manager himself, who voted for his own increased remuneration at the meeting. Meeting was non-compliant with SSMA 1996 Schedule 2 Section 12 2 (a) and (b), SSMA 1996 Schedule 2 Section 10 (8), SSMA 1996 Schedule 2 Section 11 (7A) and (7B), and SSMA 1996 Section 183.

Annual General Meeting 2007

14 owners present in person and 41 via proxy on 17th of October 2007.

Outcome: BCS Strata Management failed to declare the meeting invalid due to lack of quorum. Of 41 proxies, 31 were given to EC member, who, along with a selective group of 16 (out of 26) townhouse owners (including one other member of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law, hence directly decreasing their voting entitlements and being unfinancial. These secret and undeclared reimbursements were never provided in accounting books even in 2017. Three proxy votes were given to Strata Manager himself, who voted for his own increased remuneration at the meeting. Meeting was non-compliant with SSMA 1996 Schedule 2 Section 12 2 (a) and (b), SSMA 1996 Schedule 2 Section 10 (8), SSMA 1996 Schedule 2 Section 11 (7A) and (7B), and SSMA 1996 Section 183.

One Special By-Laws was, hence, illegally registered with the Land and Property NSW:

Special By-Law 8

The Executive Committee of the Owners Corporation are hereby granted the power and authority to approve the acquisition of additional Common Property and the appropriate expenditure from the Sinking Fund providing that the amount of such expenditure shall not exceed 10% of the Sinking Fund balance at that time.

There was an attempt to exclude owners corporation and add common property without general meeting (additional land facing M2 Motorway for "extended carpark space"), an attempt to add walk path to Lane Cove Road, which was defeated at the AGM 2012), and two other attempts currently being "pursued" by the EC and BCS Strata Management:

- To add common property for two townhouses, as documented in minutes of EC meeting held on 4th of March 2015:

5. COURTYARD DRAINAGE:

Motion

5.1 To consider the issue of drainage, that has been raised in relation to a number of townhouse courtyards.

The EC instructed the managing agent to write to the two lot owners and offer the affected lots access to connect drains from courtyards to the common storm water drain at their own expense. These drains will then become common property and will be maintained by the Owners Corporation going forward. No additional expense is expected as the storm water drains are already regularly maintained by the Owners Corporation. The acquisition of this Common Property is considered minor and falls within the previous authority granted to the EC at AGMs in the past.

- To add pergolas as common property by stealth, as documented in undisclosed email correspondence between the EC member of the EC and the Strata Manager as late as 21st of January 2015:

From:
Sent: Wednesday, 21 January 2015 9:38 AM
To: Russell Young
Subject: SP52948 - Correspondence

Russell,

What is the cost of registering an amendment to the scheme so that the definition is clear for all future committees without the cost of further CTTT hearings?

- **Annual General Meeting 2008**

12 owners present in person and 40 via proxy on 22nd of October 2008.

Outcome: BCS Strata Management failed to declare the meeting invalid due to lack of quorum. Of 40 proxies, 35 were given to EC member, who, along with a selective group of 17 (out of 26) townhouse owners (including one other member of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law, hence directly decreasing their voting entitlements and being unfinancial. These secret and undeclared reimbursements were never provided in accounting books even in 2017. Four proxy votes were given to Strata Manager himself. Meeting was non-compliant with SSMA 1996 Schedule 2 Section 12 2 (a) and (b), SSMA 1996 Schedule 2 Section 10 (8), SSMA 1996 Schedule 2 Section 11 (7A) and (7B), and SSMA 1996 Section 183.

- **Annual General Meeting 2009**

11 owners present in person and 56 via proxy on 14th of October 2009.

Outcome: BCS Strata Management failed to declare the meeting invalid due to lack of quorum. Of 56 proxies, 46 were given to EC member, who, along with a selective group of 18 (out of 26) townhouse owners (including one other member of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law, hence directly decreasing their voting entitlements and being unfinancial. These secret and undeclared reimbursements were never provided in accounting books even in 2017. Three proxy votes were given to Strata Manager himself, who voted for his own increased remuneration at the meeting. Meeting was non-compliant with SSMA 1996 Schedule 2 Section 12 2 (a) and (b), SSMA 1996 Schedule 2 Section 10 (8), SSMA 1996 Schedule 2 Section 11 (7A) and (7B), and SSMA 1996 Section 183.

The following Special Resolution was approved at the meeting, and subsequently registered as Special By-Law:

Special By-Law 9 – Control of Excessive Water Usage

An owner and/or occupier of a lot must:

1. Ensure that leaking taps and/or cisterns within the lot are promptly repaired to prevent loss of water.
2. Not keep more than one washing machine within their lot space.
3. Not use the washing machine in their lot space for any purpose other than to wash clothing, towels, bedding etc used by residents of that lot.

