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Never since EC meeting on 17th of June 1998 has strata plan SP52948 properly managed or even run tenders for major contracts

The Chairman spoke to the Executive Committee providing some background on the tenders and the tender process along with the amount of work the Sub-Committee had put into this process.

Dr Edye addressed the Executive Committee outlining his concerns with regard to the letters suggesting impropriety that were being circulated by one Executive Committee member.

Mr Raichman responded to Dr Edye indicating that he believed that the Sub-Committee had exceeded their terms of appointment and that it was his belief that the Sub-Committee were appointed to open the Tender envelopes only.

J Crompton presented a report by the Tendering Sub-Committee giving details and costs of all tenders received, the process undertaken and a summary of companies interviewed.

The report made three scenarios:

- | | | |
|----|-----------|------------------------------|
| 1. | Caretaker | CFS Strata Maintenance |
| | Gardens | Strata-sphere |
| | Cleaning | Strata-sphere |
| | Pool | Strata-sphere |
| | Security | Bright Light Security |
| 2. | Caretaker | Advanced Building Management |
| | Gardens | Strata-sphere |
| | Cleaning | Strata-sphere |
| | Pool | Strata-sphere |
| | Security | Strata-sphere |
| 3. | Caretaker | Strata-sphere |
| | Gardens | Grandscapes |
| | Cleaning | Strata-sphere |
| | Pool | Strata-sphere |
| | Security | Bright Light Security |

In period from 1999 to 2016, BCS Strata Management was a strata agency for SP52948 without any competitive tender.

Since 2016, Waratah Strata Management, without disclosure of previous relationship with BCS Strata Management won and continued to run the strata management contract without competitive tender in 2017 , 2019, and planning to repeat the same process at AGM on 22nd of October 2020 in spite of knowledge that AG 2019 did not comply with SSMA 2015 and SSMR 2016, and strata committee receiving warning about strata and building management tenders on 3th of July 2020 .

In 1999, Universal Strata Care grabbed the caretaker's contract through employee job poaching (they were staff members of Strata Sphere). Legal case dragged until 2004, which was attended by Lot 147 (unfinancial owner since 2001, Mr. Moses Levitt). Disclosure of the settlement was never provided to owners. Until 2014, Universal Strata Care were caretaker for SP52948 without any competitive tender.

In 2014, Uniquenco Property Services won the caretaker's contract through employee job poaching (they were staff members of Universal Strata Care). Since 2014, they are caretaker for SP52948 without any competitive tender.

Strata Management Contracts 1999 to 2020

Raine & Horne Strata Sydney (since 2011 BCS Strata Management) became strata manager at the adjourned Extraordinary General Meeting held on 11th of May 1999

The selection of Raine & Horne Strata Sydney was done without tender or any additional quote from other service providers, which was in direct non-compliance with Strata Schemes Management Act (SSMA) Section 80B. The suggestion to engage Raine & Horne Strata Sydney was initiated by another long-serving member of the Executive Committee Mrs. Maureen MacDonald who strongly favoured them due to personal connections.

MOTION 2

That the resignation of MDA Strata Services Pty Ltd as managing agents for Strata Plan 52948 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.

SP52948 - Contract with Raine & Horne Strata Sydney signed on 16th of June 1999 that was valid until they were removed from managing the complex at AGM on 24th of October 2016

ISTM

APPOINTMENT OF A STRATA MANAGER

Institute of Strata Title Management Ltd

Institute of Strata Title Management Ltd

Strata Schemes Management Act 1996 & Property Stock & Business Agents Act 1941

AGREEMENT DATE 26 May 1999

BETWEEN

THE OWNERS - STRATA PLAN NO. 52948

(Address) 1-15 Fontenoy Road, North Ryde NSW 2113

AND

(Strata Manager)

Body Corporate Management Services Pty Ltd
T/A Raine & Horne Strata - Sydney

(Address) 54 Beecroft Road, Epping NSW 2121

License No. 151141

This agreement comprises:

- | | |
|-------------------------|-------------------------|
| 1. This Sheet | 4. Schedule of Services |
| 2. Fee Agreement | 5. Schedule of Charges |
| 3. Terms and Conditions | |

Member of the Institute of Strata Title Management: The Strata Manager is entitled to use this agreement as a member of the Institute of Strata Title Management.

Professional Indemnity: The Strata Manager holds professional indemnity insurance with the insurer nominated below and will maintain that or comparable insurance while the agreement is in force.

Insurer: HIH Winterthur Insurance

This agreement has been designed to protect the interests of both the Owners Corporation and the Strata Manager. Its use is approved and recommended by Institute of Strata Title Management Ltd (CAN 001 767 997) which is the owner of the copyright.

**COPY FOR YOUR
INFORMATION**

Acknowledgment by Owners Corporation of attachment to Agency Agreement Number: 2671

Signed.....*[Signature]*.....

STRATA MANAGEMENT AGREEMENT
Fee Agreement

STRATA PLAN NUMBER: _____

TERM: One YEARS COMMENCING ON _____
After the term, successive periods each equal to the term, until termination of the agreement.

MANAGEMENT FEE: \$18,700 FIRST YEAR

THE FEE HAS BEEN NEGOTIATED BETWEEN THE PARTIES TO THIS AGREEMENT

MANAGEMENT FEE TO BE PAID QUARTERLY IN ARREARS
Fees and charges will be paid to the Strata Manager in accordance with clause 4 and 5.

If any new tax, charge or impost is payable in respect of the services provided under this agreement, the Owners Corporation must pay the Strata Manager that tax, charge or impost.

REVIEW DATE FOR FEES AND CHARGES:
Each anniversary of the date of this agreement or Each Annual General Meeting

EXECUTED AS AN AGREEMENT

THE COMMON SEAL OF THE OWNERS - STRATA PLAN NO. _____ was affixed in the
presence of the following on 16.06.99. (Date)

Print Name: KEITH JONES

and

Print Name: MAUREEN McDONALD.

being the persons authorised by Section 238
of the Act to attest the affixing of the seal.

Signature: [Signature]

Signature: [Signature]

SIGNED FOR AND ON BEHALF
OF THE STRATA MANAGER

Signed [Signature]

Serviced of Copy of Agreement
The Owners Corporation acknowledges receipt of
a copy of this agreement within 48 hours of execution
by the Owners Corporation .

Signed [Signature]



COPY FOR YOUR INFORMATION

Acknowledgment by Owners Corporation of attachment to Agency Agreement Number: 2671

Signed [Signature]

SP52948 - Minutes of Extraordinary General Meeting held on 23rd of August 2000 introduced GST from 1st of July 2000

<u>IN ATTENDANCE</u>	J Fry from Raine & Horne Strata-Sydney (acting Chairman).
<u>MOTION 1</u>	That the minutes of the last general meeting be confirmed - Carried.
<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.

SP52948 - Minutes of AGM increased strata management contract for Raine & Horne Strata Sydney value to \$21,947.20 (plus GST) and added management expenses without tender on 5th of October 2000

It is worth noting Special Levies and increase of Strata Management contract from \$18,700.00 (signed on 16th of June 1999) to \$21,947.20 (plus GST of 10% that was introduced on 1st of July 2000), plus management expenses (postage, photocopying) in amount of 218 lots x \$1.80 per month x 12 months = \$4,708.80, totalling \$26,656.00 (plus GST).

This makes the strata management fees increase in one year by staggering 42.5%. Again, no competitive quotes were sought from other strata agencies.

<u>MOTION 8</u>	That <u>Body Corporate Management Services Pty Limited t/a Raine & Horne Strata-Sydney</u> continue as managing agents for a fee of <u>\$21947.20</u> management expenses (Postage, photocopying etc) of <u>\$1.80 per lot per month</u> - Carried.
<u>MOTION 9</u>	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.

SP52948 - Paper EC meeting without agenda or minutes sent to owners undated in 2002 set Raine & Horne Strata Sydney contract value at \$21,500.00 (plus GST) with management expenses of \$4,700.00

The alleged meeting, which was "attended" by email by six members of the EC and the strata manager, where two EC members (Mr. Stan Pogorelsky and Mr Upali Aranwela), were unfinancial due to unpaid full levies an 10% simple interest for overdue payments for gas heating, and one was recipient of secret water and gas reimbursements for private use without Special Resolution or Special By-Law, made the following decision:

MINUTES OF PAPER COMMITTEE MEETING OF STRATA SCHEME 52948, 1-15 FONTENOY ROAD NORTH RYDE, HELD IN THE OFFICES OF RAINE & HORNE STRATA SYDNEY AT 53 BEECROFT ROAD EPPING AT 10.00AM

- MOTION 1** That the minutes of the last Committee Meeting be confirmed.
- Carried
- MOTION 2** That the attached end of year financial accounts be adopted subject to final approval at the forthcoming Annual General Meeting. - Carried
- MOTION 3** That the attached schedule of levies be presented to the forthcoming Annual General Meeting. - Carried
- MOTION 4** That the management fee for the financial year ending 31 August 2003 be agreed at \$21,500.00 with the charges for postage, photocopying, stationery etc be set at \$4700.00. - Carried

SP52948 - Angry note from EC members in email to BCS Strata Management about their poor services on 9th of October 2011

We are fast getting to the end of our tether with your organization. The level of service is poor and SP52948 EC members cop it in the neck from 219 owners who want answers.

We go to an AGM on 19 October and the current feedback from owners is not good and a number of owners are requesting a change of managing agent. We are struggling to get fast accurate information and the last straw is out of office email messages from our nominated manager.

We are quite literally fed up with the amount of time we have had to spend querying errors, slapdash accounting and correcting simple basic notices to owners. We now find the manager concerned is on leave till two days before our AGM. There are a number of outstanding legitimate queries that we need answers in detail well before the AGM.

We have put your local office on notice (see below) - we need an immediate fee reduction, service level agreements and adherence and real commitment or there will be very certain unrest and a move to change managing agents at the AGM.

Greg Freeman from Pica Group (parent company of BCS Strata Management) agreeing contract renewal without tender by offering alleged loyalty discount from \$33,499.00 to \$29,900.00 per annum on 10th of October 2011

From: Greg Freeman
Sent: Monday, 10 October 2011 7:45 PM
To: SP52948 EC member
Cc: Jason Starr-Thomas; Paul Banoob
Subject: RE: SP 52948 Action items relating to the upcoming AGM immediately
Attachments: SP 52948 Proxy.doc; sp52948 trial balance at 29-9-2011.pdf

Thank you for your time today.

Confirming Paul Banoob is arranging and sending you:

1. The full financial statement FYE 30-8-2011 including notes. FYI, The full notes were provided by BCMS to the external auditor however their report sent back to BCMS excluded these items and only provided limited financial information??
2. A Full cash payments book report for both the administrative fund and sinking fund that will show all expenditure and charges from each fund for your financial year just ended
3. Copies of the most recent tax return including An explanation from BCMS regarding the tax expenditure (income tax paid) in the financial accounts. Apparently your scheme had 3 years term deposit / investment account
4. A complete set of registered by laws
5. report on insurances claims lodged and claim amounts

Paul advises the report on insurances claims lodged and claim amounts received may take a few days.

