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## BCS Strata Management - 100 Shades of Bad

review of [BCS Strata Management](#) by [SamJR](#)**BCS Strata Management**

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**SamJR**  
Sydney

VERIFIED CUSTOMER

### BCS Strata Management - 100 Shades of Bad

published 4 years ago

Firstly, after 16 years of winning management contracts without alternative bids, BCS Strata Management (Epping office) was voted out in my complex at AGM in October 2016.

Seven Strata Managers and three Branch Managers were replaced from the same BCS office for my complex in period 2010-2016.

Over 16 years, BCS was directly involved in numerous acts of mismanagement, including: poor maintenance, non-compliance with fire safety regulations, hidden payments to selective owners and three EC members, lack of quorums at general meetings, false Statutory Declaration to CTTT, poor accounting practices, rigged or no tenders for elevator, caretaking, building painting, and other contracts at excessive costs to owners, bullying of owners, belated payments, undisclosed accounting figures, and much more.

Managing Director / CEO of Pica Group (parent company of BCS Strata Management) promised to investigate all claims on 9 December 2015. It was in response to owner's detailed evidence in this very forum (type 1 data - meaning: full evidence) published on 17 November 2014, to which BCS did not reply for one year and one month.

Updated owner's version was published in the same forum in Nov2015.

On 18 December 2015 I forced document search (SSMA 1996 S108). BCS again failed to provide financial files and other documents. I left voice mail for Managing Director and CEO of Pica Group.

Nothing happened until 14 January 2016, when somebody on behalf of BCS published in this forum that they attempted to contact me and I was "unavailable". I replied with evidence of false claims by BCS staff.

Jan2017: No replies from BCS/Pica Group.

More than 50 direct attempts to engage BCS Strata Management COO NSW were ignored.

Direct attempts to contact Pica Group Managing Director and CEO were ignored. I even warned Pica Group that their web link for complaints were broken for a long time and nobody could submit any issues.

To stay polite in public, I cannot use words that they deserve for their services. Decision by my owners corporation at AGM 2016 to remove them from managing the complex speaks for itself.



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Details of various actions to back up my statements.

BCS Strata Management prevented access to strata files and financial documents in spite of PAYMENTS as per Strata Schemes Management Act 1996

Section 108 five times. This information was provided to BCS Strata Management NSW COO, and CEO and Managing Director of Pica Group (parent company of BCS Strata Management) on number of occasions. Latest effort was attempted by me on 24 December 2016 when a request was submitted to Pica Group CEO and Managing Director. Response was never received in this or any other previous instance from BCS staff or managers. There is indisputable evidence that COO of BCS Strata Management, or authorised staff of his behalf, read all my 50-odd email submissions. There is also evidence that BCS staff even deletes without reading complaints. These were the days of document searches when most of the strata files were not provided to me:

18 December 2015,  
17 November 2014,  
8 November 2013,  
17 October 2013,  
12 November 2012.

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BCS Strata Management prevented 34 Motions from AGM 2016, including Motion that documented COO of BCS NSW negotiating so-called "loyalty discount" with a single member of the Executive Committee before Annual General Meeting in 2012, but evidence of such discount (in balance sheets provided to owners) showed it had not been paid back to owners corporation in that or the following years. Attempts to force BCS to provide proof of "discounts" failed. BCS won contract without tenders for 16 years until AGM on 19 October 2016. Strata Manager for our complex, who acted as Secretary and Treasurer in FY 2016 also prevented a bid from another strata agency from appearing on the agenda for the general meeting.

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BCS Strata Management provided payments for private water and gas usage to selective townhouse owners (including three different members of the Executive Committee) for 13 years without Special By-Law or Special Resolution. Out of 26 townhouses, on average, only 16-19 of them received such payments. The scheme was not disclosed in any financial documents before 2012 when I uncovered it. The scheme was so secretive that evidence shows one of the townhouse owners lodged a complaint to BCS that he had lived in the complex for seven years without knowing about his "privilege" to claim expenses for private water and gas. Once the scheme was uncovered, BCS and EC members rushed to create Special By-Law (without disclosing that above \$100,000.00 was paid to selective owners without legal grounds) which was registered on 6 May 2013. Since that time, BCS still applied it in discriminatory manner (not providing equal payments and not applying the by-law as registered). \$109,266.07 was paid for private water and gas reimbursements to selective townhouse owners in period 1999 to 2016 (1999 to May 2013 without Special Resolution or Special By-Law), based on limited access to financial documents which prevented access to owners for 8 years: 1999 to 2002 inclusive, 2005, and 2006. An illustration from FY 2016: two townhouse owners with the same voting entitlements (52). One claimed water and gas reimbursements in amount of \$1,336.61. The other did not get anything. They both had "same voting rights" at the general meeting.

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10-Year Sinking Fund was never approved or formally seen by owners corporation until the AGM on 19 October 2016 when the BCS Strata Management was removed from managing my complex. The version of the Sinking Fund presented in the agenda for AGM 2016 was incomplete, inaccurate, not updated since its creation in 2010, and missing almost all recommendations by professional accessors. These are some of the reports that BCS Strata Management did not disclose to owners in any significant detail, or not disclosed at all:

Leary and Partners Sinking Fund forecast 17 November 1999,

McMillan, Britton and Kell report dated 21 March 2000 in regards to wall cracks,

Napier & Blakeley in July 2012. Total cost of the report (GST inclusive) was \$12,144.00. They warned about roof status, elevators, and many other problems in the complex. This report was hidden from CTTT and Department of Fair Trading in 2012 and 2013,

Murdocca & Associates report on internal cracking in one building in April 2010. Total cost of the report (GST inclusive) was \$792.00,

ThyssenKrupp Elevators report in December 2013. The cost estimate for OH&S non-compliant items with high, medium and low risks, with recommended time frame for repair within one, three and five years amounted to around \$270,000.00 for four elevators. Long-term upgrades were reported in the hundreds of thousands of dollars. Almost none of the work was completed in the complex as owners were not even notified about it,

Vertical Transport Management Services report on elevators in February 2014. Total cost of the report (GST inclusive) was \$1,430.00. They reported that, on average, there were 0.61 faults/lift/month, and highlighted that such rate was above normal. They also highlighted need for major upgrades (at costs above one million dollars) and lack of compliance with OH&S,

Building roof water penetration testing in mid-2014. It confirmed problems with roof membranes that Napier & Blakeley report listed two years earlier. Without tender or any competitive bids (when proof of tenders was requested via document search as per SSMA 1996 S108 in 2014 and 2015, BCS Strata Management failed to provide them), BCS Strata Management used one of their preferred subcontractors who upgraded roof membranes on two buildings at cost of \$171,006.00 (GST inclusive) in 2015/2016. BCS Strata Management also failed to disclose to owners that the service provider decreased warranty period from 15 years down to 5-year materials due to excessive cracking and water ponding on the existing concrete substrate. Two roofs are still outstanding and not repaired,

Integrated Consultancy Group on 4 November 2014. Total cost of the report (GST inclusive) was \$1,815.00. The report includes warnings about concrete

cancer that was only attended more than one and a half years later.

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BCS Strata Management for 16 years refused to provide audited accounting reports to owners corporation that include full details for:

Debtor Financial Status

Cash Book Receipts

Cash Book Payments

Bank Reconciliation


Detailed Expenses (Transaction Records) for Admin and Sinking Funds

Cash Management

Statement of Financial Position

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For 16 years, the Caretaker's contract worth more close to \$300,000.00 per year currently (totalling around \$3,500,000.00 over previous 15 years), never issued request for tenders. BCS Strata Management was actively involved in renewals, increases in remuneration, and conditions. The contract for caretaking, pool and garden maintenance, and cleaning services with Caretaker in December 1999 increased by more than 33% in comparison to expenses in prior financial year without any tender and without decision at the general meeting.

When two competitive quotes were provided by other service providers without a tender before the renewal of the Caretaker's contract to the Strata Manager in 2004/2005, they were undisclosed to majority of members of the Executive Committee (EC) and never presented to owners corporation. The approximate savings, in favour of engaging another Caretaker's company in 2005 would have been \$17,891.00 per year, 12.36% savings for the owners corporation in just one year.

Conditions of employment and duties decreased over time but the remuneration for the caretaker continued to grow. For example, decrease in security guard working hours in September 2013 by two hours per night (according to the contract the hours were between 5:00pm and 5:00am next morning), fire safety and work safety compliance monitoring, and call-out charges that were not defined in the contract. Owners Corporation paid more than \$14,000.00 in excessive security guard services for undelivered working hours, in spite of warnings by few owners. BCS Strata Management refused to recover overpayments and prevented Motion about it to be put on the agenda at AGM 2016.