The Owners Corporation shall by its agents, employees or contractors have the right to enter a lot to inspect the laundry, bathroom and kitchen areas to ensure compliance with this By-Law and may also arrange for any necessary repairs to leaking taps/cisterns to be undertaken and recover the cost of such maintenance from the lot owner.

Owners received incomplete information in the minutes of this AGM, which makes the resolution dubious:

MOTION 9

That the following additional By Law be approved

Special By Law – Control of Excessive Water Usage

An owner and/or occupier of a lot must

- Ensure that leaking taps and/or cisterns within the lot are promptly repaired to prevent loss of water.
- Not keep more than one washing machine within their lot space.
- Not use the washing machine in their lot space for any purpose other than to wash clothing, towels, bedding etc used by residents of that lot.

The Owners Corporation shall by its agents, employees or contractors have the right to enter a lot to inspect the laundry, bathroom and kitchen areas to ensure compliance with this By Law and may also arrange for any necessary repairs to leaking taps/cisterns to be undertaken and recover the cost of such maintenance from the lot owner. (Special Resolution)

Following discussion and taking account of concerns and proposed amendments the motion was approved.

A suggested amendment was to include

3.

MOTION 10

To receive nominations for the Executive Committee, determine the number of members and to elect the Executive Committee (maximum 9 members).

- **Extraordinary General Meeting 2010**

24 owners present in person and 74 via proxy on 16th of August 2010.

Of 74 proxies, 71 were given to EC member, who, along with a selective group of 20 (out of 26) townhouse owners (including one other member of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law, hence directly decreasing their voting entitlements and being unfinancial. These secret and undeclared reimbursements were never provided in accounting books even as of December 2015. Two proxy votes were given to Strata Manager himself.

Outcome: Rushed without proper agenda on 16th of August 2010, attempted to defraud owners corporation and cause significant financial losses by allowing Optus mobile antennae system to be installed on Block C. Lost around \$5,000.00 in hidden project costs for electrical upgrade blueprints to accommodate Optus requirements (commissioned before the meeting occurred).

- **Annual General Meeting 2010**

26 owners present in person and 55 via proxy on 14th of October 2010.

BCS Strata Management failed to declare the meeting invalid due to lack of quorum. Of 55 proxies, 35 were given to EC member, who, along with a selective group of 20 (out of 26) townhouse owners (including one other member of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law, hence directly decreasing their voting entitlements and being unfinancial. These secret and undeclared reimbursements were never provided in accounting books even in 2017. Three proxy votes were given to Strata Manager himself, who voted for his own increased remuneration at the meeting.

The agenda for the AGM held on 13th of October 2010 failed to include two owner's motions: "Future proposals to run business on common property and EGMs" and "Analysis of Optus proposal and past mistakes at the committee level".

Outcome: Meeting was non-compliant with SSMA 1996 Schedule 2 Section 12 2 (a) and (b), SSMA 1996 Schedule 2 Section 10 (8), SSMA 1996 Schedule 2 Section 11 (7A) and (7B), and SSMA 1996 Section 183.

- **Extraordinary General Meeting 2011**

7 owners present in person and 3 via proxy on 16th of February 2011.

Ordinary EC meeting held on 16th of February 2011 was mistakenly listed in the Minutes as an EGM; then, to correct the error, updated Minutes of the EC meeting were sent, which contained INVALID resolution to approve minutes of the previous General Meeting (only General Meeting can approve minutes of the previous General Meeting)!

EC member, who, along with a selective group of 14 (out of 26) townhouse owners (including one other member of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law in 2011, hence directly decreasing their voting entitlements and being unfinancial. These secret and undeclared reimbursements were never provided in accounting books even in 2017.

Outcome: Meeting was non-compliant with SSMA 1996 Schedule 2 Section 12 2 (a) and (b), SSMA 1996 Schedule 2 Section 10 (8), and SSMA 1996 Section 183.

- **Annual General Meeting 2011**

25 owners present in person and 39 via proxy on 19th of October 2011.

Of 39 proxies, 30 were given to EC member, who, along with a selective group of 14 (out of 26) townhouse owners (including one other member of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law, hence directly decreasing their voting entitlements and being unfinancial. These secret and undeclared reimbursements were never provided in accounting books even in 2017.

The agenda for the AGM held on 13th of October 2011 failed to include Motion ““Analysis of Optus proposal and past mistakes at the committee level”, “Free training for members of the Executive Committee”, and deliberately misconstrued and misquoted motion “Removal of By-Law 8” to ensure its failure.

Outcome: Meeting was non-compliant with SSMA 1996 Schedule 2 Section 12 2 (a) and (b), SSMA 1996 Schedule 2 Section 10 (8), and SSMA 1996 Section 183.

- **Extraordinary General Meeting 2012**

The agenda for the EGM held on 7th of May 2012 was non-compliant with the SSMA 1996 Clause 32 (1) and the Interpretation Act 1987 Section 76 as it was not sent to owners in prescribed timeframe.