Proxies

As agreed all proxies need to be received by BCS (as delegated secretary) 24 hours prior to the meeting and Paul Banoob's team will vet them.

I have attached

- the preferred proxy BCMS uses for its large strata schemes.
- The levy arrears report as at 30th September 2011. This includes adjustments to 4 further lots that owed less than \$3

As agreed once you have checked the above financials and provided Paul with your explanatory note on the financials that you wish to accompany to Paul, he will send this proxy, the more comprehensive financials and your note and proxy to your owners as a meeting addendum.

Rebate on the contractual management(Agreed Services) fee between BCMS and The Owners of SP 52948

As your current management between Body Corporate Management Services Pty Ltd (BCMS) and The Owners of SP 52948 will stay on foot.

On behalf of Body Corporate Management Services Pty Ltd (BCMS) (one of the PICA Group of companies), as NSW state manager we hereby agree to provide the Owners of SP 52948 a loyalty discount in effect reducing the agreed services fee (base management fee) from its current \$33499.00 +GST per annum to \$29,900 +GST per annum for the financial year commencing on 1st September 2011.

SP52948 – EC members complaining about loyalty discount not applied for two years on 31st of January 2013

They miscalculated the losses to owners corporation:

Agreed discount was from \$33,499.00 (plus GST) to \$29,900.00 (plus GST) per annum, making it \$7,198.00 (plus GST) for two years, not \$1,500.00.

Sent: Thursday, 31 January 2013 12:47 AM
To: Peter Bone
Cc: Paul Banooob
Subject: RE: QUOTES AND ESTIMATES REQUESTED: SP52948 projects in 2013 and forward

Peter,

I agree with Paul that my understanding was the fees should have remained the same for two years (ie the annual increase was waived) but then applied in subsequent years. That's what I reported to owners and while its small biscuits (the amount is around \$1500) will

SP52948 – BCS Strata Management failed to sign the Tenderer's Declaration at AGM 2014

*Full Name of Tenderer: BCS Body Corporate Services
Request for Tender Number (if applicable):*

I/We,

Being an authorised representative offer to supply/provide/perform the Services, as specified in the SP52948 Request for Tender, at the prices, fees, rates & charges tendered in Services, Fees, and Charges, and in accordance with the Conditions set out in the Strata Management Agency Agreement listed in Notice for Annual General Meeting 2014.

I/We also declare that all the information contained in the submitted Strata Management Agency Agreement are true and correct in every respect.

I/We also warrant that I/We are duly authorised by our business entity to complete, sign and lodge Strata Management Agency Agreement for and on behalf of our business entity.

1. *The Tender remains open for acceptance by SP52948 for the Offer Period, or until ___ (which is beyond the expiry of the Offer Period).*

2. *I/We warrant that:*

Ethical Dealing:

a. *The Tenderer has not engaged in misleading or deceptive conduct in relation to its Tender or the Tender Process;*

b. *there are no false or misleading statements in the Tender;*

c. *the Tender has not been prepared using improper assistance of any SP52948 owner, employee, contractor, agent, or member of the Executive Committee, or using information obtained unlawfully or in breach of an obligation of confidentiality to SP52948;*

d. *neither the Tenderer, nor any related entity, including their respective officers, employees, agents and subcontractors have engaged in any collusive tendering, anti-competitive conduct or any similar behaviour with any other Tenderer or any other person in relation to the preparation or lodgement of Tenders;*

e. *neither the Tenderer, nor any related entity, including their respective officers, employees, agents or subcontractors has attempted or will attempt to improperly influence an officer, employee, adviser, owner, or agent of SP52948 in connection with the evaluation of Tenders, nor has any such person approached any member of the Executive Committee, employee,*

contractor, agent, or owner concerning the Tender process, other than the owners corporation representative;

Conflict of Interest:

f. no conflict of interest existed in the past or currently, or is likely to arise in relation to the Tenderer, any related entity, or their respective officers, employees, agents or subcontractors which would affect the performance of the Services by the Tenderer, and the Tenderer will immediately inform the OC in writing of any such actual or potential conflict of interest upon becoming aware of such conflict;

g. no conflict of interest existed in the past or currently, or is likely to arise in relation to offering improper or privileged services to any SP52948 owner, employee, contractor, agent, or member of the Executive Committee;

Confidential Information:

h. the Tenderer and its officers, employees, agents and subcontractors involved in preparing the Tender have not and will not disclose to any other person Confidential Information of SP52948 acquired or obtained in the course of preparing the Tender, other than for the purpose of preparing its Tender; and

Anti-competitive Conduct:

i. the Tenderer, any related entity, or their respective officers, employees, agents and subcontractors, are not currently, and have not in the previous 10 years, been subject to or involved in any investigations, sanctions, court proceedings, audits and the like in relation to anti-competitive conduct, bribery, or corruption. Except as detailed below (if applicable).

Signed on Behalf of BCS

SP52948 - EC members complaining to BCS Strata Management about secret insurance commissions that were not disclosed to owners or logged in financials on 7th of November 2014

Sent: Friday, November 07, 2014 11:38 AM
To: Russell Young <[redacted]@bcssm.com.au>
Cc: John Ward <[redacted]@doh.health.nsw.gov.au>
Subject: Rebate of insurance commission

Russell,

I note that the draft AGM notice discloses that BCS received a commission for placing our insurance in the last year. Please arrange to have this credited to the Owners Corporation insurance expense account immediately. It is a feature of our current management agreement that no commissions are payable as we increased the fees to accommodate this.

I am disappointed that we should discover that a commission has been received as the management representation letter and accounts did not disclose this.

The amount is \$1,700.00.

Please confirm that this will be attended to before issue of AGM notices as this is a very sore point with many owners and I will require to explain that the recovery will happen in the present financial year.

SP52948 - Minutes of the AGM held on 26th of November 2014 approved Uniqueco Property Services and BCS Strata Management contract renewals without proper tenders

MOTION 6: That in accordance with Section 40A of the Act, Uniqueco Pty Ltd is appointed as a caretaker on terms and conditions to be converted to a legally binding contract for a minimum period of two years commencing 1st January 2015 ("Caretaker Agreement") that give effect to the tender submitted (with a cost for calendar 2015 of \$289,000) and such reasonable commercial arrangements determined by the Executive Committee regarding payment and delivery of these services. – **Carried.**

MOTION 7: That in accordance with Section 40A of the Act Universal Strata Services Pty Ltd is reappointed as a caretaker on terms and conditions to be converted to a legally binding contract for a minimum period of two years commencing 1st January 2015 ("Caretaker Agreement") that give effect to the tender submitted (with a cost for calendar 2015 of **\$322,560**) and such reasonable commercial arrangements determined by the Executive Committee regarding payment and delivery of these services. – **Defeated.**

MOTION 8: That the terms and conditions of the Caretaker Agreement be amended to not require personnel to be on-site during the hours of 3 am to 5 am nightly (with a consequent reduction in tender price in the case of Uniqueco Pty Ltd to **\$270,000** or in the case of Universal Strata Services Pty Ltd to **\$272,256**). – **Defeated.**

MOTION 9: (a) That the Owners Corporation engage a solicitor to draw up a legally binding contract to give effect to the commercial terms of the Caretaker Agreement as amended by preceding motions, the costs of which are to be shared between the Owners Corporation and the company determined by preceding motions. The Executive Committee shall direct the Solicitor in the engagement in relation to the acceptability of commercial and legal terms of the contract to be executed.
(b) That the Owners Corporation execute the Caretaker Agreement to give effect to the appointment of the company selected and at the tender price determined by the outcome of preceding motions.
(c) That the common seal of the Owners Corporation be fixed by Body Corporate Services, in accordance with Section 238 of the Act to the Caretaker Agreement. – **Carried.**

The new contract was awarded to a member of the staff of the Universal Strata Care, who had full knowledge of the expenses charged by his employer. In essence, it was insider-bidding. Since May 2014, by new caretaker's own admission, BCS Strata Management had been aware of the intent by him to tender against his employer and made no effort to run independent tendering that includes companies not involved in the management of the complex. The increase of the contract amounted to well above 16%.

SP52948 – Ryan Strata offered superior strata management services on 10th of May and 27th of June 2016

Competitive tender for renewal contract for Strata Management was received by Ryan Strata in May and June 2016, which were officially submitted to BCS Strata Management and EC members for the next general meeting. They offered improved services, at an all-inclusive price of \$32,500.00, or at lower base rate of \$25,000.00 per year (with a schedule of reasonably priced disbursements).

Based on partially disclosed invoices by BCS Strata Management in FY 2015/2016, owners corporation paid them \$50,700.02.



STRATA MANAGEMENT PROPOSAL



SP 52948

1-15 Fontenoy Road, Macquarie Park NSW



\$100.00;

- We charge a set fee of \$10.00 to supply a certificate of currency, whereas BCS charge \$33.00;

- Not to mention the many items which they charge for, which are included in our fees.

We appreciate your consideration, and are happy to answer any further questions you may have either in person, via phone or email. Feel free to contact us on 0402488864 or elise@ryanstrata.com.au.

Yours Sincerely,



Elise Ryan

Managing Director

At Ryan Strata Management we guarantee

- To be contactable daily and have your calls and emails returned within 24 hours.
- No lock in contracts
- No hidden charges
- Transparency in all of our services that we provide.
- To tailor our approach to the needs of your building
- We arrange a minimum 3 quotes for all work, especially any items over \$5,000.00
- We price many of our disbursements, which other companies charge varying rates for, at cost price and are happy to provide receipts for these items
- We will help you through the changeover process

Summary of Offering for SP:

- We are offering a strata management fee of \$32,500.00 per annum all inclusive of disbursements.
- Our schedule of fees are attached, and we price many items at cost price or included where other companies charge, which brings down the overall disbursements cost considerably
- We are happy to provide either a fixed term contract, or one which can be terminated at any time given 90 days written notice

SCHEDULE OF FEES AND CHARGES

Item	Charge	Units
Maintenance / Repairs		

Issue work order	Included	
Arrange OH&S report	Included	
Arrange fire safety inspection	Included	
Arrange sinking fund forecast	Included	
Arrange building inspection and reports	Included	
Arrange minimum 3 quotes for repair and maintenance	Included	
Manage building defects	\$58	Per hour
Maintenance of Administrative & Sinking Funds		
Arrange for preparation of sinking fund budgets	Included	
Prepare information for submission of BAS statements by a registered tax agent (if scheme registered for GST)	Included	
Liaise with Tax Agent in relation to preparation of annual tax return	Included	
Rectifying deficiencies in records at takeover of management	Included	
Provide monthly financial statements	Included	
Provide non-current year financials	Included	
Processing stop payments, dishonoured cheques or direct debit for levy payments	\$15	Per payment
Levies		
Issue levy reminder notice	\$10	Per notice (recoverable from lot)
Issue final levy notice	\$25	Per notice (recoverable from lot)
Instruct debt collection agencies and/or legal service providers to seek recovery of outstanding levy contributions	Included	
Insurances		
Prepare and lodge insurance claims	Included	
Arrange valuation for insurance purposes	Included	
Source and supply certificate of currency	\$10	Per certificate (recoverable from lot)
Records		
Store archives and electronic archiving	Included	
Retrieve archives	Included	
Affixing common seal in accordance with relevant meeting minutes	Included	
Meetings		
Prepare and distribute notices of additional meetings	Included	
Attend AGM and 3 ECMs	Included	Per annum
Attend additional meetings	\$100	Per meeting
Monthly site visits	Included	
Disbursements		