The new contract at AGM in November 2014 was awarded to a member of the staff of the incumbent Caretaker, who had full knowledge of the expenses charged by his employer. In essence, it was insider-bidding. Since May 2014, EC and BCS Strata Management were aware of the intent by the staff member

to tender against his employer and made no effort to run independent tendering that includes companies not currently involved in the management of the complex. Caretaker's contract was "awarded" to ex-staff of incumbent Caretaker with increase of around 16% in comparison to previous year. Total cost of caretaker's contract over next two years was around \$580,000.00.

During 2016, BCS Strata Management and EC were actively attempting to increase Caretaker's contract by another 2% stating expected CPI. When I showed official figured for CPI, they rushed to extend the caretaker's contract for another year without tender or decision at the general meeting, at increase of 1%. BCS Strata Management also failed to include six Motions documenting caretaker's non-compliance with the contract at AGM 2016.

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In 2003 Special Resolution was passed through impossible count of valid proxy votes at the adjourned general meeting. The Special Resolution granted exclusive rights to part of common property to ex-member of the Executive Committee. The first was organised as paper general meeting by Raine & Horne Strata Sydney (acquired by BCS Strata Management in 2010, so it inherited all liabilities and benefits of Raine & Horne, including staff) on 2 January 2003 when most of owners were on holidays or recovering from New Year celebrations. Not a single owner was presented at the meeting so the resolution failed. At the adjourned meeting, 74 votes were counted although nobody attended. This count would have been more than enough to pass the resolution at the first meeting, so the adjourned meeting could not have increased the number of valid votes unless owners were present.

Special By-Law 4, granting exclusive rights to common property to this owner has been kept undisclosed by BCS Strata Management to all owners and investors since that time. The Special By-Law is not listed in by-laws of the complex. Numerous BCS Strata Management staff and their NSW COO were duly warned about it numerous times. No response was ever received. I reported it to Department of Land and got advice that Police should be notified.

One of the requirements in the Special By-Law is in regards to public risk insurance where the owner must keep such insurance in amount of at least \$5,000,000.00 at all times.

Owners corporation sought evidence of compliance with Special By-Law 4 from the owner of this lot but that was never provided and never shown in strata document searches as per SSMA 1996 since 2012.

BCS Strata Management and EC members failed to include this Motion in the agenda for AGM 2016 without due notice to the requester of the Motion.

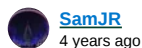
BCS Strata Management made four insurance claims in amount of \$24,919.31 for alleged "defense" of this lot in CTTT case in 2012/2013 (there was no CTTT case related to this owner):

First claim on 31 August 2012 \$367.64  
Second claim on 7 December 2012 \$12,714.65  
Third claim on 26 April 2013 \$1,320.00  
Fourth claim on 4 June 2013 \$10,517.02

BCS Strata management and EC members failed to disclose the insurance claims in any financial statements to owners corporation.

The insurance policy was changed by BCS Strata Management without approval of the owners corporation at any EC or general meeting, one month before the secret first claim was made, in spite of insurance broker's warnings about high risks and their refusal to provide legal advice.

As of 2014, this owner became a member of the Executive Committee again.

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BCS Strata Management and tenders for electricity supply contracts in my complex.

Electricity costs grew significantly in 2012 and 2013 after BCS Strata Management was involved in reverse tender in 2011. The contract was renewed without decision at the general meeting and without disclosure of the contract. Details of the contract, commissions and their types were never disclosed to owners.

The costs in FY 2012 and 2013 (financial year is between 1 September in one year and 31 August the following year):

2012 cost increased by 18.04% compared to previous year.

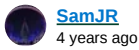
2013 cost increased by 18.76% compared to previous year

BCS Strata Management failed to disclose at AGM 2015 and 2016 or at any other meeting, that BCS Strata Management, again without official decision at general meeting, or decision at any legally-convened meeting by the Executive Committee, signed the electricity supply contract for three-year period on 8 July 2015, almost three months before the expiration of the contract. Details of the commissions and their types were not disclosed to owners:

Commission-based payments,  
Trailing commissions,  
Share of savings payments,  
Up-front payments.

BCS Strata Management and EC members failed to include this Motion in the agenda for AGM 2016.

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BCS Strata Management failed to maintain common property in compliance with AS1905.1 and AS1530.4 for more than 12 years in regards to external fire door in my unit and some other lots, potentially endangering safety and lives.

Even as late as last quarter of 2016, number of external fire safety doors in the basement of the buildings were faulty and non-compliant with the stringent regulations. Instead of BCS Strata Management, which took no actions, I forced the caretaker to fix them.

BCS Strata Management prevented my candidacy for the Executive Committee to be listed in the agenda of general meetings, or declared at the meetings for the last four years. No explanation was provided. COO of NSW BCS Strata Management is fully aware of this issue. He never replied.

When last year, after many complaints over the years, there was an attempt to partial remedy 13 doors in various units in the complex, I disallowed it and requested proper door replacement. I forced new fire door to be installed in my unit. BCS staff never replied to my complaints and reports on fire safety.

BCS Strata Management submitted fire safety reports to Ryde City Council without satisfying compliance requirements and there is evidence of it at every yearly review.

BCS Strata Management failed to notify owners corporation about failed fire safety tests over many years.

The complex does not have any contract with fire safety company, Instead, owners corporation pays quarterly fee for fire services maintenance, without ongoing contract since early 2013 and without notification to owners.

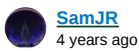
Pay-by-the-quarter is more expensive to the owners corporation.

Fire safety company increased their quarterly fees by 57.75% in FY 2016 without tender or any competitive quotes. This information is not disclosed to owners.

BCS Strata Management failed to include the Motion related to fire safety in the agenda for AGM 2016.

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BCS Strata Management persistently failed to maintain common property and comply with Strata laws.

Two examples:

Most of lots on top floor in my building have frequent water leakages. One of the lots had 16 repairs costing owners corporation \$12,992.30 in period 2011-2016. Maintenance company was so unhappy with the way they had to do patchwork for these lots that on 24 February 2016 they sent warning letter to BCS Strata Management stating ongoing water leaks in four lots on the top floor required QUOTE: "big job, as all ceilings would need to be pulled down throughout all these units kitchens, bathrooms, and possibly hallways and bedrooms to access all the piping". BCS Strata Management prevented Motion about it to be listed at AGM on 19 October 2016 and owners are still not officially notified about this pending work.

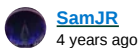
Agenda for EC meeting on 21 March 2016 did not disclose details of BCS Strata Management attempt to not maintain common property. BCS Strata Management acted as Treasurer and Secretary of the EC at the time. Minutes of the EC meeting stated it was decided that owners corporation would not maintain some parts of the common property, like bathroom tiling due to the fact that costs of maintaining the complex was raising! I submitted Motion for AGM 2016 stating that such decision was illegal and invalid because:

Owners corporation must repair all common property, including tiles in the bathrooms, unless decided differently by special resolution, as per SSMA 1996 Section 62, and new SSMA 2015 Section 106. This was in non-compliance with registered common property. Ceramic tiles originally attached to a common property surface (eg. the floor or boundary wall) are common property and they were repaired for number of owners through common funds in the past 18 years. Tiles on a boundary wall or floor are the responsibility of the owners corporation. All other tiles are the owners responsibility. The two exceptions are: the tiles on the 2nd floor of a townhouse that was built prior to 1 July 1974, or the tiles were laid by the owner and were subject to a by-law.

BCS Strata Management prevented that these details of the strata law be given in Motion at AGM 2016.

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BCS Strata Management and history of alleged EC meetings that do not comply with Strata laws.

Few examples: in 2012, BCS Strata Management claimed to have run valid EC meeting that did not send agenda and minutes of the meeting. After nine months of deliberation, in 2013 CTTT decided that ratification of such meeting so long after the event was invalid and void. CTTT said that unless such meetings were ratified by owners corporation in a timely manner, and decisions of such meetings confirmed, these meetings were simply "private gatherings" and their decisions not valid.

\$935.00 paid to BCS Strata Management for three alleged EC meetings in period September/October 2016 that did not comply with proper organization of the meetings in accordance with SSMA 1996 (agenda not sent to owners prior to meetings, and minutes of EC meetings not sent to owners). This expense was not disclosed to owners corporation. Minutes of EC meeting held straight after AGM 2016 on 19 October 2016 alleged that last EC meeting was on 20 April 2016.

When I approached BCS staff and their NSW COO, no response was received. I also questioned meeting on 20 April 2016 because its agenda and minutes were also not sent to owners.

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4 years ago

BCS Strata Management (Raine & Horne Strata Sydney before it was acquired by BCS Strata Management in 2010 who inherited all benefits, liabilities and staff from Raine & Horne), together with EC, was directly responsible for the following mismanaged contract with wireless service provider on behalf of large strata scheme in Sydney for 13 years.