Meeting rushed to approve exclusive rights to common property to an owner on 7th of May 2012. In person attended only two (out of nine) members of the Executive Committee (including EC member), plus one townhouse owner, and the owner who requested exclusive rights to common property, and two managing agents.

Due to lack of quorum, it was adjourned for 14th of May 2012.

At the original meeting, according to EC member's own between 10-12 votes were missing to declare meeting valid. 55 owners, or 2500 entitlement points were needed to make the meeting valid. EC member and BCS Strata Management BCS refused to provide access to proxy votes at the beginning of the meeting. That means that around 45-47 votes were present at the original meeting.

At the adjourned meeting, 53 votes were counted as valid, which did not match the EC member's statement at the original meeting.

One proxy vote was counted INCORRECTLY with wrong vote for (not against) the Motion. In his email to the owner Strata Manager acknowledged the error promising to update the minutes. That never happened. One proxy vote was invalid because BOTH owners should have signed the form. Wife of an owner DID NOT SIGN IT. One proxy vote was rejected because ONLY proxies issued on the date of the FIRST GENERAL MEETING could be legally used. Quite the opposite rule BCS Strata Management BCS used at other general meetings.

Owner who requested exclusive rights to common property did not pay all costs as per approved Special By-Law.

Outcome: Meeting was non-compliant with SSMA 1996 Schedule 2 Section 12 2 (a) and (b), SSMA 1996 Schedule 2 Section 10 (8), SSMA 1996 Clause 32 (1) and the Interpretation Act 1987 Section 76, and SSMA 1996 Section 183.

One Special By-Laws was, hence, illegally registered with the Land and Property NSW:

SPECIAL BY-LAW NO.10

LOT 136 AND LOT 137 IMPROVEMENTS

1. This by-law confers on the Owner special privileges in respect of part of the common property as a consequence of the Improvements to be made to the Owner's lot.
2. The special privileges conferred by this by-law are the rights to alter and use the common property by making Improvements that affect the common property.
3. "Improvements" means the alterations and additions undertaken by the Owner (at the Owner's cost and to remain the Owner's fixture) to remove part of the common wall separating the dining and living room areas of Lot 136 and Lot 137, as described in the structural engineering report and drawing prepared by Murdocca & Associates Pty Ltd dated 14 January 2012, annexed to this by-law and marked "A".
4. The Owners Corporation acknowledges that other aesthetic works are being undertaken by the Owner that do not affect common property and do not require the consent of the Owners Corporation.
5. The Owners Corporation, under this by-law, provides its consent for the special privileges granted to the Owner.
6. To the extent of any inconsistency with previous by-laws, this by-law prevails.

Conditions

Before making Improvements

7. The Owner must obtain written approval for the Improvements from the relevant consent authority under the *Environmental Planning and Assessment Act 1979* (if required) and any other relevant statutory authority whose requirements apply to making the Improvements.
8. The Owner must ensure that any party carrying out the Improvements effects and maintains contractors all works insurance, workers compensation insurance and public liability insurance in the amount of \$10,000,000 and provides certificates of currency evidencing the insurance on request by the Owners Corporation.

In spite of all evidence that the owner did not cover all costs for the general meeting (more than \$2,500.00 missing in common funds), BCS Strata Management and EC refuse to reimburse owners corporation for the general meeting organized for purely private benefits. This is confirmed in undisclosed email correspondence between the EC member of the EC and the Strata Manager on 21st of January 2015. In it, the EC member offers advice how to hide expenses like this in "bundled disbursements" charged by BCS Strata Management:

As to the costs for the EGM in question I think that the reason this was as low cost is the fact that it was covered under bundled disbursements, so as long as R&H carried the cost as part of that invoice to the Owners Corporation there can be no issue.

- **Annual General Meeting 2012**

32 owners present in person and 46 via proxy on 17th of October 2012.

Of 46 proxies, 35 were given to EC member, who, along with a selective group of 18 (out of 26) townhouse owners (including one other member of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law, hence directly decreasing their voting entitlements and being unfinancial. These secret and undeclared reimbursements were never provided in accounting books even in 2017.

Secret non-prescribed proxy form delivered by hand to selective owners with special instructions how to vote. This proxy form was not part of the agenda for the meeting.