Ryan Strata Management

Standard disbursements (local telephone calls and routine postage, photocopying, printing, faxing and stationary)	Included	
Courier	At cost	Per item
Express and registered postage	At cost	
Laminating	Included	Per page
Minute books	Included	Per book
Photocopying and printing (additional)	Included	Per page
Email	Included	
Scanning	Included	
Electronic document management	Included	
Secretarial		
Replacement certificate of title	At cost	Per certificate
Certificate under Section 109	Statutory charge	Per certificate
Inspecting records	Statutory charge	Per inspection
Providing title or other searches	At cost	Per search
Register by-laws	At cost	Per registration
Issue notice to comply	Included	
Issue common property key / security device	At cost	Per key
Prepare and supply information at request of owner	Included	
Regulatory Compliance (where applicable)		
Annual cooling tower certificate	At cost	Per certificate
Annual fire safety certificate / fire orders	At cost	Per certificate Per certificate
Annual lift certification	At cost	
Swimming pool compliance certificate – register and arrange certification with council / private certifier	At cost	Per certificate
Registering for National Broadband Network Installation	At cost	



Full Name of Tenderer: BCS Body Corporate Services
Request for Tender Number (if applicable):

I/We,

Being an authorised representative offer to supply/provide/perform the Services, as specified in the SP52948 Request for Tender, at the prices, fees, rates & charges tendered in Services, Fees, and Charges, and in accordance with the Conditions set out in the Strata Management Agency Agreement listed in Notice for Annual General Meeting 2014.

I/We also declare that all the information contained in the submitted Strata Management Agency Agreement are true and correct in every respect.

I/We also warrant that I/We are duly authorised by our business entity to complete, sign and lodge Strata Management Agency Agreement for and on behalf of our business entity.

1. The Tender remains open for acceptance by SP52948 for the Offer Period, or until ____ (which is beyond the expiry of the Offer Period).

2. I/We warrant that:

Ethical Dealing:

a. The Tenderer has not engaged in misleading or deceptive conduct in relation to its Tender or the Tender Process;

b. there are no false or misleading statements in the Tender;

c. the Tender has not been prepared using improper assistance of any SP52948 owner, employee, contractor, agent, or member of the Executive Committee, or using information obtained unlawfully or in breach of an obligation of confidentiality to SP52948;

d. neither the Tenderer, nor any related entity, including their respective officers, employees, agents and subcontractors have engaged in any collusive tendering, anti-competitive conduct or any similar behaviour with any other Tenderer or any other person in relation to the preparation or lodgement of Tenders;

e. neither the Tenderer, nor any related entity, including their respective officers, employees, agents or subcontractors has attempted or will attempt to improperly influence an officer, employee, adviser, owner, or agent of SP52948 in connection with the evaluation of Tenders, nor has any such person approached any member of the Executive Committee, employee, contractor, agent, or owner concerning the Tender process, other than the owners corporation representative;

Conflict of Interest:

f. no conflict of interest existed in the past or currently, or is likely to arise in relation to the Tenderer, any related entity, or their respective officers, employees, agents or subcontractors which would affect the performance of the Services by the Tenderer, and the Tenderer will immediately inform the OC in writing of any such actual or potential conflict of interest upon becoming aware of such conflict;

g. no conflict of interest existed in the past or currently, or is likely to arise in relation to offering improper or privileged services to any SP52948 owner, employee, contractor, agent, or member of the Executive Committee;

Confidential Information:

h. the Tenderer and its officers, employees, agents and subcontractors involved in preparing the Tender have not and will not disclose to any other person Confidential Information of SP52948 acquired or obtained in the course of preparing the Tender, other than for the purpose of preparing its Tender; and

Anti-competitive Conduct:

i. the Tenderer, any related entity, or their respective officers, employees, agents and subcontractors, are not currently, and have not in the previous 10 years, been subject to or involved in any investigations, sanctions, court proceedings, audits and the like in relation to anti-competitive conduct, bribery, or corruption. Except as detailed below (if applicable).

Signed on Behalf of BCS

27. REAPPOINTMENT OF MANAGING AGENT:

Motion

That in accordance with section 27(1) of the *Strata Schemes Management Act 1996 (Act)* that:

- (a) BCS Strata Management Pty Ltd trading as Body Corporate Services be appointed as strata managing agent of Strata Scheme No. 52948, total cost being \$29,000.00 plus \$6,996.00 (disbursements) Total = \$35,996.00 INCL. GST ;
- (b) the Owners Corporation delegate to the Agent all of the functions of:
 - (i) the Owners Corporation (other than those listed in section 28(3) of the Act); and
 - (ii) its chairperson, treasurer, secretary and Executive Committee, necessary to enable the Agent to carry out the 'agreed services' and the 'additional services' as defined in the written agreement, a copy of which was attached to the notice of the meeting at which this resolution was passed (Agreement);
- (c) the delegation to the Agent is to be subject to the conditions and limitations in the Agreement; and
- (d) the Owners Corporation execute the Agreement to give effect to this appointment and delegation; and
- (e) authority be given for the common seal of the Owners Corporation to be affixed to the Agreement in accordance with Section 238 of the Act.

Explanatory Note

The motion above is the standard motion for the Owners Corporation to appoint BCS as the managing agent for the strata scheme. The motion includes those functions that are to be delegated to the managing agent. A copy of the proposed Management Agreement is attached.

28. APPOINTMENT OF WARATAH STRATA:

Motion

The Owners Corporation consider the appointment of Waratah Strata Management at \$21,800.00 + Disbursements \$13,300.00 = \$35,100.00 inclusive of GST.

Comments: Please note the third proposal (lowest quote of the lot) has just recently commenced business and does not have the infrastructure to manage a complex of our size and therefore has not been considered.

AGM 2016 was conducted without valid quorum.

27. REAPPOINTMENT OF MANAGING AGENT:

27.1 That in accordance with section 27(1) of the Strata Schemes Management Act 1996 (Act) that:

- (a) BCS Strata Management Pty Ltd trading as Body Corporate Services be appointed as strata managing agent of Strata Scheme No. 52948, total cost being \$29,000.00 plus \$6,996.00 (disbursements) Total = \$35,996.00 INCL. GST ;
- (b) the Owners Corporation delegate to the Agent all of the functions of:
 - (i) the Owners Corporation (other than those listed in section 28(3) of the Act); and
 - (ii) its chairperson, treasurer, secretary and Executive Committee, necessary to enable the Agent to carry out the 'agreed services' and the 'additional services' as defined in the written agreement, a copy of which was attached to the notice of the meeting at which this resolution was passed (Agreement);
- (c) the delegation to the Agent is to be subject to the conditions and limitations in the Agreement; and
- (d) the Owners Corporation execute the Agreement to give effect to this appointment and delegation; and
- (e) authority be given for the common seal of the Owners Corporation to be affixed to the Agreement in accordance with Section 238 of the Act.

Explanatory Note

The motion above is the standard motion for the Owners Corporation to appoint BCS as the managing agent for the strata scheme. The motion includes those functions that are to be delegated to the managing agent. A copy of the proposed Management Agreement is attached.

DEFEATED

10 voted Yes, 50 voted No

28. APPOINTMENT OF WARATAH STRATA:

28.1 The Owners Corporation consider the appointment of Waratah Strata Management at \$21,800.00 + Disbursements \$13,300.00 = \$35,100.00 inclusive of GST.

Comments: Please note the third proposal (lowest quote of the lot) has just recently commenced business and does not have the infrastructure to manage a complex of our size and therefore has not been considered.

APPROVED

49 voted Yes, 11 voted No

CLOSURE: There being no further business, the chairperson declared the meeting closed at 10:10pm.

SP52948 - Contract with Waratah Strata Management signed by two EC members who could not prove they were financial owners and increased base value from \$21,800.00 to \$23,110.00 without owners knowledge on 14th of December 2016

Mr. Moses Levitt (Lot 147) and Mr. Stan Pogorelsky (lot 181), who did not offer evidence that they were financial, increased its value to \$23,110.00 (GST inclusive), without owners corporation knowledge:

STRATA MANAGEMENT AGENCY AGREEMENT

DATE 14 DECEMBER 2016		
The Owners – Strata Plan 52948 “Owners Corporation”		
Attention: The Secretary Address: 1-15 FONTENOY ROAD MACQUARIE PARK Phone: ABN: Facsimile: Email:		
The Agent – WARATAH STRATA MANAGEMENT PTY LTD		
Attention: The Licensee Address: P.O. Box 125, Eastwood NSW 2122 Phone: 02 9114 9599 ABN: 75 161 033 745 Facsimile: 02 9114 9598 SCA (NSW) Membership No: 11539 Email: enquiry@waratahstrata.com.au Licence No: 10008316		
Particulars		
Item 1	<i>Professional indemnity</i>	Amount Insured \$2,000,000
Item 2	<i>Commencement date</i>	1 February 2017
Item 3	<i>Term</i>	14 Months
Item 4	<i>Review date</i>	in relation to <i>agreed services</i> – At each AGM following <i>Commencement date</i> in relation to <i>additional services rates</i> - At each AGM following <i>Commencement date</i> in relation to <i>charges</i> - At each AGM following <i>Commencement date</i>
Item 5	<i>Percentage increase p.a</i>	5% or as agreed at each AGM
Item 6	<i>Agreed services fee p.a</i>	(complete one of the below options) Option 1 – \$23,110.00 plus rebates, discounts and commissions in Disclosure Schedule C1 and C2 – Agent retains all commissions (refer to clause 3.3(a)) or Option 2 – \$ _____ plus rebates, discounts and commissions in Disclosure Schedule C2 – Agent retains some commissions (refer to clause 3.3(b)) or Option 3 – \$ _____ Agent not entitled to commissions or the fee as described in clause 3.3(c) All fees under this agreement are GST INCLUSIVE (clause 9)
Item 7	<i>Fee payment method</i>	Monthly In Advance
Item 8	<i>Manner of accounting</i>	Financial Statements – Trust Account Statements as required by Act Frequency of Accounting – Monthly Provided Online or Upon Request

STRATA MANAGEMENT AGENCY AGREEMENT

Signatures

Owners Corporation

The common seal of the *owners corporation* was affixed on 14 December 2016 in the presence of:


Signature


Signature

STANLEY POGORELSKY
Name

M. LEVITT
Name

CHAIRMAN
Designation

Committee Member
Designation



Being the person(s) authorised by section 272 of the *Act* to attest the affixing of the seal.