1. Persuaded owners corporation to allow strata manager and the EC to sign off the contract with wireless internet service provider (ISP) without tender, and without decision being made at a general meeting,
2. Misplaced (by own admission: lost) the paperwork of the contract with the wireless ISP for nine and a half years (until December 2013),
3. BigAir Group Ltd (BigAir) and its predecessor WHome wireless service provider failed to comply with the commercial agreement with my large strata scheme:
  - a) Have not reimbursed owners corporation an amount equal to 5% of all income twice a year from April 2004.
  - b) Since 15 November 2013 runs the business without any legal rights as original WHome contract was cancelled by the owners corporation officially.
  - c) Have not paid 10% interest on unpaid amounts to owners corporation.
  - d) Failed to ensure all required certifications were provided to the owners' representative within five business days of completion of installation.
  - e) Since 31 January 2014, BCS Strata Management failed to enforce legal order that requested BigAir to leave private property.
  - f) Not paying for electricity usage to owners corporation.
  - g) Not paying for renting common property in the complex. In 2010, the owners corporation rejected Optus' proposal to rent common property for small mobile tower in amount of \$22,000.00 (GST inclusive) per year. Using that average figure for BigAir, the losses to owners corporations are easy to calculate.
  - h) Not serving the needs of the owners (there are no users who subscribe to BigAir services in the complex. The last one was supposed to be the caretaker, who, according to the email exchange on 1 March 2013 and 22 August 2013 was instructed by BCS Strata Management to move to another provider.
  - i) Is illegally running business on private property, in spite of clear order to leave premises on 31 January 2014, as sent by lawyers, who charged \$4,172.30 (according to incomplete accounting data as BCS Strata Management prevents owners from accessing all strata documents).

Timeline of events:

1 October 2003: a few members of the EC and the strata manager persuaded owners to approve Special By-Law that allowed the Executive Committee to enter into internet services contracts without decisions at general meetings. 19 owners present in person and 35 via proxy. Strata Manager failed to declare the meeting invalid due to lack of quorum. Of 35 proxies, 19 were given to an EC member, who, along with a selective group of 17 (out of 26) townhouse owners (including two other members of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law, hence directly decreasing their voting entitlements and being unfinancial. These undeclared reimbursements were never provided in accounting books. Six proxy votes were given to Strata Manager himself, who voted for his own increased remuneration at the meeting. Sections of the strata laws that apply: SSMA 1996 Schedule 2 Section 12 2 (a) and (b), SSMA 1996 Schedule 2 Section 10 (8), SSMA 1996 Schedule 2 Section 11 (7A) and (7B), and SSMA 1996 Section 183.

Special By-Law was registered in record time in the Land and Property NSW on 18 October 2003.

On 15 November 2003, six out of nine members of the EC in attendance, without passing any details to owners in the complex or issuing request for tender, entered into five-year contract with WHome to provide owners with broadband and home services. That contract could have easily be left for approval at the Annual General Meeting a month earlier.

Large strata scheme entered into contract with WHome provider of internet for exclusive services to owners in the complex. According to the contract signed on 15 November 2003, they were obliged to pay an amount equal to five percent (5%) of all income to owners corporation.

On 3 December 2003, without consultation with members of the EC, strata manager sent amendments to the contract. Of special importance were the clauses that owners corporation should earn some income from the wireless ISP, and if income not received in any 12-month period, owners corporation reserved the right to terminate the contract with one-month notice, and that automated renewal of the contract be extended to one year.

Years passed by and no details of any income or benefits to owners corporation that the wireless ISP might have provided were given to owners. Financial statements did not contain a single figure of earnings from WHome in period since the contract signoff and 2012, when I, realising that no details of the payments were ever provided to owners over the years, started requesting information about current status of the contract. BCS Strata Management and the members of the Executive Committee avoided any responses.

I persisted with asking for proof of benefits of having the wireless ISP business running in the complex. Number of emails exist to prove it. BCS Strata Management refused to respond to each of them.

On 2 January 2013, upon my pressure, EC member wrote to strata manager, and in the email clearly stated the responsibility of BCS Strata Management to resolve the contract with the ISP.

On 1 March 2013, Caretaker complained to strata manager about Big Air and issued statement that they believed they were the only BigAir user in the complex.

On 8 August 2013 BCS Strata Management made another desperate attempt to obtain copy of the lost contract from wireless ISP. BCS admitted that they



lost the original contract.

Upon ill-advice by one EC member, caretaker switched off the power supply to wireless ISP equipment on 13 August 2014. BigAir, as new owner of the wireless ISP, responded with threats and explanations about "their rights" to run the business one day after the power was switched off to their equipment on 14 August 2014.

On 14 August 2014 BigAir sent a technician to set up a new cabinet for the system on the rooftop. Two technicians from BigAir came to the strata complex at around 13:40 hours and stayed until around 18:20 hours to complete their new installations and work. Owners were never given any explanation or details of the event so far and neither BigAir complied with the 48-hour advance notice to visit the site (as required by the original contract).

5 September 2013: BigAir tried to rush owners corporation into a new contract, which was rejected.

16 September 2013: BCS Strata Management engaged lawyers (at owners corporation expense) to pursue the contract details with the wireless ISP. In spite of the fact that BCS Strata Management was solely responsible for lost contract, they used common funds of owners corporation to resolve the issues. In the official request, lawyers admitted that BCS Strata Management lost the contract and had no knowledge of it since 2004.

17 October 2013: Lawyers' office initiates proposal for meeting with BigAir.

BCS Strata Management managed to "find" the lost contract with wireless ISP on 10 December 2013!

13 December 2013: Lawyers advised BigAir that no further negotiation by owners corporation would occur and 10% interest rate per annum would apply for late payments.

15 January 2014: Without an official EC meeting, or any notice for owners corporation, the amount offered by BigAir was rejected by owners corporation as grossly inadequate.

31 January 2014: BigAir was instructed to remove their equipment from the complex due to failed contractual obligations for 10 years.

18 June 2014: At the EC meeting that was attended by only seven members of the committee and BCS Strata Management, decision was made to pursue matters with BigAir without further involvement of the lawyers due to unsatisfactory progress with removal of the wireless ISP from common property.

12 November 2014: Under intense pressure from myself, who ran thorough investigation about BigAir, and raised cases with Australian Media and Communications Authority and Telecommunications Industry Ombudsman, BCS Strata Management and EC committed to pursue BigAir further. My case with the Telecommunications Industry Ombudsman was so well-prepared that all that was needed was formal approval by the EC and BCS Strata Management.

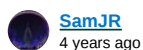
26 November 2014: owners overwhelmingly voted at the Annual general Meeting in favour of expelling BigAir from the complex and taking all necessary actions to achieve it.

In spite of notes at various EC and general meetings since then, BCS Strata Management and EC failed to take any significant action and failed to offer any evidence of such, in spite of paid strata document search as per SSMA 1996 five times.

Big Air still runs business without contact, without presenting their license, and without paying owners corporation for rent, electricity, and other items.

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BCS Strata Management misleading statements about levy increases and its growth pattern, and lack of proper Sinking Fund, with delays of major works.

Over the last six years, BCS Strata Management and EC members kept listing figure of compound annual growth rate for levies over 18 years at between 3 and 3.5%. That was one of the biggest selling point of "good management" in the complex. The figure of 3.5% was explicitly listed in the agenda for AGM 2016 and fully approved by BCS Strata Management, who were acting as Secretary and Treasurer of the EC in most years.

The levy increases were never voted for in direct terms. Instead, agenda of the general meeting would contain the figure deeply buried in the middle of a 50-60 page document and owners would be asked to vote for global Admin and Sinking Fund at the meeting.

Had levy growth been based on proper Sinking Fund plans, it would have been a great win for the owners. Sadly, multi-million dollar expenses await my complex in next few years and BCS Strata Management prevented owners from receiving any details from various professional assessors.

At AGM on 19 October 2016, owners corporation approved increase of 6.12% in levies for FY 2017.

BCS Strata Management misconstrued statements in the agenda and minutes of the general meetings in regards to compound levy growth for the previous 18 years – their figure of 3.5% is in fact above 5.4% over 19 years (not including any professional plan for money required for proper Sinking Fund and deliberately delaying many important repairs to avoid costs!).

Here are the real figures that owners never received. This was presented to BCS Strata Management staff and managers. They never replied.