Owner	Lot Entitlement	Valid Lot Entitlement for AGM 2012	Valid Count Per Lot	Total Entitlements Registered for Strata Plan	Total Lots	Proxy Paper AGM 2012
				10000	218	
Owner 1	41	41	1			Invalid: Owner present at the AGM in person; No datestamp on the proxy form; Abstained to cast vote in many motions
Owner 2	44	44	1			Invalid: Owner present at the AGM in person; Non-prescribed proxy form
Owner 3	44	0	0			Invalid: Non-prescribed proxy form; Abstained to cast vote in majority of motions
Owner 4	44	44	1			Invalid: Owner present at the AGM in person; Non-prescribed proxy form
Owner 5	46	46	1			Invalid proxy: Only casted vote against Lane Cove motions (13 and 14) and all motions submitted by one owner; Votes for other motions are void
Owner 6	52	0	0			Invalid: Non-prescribed proxy form
Owner 7	52	0	0			Invalid: Non-prescribed proxy form
Owner 8	53	53	1			Valid
Owner 9	50	0	0			Invalid: Non-prescribed proxy form
Owner 10	55	55	1			Valid
Owner 11	43	43	1			Invalid: Owner present at the AGM in person; Non-prescribed proxy form; Failed to submit ballot papers for election of the EC members
Owner 12	43	0	0			Invalid: Non-prescribed proxy form
Owner 13	43	0	0			Invalid: Non-prescribed proxy form
Owner 14	48	0	0			Invalid: Non-prescribed proxy form
Owner 15	49	0	0			Invalid: Non-prescribed proxy form
Owner 16	51	51	1			Valid
Owner 17	37	37	1			Valid
Owner 18	39	39	1			Valid
Owner 19	37	37	1			Valid

Owner 20	42	0	0			Invalid: Non-prescribed proxy form
Owner 21	46	46	1			Invalid: Owner present at the AGM in person; Submitted two ballot papers for election of the EC members
Owner 22	47	0	0			Invalid: Non-prescribed proxy form
Owner 23	37	37	1			Valid
Owner 24	46	46	1			Valid
Owner 25	36	36	1			Valid
Owner 26	37	0	0			Invalid: Two different proxy forms submitted; Second form non-prescribed; Non-prescribed proxy form not signed; No datestamp on the non-prescribed proxy form; Abstained to cast vote in majority of motions on non-prescribed proxy form; First proxy form refers to non-prescribed proxy form
Owner 27	42	42	1			Valid
Owner 28	39	0	0			Invalid: Non-prescribed proxy form
Owner 29	49	0	0			Invalid: Non-prescribed proxy form
Owner 30	41	0	0			Invalid: Non-prescribed proxy form
Owner 31	53	0	0			Invalid: Non-prescribed proxy form
Owner 32	42	0	0			Invalid: Non-prescribed proxy form
Owner 33	57	57	1			Valid
Owner 34	49	49	1			Valid
Owner 35	49	49	1			Partial: Abstained to vote in many Motions
Owner 36	49	49	1			Valid
Owner 37	52	0	0			Invalid: Non-prescribed proxy form
Owner 38	54	0	0			Invalid: Non-prescribed proxy form
Owner 39	55	0	0			Invalid: Non-prescribed proxy form
Owner 40	58	58	1			Valid
Owner 41	58	0	0			Invalid: Non-prescribed proxy form
Owner 42	55	55	1			Valid
Owner 43	55	0	0			Invalid: Non-prescribed proxy form
Owner 44	54	0	0			Invalid: Non-prescribed proxy form
Owner 45	48	0	0			Invalid: Non-prescribed proxy form
Owner 46	54	54	0			Invalid proxy: Two proxy forms submitted; Second form non-prescribed; Abstained to cast vote in any motion on both proxy forms
Owner 47	45	45	1			Valid
Owner 48	44	44	1			Partial: Owner present for part of the AGM; Due to private engagement left the meeting early
Owner 49	51	51	1			Valid
Owner 50	42	42	1			Valid
Owner 51	39	39	1			Valid

Owner 52	43	43	1			Valid
Owner 53	44	44	1			Valid
Owner 54	43	43	1			Valid
Owner 55	52	52	1			Valid
Owner 56	49	49	1			Valid
Owner 57	58	58	1			Valid
Owner 58	37	37	1			Valid
Owner 59	37	37	1			Valid
Owner 60	36	36	1			Valid
Owner 61	44	44	1			Partial: Owner present for part of the AGM; Due to private engagement left the meeting early
Owner 62	52	52	1			Valid
Owner 63	47	47	1			Valid
Owner 64	36	36	1			Valid
Owner 65	47	47	1			Valid
Owner 66	47	47	1			Partial: Missed to cast vote for the first several Motions due to CTTT Hearing in the same afternoon
Owner 67	44	44	1			Valid
Owner 68	52	52	1			Valid
Owner 69	52	52	1			Valid
Owner 70	55	55	1			Valid
Owner 71	60	60	1			Valid
Owner 72	42	42	1			Valid
Proxy votes not counted by Strata Manager or missing in the minutes of the AGM						
Owner 73	54	0	0			Invalid: Non-prescribed proxy form
Owner 74	50	0	0			Invalid: One signature
Owner 75	50	0	0			Invalid: Unfinancial
Owner 76	32	0	0			Invalid: One signature; Non-prescribed proxy form
Owner 77	44	0	0			Invalid: Owner present for part of the AGM; Due to private engagement left the meeting early
Invalidated proxy votes belonging to two EC members						
Owner 78	31	0	0			Invalid: Owner present at the AGM in person; non-prescribed proxy form; Not properly recorded in the minutes for the second property of this owner; Failed to submit ballot papers for election of the EC members

Owner 79	46	0	0			Invalid: Owner present at the AGM in person; Non-prescribed proxy form; Not properly recorded in the minutes for the second property for this owner; Submitted two ballot papers for election of the EC members
	Total	2266	48.00			
	Quorum	22.66%	22.02%			
		The above numbers did not satisfy the QUORUM as per SSMA 1996 Schedule 2 Part 2 Section 12 (a) and (b); reported to BCS Strata Management three times and response never received				

12 motions by one owner misquoted and misconstrued and two motions not even included on the agenda.