Agent

Executed by the *agent* in accordance with Section 126 or 127 of the *Corporations Act 2001* (Cth) in the presence of:


Signature of Authorised Person

Signature of Authorised Person

Robert Crosbie
Name of Authorised Person

Name of Authorised Person

Service

The *owners corporation* acknowledges receipt of a copy of this *agreement* within 48 hours of execution by the *owners corporation* (refer to page 8 for IMPORTANT NOTES to the parties when executing this *agreement*).

STANLEY POGORELSKY
Name of Signatory


Signature

SP52948 - Unfinancial EC members Mr Stan Pogorelsky and Mr. Moses Levitt running secret meetings without agenda and minutes being sent to owners to discuss BCS Strata Management contract renewal before AGM in 2016 - Solicitor Adrian Mueller and Waratah Strata Management prevented this motion from AGM on 24th of October 2017

Motion: Confirm undisclosed payments to BCS Strata Management for non-compliant EC meetings in 2016

The Owners Corporation SP52948 by ORDINARY RESOLUTION, confirms the following:

- \$935.00 paid to BCS Strata Management for meetings that did not comply with proper organization of EC meetings in accordance with SSMA 1996 (agenda not sent to owners prior to meetings, and minutes of EC meetings not sent to owners),
- BCS Strata Management shall reimburse owners corporation (compensation claim due to professional negligence) in full amount of \$935.00 for failing to act in best interest of owners corporation, acting in non-compliance with SSMA 1996 on how to organize EC meetings, and charging owners corporation for private gatherings
- Minutes of EC meeting held straight after AGM 2016 on 19th of October 2016 confirmed that last valid EC meeting was on 20th of April 2016,
- To the extent of any inconsistency with previous by-laws or motions, this motion prevails.

Explanatory Notes:

- BCS invoice dated 19th of October 2016:

- BCS invoice dated 19th of October 2016:

Tax Invoice: F1111399803	Date: 19/10/2016
From: BCS STRATA MANAGEMENT PTY LTD ABN 86010633351	To: SP 52948 1-15 FONTENOY ROAD MACQUARIE PARK NSW 2113
Re: Sep-Oct - Meeting attendance	

Details	Value
Services as per attached schedule	\$850.00
GST Payable	\$85.00
Total Due (inclusive of GST)	\$935.00

Additional Services Schedule for Tax Invoice (F1111399803)						
Date	Person	Description	Units	Rate	Chargeable Amt	Invoice Amt
18/10/2016	SBI	Attend 3 meetings with Members of the Executive Committee	50	\$17.000	\$850.00	\$850.00
Total Fees					\$850.00	\$850.00

BCS Strata Management analysis of why they lost contract with SP52948 on 21st of November 2016 confirming that EC members had no intention to change them



LOST SCHEME DETAILS

Use this form when management of a scheme in your portfolio is terminated. Attach Termination minutes.

Division: NSW	Branch: Epping	Current PICA Manager: SIMON BRIKHA	Start:
Scheme No: 52948		Previous PICA Manager: GARY MILLS	Start:
PICA Start date: 01/07/2011		No. of Lots: 219	No. of Units: 219
Building Name:		Building Type: SPF	
Address: 2-4 Telopea Street Telopea			
Current Man. Fee: \$35,535 ex GST		Current Fixed/Bundled Disb: \$506.57 ex GST	
Expiry Date of Agreement:		Date Management will Cease: 31/1/2017	
New Agent Details			
Name: Waratah Strata		New Management Fee: \$	
Address: P.O. Box 125, Eastwood NSW 2122		New Fixed/Bundled Disb: \$	
Phone: (02)		Term of new agreement:	
Email:		Why did they choose this agent:	
Contact Person at the Building: Name: Stan Pogorelsky			
Address: Lot 151/1-15 Fontenoy Road North Ryde			
Phone:			
Email: @ozemail.com.au			
REASON FOR LOSING SCHEME		PERCENTAGE ATTRIBUTED TO LOSS	

Managers Comments:

Can you elaborate on the circumstances surrounding the loss of this scheme.

The Executive Committee advised myself and my branch manager Mike Smythe that they were very satisfied with my services, however, they wanted to go with a smaller Strata Managing Agency. I don't know who true this statement is because the Strata Manager that they have gone to is a former BCS employee and this is the second Strata Plan that he has taken from my portfolio. He was the previous Strata Manager of the portfolio that I currently manage.

Was a strata brokerage company involved in the loss of this scheme? (e.g. Strata Match) Strata Broker name:

No

Please outline the process used to manage the retention of this scheme.

The branch manager and I attended several Pre-AGM meetings with the EC and did absolutely everything possibly to retain this property. When I asked the EC if our re-election was in doubt, the answer I received was a "No". So I personally did not think we had any danger of losing this property.

What was the Risk Rating, 3 months prior to the loss?

Low

Customer Care:

Date of last contact with client?

14/11/2016

Outcome of the contact?

Resolved to send out a letter to Council and the matter was settled in a satisfactory method.

Community Utilities – Is there a separate utilities agreement? NO

SP52948 – Unfinancial EC member Mr. Stan Pogorelsky confirmed BCS Strata Management had provided very poor services on 27th of April 2017

From: Stan Pogorelsky <@ozemail.com.au>
Sent: Thursday, 27 April 2017 12:16 PM
To: Robert Crosbie; Mo Levitt
Subject: FW: SP 52948 - Gas Charges
Attachments: Financial Status Report_20170201091851.pdf; S & T Pogorelsky - Gas charges paid from 1998 to 2015 Strata Plan 52948.xlsx; Stan Pogorelsky - Additional Gas Outlet Installation - Unit 181 Stan & Tessa Pogorelsky.pdf; Stan Pogorelsky - Gas bill for the period 1-8-16 to 31-10-16.docx

Hi Rob,

I have attached various things regarding my gas accounts.

Have a look at the xl sheet that I prepared.

I believe that I am completely up to date with my payments.

This is one of the reasons that we could not continue with BCS. They could never pin point anything and you would deal with one person and before you knew it they had someone else.

Perhaps you could ask BCS to give you a schedule of gas recoveries by year.....They should be able to give it to you.

Best Regards,

Stan.

SP52948 – Waratah Strata Management prevented Motion about their prior relationship with BCS Strata Management at AGM on 24th of October 2017

Motion: Confirm prior relationship between Waratah Strata Management and BCS Strata Management

The Owners Corporation SP52948 by ORDINARY RESOLUTION, confirms the following:

- BCS Strata Management and EC members did not disclose prior relationship between Director at Waratah Strata Management and BCS Strata Management at AGM 2016,
- BCS Strata Management and EC members failed to disclose to owners that Director of Waratah Strata Management was interviewed by members of the Executive Committee prior to Waratah Strata Management being nominated as the new strata managers at the AGM 2016. During that interview it was discussed that Mr. Simon Wicks was one of their employees who had managed SP52948 with poor performance in 2011,
- BC Strata Management and EC members failed to disclose to owners that Mr. Simon Wicks was planned to be Strata Manager for SP52948 if the event that Waratah Strata Management wins the contract at AGM 2016,
- BCS Strata Management and EC members failed to disclose to owners corporation number of references to Mr. Simon Wicks and his actions in 2015 and 2016 alone,
- BCS Strata Management staff confirmed in email on 23th of December 2016 that new Strata Managing Agent for SP52948 was Mr. Simon Wicks, who was an employee of BCS Strata Management and removed from managing SP52948 after around six-month period before AGM 2011.

SP52948 – Waratah Strata Management prevented competitive offer from another strata and building management service provider from being listed in motions at AGM 2017

COMPLETE STRATA
CONSULTANTS
BUILDING MANAGEMENT GROUP PTY LTD ASSET MANAGEMENT

PO Box 857
CONCORD, NSW 2137

LEVEL 21 / 133 CASTLEREAGH STREET
SYDNEY, NSW 2000

ACN 151 853 379
PH: 1300 736 261

THIS IS NOT JUNK MAIL...

Hello, we just wanted to take the chance to introduce Complete Building Management Group.

For 7 years we have been experiencing rapid growth in the Strata industry across Australia and New Zealand, our core focus revolves around Building Management and Caretaking Services. We offer a complete service that can manage every aspect of your property.

As we are looking to acquire contracts in your area, we thought it would be a great idea to give you a brief insight into our Company.

During the past 7 years we have structured our Company in a way that continuously benefits our Clients. We have managed to lower strata fees and maintenance expenses for all our Clients within the first 12 months. One of the ways we accomplish this through preventative maintenance rather than reactive maintenance. All our Staff receive constant on going training to ensure we always offer our Clients the best service possible.

We utilise specialty equipment when it comes to maintenance. Some Building Management companies will use fire hoses to wash out car parks, this is not only a breach of fire legislation but the local council and or EPA can impose fines for washing car park contents into storm water. At Complete Building Management Group, we use specialty machines that not only remove the dirt from the car park safely, these machines also scrub the car park surface and remove oil stains at the same time. Using a leaf blower can deposit dust into light fittings, smoke detectors and other essential assets. This is only usually carried out by inexperienced Contractors.

Unlike other Companies, we also use specialty pool cleaning equipment which prolongs the life of pool filters and filter media rather than using the conventional method which leads to more frequent backwashing of pool filters. This will increase the financial outlay on pool chemicals.

With Complete Building Management Group, we strive to provide fixed rate contracts, our prices will never increase by the CPI. Sources indicate that Macquarie Gardens, since 1999 has had an increase of approximately 30% for Caretaking services. (Source: Online correspondence)

We are so confident in the service we provide, ***we offer to beat any competitors price by 15% minimum.***

In most cases, we can also arrange to retain the current staff employed on site if required.

There are several ways we can reduce the financial outlay for strata properties and would appreciate the chance to meet with the Committee and discuss our methods in greater detail. Please feel free to contact us on **1300 73 62 61** or by email ***operations@completebmg.com.au*** should you have any questions or would like to arrange a meeting with our Operations Managers.

We look forward to hopefully hearing from you soon.

SP52948 – AGM on 24th of October 2017 approved Waratah Strata Management contract renewal without tender or disclosure of its increased value

AGM 2017 was conducted in non-compliance with SSMA 2015 and SSMR 2016:

15 APPOINTMENT OF STRATA MANAGING AGENT

Resolved that **Waratah Strata Management** (herein called 'the Agent') be appointed as the Managing Agent of the Owners Corporation in Strata Plan 52948 and that any two owners or Strata Committee members be authorised to sign the Management Agreement tabled at the Meeting on behalf of the Owners Corporation and further to attest the affixing of the common seal on that agreement, which agreement incorporates instruments pursuant to section 49(1) of the Strata Schemes Management Act 2015 appointing the Agent and delegating all the functions of the Owners Corporation and its Strata Committee and the Chairman, Secretary and Treasurer of the Strata Committee and of the Owners Corporation, other than the power to do anything referred to in section 52(2) of the Act.