Financial year is 1 September in one year to 31 August the following year. Very erratic pattern of levies (Raine & Horne Strata Sydney, who were acquired by BCS Strata Management in 2010, along with all benefits, liabilities, and staff took office in mid-1999 without tender):

FY 1999 increase of 24.08% compared to FY 1998

FY 2000 increase of 42.18% compared to FY 1999

FY 2001 increase of 2.03% compared to FY 2001

FY 2002 DECREASE of -5.69% compared to FY 2001

FY 2003 increase of 0.00% compared to FY 2002

FY 2004 increase of 0.00% compared to FY 2003

FY 2005 increase of 0.52% compared to FY 2004

FY 2006 increase of 0.00% compared to FY 2005

FY 2007 increase of 12.11% compared to FY 2006

FY 2008 increase of 0.83% compared to FY 2007

FY 2009 increase of 0.00% compared to FY 2008

FY 2010 increase of 14.22% compared to FY 2009

FY 2011 increase of 2.60% compared to FY 2010

FY 2012 DECREASE of -0.65% compared to FY 2011

FY 2013 increase of 13.74% compared to FY 2012

FY 2014 DECREASE of -2.11% compared to FY 2013

FY 2015 increase of 3.01% compared to FY 2014

FY 2016 increase of 2.08% compared to FY 2015

FY 2017 increase of 6.12% compared to FY 2016

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[SamJR](#)  
4 years ago

BCS Strata Management refused to attend free Mediations at Department of Fair Trading five times in period 2011-2015 and provided almost no details about cases to owners.

During 2015, two more attempts were made to reason with BCS Strata Management. Department of Fair Trading recommended that owners corporation vote for forensic financial auditor at the general meeting.

BCS Strata Management, with full notification to their NSW COO, prevented my Motion from appearing in the agenda for general meeting in 2015, directly opposing Department of Fair Trading.

I repeated the same Motion for AGM 2016 and this time it was listed, but BCS Strata Management did not disclose my explanatory notes and details of why it was needed.

Now that BCS Strata Management has lost contract with my complex, Motion for AGM 2017 will include Department of Fair Trading recommendation for engaging the services of a forensic auditor to scrutinize the strata scheme's accounts.

In few years for which I was able to obtain financial data, many accounting errors were found and sent to BCS Strata Management. Not once the corrections were published or included in the updated accounting.

In FY 2013/2014, in just one hour of investigation, I uncovered more than \$50,000.00 wrongly listed or missing in the accounting. I sent the details of BCS Strata Management and the accountants, who never replied to this day.

In March 2013, I forced BCS Strata Management to publish correct figures for Legal & Debt Recovery Fees in their six-monthly accounts that gave figure of \$12,914.65. Just before the general meeting, this document disappeared and was replaced with the one listing legal fees for six-monthly period of \$200.00 only! I reported this false financial data to BCS Strata Management staff and managers. Reply from them - none.

BCS Strata Management also failed to inform owners about Department of Fair Trading files during 2015 or at any time afterwards.

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BCS Strata Management failed to sign Declaration of Conflict of Interest before Annual General Meetings in 2014 and 2016, and failed to disclose secret cash advance that my complex took from Pica Group (parent company of BCS Strata Management) two months before general meeting in 2014.

At AGM 2014, based on evidence that number of selective owners (including few current and previous EC members) were receiving inequitable financial and other benefits without disclosure of amounts and type of favours, BCS Strata Management was asked to sign Declaration of Conflict of Interest so that their candidacy for strata management contract that was due for renewal could be viewed in unbiased manner. Email with the Declaration was sent to strata manager and COO of BCS Strata Management NSW on 24 November 2014. Declaration was not signed and response from BCS Strata Management never received.

Here are parts of the Declaration that BCS Strata Management silently declined:



## QUOTE

## 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 this strata plan;
- 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 this strata plan 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 owners corporation 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 owner in the complex, 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 this complex 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).

## END QUOTE

At AGM 2014, like in previous 14 years, BCS Strata Management "won" the contract without tender.

By pure coincidence, in March 2015, I found out that there was a secret cash advance from Pica Group (parent company of BCS Strata Management). The date of the cash advance was 21 August 2014, which fell right at the end of financial year (1 September in one year to 31 August in the following year). However, BCS Strata Management pushed the invoice date into new financial year to 22 September 2014. The amount that owners corporation took from Pica Group was \$18,859.55. This was NOT disclosed in any accounting figures or statements at AGM 2014 or at any other time.

On 16 March 2015, owners corporation repaid \$20,745.50 (GST inclusive) to Pica Group.

After I uncovered it, I personally asked BCS Strata Management (including their COO) and EC members to explain the reason for taking cash advance. To this day, nobody replied.

I reported it to Department of Fair Trading but BCS refused to mediate or communicate.

BCS Strata Management prevented Motion about this undisclosed secret cash advance from BCS' parent company PICA Group at AGM 2016 and did not allow this topic be included in the agenda for AGM 2015.

BCS Strata Management silently declined to sign Declaration of Conflict of Interest at AGM 2016 as well.

My further attempts to engage numerous BCS Strata Management staff, managers, their COO, and even CEO and Managing Director of Pica Group, were met with complete silence from their side.

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BCS Strata Management and insurance commissions for my complex.

BCS Strata Management inherited strata management contract with my complex when they acquired Raine & Horne Strata Sydney business in 2010. That contract was not updated, and not challenged by any tender since 16 June 1999. In spite of lack of many fees that WERE NOT DEFINED in the contract, BCS Strata Management charged owners corporation for various costs, like BAS statements, and others throughout the years.

One of the strictly forbidden earnings that BCS Strata Management could not charge were commissions and rebates received from various service providers (like insurance companies and similar).

At every general meeting, owners were told that no commissions and rebates were received by BCS Strata Management.

After BCS Strata Management "won" contract renewal at AGM 2014 without any tender, they started reporting insurance commissions. I obtained angry emails from EC members who criticised BCS Strata Management during 2015 for receiving such commissions and ordering them to repay back (both for 2014 and 2015). This information was never presented to owners.

At AGM 2016, BCS Strata Management reported that their parent company Pica Group entered into agreement with QBE Insurance and Willis Australia Ltd in relation to the provision of insurance policies under the CommunitySure brand. Pica Group became entitled to receive fees calculated by reference to the aggregate amount of all premiums payable for CommunitySure insurance policies including any such policy/s contracted by the owners corporations. was insurance commissions. In the same letter to owners corporation, BCS Strata Management admitted receiving commissions in amount of \$1,950.00.

BCS Strata Management, in their signed contract with my complex dated 26 November 2014, listed the following providers who pay a rebate, discount, or commission to the insurance agent. This information has never been provided or highlighted to owners:

CHU Underwriting Agencies Pty Ltd, up to 20% of base premium

Body Corporate Services, up to 20% of base premium

Strata Unit Underwriters (SUU), up to 20% of base premium

Austbrokers Sydney Pty Ltd, up to 20% of base premium

Indemnity Corporation Pty Ltd, up to 20% of base premium

AON Risk Services Australia Ltd, up to 20% of base premium

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BCS Strata Management, manipulation of Strata Schemes Management Act 1996 Section 80A, and tenders with agenda that raises many questions.

Raine & Horne Strata Sydney (acquired by BCS Strata Management in 2010, who inherited all benefits, liabilities and staff from them) ran building painting tender where two companies had the exactly the same price up to a cent (\$446,380.00) in 2004/2005. Third quote was in amount of \$480,010.00. Strata Manager persuaded Executive Committee (EC) members to vote without general meeting and select the company he had preferred. The general meeting was scheduled only two weeks after the vote, without providing owners any details.

The first quote was from a company on 16 June 2004. Their quote amounted to \$446,380.00, including GST. This company was introduced by the strata manager as he personally favoured them.

Second quote was obtained from a company recommended by the caretaker on 2 August 2004. Their quote amounted to \$480,010.00, including GST.

The third quote was from a company that was submitted on 10 August 2004. Their offer was in amount of \$446,380.00, inclusive of GST. This quote, as unbelievable as it sounds, was IDENTICAL TO A CENT to the quote by the company favoured by the strata manager.

Strata Manager persuaded members of the Executive Committee that they had power to make decision about who would win the building painting tender without general meeting.

The decision of the Executive Committee at Paper Meeting on 14 September 2004, although the general meeting of the owners corporation was already scheduled for two weeks later, on 6 October 2004, so there was no need, nor requirement to rush, to approve such expenditure without vote at general meeting.

The EC, without the involvement of the owners corporation at a general meeting, voted to approve the quote from company that the strata manager favoured in the amount of \$446,380.00 (GST inclusive) on 14 September 2004, but a different one was agreed by a single EC member and the strata manager after the "renegotiations" alone (listed in the AGM notice on 13 September 2004 - \$464,000.00 PLUS GST = \$510,400.00), which made this quote the SECOND MOST EXPENSIVE OF THE THREE.

The Annual General Meeting held on 6 October 2004 did not even mention the painting project of such large scale. Instead, resolution for Motion 9 was "approved" to disregard 10% limit on any single item in the budget as (as per SSMA 1996, Section 80A). That gave absolute power to the EC and the strata manager to manipulate the painting contract without any transparency or duty of care. In other words, strata manager and EC were "allowed" to not consult owners corporation at the general meeting if the cost of the project goes more than 10% above approved value.