Reimbursements for private water and gas usage to selective townhouse owners applied discriminately and details undisclosed to owners for 13 years.

Building report by Napier & Blakeley not presented to owners although it was completed in July 2012.

Solicitor's engagement in CTTT case not presented and approval by the owners corporation not sought although expenses above \$12,000.00 incurred.

Outcome: Meeting was non-compliant with SSMA 1996 Schedule 2 Section 12 2 (a) and (b), SSMA 1996 Section 80D, SSMA 1996 Section 230A, SSMA 1996 Schedule 2 Section 10 (8), SSMA 1996 Section 183, and Strata Schemes Management Regulation 2012, Part 5, Section 18.

Three Special By-Laws were, hence, illegally registered with the Land and Property NSW:

SPECIAL BY-LAW 11 - Electronic Delivery of Notices

A document or notice may be served on the Owners Corporation, its Secretary or Executive Committee on the owner of a lot by electronic means if the person has given the Owners Corporation an email address for the service of notices and the document is sent to that address. A notice or document served on an owner by email in accordance with this by-law is deemed to have been served when transmitted by the sender providing that the sender does not receive an electronic notification of unsuccessful transmission (ie "bounce back" or "undeliverable") within 24 hours; and

That the electronic delivery of notices to the strata scheme be permitted by owners of a lot only if they have previously given the Owners Corporation an email address for the service of notices. A document or notice may be served on the Owners Corporation, its Secretary or Executive Committee by the owner of a lot by electronic means and the document is sent to strata@bcms.com.au. A notice or document served on the strata scheme by email in accordance with this by-law is deemed to have been served when transmitted by the sender providing that the sender does not receive an electronic notification of unsuccessful transmission (ie "bounce back" or "undeliverable") within 24 hours and the owner receives confirmation from the Owners Corporation that such notice has been received.

SPECIAL BY-LAW 12 - Control of Common Gas Supply

In addition to the powers, authorities, duties and functions conferred upon the Owners Corporation by the Act and by-laws it shall have the following additional powers, authorities, duties and functions:

1. Enter a lot to inspect the common gas supply to cooking appliances;
2. Determine whether the common gas supply has been tapped for the supply to appliances other than the internal bench top cooking appliances ("additional appliances").

3. Inpose on the owner of those lots in which the common gas supply has been diverted to additional appliances, an annual charge equal to the reasonable estimate usage of gas having regard to the rated gas consumption of the additional appliances; all such estimates to be at the absolute discretion of the Owners Corporation acting reasonably;
 4. Determine that such annual charge be a levy for the purposes of enforcing the payment thereof;
 5. Vary the annual charge having regard to the cost of gas imposed on the Owners Corporation;
 6. Impose a retrospective levy on lots found to have tapped the common gas supply without permission from the Owners Corporation, any such charge to be at the absolute discretion of the Owners Corporation acting reasonably;
 7. Continue to bill such levy until confirmation from a licensed gas fitter is received advising that no diversion of gas supply exists within a lot.
 8. An owner and/or occupier of a lot must NOT connect an additional appliance to the common gas supply without:
 - a. First notifying the Owners Corporation in writing of the intention to do so;
 - b. Using only the services of a licensed gas fitter as approved by the Owners Corporation to carry out the installation;
 - c. Paying any charge when levied for the consumption of gas determined by the Owners Corporation;
 - d. Be responsible for the maintenance and repair of all fittings, pipe work and appliances attached to the common gas supply other than the gas supply piping to the boundary of the lot.
 9. In the event that individual gas meters are installed to each and every lot such that consumption can be billed to each lot on a strictly metered basis the above requirements shall cease to have effect from the date of commencement of such direct billing of gas consumption.
-

SPECIAL BY-LAW 13 - Sharing of Water and Gas Costs

In addition to the powers, authorities, duties and functions conferred upon the Owners Corporation by the Act and by-laws it shall have the following additional powers, authorities, duties and functions:

1. Determine a fair and equitable method of sharing gas and water charges amongst all lot owners;
2. Refund to lot owners the amounts paid by owners other than to the Owners Corporation for the consumption of water and gas but not for fixed service or connection charges; provided that the Owners Corporation shall have no obligation to pay any amount to an owner unless:
 - a. The owner first pays the gas or water supply company;
 - b. Submits a copy of the bill(s) for consumption within 60 days of payment;
 - c. Claims for reimbursement are made using the form prescribed by the Owners Corporation;
 - d. The claims are for periods that fall within the current financial year of the Owners Corporation or no later the last quarter of the immediate preceding financial year;
 - e. In the event of a dispute over reimbursement the Owners Corporation shall determine the amount to be paid in its absolute discretion acting reasonably;
 - f. An owner may not claim for gas consumption where the common gas supply has been diverted to additional appliances, unless a reasonable estimate for usage of gas having regard to the rated gas consumption of any additional appliances has been deducted from such claim, all such estimates to be at the absolute discretion of the Owners Corporation acting reasonably.
3. In the event that individual gas or water meters are installed to each and every lot such that consumption of either service can be billed on a strictly metered basis to each and every lot owner, the above requirements with respect to the relevant service shall cease to have effect from the date of commencement of direct billing of the relevant service.

- **Annual General Meeting 2013**

20 owners present in person and 39 via proxy on 23rd of October 2013.

Of 39 proxies, 35 were given to EC member, who, along with a selective group of 18 (out of 26) townhouse owners (including one other member of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law in period before 6th of May 2013, and applied in non-compliance with new Special By-Law since 6th of May 2013, hence directly decreasing their voting entitlements and being unfinancial. These secret and undeclared reimbursements were never provided in accounting books even in 2017.

One proxy vote given to a member of EC who was 1 ½ hours late for the meeting but counted as valid in all motions.

Outcome: Meeting was non-compliant with SSMA 1996 Schedule 2 Section 12 2 (a) and (b), SSMA 1996 Schedule 2 Section 10 (8), SSMA 1996 Section 183.

- **Extraordinary General Meeting 2013**

16 owners present in person and 43 via proxy on 4th of December 2013.

Of 43 proxies, 41 were given to EC member, who, along with a selective group of 18 (out of 26) townhouse owners (including one other member of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law in period before 6th of May 2013, and applied in non-compliance with new Special By-Law since 6th of May 2013, hence directly decreasing their voting entitlements and being unfinancial. These secret and undeclared reimbursements were never provided in accounting books even in 2017.

One of the Motions, without giving owners any details, approved the following actions of BCS Strata Management BCS for 14 years of mismanagement:

MOTION 5: That the Owners Corporation ratifies all the acts of the Strata Managing Agent on behalf of the Owners Corporation up to and including the date of the last general meeting.

It was moved that Motion 5 be amended to read:

That the Owners Corporation ratifies all the acts of the Strata Managing Agent on behalf of the Owners Corporation up to and including the date of the last general meeting, and for the avoidance of doubt in particular ratifies any

- a. contracts for caretaking, gardening, security and pool maintenance;
- b. agreements for elevator or other equipment maintenance;
- c. appointments of solicitors to defend claims and appeals by [redacted] to CTTT;
- d. claims on insurances submitted;
- e. supply of goods or services contracts or pricing agreements;
- f. payments made to owners under gas and water rebate schemes;
- g. gifts or donations made to contractors as customary seasonal tips;
- h. agreements or purchases made regardless of the amount being above \$30,000;
- i. permissions granted to lot owners in respect of keeping pets;
- j. permissions granted to carry out minor refurbishment works affecting common property but inside a lot;
- k. permission granted to use common property;
- l. instructions given to on-site caretakers;
- m. legal actions to pursue recovery of costs from lot owners in respect of monies owed to the Owners Corporation; and
- n. minor procedural or strict administrative compliance matter where the Owners Corporation has suffered no financial loss not subsequently recovered;

but not including any omission or failure to act that would have ordinarily been expected to occur in the absence of referring the matter to the Executive Committee or the Owners Corporation for guidance and/or approval.

Resolved that the proposed amendment to Motion 5 be approved.

Resolved that Motion 5, as amended, be approved.

Carried. (1 vote NO and 1 abstain)

Agenda rushed with proper documentation.

One owner prevented from attending the meeting without any legal ground.

Outcome: Meeting was non-compliant with SSMA 1996 Schedule 2 Section 12 2 (a) and (b), SSMA 1996 Schedule 2 Section 10 (8), SSMA 1996 Section 183.

- **Extraordinary General Meeting 2013**

Another extraordinary general meeting, only two weeks after the previous one, and only two months after the annual general meeting.

Agenda rushed to approve BCS Strata Management BCS action to engage Solicitor at CTTT and District Court cases retrospectively (without prior approval of the EC or owners corporation at any meeting).

The original meeting on 20th of December 2013 failed due to lack of quorum.

The Adjourned meeting on 8th of January 2014 was attended by three owners (of which one was EC member himself). 45 proxy votes were given to EC member, who, along with a selective group of 18 (out of 26) townhouse owners (including one other member of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law in period before 6th of May 2013, and applied in non-compliance with new Special By-Law since 6th of May 2013, hence directly decreasing their voting entitlements and being unfinancial. These secret and undeclared reimbursements were never provided in accounting books even in 2017.