SP52948 – Contract with Waratah Strata Management signed by two EC members who could not prove they were financial owners on the same evening when AGM was conducted on 24th of October 2017 and increasing base value to \$24,310.00



STRATA MANAGEMENT AGENCY AGREEMENT

Date 24 October 2017		
The Owners – Strata Plan 52948 “Owners Corporation”		
Attention: The Secretary		
Address: 1-15 FONTENOY ROAD, MACQUARIE PARK		
Phone:		ABN:
Facsimile:		
Email:		
The Agent – WARATAH STRATA MANAGEMENT PTY LTD		
Attention: The Licensee		
Address: P.O. Box 125, Eastwood NSW 2122		
Phone: 02 9114 9599		ABN: 75 161 033 745
Facsimile: 02 9114 9598		SCA (NSW) Membership No: 11539
Email: enquiry@waratahstrata.com.au		Licence No: 10008316
Particulars		
Item 1	<i>Professional indemnity</i>	Amount Insured \$2,000,000
Item 2	<i>Commencement date</i>	1 April 2018
Item 3	<i>Term</i>	23 Months
Item 4	<i>Review date</i>	in relation to <i>agreed services</i> – At each AGM following <i>Commencement date</i> in relation to <i>additional services rates</i> - At each AGM following <i>Commencement date</i> in relation to <i>charges</i> - At each AGM following <i>Commencement date</i>
Item 5	<i>Percentage increase p.a</i>	5% or as agreed at each AGM
Item 6	<i>Agreed services fee p.a</i>	(complete one of the below options) Option 1 - \$ 24,310.00 plus rebates, discounts and commissions in Disclosure Schedule C1 and C2 – Agent retains all commissions (refer to clause 3.3(a)) or Option 2 - \$ _____ plus rebates, discounts and commissions in Disclosure Schedule C2 – Agent retains some commissions (refer to clause 3.3(b)) or Option 3 - \$ _____ Agent not entitled to commissions or the fee as described in clause 3.3(e) All fees under this agreement are GST INCLUSIVE (clause 9)
Item 7	<i>Fee payment method</i>	Monthly In Advance
Item 8	<i>Manner of accounting</i>	Financial Statements – Trust Account Statements as required by Act Frequency of Accounting – Monthly Provided Online or Upon Request

Signatures

Owners Corporation

The common seal of the *owners corporation* was affixed on 24 October 2017 in the presence of:


Signature


Signature

S. POGORELSKY
Name

M. LEVITT
Name

STRATA COMMITTEE
Designation

Strata Committee Member
Designation



Being the person(s) authorised by section 273 of the *Act* to attest the affixing of the seal.

Agent

Executed by the *agent* in accordance with Section 126 or 127 of the *Corporations Act 2001* (Cth) in the presence of:


Signature of Authorised Person

Signature of Authorised Person

Robert Crossbie
Name of Authorised Person

Name of Authorised Person

Service

The *owners corporation* acknowledges receipt of a copy of this *agreement* within 48 hours of execution by the *owners corporation* (refer to page 8 for IMPORTANT NOTES to the parties when executing this *agreement*).

STANLEY POGORELSKY
Name of Signatory


Signature

Meeting did not comply with SSMA 2015 and SSMR 2016.

Extract from agenda:

- 13 APPOINTMENT OF STRATA MANAGING AGENT**
That **Waratah Strata Management** (herein called 'the Agent') be appointed as the Managing Agent of the Owners Corporation in Strata Plan No.52948 and that any two owners or Strata Committee members be authorised to sign the Management Agreement tabled at the Meeting on behalf of the Owners Corporation and further to attest the affixing of the common seal on that agreement, which agreement incorporates instruments pursuant to section 49(1) of the Strata Schemes Management Act 2015 appointing the Agent and delegating all the functions of the Owners Corporation and its Strata Committee and the Chairman, Secretary and Treasurer of the Strata Committee and of the Owners Corporation, other than the power to do anything referred to in section 52(2) of the Act.

3

Agenda Page 3 of 115

[Explanatory Note: Section 50 of the Strata Schemes Management Act 2015 restricts management agreements to a maximum term of 3 years from the date of appointment and requires the owners corporation to be notified at least 3 months before the end of the agreement. The proposed agreement is for 2 - 2 1/2 years to allow the agreement to be discussed and renewed at every second Annual General Meeting. A copy of the management agreement will be tabled at the meeting or is able to be provided by email upon request.]

- 14 ADDITIONAL GAS POINT CHARGES**
That the Owners Corporation will take no further action to investigate or audit the history of additional gas point charges and all lots are deemed to be paid in full.

Explanatory Note: Due to repeated public allegations that have been made by the owners of Lot 158 in relation to the charges that have been made to those owners with additional gas outlets, the strata manager and strata committee have conducted a thorough investigation of the available records going back to 1999. Stan Pogorelsky, owner of Lot 181, provided a detailed history of all relevant invoices he had received from Raine & Horne Strata, BCS Strata and Waratah Strata and of all payments made. As a result of that review it has been found that Lot 181 has not been issued with gas point charge invoices of \$55 for the quarter 1/12/15 - 28/2/16 and \$55 for the quarter 1/6/16 - 31/8/16. A further \$18.34 was short paid during 2015. In summary Lot 181 has short paid \$128.34 of which \$110 has never been invoiced.

Extract from Minutes:

- 13 APPOINTMENT OF STRATA MANAGING AGENT**
Resolved that **Waratah Strata Management** (herein called 'the Agent') be appointed as the Managing Agent of the Owners Corporation in Strata Plan No.52948 and that any two owners or Strata Committee members be authorised to sign the Management Agreement tabled at the Meeting on behalf of the Owners Corporation and further to attest the affixing of the common seal on that agreement, which agreement incorporates instruments pursuant to section 49(1) of the Strata Schemes Management Act 2015 appointing the Agent and delegating all the functions of the Owners Corporation and its Strata Committee and the Chairman, Secretary and Treasurer of the Strata Committee and of the Owners Corporation, other than the power to do anything referred to in section 52(2) of the Act.
- 14 ADDITIONAL GAS POINT CHARGES**
Resolved that the Owners Corporation will take no further action to investigate or audit the history of additional gas point charges and all lots are deemed to be paid in full.

SP52948 – Master contract admin expenses for Strata Manager in period FY 2014 to 2020 (GST exclusive)

FY (1 September to 31 August)	Amount
2014	\$53,835.00
2015	\$52,683.00
2016	\$50,684.00
2017	\$49,898.00
2018	\$43,919.00
2019	\$46,914.00
2020	\$43,190.00

SP52948 – O'Brien Criminal & Civil Solicitor request on 24th of April 2020

As requested in O'Brien Criminal & Legal Solicitors since 24 April 2020, owners were notified that a response would be prepared to them at EC meeting on 7th of May 2020:

Legal advice regarding Lot 158, including acceptance of barrister fee proposal - Subject to amendments required to the content of the costs agreement, the strata manager is instructed to sign the costs agreement under common seal for and on behalf of the Owners Corporation. The barrister is also to be requested to respond to the letter received from O'Brien Criminal & Civil Solicitors on behalf of Lot 158.

SP52948 – Master contract admin expenses for Strata Manager in period FY 2014 to 2020 (GST exclusive)

Building Manager Contracts 1999 to 2020

SP52948 – Raine & Horne Strata Sydney (later became part of BCS Strata Management) and EC members promoted cleaners to become new caretakers without tender at EC meeting on 21st of July 1999

8. Change of Caretaker

Strata Sphere have recently not been able to permanently fill the position of Caretaker. Frank the current Caretaker has accepted a position with Harry from Security.

It has been proposed and agreed that Ruth take on the position of Caretaker which is a positive move as Ruth is known to a number of the residents and is familiar with the layout of the complex.

In connection with the contract with Strata Sphere it was noted that it includes the provision for two full time persons together with part time work in respect of pool cleaning and a horticulturalists. It was felt the provision of this personnel is not currently totally provided and the situation is to be addressed by Strata Sphere.

Annual General Meeting was held on 29th of September 1999 but no change of the Caretaker was listed or request for tender submitted. This will, as it turns out later, become standard operating procedure for the Executive Committee and Raine and Horne Strata Sydney – no contracts or tenders for all major contracts were ever presented or voted at Annual General Meetings, even those worth around quarter of million dollars a year.

SP52948 – Contract with Universal Strata Care without tender or owners decision at AGM, approved at paper EC meeting (without owners) valued at \$150,000.00 (plus GST) per year on 3rd of November 1999

MOTION 3	That the agreement with Strata Sphere Pty Ltd to carry out cleaning, gardening, building maintenance, pool maintenance and caretaking be terminated with effect from 5 December 1999 - Carried.
MOTION 4	<u>That with effect from the 6 December 1999 Universal Strata Care be engaged to carry out the following duties on behalf of the Strata Plan.</u> Cleaning, gardening, building maintenance, pool maintenance and caretaking. Subject to the terms and conditions of a signed agreement at a monthly fee excluding GST of \$12,500 which is payable in arrears. - Carried.

The contract with the new Caretaker in December 1999 increased by more than 33% without any tender, or decision at the general meeting (which was against the SSMA 1996 Section 80B).

FY	1999	2000
Caretaker	\$14,395.00	\$93,062.00
Cleaning	\$47,571.00	
Gardening	\$37,044.00	\$39,469.00
Security	\$80,641.00	\$80,968.00
Total	\$179,651.00	\$213,499.00

Contract for Security was originally given to another company (separate contract) at the Executive Committee meeting on 24th of June 1998 and it was not part of the contract granted to Caretaker.

SP52948 – EC meeting decision to seek other tenders for security services contract on 22nd of March 2000

TEM 8	<p>To consider the renewal of the existing contract with Bright Light Security for a period of 12 months:</p> <p>Concerns were raised that under legislation shortly to commence, that Harry would be classed as an employee of the Strata Plan, as he does not carry out work for any other enterprise.</p> <p>It was agreed that on the basis that Harry will need to be considered as an employee wider implications exist, such as the requirement for the Strata Plan to pay tax, superannuation, long service leave etc.</p> <p>It was decided that the current contract should continue on a month to month basis, with quotations being sought from other security firms which will enable the committee to more properly assess this matter.</p>
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SP52948 – EC meeting decision to evaluate security services options on 24th of May 2000

(h) Review of existing security arrangements	<p>The existing contractor Bright Light Security Services (“BLSS”) indicated in writing with effect from 1 July 2000 the fee they would require for security services including GST would total \$7695.00 per calendar month.</p> <p>Following consideration it was resolved that the following course of action be undertaken:</p> <p>(a) That it be agreed to enter a contract for a period of six months with effect from 1 July 2000.</p> <p>(b) That a questionnaire be sent out to all owners including various options in regard to security. This will assist the Committee in understanding the requirements of the majority of owners.</p>
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SP52948 – Undisclosed EC meeting (agenda and minutes not sent to owners) on 2nd of August 2000

This meeting was allegedly held only one week before Extraordinary General Meeting, without the agenda or minutes of the meeting ever sent to owners. The minutes also contained very unusual and never-seen-before-or-after note:

ITEM 2	<p>To confirm minutes of the last meeting – Carried.</p> <p>(a) It was noted that minutes should be produced and distributed by the managing agent and only referred to the various members at the following committee meeting for their approval.</p> <p>(b) It is recorded that Mr DeSaxe objected to the commentary made under Item 3 (b) 2 which indicated the following “it was clear that heating of the pool was the major cause of the unacceptably high gas bills”</p>
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The alleged meeting, which was attended by six members of the EC and the strata manager, where two EC members were unfinancial due to unpaid levies for second gas connection and one

was recipient of secret water and gas reimbursements for private use without Special Resolution or Special By-Law, made the following decision:

(e) Security – questionnaire to be drafted asking owners for their comments to assist the committee in understanding their requirements

Resolved that the draft letter and questionnaire presented be accepted subject

To the inclusion of reference to the average annual cost per unit Owner for security of \$420.00.