The final expenses for building painting grew to \$556,640.00, of which \$43,160.00 is still unaccounted for. That is more than \$110,000.00 above the original value - 24.7% cost "blow-out".

BCS Strata Management failed to provide any financial statements in spite of five requests for strata document search as per SSMA 1996 S108.

This is what EC members formally approved at paper and EC meetings:

\$446,380.00 (initial contract value)  
\$23,540.00 (Block D extra coat of paint)  
\$21,780.00 (Block A extra coat of paint)  
\$21,780.00 (Block B extra coat of paint)  
Total approved: \$513,480.00 (GST inclusive)  
Total spent on the painting: \$556,640.00 (GST inclusive)

24.7% cost "blowout" from the originally approved value of \$446,380.00 was due to removal of 10% limit on any single item in the budget as (as per SSMA 1996, Section 80A), which allowed the strata manager to keep increasing the costs without general meetings.

The work done on painting the buildings was so poor that professional Dulux consultant resigned after several months as he was unhappy with the wall preparation before painting. He felt that his advice had been ignored by painters and BCS Strata Management and it was pointless for him to continue, so without charging for his services, he left the assignment.

Several years later, painting on buildings started flaking, bubbling and bursting. A few repairs, mostly forced by me, were done at additional costs to owners corporations. The complex was never repainted (so in 20 years, of its existence we had only one painting work), looks quite unmaintained in many areas, and even concrete cancer was reported three years ago, which BCS Strata Management took one year and a half to attend to.

In my brief investigations in other complexes, I found two other large strata complexes managed by BCS Strata Management where SSMA 1996 S80A was removed, effectively allowing EC and strata managers to spend any money from common funds without decisions at general meetings.

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 **SamJR**  
4 years ago

BCS Strata Management and examples of selective religious prosecution and racial profiling.

First example:

Very quiet and humble owners of a unit in my large strata scheme were selectively isolated and put under spotlight for celebrating their religious festival in a very dignified manner by BCS Strata Management in 2013.

The unit in question was on higher level in the building, in a corner area with very light traffic on the floor. The issue of concern was display of small religious symbol (less than 4cm in size) at the front door of the unit, which was part of a much larger beautiful decoration around the door frame. No owners objected to this display at any time.

All of a sudden, in the second week of the festive season, BCS Strata Management sent them a letter with stern warning to remove the religious signage, citing possibility that the religious symbol might be seen as abusive by somebody.

I learned about the letter by accident and complained to BCS Strata Management on 11 November 2013, stating, amongst the others:

Commonwealth of Australia Constitution Act Section 116

Article 18 of the International Covenant on Civil and Political Rights (ICCPR)

I asked BCS Strata Management to offer apology and retract the request.

I sent a follow-up email to COO of BCS Strata Management NSW on 23 November 2013.

I also sent the same complaint two more times to BCS Strata Management in the following years.

My email also questioned why another group of owners, from different background, had rights to keep their symbols on door frames, in non-compliance with the By-Law 5 in the complex. I was emphasising the requirement for all people to be treated equally and with the same respect.

By-Law 5. Damage to common property

(1) An owner or occupier of a lot must not mark, paint, drive nails or screws or the like into, otherwise damage or deface any structure that forms part of the common property without the approval in writing of the owners corporation.

Nobody from BCS Strata Management ever replied.

Since 2013, those owners did not celebrate their festive season publicly due to fear of ridicule.

Second example:

BCS Strata Management, Caretaker, and EC members submitted specific Asian community to unnecessary racial profiling by displaying messages on notice boards exclusively in their language three times in period 2015/2016.

It indirectly portrayed this specific community as the only one in non-compliance with a specific by-law (which was not true or factual).

I complained to BCS Strata Management and EC members. I asked the following:

Nobody shall not approve or publish any communication on behalf of the owners corporation in other languages unless the same note is displayed in English for the duration of the public display,

Owners and/or tenants of non-English speaking background shall be approached privately by Strata Managing Agent, Building Manager, and EC members, and appropriate communication established if required,

Owners corporation condemns every attempt to racially discriminate or profile any community, nationality, or religion.

A reply to my comments, complaints and suggestions was never received from BCS Strata Management.

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 **SamJR**  
4 years ago

BCS Strata Management, lack of quorums at general meetings for 16 years in my complex, and ratification process without disclosure of crucial information.

In all years since Raine & Horne took office in my complex 1999 without tender (they were acquired by BCS Strata Management in 2010 and inherited all benefits, liabilities and staff), the real quorum at general meetings was not satisfied due to simple fact:

Overwhelmingly large number of proxies were always given to a single EC member, who, along with a selective group of townhouse owners (including one

or two other members of the EC, depending on the year) received reimbursements for personal water and gas usage without disclosure, without Special Resolution or registered Special By-Law in period before 6 May 2013, and applied in non-compliance with Special By-Law since 6 May 2013, hence directly decreasing their voting entitlements and being unfinancial.

Once various investigations against BCS Strata Management were started in 2010, BCS Strata Management made every effort to avoid scrutiny, or any responsibility for their actions.

One of examples of such actions is rushed Extraordinary General Meeting held on 4 December 2013. 16 owners present in person and 43 via proxy. I was not allowed to attend, hence directly preventing me from bringing proxy votes vested in me, and without any legal reason preventing me from being at the meeting in person.

Of 43 proxies, 41 were given to EC member, who, along with a selective group of 18 (out of 26) townhouse owners (including one member of the EC) received undeclared amount of reimbursements for personal water and gas usage.

This is one of the Motion sent to owners without any details in the agenda for the meeting, asking owners to ratify ALL PREVIOUS actions by BCS Strata Management:

QUOTE

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

END QUOTE

Before the meeting, I warned BCS Strata Management about ratification process and illegal process of preventing me to attend:

1. The ratification of a lawful contract has a retrospective effect, and binds the principal from its date, and not only from the time of the ratification, for the ratification is equivalent to an original authority, according to the maxim, that omnis rati habitio mandate aequiparatur (ratification is equivalent to express command).

2. As a general rule, the principal has the right to elect whether he will adopt the unauthorized act or not. But having once ratified the act, upon a full knowledge of all the material circumstances, the ratification cannot be revoked or recalled, and the principal becomes bound as if he had originally authorized the act.

3. The ratification must be voluntary, deliberate, and intelligent, and the party must know that without it, they would not be bound.

4. The ratification is used very rarely and with great care. In all listed cases, common ground exists: for a ratification to be legal and successful, a general meeting (AGM or EGM) with full disclose is required - CLEAR ADOPTIVE ACT.

BCS Strata Management ignored my email, did not respond, and proceeded with the meeting, where the same Motion was completely rewritten to state (shown here as given in the minutes of the meeting):

QUOTE

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

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

END QUOTE

As an illustration, here are some of the figures and facts not given to owners before the voting at this meeting:

- 1. Undisclosed and illegal water and gas rebates given in an inequitable manner, amount to above \$100,000.00 over previous years.
  - 2. Around \$33,000.00 paid to Solicitor defending BCS Strata Management and EC, without proper engagement and approval by owners corporation. This was even confirmed in findings by the Office of Legal Services Commissioner, dated 31 of May 2013 but such information BCS Strata Management did not allow to be given to owners.
  - 3. \$43,000.00 never approved for building painting project in period 2004-2007.
  - 4. Undisclosed tenders for caretaker's contract that would have saved lot of money in common funds had they been considered and accepted.
  - 5. Lack of tender for strata management contract since 1999.
- and much more.

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4 years ago

BCS Strata Management and an example of time-warped EC meeting seven days ahead of the scheduled time (in style of Star Trek science fiction).

Pressed by CTTT in one case against BCS Strata Management in my complex, short agenda for the paper Executive Committee meeting was sent to owners on 16 April 2013. The meeting was scheduled for 26 April 2013 at 10:00am at BCS Strata Management Epping office.

Normally, meetings in my complex were organised in the evenings, when owners can be present if they desire so, unless there is something that BCS Strata Management wanted to push for without owners attending. We had several of those "mid-morning" meetings and they were never attended by any owner (most people go to work during the day and have to earn for living), thus making decision process very easy for BCS.

All roles of office bearers – Secretary, Treasurer, and Chairperson, sometimes held by members of the Executive Committee, were delegated to the Strata Manager since the Annual General Meeting on 17 October 2012, making the Strata Manager's role an omnipotent one.

Instead of meeting being held on 26 April 2013, BCS Strata Management declared it complete SEVEN DAYS AHEAD OF SCHEDULE on 19 April 2013.

None of the EC members attended, and only paper votes were counted.

Minutes of paper EC meeting on 19 April 2013 did not contain any details of the venue of the meeting and time when it happened.