One proxy voted counted from owner who sold his property on 20th of December 2013.

Outcome: Meeting was non-compliant with SSMA 1996 Schedule 2 Section 12 2 (a) and (b), SSMA 1996 Schedule 2 Section 10 (8), SSMA 1996 Section 183.

- **Annual General Meeting 2014**

Meeting delayed by more than one month in comparison to other general meetings.

27 owners present in person and 39 via proxy on 26th of November 2014.

Of 39 proxies, 36 were given to EC member, who, along with a selective group of 18 (out of 26) townhouse owners (including one other member of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law in period before 6th of May 2013, and applied in non-compliance with new Special By-Law since 6th of May 2013, hence directly decreasing their voting entitlements and being unfinancial. In spite of advanced warnings, BCS Strata Management BCS refused to issue invoices for overpayments to townhouse owners in order to make their votes valid at AGM 2014. These secret and undeclared reimbursements were never provided in accounting books even in 2017.

One proxy vote not counted although perfectly valid. Strata Manager provided false statement to owner that he did not receive it, although there was undeniable proof of delivery as other recipients received it at the same time. This was not the first time that BCS Strata Management discard valid proxy votes to influence the voting outcomes at meetings. BCS Strata Management BCS failed to provide access to full financial and other strata documents to an owner as per SSMA 1996 Section 108 before the meeting in spite of full payments for the document search and documented errors on the balance sheet amount to around \$50,000.00.

All details of tenders for the contract renewal for the strata manager and caretaker undisclosed.

One only quote obtained and yet approved without questioning by other owners for non-urgent work in amount above \$53,000.00 (plus GST).

More than nine submissions for EC membership were provided but ballot not conducted at the meeting.

Request for document viewing as per SSMA 1996 S108 (including payment) provided no access to financial and other strata documents during 2014.

Outcome: Meeting was non-compliant with SSMA 1996 Schedule 2 Section 12 2 (a) and (b), SSMA 1996 Schedule 2 Section 10 (8), SSMA 1996 Section 183.

One Special By-Law was, hence, illegally amended (proving that it was never applied properly as EC members falsely claimed in all previous correspondence to owners corporation and CTTT) and registered with the Land and Property NSW:

Amended by-law No. Special By-law 13

as fully set out below:

Special By-law 13 "Sharing of Water and Gas Costs" is amended by inserting after the words "or connection charges" in section 2 of the by-law the words:

"except for gas connections charges until all lots in the towers are also subject to a separate connection charge for gas".

- **Annual General Meeting 2015**

10 owners present in person and 53 via proxy on 4th of November 2015.

All 53 proxies were given to EC member, who, along with a selective group of 17 (out of 26) townhouse owners (including one other member of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law in period before 6th of May 2013, and applied in non-compliance with new Special By-Law since 6th of May 2013, hence directly decreasing their voting entitlements and being unfinancial. In spite of advanced warnings, BCS Strata Management BCS refused to issue invoices for overpayments to townhouse owners in order to make their votes valid at AGM 2015. These secret and undeclared reimbursements were never provided in accounting books even as of December 2016.

Recommendation by Department of Fair Trading to allow owners to vote for Motion to engage forensic accountant was disallowed by BCS and EC members.

Owner's Motion submitted nine months before the AGM to recover lost income from BCS Strata Management was not put in the agenda for the AGM 2015.

Owner's other Motions were silently ignored.

Four requests for document viewing as per SSMA 1996 S108 (including payment) provided no access to financial and other strata documents during 2015.

More than nine submissions for EC membership were provided but ballot not conducted at the meeting (one candidacy not even given to owners to vote on).

- **Annual General Meeting 2016**

20 owners (one owns two lots) present in person and 50 via proxy on 19th of October 2016.

50 proxies were registered in the minutes of the meeting, of which 10 should be declared as invalid because owners were present at the meeting in person. BCS Strata management did not document it for owners in clear terms:

DATE, PLACE & TIME OF MEETING:	The Annual General Meeting of The Owners - Strata Plan No. 52948 was held on Wednesday, 19 October 2016 at the Auditorium room, North Ryde Golf Club, Twin Road, North Ryde NSW 2113 . The meeting commenced at 7:38 P.M.
PRESENT:	Lorna Zelunzuk (Lot 3), Karyn Klein (Lot 5), Asmin Shrestha (Lot 42), Yuan Gong (Lot 45), Lingkan Gong & Ye Shi (Lot 82), Awidis Makasian & Marianna Paltikian (Lot 88 and Lot 133), Pradeep Balsani (Lot 90), Sandra Quick (Lot 130), Julie Bonello (Lot 135), Genelle Godbee (Lot 142), Moses & Simcha Levitt (Lot 147), Diedre Niar (Lot 150), Maureen McDonald (Lot 151), John Raymond & Juanity Marshall (Lot 162), Maureen & Peter Friede (Lot 167), Stan & T L Pogorelsky (Lot 181), Hendra Gunawan & Wanda Gee (Lot 183), Kyeok Jin & Kisung Ha (Lot 194), Francois Degros & Ruimin Pan (Lot 211)