At the Executive Committee meeting held on Saturday, 2nd of December 2000, it was alleged that four quotes were tendered for security services but no details provided to any owner

ITEM 3

To consider the renewal of the current contract with bright Light Security and also tenders received from other companies for the provision of security services.

Discussion took place on various tenders with it being noted that submissions had been received from the following companies.

Bright Light Security
Universal Strata Care
Allnet Security
Secom Security

SP52948 - EC meeting held on 14th of February 2001, without giving any details of the tenders to owners corporation, caretaker was granted last remaining part of the main contract – security

All three other tenders were ignored, without disclosing details:

ITEM 3

Matters arising from minutes of Committee Meetings on 10 January 2001, 2 December and 15 November 2000.

1. Contract for security, caretaking, cleaning, gardening and pool maintenance

The contract has been granted to Universal Strata Care to undertake these duties on behalf of the Owners Corporation following:

- The competitive costings tendered by that company.
- The agreement by them that licensed security personnel would be used for the evening duties.

It was noted that written confirmation has been obtained that Universal Strata Care now have two licensed security personnel who have also completed a First Aid Course.

SP52948 - Three-month overpayment to Universal Strata Care in 2004 - never disclosed to owners

FACSIMILE TRANSMISSION

RAINE & HORNE STRATA - SYDNEY

A.C.N. 001 615 587 (CORP LIC NO. 11715L)

ALL CORRESPONDENCE TO:

PO Box 881
Epping NSW 1710
Telephone: (02) 9868 2999
Facsimile: (02) 9868 2383
Email: strata@bcms.com.au

This business is independently owned by Body Corporate Management Services Pty Limited.

TO:	Universal Strata Care
FAX NO.:	
FROM:	John
DATE:	02/09/2004
NUMBER OF PAGES (including this one): 1	
Please contact sender immediately if all pages are not received.	

COMMENTS: Strata Palm 52948
 Accounts

The invoices for the months of May/June and July were incorrect as the charges for caretaking/gardening/pool maintenance and security totalled \$20,668.75 plus gst instead of being an inclusive amount.

We have therefore had to adjust our records to account for the following for each of those months

Caretaking	\$8,678.25.
Gardening	\$3,463.69.
Pool Maint	\$4545.56.
Security	\$6120.50.
Total	\$18,808.00
Gst	<u>\$1,880.80</u>
Total	\$20,688.80

An amount of \$6,206.49 will be deducted from your next payment being 3 months extra charged of \$2,068.87.

Thanks John

SP52948 - Secret quotes for caretaker contract never disclosed to owners in 2004

In a secret document, obtained belatedly eight years later, one company tendered their proposal on 25th of February 2004 at \$238,500.00 (GST exclusive) per year. That included night security duties in hours between 5:00pm and 5:00am next morning, seven days a week, and average gardener's hours of 20 per week, The total difference between their quote and the incumbent Caretaker in 2005 was \$10,505.00 (around 5% of the full contract only), with the emphasis that the new proposal offered more services.

DUTIES: **The duties to be performed by each staff member are as listed in the tender document of 1998 with the exceptions of the change in hours as noted on page 1 of our proposal.**

SERVICES: **Caretaking
Cleaning
Security
Lawns & Gardens
Pool maintenance**

CHARGES: **\$19,875.00 per calendar month

\$238,500.00 per annum**

COST BREAKDOWN: **Caretaker \$5666.00
Cleaning \$3166.00
Security \$7542.00
Pool services \$ 584.00
Lawns & gardens \$2917.00

TOTAL \$19,875.00**

NOTES:

1. All prices exclude GST
2. Price is firm until 30 June 2005
3. All cleaning equipment to be supplied by Porter Group
4. Monthly invoices are due for payment within 14 days

Second tenderer offered very attractive tender too:

Service	Description	Price (incl G.S.T)
Management Couple (1) Caretaker & (1) Gardener	6.00am – 6.00pm Monday – Friday 9.00am - 1.00pm Saturday	\$103,590.p.a
Management Couples Accommodation Component	2 bedroom apartment \$325pw * 52 weeks + G.S.T	\$ 18,590.p.a
(2) Cleaners, 7 days	9.00am – 5.00pm Monday – Friday 9.00am – 3.00 pm Saturday & Sunday	\$ 45,120.p.a
Gardener	Included in Resident Manager	Included in
Pool Maintenance Contractor	Included in Resident Manager	Included in
(2) Night Caretakers / (2) Security Guards	6.00pm – 6.00 am Sunday – Saturday 365 days a year	NSW State Award, see attached

With the GST included, the second tenderer would have charged the following for the maintenance contract (exclude security guards):

1 Caretaker
1 Gardener
1 Cleaner
Total (with GST) \$144,740.00

Services for the security guards would have been charged in accordance with the State Awards.

For the same services, excluding the security guards, the Caretaker charged the following in FY 2005/2006:

Caretaking/Cleaning (exclusive GST)	\$105,796.01
Gardening (exclusive GST)	\$42,053.01
Total (with GST)	\$162,631.22

The approximate savings, in favour of engaging the second tenderer in 2005 would have been AU\$17,891.00 per year, 12.36% savings for the owners corporation in just one year.

The quote from the two tenderers were never disclosed to owners corporation or even majority of members of the Executive Committee. Instead, the following was falsely reported at the Executive Committee meeting on 18th of February 2004:

(f) A proposal is to be obtained from a company called "Resident Manager" regarding the caretaking/cleaning/gardening services.

A final cost proposal has not yet been received from "Resident Manager".

A proposal has been received from Universal Strata Care to renew their contract for a further two years and it was agreed that unless a submission is received from another contractor by

SP52948 - EC meeting on 18th of August 2004 - legal case with previous caretaker attended by Lot 147 in court

At the EC meeting on 18th of August 2004, it was documented Caretaker's and owners corporation four-year dispute with the previous caretaker who accused Universal Strata Care of obtaining the contract through illegal means:

(e) Universal Strata Care currently have a legal dispute with the previous cleaning/gardening contractor and a letter was requested indicating that when Universal Strata Care were engaged that that they did not solicit the committee for the contract but that they were approached by the committee in this regard . Following discussion it was agreed that current committee members who were members of the committee at the time of the change of contractor should individually provide letters in connection with the position.

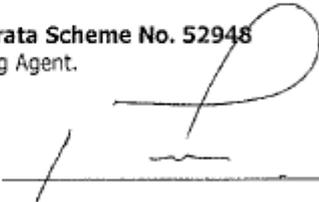
Details of the settlement and reasons why SP52948 was involved were never provided to any owner.

SP52948 - Contract with Universal Strata Care without tender or owners decision at AGM, valued at \$255,712.92 (plus GST) per year on 1st of May 2006

CONTRACT OF ENGAGEMENT

Execution of Contract between the Owners **Strata Scheme No. 52948** and **Universal Strata Care** (A.B.N 54 662 343 094) The Contractor.

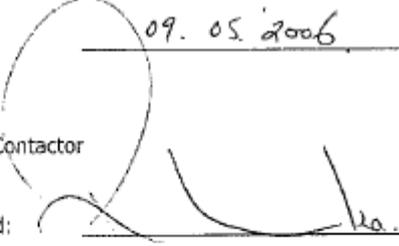
Signed for an on behalf of Owners **Strata Scheme No. 52948**
By the duly appointed Strata Managing Agent.

Signed:  _____

Name: William J. Fry

Date: 09. 05. 2006

Signed for and behalf of the Contractor

Signed:  _____

Name: Russ Lukka

Date: 26.5.06

Contract Commencement:

Date: **1 May 2006**

Fee:

Monthly in arrears.
Total \$21309.41

SP52948 - Contract with Universal Strata Care without tender or owners decision at AGM, valued at \$268,498.56 (plus GST) per year on 1st of May 2008

CONTRACT OF ENGAGEMENT

Execution of Contract between the Owners **Strata Scheme No. 52948** and **Universal Strata Care** (A.B.N 54 662 343 094) The Contractor.

Signed for an on behalf of Owners **Strata Scheme No. 52948**
By the duly appointed Strata Managing Agent.



Signed: [Signature]

Name: William Fry

Date: 11.07.2008

Signed for and behalf of the Contactor

Signed: [Signature]

Name: ROBERT LUKA

Date: 11-07-2008

Contract Commencement:

Date: **1 May 2008**

Fee:

Monthly in arrears.

Total \$22374.88

SP52948 - Renewed contract with Universal Strata Care without tender or owners decision at AGM, valued at \$268.498.56 per year with extra 2% increase for three years (plus GST) on 1st of August 2010



A.B.N 36 124 217 018
PO Box 6165 Dural DC NSW
2158

Ph Fax 9654 3556 Mob 0403316243
Email @bigpond.com

To: The Executive Committee
Strata Plan 52948
Macquarie Gardens
1-15 Fontenoy Road
Macquarie Park

1st August 2010

Dear John,

As per our discussion regarding our contract with Macquarie Gardens I agree and propose the following.

1-I agree to extend the current contract to August 2011 at no additional cost.

2-I propose to offer Macquarie Gardens the option to re new our contract after August 2011 for a period of 3 years with a 2% increase in the current contract price.

SP52948 – Secret email exchange asking EC members to approve Universal Strata Care contract renewal for three years without tender on 8th of September 2010

To

Cc johnf@bcms.com.au

Message Letter to Macquarie Gardens re contract.doc (120 KB)

To The Committee Strata Plan 52948 Macquarie Gardens

Please confirm to me that you are in favour of immediately accepting this offer to continue the caretaking services for Macquarie Gardens. As soon as a majority of the committee have responded (5) I will instruct John to accept the contract. (ignore the date error of his letter it is meant to be September and we have not had this letter since August!)

The importance of this contractor is that we understand the service levels, understand the people and would get good continuity at a cost that should be capable of maintaining existing levies at or below a CPI increase for a number of years barring utilities increases. While there are occasional issues with particular staff we have been very prudent not to be exposed to the direct risks of employment.

We have tried in previous years to find an alternative supplier. Given that any new contract would not start until 1st September 2011 it is almost impossible to get quotes that are strictly comparable and last time we tried we could only get quotes for various components with the Strata Plan being asked to take the risk on variable cost components of security etc. I believe that we are justified in not seeking quotes this time and showing some trust in the current supplier. Please remember that the current arrangement was extended to 31st August 2011 with no increase and that made a huge difference to the current proposed budget. It is not possible to conduct negotiations with a supplier like Bob and Ruth via published minutes and notices as this sends entirely the wrong message, both about our financial position and the respect and confidence in them.