Here are some of the laws and regulations that applied to organisation of EC meetings in NSW at the time.

a) SSMA 1996 Schedule Clause 6 (1) and (3) which require notice of meeting and DETAILED AGENDA to be sent to owners at least 72 hours before the meeting, and in compliance with the Interpretation Act 1987 Section 76.

b) BCS Strata Management was fully aware of special requirements of the time required to send notices to owners. This is a verbatim extract from their own "BCS Smart Strata Fact Sheet Notice period for meetings (NSW)" publication:

#### QUOTE

In describing any notice period for meetings, the legislation does not describe the nature of the 'days' notice - whether they be business days, calendar days, etc. In the absence of such specification, the Interpretations Act 1987 Section 36 requires that the period of time shall be reckoned so as to be exclusive of the day of the 'event' i.e., the meeting. Section 76 of this same Act also declares that a letter sent through the post is deemed to have been delivered on the fourth working day after it was posted.

#### END QUOTE

c) SSMA 1996 Schedule 3 Clause 10 (2) which states:

(1) A resolution is taken to have been validly passed even though the meeting at which the motion for the resolution was proposed to be submitted was not held if:

- (a) notice was given in accordance with clause 6 of the intended meeting, and
- (b) a copy of the motion for the resolution was served on each member of the executive committee, and
- (c) the resolution was approved in writing by a majority of members of the executive committee.

(2) This clause is subject to clause 11 (2).

Clause 11 stipulates that decision of an executive committee has no force or effect if, before that decision is made, notice in writing is given to the secretary of the executive committee by one or more owners, the sum of whose unit entitlements exceeds one-third of the aggregate unit entitlement, that the making of the decision is opposed by those owners.

By running a meeting on undisclosed date ahead of schedule, owners corporation (all 209 owners, apart from nine members of the EC) were denied rights to respond.

For a meeting to be declared valid as per strata laws and regulations on 19 April 2013, BCS Strata Management had to send agenda to all owners around 11 April 2013. That did not happen.

Because of missing formal and legally-valid notice for paper Executive Committee meeting on 19 April 2013 prevented owners from attending, as address of the meeting was, in practice, not provided.

BCS Strata Management failed to comply with their own publication on the website.

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4 years ago

BCS Strata Management delaying payments from common funds of the owners corporation.

Evidence has been collected that BCS Strata Management delayed payments on regular basis, without knowledge of owners corporation. Often, the delayed payments to service providers were done so that accounting figures could be manipulated for a specific financial year of quarter. I presented it to BCS Strata Management staff and managers several times. Response has never been received.

A few examples:

1. In August 2014, owners corporation took a secret cash advance from PICA (parent company of BCS Strata Management). It was repaid back in amount of \$20,745.50 six months later on 25 March 2015. This has never been presented to owners in any report.

I asked BCS Strata Management the following questions five times and so far, no reply:

Was there any interest paid on it? If so, who approved it and how much?

Was the money taken out of Sinking Fund because the Admin Fund was completely exhausted due to many-years of neglected planning? If so, SSMA 1996 Section 71 must apply:

71 What money can be paid out of the sinking fund?

(1) An owners corporation must not pay any money from its sinking fund except for the purpose of:

(a) payments of the kind for which estimates have been made under section 75 (2), or

(b) payments made in accordance with this Division on a distribution of a surplus in the fund.

(2) However, an owners corporation may disburse money by transfer from its sinking fund to its administrative fund or by meeting from its sinking fund expenditure that should have been met from its administrative fund if the owners corporation complies with subsection (3).

(3) The owners corporation must, not later than 3 months after the disbursement, make a determination under section 76 (1) of an amount sufficient to recoup the amount of the disbursement.

2. Payment to Blue Flame in amount of \$4,290.00 delayed for one and a half month and paid on 31 October 2011.

3. Payment to Napier & Blakely in amount of \$12,144.00 delayed for one and a half months and undisclosed to owners in financial year ending on 31 August 2012. The building report was hidden from CTTT which was investigating poor maintenance in the complex. Delay of the payment was blamed on alleged vendor's non-delivery of services. Upon private checks with the vendor, it was proven that BCS Strata Management misled the owners corporation.

4. Two payments to Essential Services Management in amount to \$424.00 delayed for two, and the other five, months in 2013 (both paid on 19 August 2013).

5. Payment to NCB Plumbing in amount of \$775.50 delayed for five months in 2013 (paid on 18 April 2013).

6. Six-month delayed payment to Dural Building Services in amount of \$385.00 in 2014 (paid on 17 December 2014).

7. Payment to Tuned To Perfection in amount of \$451.00 delayed for four months in 2014 (paid on 13 March 2014).

8. Payment to EnergyAustralia in amount of \$2,005.71 delayed for three months in 2014 (paid on 2 December 2014).

9. Payment to ThyssenKrupp Elevators in amount of \$6,464.06 delayed for three months and undisclosed in financial year ending on 31 August 2014 (paid on 4 September 2014).

10. Overdue payments in amount of \$4,280.29 for gas usage in 2015, undisclosed to owners. We received a warning notice from EnergyAustralia.

11. Payment to H & T Security in amount of \$689.00 delayed for four months and undisclosed to owners in financial year ending on 31 August 2015 (paid on 3 November 2015).

12. Two invoices from Aust Sauna & Steam Rooms in amount of \$720.50 delayed for nine months and undisclosed to owners in financial year ending on 31 August 2014 (paid on 18 March 2015).

13. Payment to H & T Security in amount of \$689.00 delayed for three months and undisclosed to owners in financial year ending on 31 August 2015 (paid on 3 November 2015).

14. Payment to Kintyre Building Services in amount of \$7,785.00 delayed for two months in 2016 (paid on 11 February 2016).


This is one of examples that illustrates quality of accounting figures that BCS Strata Management presented to my owners corporation.

In agenda for EC meeting scheduled for 21 March 2016, BCS Strata Management (acting as Secretary and Treasurer of the EC), submitted the Admin and Sinking Fund balance figures as on 29 February 2016 (full six-monthly report not sent to any owner) but the actual meeting listed term deposits \$204,000.00 less than the figure given in the agenda!

I questioned BCS Strata Management how could two hundred thousand dollars in term deposits disappear in just two weeks. Reply from them: none. COO of BCS Strata Management NSW was fully informed about it to. He stayed silent as well.

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 **SamJR**  
4 years ago

BCS Strata Management and attempt to by-pass owners corporation to spend up to 10% of Sinking Fund without general meeting.

In my complex, strata manager and EC members persuaded owners to approve Special By-Law 8, which allowed them to acquire additional common property without general meeting as long as the expenditure was below 10% of the Sinking Fund. It was pushed under premise that (the following is quote from their statements to owners in verbatim form, including spelling error of word By-Law):

QUOTE

"Technically even the smallest expenditure from the sinking fund that "improves or "adds to the common property requires approval by all members in a Special Resolution. This is an expensive and time consuming restriction. We seek approval of a new Bye Law granting the authority to be allowed to approve projects under 10% of the sinking fund balance without a separate resolution on each project."

END QUOTE

I personally tried to reason with BCS Strata Management and EC member, arguing that around \$100,000.00 in my complex was certainly not a small sum to allow anybody to spend without careful analysis and decision at general meetings. To no avail. BCS Strata Management refused to respond each time.

An opportunity to implement the Special By-Law was first displayed by BCS Strata Management at EC meeting on 13 April 2011.

During 2011, I was submitting constant notes about this By-Law and why it was not good for the owners corporation. This displeased EC members and BCS Strata Management so much that in agenda for Annual General Meeting in 2011 they submitted the following to all owners (in the future publishings I will show many more examples of direct bullying by BCS Strata Management):

QUOTE

The current committee does not recommend voting for any of the motions added to the AGM notice at the request of Mr XYZ.

END QUOTE

In 2012, the Special By-Law was attempted to be used on two occasions:

Pedestrian access to main road and infrastructure attached to it.

Acquisition of City Council land.

I forced that the decisions to use it still be done at general meeting only.

Owners voted against them at the general meeting. In addition, City Council rejected the sale of public land even before the meeting.

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[SamJR](#)

4 years ago

BCS Strata Management and engagement of legal aid without general meetings, without full disclosure, without alternative quotes, and against owners' wishes.

A specific Solicitor was engaged 14 times in period from March 2012 to September 2016 without disclosure of expenses in any financial statement given to owners corporation at general meetings, or decisions at general meetings.

When such activity was uncovered, more than two dozen owners sent angry notes to BCS Strata Management, voicing their concerns and requesting that the Solicitor not be engaged. I obtained copies of all correspondence. BCS Strata Management prevented these requests to be listed at EC and general meetings, and in most cases did not respond to owners (standard practice when negative comments are published about them - I personally still wait for response to more than 50 submissions to COO of BCS Strata Management NSW for more than three years).

In addition, two reports by the Office of Legal Services Commissioner which highlighted some of the non-compliance issues with the Solicitor's actions, dated 31 May 2013 and 13 June 2013 were not disclosed by BCS Strata Management to owners corporation.