Karyn Klein (Lot 5) appoint Lorna Zelunzuk (Lot 3)

Stanley & Tessa Pogorelsky (Lot 181) appoint Moses Levitt (Lot 147)

Lorna & Yugal Zelunzuk (Lot 3) appoint Stan Pogorelsky (Lot 181)

Sandra Quick (Lot 130) appoint Stan Pogorelsky (Lot 181)

Julie Bonello (Lot 135) appoint Stan Pogorelsky (Lot 181)

Genelle Godbee (Lot 142) appoint Stan Pogorelsky (Lot 181)
M Levitt & SZ Levitt (Lot 147) appoint Stan Pogorelsky (Lot 181)

Diedre Niar (Lot 150) appoint Stan Pogorelsky (Lot 181)

Maureen McDonald (Lot 151) appoint Stan Pogorelsky (Lot 181)

Peter & Maureen Friede (Lot 167) appoint Stan Pogorelsky (Lot 181)

3 proxy votes were counted as valid from long-serving EC member who seldom attends meetings, actively supports BCS Strata Management since 2000, actively worked on preventing an owner from access to strata file in spite of paid search as per SSMA 1996 S108 for five years, and received special benefits:

Jeffery & Rebecca Wang (Lot 218) appoint Stan Pogorelsky (Lot 181)

Quay H & J Wang (Lot 33 & 34) appoint Stan Pogorelsky (Lot 181)

APOLOGIES: Jeffrey Wang (Lot 33, 34 & 218)

The owner was given special privileges not to pay legal fees for outstanding levies at the Executive Committee meeting held on 22nd of March 2000 (such special treatment has not been given to any other owner):

ITEM 7

To consider correspondence from the Owners of Lot 103 and 218 regarding outstanding legal fees:

Resolved that an offer be made to the proprietors concerned that the outstanding legal fees be reduced by 50%, but that any interest is to be paid in full.

The offer is to be made available for a period of 30 days, following which the balance outstanding is to be settled in full.

The same owner was in arrears with levies and received stern warning by Strata Manager on 20th of October 2014. The amount owing was \$1,450.40. In spite of owner's request to view this payment as per SSMA 1996 S108, BCS refused to provide it. Not only there was no proof that this owner was financial at the time of AGM on 26th of November 2014, but he was again "voted" to continue to serve as member of the Executive Committee.

41 proxies given to EC member (Lot 181) who failed to provide evidence that they paid levies for second gas connection in all years since 2001, actively supports BCS Strata Management since 1999, and actively worked on preventing an owner from access to strata file in spite of paid search as per SSMA 1996 S108 for five years:

<http://www.nswstratasleuth.id.au/BCS-Strata-Management-Bribing-Members-of-SP52948-Executive-Committee-for-16-Years.pdf>

2 proxies given to EC member who illegally obtained exclusive rights to common property, helps still hide Special By-Law that applies to them from owners and investors for 13 years, actively supports BCS Strata Management since 1999, is non-compliant with the Special By-Law, was involved in four fraudulent insurance claims for owners corporation amounting to \$24,919.31 for non-existent CTTT case allegedly defending them:

<http://www.nswstratasleuth.id.au/BCS-Strata-Management-Registered-Special-By-Law-for-Ex-Chairperson-Illegally-and-Hiding-it-from-Owners-and-Investors-for-12-Years.pdf>

5 proxies were given to EC member who actively supports BCS Strata Management since 1999 and actively worked on preventing an owner from access to strata file in spite of paid search as per SSMA 1996 S108 for five years.

7 proxies were counted as valid from townhouse owners who received reimbursements for personal water and gas usage without Special Resolution or registered By-Law in period before 6th of May 2013, and applied in non-compliance with new Special By-Law since 6th of May 2013, hence directly decreasing their voting entitlements and being unfinancial. In spite of advanced warnings, BCS Strata Management BCS refused to issue invoices for overpayments to townhouse owners in order to make their votes valid at AGM 2016. These secret and undeclared reimbursements were never provided in accounting books even as of December 2016.

Most of Motions for AGM 2016 were deliberately excluded from the agenda:

<http://www.nswstratasleuth.id.au/SP52948-AGM-or-EGM-2016-Motions-by-Lot-158-v11-with-proof-of-what-BCS-deliberately-excluded-on-19Oct2016.pdf>

Five requests for document viewing as per SSMA 1996 S108 (including payment) provided no access to financial and other strata documents during 2016.

Owner's candidacy for Executive Committee was silently ignored (for the fifth year in a row), and ballot not conducted at the meeting.