Since we approved the budget as a committee (only days after the financial year end) additional electricity and water charges which are almost entirely for August have been received which reduces the surplus that will be reported and further justifies the level of increases estimated in the new budget. The figures you see in the final reports will therefore change and I will update the letter and budget presentation as soon as the audited accounts are received.

SP52948 - Call-out charges by Universal Strata Care were undefined items in the contract

Here are some examples of invoices by Universal Strata Care in 2013 and 2014 when even expenses that should be charged to individual owners were passed on to owners corporation:

C/-Raine & Horne 53 Beecroft Rd, Epping NSW 2121		Invoice #: 0000256 Date: 29/04/2013 A.B.N: 80 149 188 867 Page: 1
Description	Amount	
For May 2013		
Caretaking and Cleaning	328	\$9,587.15
Gardening	357	\$3,745.98
Pool and spa maintenance	288	\$589.99
Night Caretaking	272	\$6,822.38
6 x 20 ltr Chlorine @ \$20.20	284	\$121.20
1 x 15 Hydrochloric acid @ \$20.20		\$20.20
6 Sheets Chlorine test tablets @ \$2.50		\$15.00
1 x 10kg Buffer @ \$25.50		\$25.50
1 x 15 ltr Quickclean 80 (pool floor tiles) @ \$66.10		\$66.10
2 x 25 ltr Disinfectant @ \$82.95	288	\$165.90
1 x 500ml No foam @ \$25.00	288	\$25.00
2 x Sweet Lu @ \$8.60	2254	\$17.20
Box of Toilet Paper		\$48.50
Call out fee for Easter Saturday	328	\$250.00

C/-Raine & Horne Strata Sydney Locked Bag 22 Haymarket NSW 1238		Invoice #: 0000283 Date: 24/04/2014 A.B.N: 80 149 188 867 Page: 1
Description	Amount	
For June 2014		
Caretaking and Cleaning		\$9,587.15
Gardening		\$3,745.98
Pool and spa maintenance		\$589.99
Night Caretaking		\$6,822.38
6 x 20 ltr Chlorine @ \$20.20		\$121.20
1 x 15 Hydrochloric acid @ \$20.20		\$20.20
6 Sheets Chlorine test tablets @ \$2.50		\$15.00
1 x 10kg Buffer @ \$25.50		\$25.50
1 x 15 ltr Quickclean 80 (pool floor tiles) @ \$66.10		\$66.10
2 x 25 ltr Disinfectant @ \$82.95		\$165.90
1 x 500ml No foam @ \$25.00		\$25.00
2 x Sweet Lu @ \$8.60		\$17.20
Box of Toilet Paper		\$48.50
1 x printing paper @ \$8.38		\$8.38
Call out on Good Friday to supervise tenant moving in		\$220.00

C/-Raine & Home Strata Sydney
Locked Bag 22
Haymarket NSW 1238

Invoice #: 00000291
Date: 14/08/2014
Page: 1
Your Ref:

Details	Total (ex-GST)
20 M3 Redwood chip mulch	\$1,080.00
Assorted Azaleas	\$267.34
1 x Treated pine log	\$25.50
2 x 4lt low sheen paint	\$119.90
Call out Sunday 10th August re set C Block boilers	\$250.00

SP52948 – Renewed contract with Universal Strata Care without tender or owners decision at AGM, on 12th of March 2014

12th March 2014

Universal Property Services
PO Box 6165
DURAL DC NSW 2158

Dear Robert

Re: **STRATA PLAN 52948 – 1-15 FONTENOY ROAD MACQUARIE PARK
OFFER TO EXTEND TERM OF CONTRACT**

We are the Strata Managing Agents for the above property.

We acknowledge receipt of your correspondence dated 1st February 2014 and your offer to extend the term of your Management Contract with the Owners Corporation to 31st December 2014.

The Owners Corporation is pleased to advise they have approved your offer to extend the term of your Management Contract with the Owners Corporation to 31st December 2014.

Should you have any questions regarding this matter please do not hesitate to contact the undersigned.

Yours faithfully,

RAINE & HORNE STRATA-SYDNEY



Peter Bone

Standard Costs Agreement with Shakenovsky & Associates for legal services to prepare contract with Uniqueco Property Services was issued on 4th of December 2014 and quickly signed by two SP52948 EC members (whilst one of them – Mr. Moses Levitt, was not financial due to unpaid full levies, including 10% simple interest for overdue payments), day later on 5th of December 2014

.....5/12/2014.....
Dated

.....
Signed Moses Levitt

.....5/12/2014.....
Dated

Contract RS/RH 081394 with Uniqueco Property Services signed by two SP52948 EC members (whilst one of them – Mr. Moses Levitt, was not financial due to unpaid full levies, including 10% simple interest for overdue payments), allegedly executed on 7th of December 2014

Ref: RS/RH: 081394

This Agreement dated 7th day of December 2014

between The Owners Corporation Strata Plan 52948 ABN 79 491 891 602 trading as Macquarie Gardens c/o BCS Level 2, 51 Rawson Street Epping NSW 2121 ("**Proprietor**")

and Uniqueco Pty Ltd ABN 44 169 421 194 of 304 Brenan St., Smithfield, NSW 2164 ("**Contractor**")

and Steven Carbone and Sandra Carbone of 304 Brenan Street, Smithfield NSW 2164 ("**Guarantors**")

Recitals:

- A. The Proprietor desires that certain Services be carried out at the Premises.
- B. The Contractor has agreed to provide the Services at the Premises on the terms set out in this Agreement.

SP52948 – Contract value with Uniqueco Property Services valued at \$289,000.00 as signed on 7th of December 2014

Schedule 2 Prices

GST is excluded from the prices shown below.

	Annual Price	Monthly Price
Day Caretaking	\$121,000.00	\$10,083.33
Pool Maintenance	\$ 11,000.00	\$ 916.67
Gardening \$ 52,000.00	\$ 4,333.33	
Night Caretaking	\$105,000.00	\$ 8,750.00
Total	<u>\$289,000.00</u>	<u>\$24,083.33</u>

Schedule 3 Hours of Coverage

1. The Contractor will provide Caretaking Services to the Premises between the hours of 5.00 am – 5.00 pm, Monday to Friday and 9.00 am to 3.00 pm Saturdays and Sundays and will provide after-hours service at all times to respond to emergencies onsite within 1 hour of notification.
2. The Contractor will provide cleaning services to the Premises 7 days each week, which will include a minimum 6 hours on each Saturday and Sunday and any Public Holidays.
3. The Contractor will provide a minimum of one person on site from 5.00 pm to 5.00 am 7 nights a week including Public Holidays.
4. Gardening and Pool hours of coverage are to be sufficient to provide all the services listed at the frequency specified to standards determined by the Quality Assurance Standard document.

At AGM 2014 - Strata Manager Mr. Russell Young confirmed that Universal Strata Care was paid for undelivered services for night security but failed to reimburse owners corporation for undelivered services

Over the previous 12 months, security guards stopped working between hours of 2:00 to 5:00am, in spite of caretaker getting paid for their night staff. When questioned about it, the response was that “it was difficult to get the money back from poor people”. BCS Strata Management failed to report it in the minutes of the AGM.

EC member wrote email to Universal Property Services advising them of lost contract on 7th of December 2014, which confirmed wishes of EC members to stay with them due to “personal connections”

Sun 7/12/2014 8:26 PM

SP52948 Caretaking Services Agreement - confirmation Universal agreement now formally ends 31 Dec 2014.

To 'Bob Luka'; Ruth Luka

Cc Russell Young

Bob & Ruth,

I have to advise that a new Caretaking Services Agreement, as voted for at the AGM, was executed by the Owners Corporation and exchanged with UniqueCo Pty Ltd late today (Sunday 7 Dec 2014). All commercial issues have been resolved and guarantees put in place to secure the Owners Corporation for performance of all conditions. As a result there is now no possibility that the agreement for services by Universal Strata can be renewed or renegotiated and that agreement will therefore end on 31st December 2014.

You will appreciate that this has been just as difficult a process for the Executive Committee, most of whom are resident and know you both well, but in running a tender process for such a large contract sum, as required by Strata law, the outcome has resulted in significant differences in the prices tendered which has swayed many lot owners. I suspect that with much more than 50% of all owners now investors rather than residents the personal connection was diluted and overall cost of levies was the deciding factor. You can refer any potential business that is seeking a reference from you, to me, and I will assure them the contract was lost on financial grounds. The new Executive Committee have asked me to thank you for your services over the years.

Minutes of EC meeting held on 21st of March 2016, allegedly “renewed” Caretaker’s contract for another year without any tender, although it was going to expire on 7th of December 2016, more than nine months before its renewal time

14. OTHER BUSINESS

Motion

14.1 Any other business

14.2 Correspondence has been received from UniqueCo Pty Ltd agreeing to a further year of caretaking services (until 31 December 2017) at an agreed increase in price of only 2%. The EC considered that the caretaker was only obliged to give notice by 31st August 2016 and that the offer of 2% was probably below the exact amount of CPI that could have been applied. The EC considered whether the services were being performed to a satisfactory standard concluded that the Managing agent be instructed to accept in writing the early offer of the extension (in accordance with the contract signed in Dec 2014).

No tender!

SP52948 - Uniqueco Property Services contract value increased by 2% without owners corporation decision at AGM or tender on 22nd of April 2016

22nd April 2016

Uniqueco Pty Ltd
Attn: Mr Steven Carbone
Director
304 Brenan Street
SMITFIELD NSW 2164

Dear Mr Carbone,

RE: Caretaking Services for the period 1st January to 31st December 2017

In accordance with the Caretaking Service Agreement dated 7th December 2014, we wish to confirm that your extension has been accepted with the agreement price increase of 2%.

The 2% increase will commence from 1st January 2017 for a period of 12 months.

Yours sincerely,

Gary Mills
Strata Manager
BCS
Body Corporate Services

SP52948 – Uniqeco Property Services contract value increased by 4% without owners corporation decision at AGM or tender on 27th of November 2017

Schedule 2 Prices

GST is excluded from the prices shown below.

From 1 January 2018 to 31 January 2019

	Annual Price	Monthly Price
Day Caretaking	\$130,216.00	\$ 10,851.33
Pool Maintenance	\$ 11,849.00	\$,987.42
Gardening	\$ 55,980.00	\$ 4,665.00
Night Caretaking	<u>\$112,955.00</u>	<u>\$ 9,412.91</u>
Total	<u>\$311,000.00</u>	<u>\$ 25,916.66</u>

[Steven Carbone accepts that the initial monthly rates will run for 13 months in the first year to avoid termination on the 31st December, and the increased rate will commence on the 1st of February 2019, as listed on page 25 of the contract document].