Solicitor was paid \$63,318.77 (GST included) from common funds so far. No information is given about it in any financial statement.

I submitted Motion to document and discuss it at the next general meeting as the contract with BCS Strata Management was not renewed in my complex at AGM on 19 October 2016.

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[SamJR](#)

4 years ago

Some of correspondence with COO of BCS Strata Management NSW over the last three years. In each email attempt, at least three members of BCS staff were recipients:

Strata Managing Agent for my complex (they changed seven times over six years)

Branch Manager from Epping office (they changed three times over six years)

COO of BCS Strata Management NSW

Some of the well-known and publicly-documented actions of directors on how to manage the process after complains are passed to them. This reminder was also sent to BCS staff.

1. Be responsible for ensuring that the process is as supportive as possible for the complainant, that it keeps to agreed timeframes and that it considers what implications should be drawn from the complaint for current practice at BCS Strata Management.
2. Be responsible for meeting the complainant and clarifying their complaint and the outcome they are seeking.
3. Make appropriate support available to the complainant to assist them during the process, and appointing any independent assessors and mediators that may be required.
4. Protect and respect the privacy of complainants and other parties involved in any process or investigation carried out.

In a separate summary, I will publish details on how much BCS Strata Management staff "respected" me.

These are 44 out of more than 50 attempts to engage COO of BCS Strata Management NSW. In addition, I personally asked him, and other BCS staff, to forward all requests to CEO and Managing Director of Pica Group (parent company of BCS Strata Management) several times, as per public commitment given on ProductReview website on 9 December 2015 (one year and one month AFTER I submitted first complaints about BCS on 17 November 2014). His replies were never received.

Subject: Re: UPDATED OFFICAL REQUEST: Details of Registered Special By-Laws Approved at AGM in October 2012 and financial documents prior to 2006 and names of the EC Office Bearers

Date: Sat, 11 May 2013 09:16:19 +1000



Subject: Re: OFFICIAL REQUEST: Names of authorised signatories and Management Fees

Date: Sat, 11 May 2013 09:18:09 +1000

Subject: Re: OFFICIAL REQUEST: Secretary to explain validity of water reimbursement for owner of townhouse in December 2012

Date: Sat, 11 May 2013 09:20:20 +1000

Subject: Re: ERRATA FOR Motion 1 Part 1 in EC Minutes - no action for twelve months

Date: Sat, 11 May 2013 09:22:35 +1000

Subject: Re: ERRATA FOR Motion 4 Garden Bed Walls in EC Minutes

Date: Sat, 11 May 2013 09:23:42 +1000

Subject: Re: REQUEST TO NOTIFY OWNERS IMMEDIATELY: EC and the Strata Manager declined to attend Mediation two times in DFT case

Date: Sat, 11 May 2013 09:31:47 +1000

Subject: Re: HIGH-PRIORITY INQUIRY: Unauthorised proxy form and its collection for owners at AGM 2012

Date: Sat, 11 May 2013 15:51:43 +1000

Subject: Re: SUMMARY AND REQUEST FOR INVESTIGATION: ERRATA FOR Motion 7 in EC Minutes 20 February 2013

Date: Wed, 20 Feb 2013 17:35:22 +1000

Subject: Re: SUMMARY AND REQUEST FOR INVESTIGATION: ERRATA FOR Motion 7 in EC Minutes 15 May 2013

Date: Wed, 15 May 2013 20:47:56 +1000

Subject: HIGH-PRIORITY SUMMARY AGM 2014 Rigged Tender for Caretaker's Contract as per 18Nov2014

Date: Tue, 18 Nov 2014 17:55:01 +1100

Subject: IMPORTANT CORRECTION Validity of Proxy Papers at AGM 2014

Date: Thu, 20 Nov 2014 19:06:04 +1100

Subject: SUMMARY Credibility of Hayes Knight Accounting Company failed tests before

Date: Thu, 20 Nov 2014 21:50:02 +1100

Subject: SUMMARY Partial Listing of Unfinancial Owners for AGM 2014 as on 22Nov2014

Date: Sat, 22 Nov 2014 08:50:35 +1100

Subject: SUMMARY Sinking Fund unknown to Strata Manager until 11April2014

Date: Sat, 22 Nov 2014 22:32:03 +1100

Subject: Re: Updated Request Strata Manager and EC promoting religious intolerance and discrimination

Date: Sun, 23 Nov 2014 09:50:19 +1100

Subject: INVITATION TO ATTEND AGM on 26Nov2014

Date: Mon, 24 Nov 2014 06:13:53 +1100

Subject: Tender Declarations by Strata Agency and EC Members for AGM 2014

Date: Mon, 24 Nov 2014 20:20:08 +1100

Subject: THANK YOU FOR NON COMPLIANCE WITH LAW - Various matters and tender process

Date: Wed, 26 Nov 2014 21:59:34 +1100

Subject: INQUIRY SCA NSW Code of Conduct - BCS Strata Management - on 27Nov2014

Date: Thu, 27 Nov 2014 19:46:00 +1100

Subject: SUMMARY: Brief Personal View of AGM 2014

Date: Thu, 27 Nov 2014 22:13:58 +1100

Subject: Fwd: UPDATED OFFICIAL SUBMISSION PER SSMA 1996 Section 108 Document Viewing Request on 15Sep2015

Date: Tue, 15 Sep 2015 06:02:51 +1000

Subject: Re: Advance notice to ask me for Motions for AGM 2015

Date: Fri, 2 Oct 2015 18:48:28 +1000

Subject: Re: URGENT UPDATE DFT File 7938059 - BCS Failed to Notify owner of AGM 2015 and include Motions - 24Oct2015

Subject: Re: EC and BCS Strata Management repeat allegations of poor services provided by G. Lawyers

Date: Sun, 25 Oct 2015 07:22:57 +1100

Subject: ADVANCE NOMINATION for Executive Committee for AGM 2015

Date: Mon, 26 Oct 2015 21:49:50 +1100

Subject: SUMMARY Police report for harassment and assault by EC Member on 31 October 2015

Date: Sat, 31 Oct 2015 23:36:40 +1100

Subject: Re: Investigations about EC member

Date: Fri, 6 Nov 2015 21:50:29 +1100

Subject: Re: UPDATED OFFICIAL SUBMISSION PER SSMA 1996 Section 108 Document Viewing Request on 22Nov2015

Date: Mon, 22 Nov 2015 20:42:15 +1100

Subject: Re: Missing Documents for owner that were not provided by BCS Strata Management and proxies

Date: Mon, 25 Jan 2016 20:14:38 +1100

Subject: Request for next EC meeting agenda and responses on 7Feb2016

Date: Sun, 7 Feb 2016 19:03:01 +1100

Subject: SUBMISSION Motions for AGM or EGM 2016 - 19Feb2016

Date: Fri, 19 Feb 2016 19:11:59 +1100

Subject: UPDATED SUBMISSION Motions for AGM or EGM 2016 - 20Feb2016

Date: Sat, 20 Feb 2016 06:43:02 +1100

Subject: ADVANCE NOTICE Caretaker and Strata Manager Tenders in late 2016

Date: Thu, 7 Apr 2016 19:53:40 +1000

Subject: UPDATED SUBMISSION Motions for AGM or EGM 2016 - 7Apr2016

Date: Thu, 7 Apr 2016 20:16:20 +1000

Subject: REQUEST FOR OFFICIAL RESPONSE - FIRE DOOR NON-COMPLIANCE WITH 1905.1 and AS1530.4

Date: Mon, 11 Apr 2016 19:15:00 +1000

Subject: UPDATED SUBMISSION Motions for AGM or EGM 2016 - 22Apr2016

Date: Fri, 22 Apr 2016 17:38:41 +1000

Subject: REQUEST FOR INFORMATION Why did our complex lost Web domain and paid EC member for it in the past - 22Apr2016

Date: Fri, 22 Apr 2016 18:08:54 +1000

Subject: REPEATED REQUEST FOR OFFICIAL RESPONSE - FIRE DOOR NON-COMPLIANCE WITH 1905.1 and AS1530.4

Date: Mon, 25 Apr 2016 07:28:38 +1000

Subject: UPDATED SUBMISSION Motions for AGM or EGM 2016 - 1Aug2016

Date: Mon, 1 Aug 2016 19:49:47 +1000

Subject: SUMMARY Second Tender for Strata Management Contract, New Strata Laws and Weak Offer to talk with EC on 28Aug2016

Date: Sun, 28 Aug 2016 18:44:43 +1000

Subject: AGM Agenda 19.10.2016 - first comments on 4Oct2016 - update 7Oct2016

Date: Fri, 7 Oct 2016 20:09:31 +1100

Subject: SUMMARY Solicitor again engaged to prevent Motions from AGM 2016 at owners corporation cost

Date: Wed, 12 Oct 2016 19:23:26 +1100

Subject: UPDATED REQUEST: Forward document to Pica Group Managing Director and process Motions for AGM or EGM 2017 on 21Dec2016

Date: Wed, 21 Dec 2016 22:25:53 +1100

Subject: DECLINED Early payment of levies due on 1 February 2017

Date: Thu, 22 Dec 2016 17:01:43 +1100

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 [SamJR](#)  
4 years ago

BCS Strata Management is a professional member of the Strata Community Australia (NSW) (SCA (NSW)) and must abide by their Code of Conduct and Code of Ethics.