From 1 February 2019 to 31 January 2020

	Annual Price	Monthly Price
Day Caretaking	\$135,424.00	\$ 11,285.33
Pool Maintenance	\$ 12,323.00	\$ 1,026.92
Gardening	\$ 58,220.00	\$ 4,851.66
Night Caretaking	<u>\$117,473.00</u>	<u>\$ 9,789.41</u>
Total	<u>\$323,440.00</u>	<u>\$ 26,953.32</u>

From 1 February 2020 to 31 January 2021

	Annual Price	Monthly Price
Day Caretaking	\$140,841.00	\$ 11,736.74
Pool Maintenance	\$ 12,816.00	\$ 1,068.00
Gardening	\$ 60,548.00	\$ 5,045.66
Night Caretaking	<u>\$122,172.60</u>	<u>\$ 10,181.05</u>
Total	<u>\$336,377.60</u>	<u>\$ 28,031.45</u>

Schedule 3 Hours of Coverage

1. The Contractor will provide Caretaking Services to the Premises between the hours of 5.00 am – 5.00 pm, Monday to Friday and 9.00 am to 3.00 pm Saturdays and Sundays and will provide after-hours service at all times to respond to emergencies onsite within 1 hour of notification.
2. The Contractor will provide cleaning services to the Premises 7 days each week, which will include a minimum 6 hours on each Saturday and Sunday and any Public Holidays.
3. The Contractor will provide a minimum of one person on site from 5.00 pm to 5.00 am 7 nights a week including Public Holidays.

SP52948 – Master contract expenses for Building Manager (Caretaker) in period FY 1999 to 2014 (GST exclusive)

The only details of the Caretaker’s contract (as like for all other expenses) were provided to owners in one-page balance sheet at general meetingsXFinancial Year (1 September to 31 August)

Building Manager (Caretaker) master contract (GST exclusive)

1999	\$186,611.00
2000	\$220,168.00
2001	\$220,624.00
2002	\$218,938.00
2003	\$218,167.00
2004	\$222,376.00
2005	\$227,995.00
2006	\$228,438.00
2007	\$232,844.00
2008	\$235,560.00
2009	\$244,287.00
2010	\$264,080.00
2011	\$245,094.00
2012	\$255,673.00
2013	\$256,605.00
2014	\$252,618.00

SP52948 – Master contract expenses for Building Manager (Caretaker) grew to \$275,838.00 in FY 2015 (GST exclusive)

Performance against budget 1st Sep to 31st Aug 2015				
Admin Fund	Actual	Variance		Budget (F2105)
Master contract	275,838	4,162	1.5%	280,000
Other maintenance	170,317	(15,317)	(9.0%)	155,000
Utilities	209,525	11,475	5.5%	221,000
Insurance	70,925	75	0.1%	71,000
Admin & general	52,683	9,017	17.1%	61,700
Total Expenses	779,289	9,411	1.2%	788,700

SP52948 - Master contract expenses for Building Manager (Caretaker) grew to \$292,912.00 in FY 2016 (GST exclusive)

Performance against budget 1st Sep to 31st Aug 2016				
Admin Fund	Actual	Variance		Budget
Master contract	292,912	(3,912)	(1.3%)	289,000
Other maintenance	146,061	22,939	15.7%	169,000
Utilities	181,779	23,221	12.8%	205,000
Insurance	64,395	5,605	8.7%	70,000
Admin & general	50,684	7,716	15.2%	58,400
Total Expenditure	735,831	55,569	7.6%	791,400

SP52948 - Master contract expenses for Building Manager (Caretaker) were \$291,507.00 in FY 2017 (GST exclusive)

Performance against budget 1st Sep 2016 to 31st Aug 2017				
Admin Fund	Actual	Variance		Budget
Caretaking contract	291,507	607	0.21%	290,900
Admin & General	49,898	(4,102)	(7.60%)	54,000
Utilities	170,645	(49,355)	(22.43%)	220,000
Insurance	68,931	(3,069)	(4.26%)	72,000
Other maintenance	198,500	20,000	11.20%	178,500
Total Expenditure	779,481	(35,919)	(4.41%)	815,400

SP52948 - Master contract expenses for Building Manager (Caretaker) grew to \$304,630.00 in FY 2018 (GST exclusive)

Performance against budget 1st Sep 2017 to 31st Aug 2018				
Admin Fund	Actual	Variance		Budget
Caretaking contract	304,630	(10,370)	(3.29%)	315,000
Admin & General	43,919	(3,481)	(7.34%)	47,400
Utilities	187,247	9,247	5.19%	178,000
Insurance	75,503	3,503	4.86%	72,000
Other maintenance	192,409	(46,291)	(19.39%)	238,700
Total Expenditure	803,708	(47,392)	(5.57%)	851,100

SP52948 - Master contract expenses for Building Manager (Caretaker) were \$293,031.00 in FY 2019 (GST exclusive)

Performance against budget 1st Sep 2018 to 31st Aug 2019				
Admin Fund	Actual	Variance		Budget
Caretaking contract	293,031	(21,969)	(6.97%)	315,000
Admin & General	46,914	(486)	(1.02%)	47,400
Utilities	142,044	(45,956)	(24.4%)	188,000
Insurance	81,382	(453)	(0.55%)	81,835
Other maintenance	180,137	(67,133)	(27.1%)	247,270
Total Expenditure	743,508	(135,997)	(15.46%)	879,505

SP52948 - Master contract expenses for Building Manager (Caretaker) were \$338,270.00 in FY 2020 (GST exclusive)

Performance against budget 1st Sep 2019 to 31st Aug 2020				
Admin Fund	Actual	Variance		Budget
Caretaking contract	338,270	(11,730)	(3.35%)	350,000
Admin & General	43,190	(4,830)	(10.06%)	48,020
Utilities	205,061	6,061	3.05%	199,000
Insurance	80,320	(14,680)	(15.45%)	95,000
Other maintenance	132,197	(82,553)	(38.44%)	214,750
Total Expenditure	799,038	(107,732)	(11.88%)	906,770

SP52948 - Agenda for AGM 2020 failed to comply with SSMA 2015 requirements for Motions at general meetings, by not providing clear vote for renewing building management contract, and not allowing seven companies to bid for the building and strata management contracts

8 CARETAKERS CONTRACT

That the proposed contract renewal with Uniqueco Pty Ltd (Building Managers) be tabled and a decision made whether to accept this contract.

Motion must be ruled as "out of order" as it conflicts with the Act, is unlawful, and unenforceable.

According to Strata Community Association (NSW), definition of a Motion:

A proposal put forward for consideration at a meeting. A well written motion will enable the lot owner or committee member to vote yes (for) or no (against) on the matter.

- A motion must clearly state the proposal to be considered at the meeting.
- Motion must clearly state if an ordinary, special, or unanimous resolution is required.
- Motion must disclose pecuniary interests of committee members as per SCHEDULE 2 - Meeting procedures of strata committees of the Strata Schemes Management Act, 2015 (NSW) Section 18.
- Information was withheld from owners that Lot 158 has been a legal member of the committee since 2013.

Waratah Strata Management deliberately failed to disclose competitive pricing by other service providers and only included pricing for incumbent building manager:

GST is excluded from the prices shown below.

From 1 February 2021 to 31 January 2024 [Three (3) years]

	Annual Price	Monthly Price
Day Caretaking	\$142,250.00	\$11,854.17
Pool Maintenance	\$ 12,944.00	\$ 1,078.67
Gardening	\$ 61,153.00	\$ 5,096.08
Night Caretaking	<u>\$123,394.00</u>	<u>\$ 10,282.83</u>
Total	<u>\$339,741.00</u>	<u>\$ 28,311.75</u>

Schedule 3 Hours of Coverage

- 1 The Contractor will provide Caretaking Services to the Premises between the hours of 4.00am to 7.00pm Mondays to Fridays and 9.00am to 3.00pm Saturdays and Sundays and will provide after-hours service at all times to respond to emergencies onsite within one [1] hour of notification.
- 2 The Contractor will provide a Caretaker to the Premises on Public Holidays for a 6 hour shift from 5.00am to 11.00am.
- 3 The Contractor will provide cleaning services to the Premises seven [7] days each week, which will include a minimum six [6] hours per day for Saturdays and Sundays and any Public Holidays.
- 4 The Contractor will provide a minimum of one security person on site from 7.00pm to 4.00am Mondays to Fridays, 6.30pm to 4.00am Saturdays and Sundays and 6.00pm to 4.00am Public Holidays.
- 5 Gardening and Pool hours of coverage are to be sufficient to provide all the services listed at the frequency specified to standards determined by the Quality Assurance Standard document

Seven tenders were disallowed for competing for strata and building management contracts at AGM 2020 without valid reasons:

Subject: SUMMARY: Tenders for Macquarie Gardens SP52948 strata and building management failed to be included in agenda for AGM 2020 as of 30Sep2020

From: SP52948 owner

Date: 30/9/20, 6:17 pm

To: Robert Crosbie

Good evening,

Agenda for AGM 2020 has just been published.

a) Motion for strata management contract WAS NOT INCLUDED, in spite of advanced notices and duly provided quotes.

It effectively excludes all other quotes for strata management at general meeting although Waratah Strata Management gave commitment to include them on 28 September 2020 and had advanced notice since 30 July 2020 ("SP52948-Waratah-Strata-Management-email-about-Motions-for-strata-and-building-management-28Sep2020.png").

Since October 2019, legal request has been raised about validity of AGM 2019 and evidence to be provided if it complied with SSMA 2015 and SSMR 2016 (agenda sent as per Interpretation Act 1987, ONLY financial owners allowed to vote, owner's Motions allowed to be voted on, and ONLY fully financial owners allowed to be members of the committee). Strata manager and committee members did not reply so far.

Last time, such request has been officially lodged by O'Brien Criminal & Civil Solicitors on 24 April 2020.

b) Motion for building manager (attachment "SP52948-Motion-8-agenda-AGM-2020-incomplete-caretaker-contract-published-on-30Sep2020.png") only lists proposal for renewal for the current provider, **effectively excluding all other building management quotes.**

c) Motions from Lot 158 were mostly excluded for AGM 2020, without legal reason, including this one which is of high importance for fire and occupational health safety:

Motion: Ratify events related Special Resolution 25 at AGM 2016

The Owners Corporation SP52948 by ORDINARY RESOLUTION, confirms the following:

*At AGM 2016, Lot 158 submitted Motion 25 as Special Resolution:
Occupational Health and Safety Risk Assessment*

It was approved with:

49 votes Yes

11 votes No

BCS Strata Management and Waratah Strata Management failed to register this Special By-Law within six months of

- Three very competitive quotes for building management contract:
 - ✓ Curtis Strata Cleaning
 - ✓ Forte Asset Services
 - ✓ Clean and Secure Building Management

All three of them offered two options for security services with licensed staff:

Patrols two times a night in around 30 minute duration each time,

Full 10-hour a night onsite security.

The reason for option with patrols:

All fire doors in the basement in the complex now have alarms,

New CCTV system.

- Very competitive quote from Jim's Mowing franchise for gardening.
- Three very competitive quotes for the strata management contract:
 - ✓ Strata Excellence
 - ✓ Strata Title Management
 - ✓ Netstrata