In roles of Secretary, Treasurer and sometimes even Chairperson of the Executive Committee in my complex, strata managing agents from BCS Strata Management actively prevented Motions at general and EC meetings to report their professional misconduct to Strata Community Australia NSW several times in period 2012 to 2016.

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BCS Strata Management, poorly executed warranties for hot water repairs in the complex, and lack of evidence for any tenders.

BCS Strata Management and EC members deliberately excluded this Motion in the agenda for AGM 2016 without due notice to the requester of the Motion, in spite of my repeated warnings.

BCS Strata Management and EC members failed to provide any evidence of tender for hot water repairs that were completed for Blocks B and D without emergency requirements in 2015/2016.

BCS Strata Management and EC members did not disclose full details of total expenses amounting to \$77,062.70 (GST inclusive) for hot water repairs in Block B and D in 2015/2016 period.

BCS Strata Management and EC members failed to disclose large expenses for Block D hot water repairs and failure to enforce proper warranties in period 2010-2012 amounting to \$16,470.20 (GST inclusive). This information BCS Strata Management and EC members prevented from being presented at EC and general meetings since May 2015.


It took BCS Strata Management and EC members almost two years to claim back merely \$783.50 for poor manufacturing and installation costs in Block D that originally cost owners corporation \$16,470.20 (GST inclusive).

Even in the transitioning period since 19 October 2016, when BCS Strata Management lost the right to manage my complex (they left on 1 February 2017), the evidence of tenders and EC meetings to approve large expenses are missing:

Australian Hot Water was paid \$9,639.00 (GST inclusive) in January 2017 for Rinnai internal commercial gas continuous flow HWS x 5 for Block C, with only five-year manufacturer warranty and one-year warranty on installation. Balance on completion of work: \$22,681.71. Total cost: \$32,320.71. Not yet disclosed to owners.

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 [SamJR](#)  
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BCS Strata Management and example of secret proxy form at general meeting. In 2012, BCS Strata Management distributed secret proxy form with detailed instructions to selective owners who were seen as their supporters in my complex.

32 owners were present in person and 46 via proxy on 17 October 2012. Of 46 proxies, 35 were given to EC member, who, along with a selective group of 18 (out of 26) townhouse owners, received reimbursements for personal water and gas usage without Special Resolution or registered Special By-Law, hence directly decreasing their voting entitlements and being unfinancial. The details of these undeclared reimbursements were never provided to owners.

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

Officially, only a standard proxy form was sent in agenda for the general meeting.

1. The secret proxy vote contained full name of the EC member who BCS Strata Management and EC members expected owners to give proxy votes to. This EC member was direct recipient of undisclosed water and gas reimbursements for private usage for 12 previous years without Special By-Law and Special Resolution. The EC member was also recipient of other undisclosed benefits at owners corporation expense.

2. The secret proxy form instructed owners to:

Vote in favour for Motion 1, 2, 3, 4(a), 4(b), 5, 6, 7, 8 9, 10, 11, and 12

Have free choice in Motion 13, 14, 15, 16, 17, 18, and 19

Vote against Motions 20, 21, 22, 23, 24, 25, 26, 27, 28, and 29

3. If owners did not make selection in Motions 13, 14, 15, and 16, BCS Strata Management declared them as "vote in favour"!

4. When access to these forms was accidentally obtained by me, I also uncovered that some of them:

Did not have date stamp

Did not have signature

5. My Motions 20, 21, 22, 23, 24, 25, 26, 27, 28, and 29 were presented to owners corporation in attempt to prevent financial abuse of common funds, enforce tenders for major projects, enforce declaration of conflict of interest at each meeting by EC members and BCS Strata Management, rescind By-Laws that gave too much powers to BCS Strata Management and EC members without consultation of owners corporation at general meetings, and remove illegal and inequitable water and gas reimbursements to selective townhouse owners that were happening for 12 previous years.

BCS Strata Management prevented Explanatory Notes to be included in the agenda for the meeting, and prevented any details of the amounts given from common funds to selective townhouse owners for their private water and gas usage. How inequitable these water and gas reimbursements were in 2012 is shown in these figures for 18 owners (8 other townhouse owners received no benefits!), where some of them received almost half of the levies back into their own pocket on behalf of excessive water and gas usage.

\$1,800.61  
\$1,773.16  
\$1,112.81  
\$746.66  
\$644.52  
\$552.30  
\$517.69  
\$472.50  
\$460.40  
\$451.51  
\$448.01  
\$442.99  
\$378.96  
\$372.48

\$330.43  
\$127.77  
\$127.76  
\$71.20

This extraordinary secret scheme that discriminated owners in the complex, and wasted more than \$100,000.00 from common funds illegally, was fully supported by BCS Strata Management and their managers. The never commented or offered a reply.

6. The non-compliance with the NSW strata laws continued at the meeting when ballot was run for EC membership.

As per Strata Schemes Management Regulation 2010, Section 18:

(1) If a ballot for membership of the executive committee of an owners corporation is required, the chairperson must:

(a) announce to the meeting the name of each candidate and the nominator of the candidate, and  
(b) provide each person present and entitled to vote at the meeting with a blank ballot-paper for each vote the person is entitled to cast.

(2) For a vote to be valid, a ballot-paper must be signed by the voter and completed by the voter's writing on it:

(a) the names of the candidates (without repeating a name) for whom the voter desires to vote, the number of names written being no more than the number determined by the owners corporation as the number of members of the executive committee, and

(b) the capacity in which the voter is exercising a right to vote, whether:  
(i) as owner, first mortgagee or covenant chargee of a lot (identifying the lot), or  
(ii) as a company nominee, or  
(iii) by proxy, and

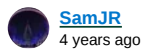
(c) if the vote is being cast by proxy—the name and capacity of the person who gave the proxy.

Instead, BCS Strata Management presented incomplete listing of candidates for the EC (in spite of advance notice) on a photocopied version of printed form.

BCS Strata Management continued with the practice of preventing candidates from EC membership without disclosure to owners at general meetings until the last meeting on 19 October 2016 when owners corporation voted to remove them from managing my complex.

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BCS Strata Management and mismanagement of garden beds.

Garden beds have been in poor condition in my complex for many years. Occasionally, there were attempts to make improvements but they were done in such way that they were short-lived and required constant repairs.

At the EC meeting held on 28 August 2013, which was attended by seven members of the EC, Strata Manager, and two ordinary members of the owners corporation, the following was reported for 218 owners in the complex:

QUOTE

To consider quotations for the re-painting of the central courtyard area.

The meeting reviewed quotations for the re-painting of the central courtyard area from 2 contractors.

Resolved to approve quotation from Pierre Brush, in the amount of \$5,170.00 including GST to re-paint the central courtyard area.

END QUOTE

Owners were not told that the competing quote in amount of \$12,000.00 (plus GST) from Robertson Painting included:

Proper preparation of all surfaces before painting,  
Five year warranty on all workmanship,  
One-year complimentary touch-up painting.  
Courtesy call for one year after completion of work,  
... and much more.

Owners were also not told, or shown in any financial statements, that the budgeted costs were doubled from those given in the minutes of the EC meeting, without any formal approval or record of it in any EC or general meeting.

PIERRE BRUSH PAINTER 8/10/2013 \$5,170.00  
PIERRE BRUSH PAINTER 11/11/2013 \$5,500.00

Within the year, the painting on garden beds started peeling, flaking and falling off. In addition, large cracks reappeared.

No warranties were enforced and owners corporation was forced to spend more money on repairs.

In period 2014-2016 more than \$20,000.00 was spent on fixing garden beds and they are still not done properly. For example, the repairs were using a unique substandard method by nailing metal plates on the front side of damaged garden beds without proper remediation work, leaving inner side of the bed exposed to water penetration, concrete cancer and movement.

BCS Strata Management declined to provide full details of this work and expenses at general and EC meetings in spite of my repetitive attempts to notify

owners.

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**SamJR**  
4 years ago

BCS Strata Management, significant expenses for maintaining private property without owners corporation approvals at general meetings, and without tenders.

In my large strata complex, pergola paintings and repairs were done three times over last 16 years. Pergolas are, as per all available documents, not registered as common property. Total costs of fixing pergolas, which are, in accordance with the Land Title, not common property in our complex: more than \$100,000.00.

1. Minutes of EC meeting on 17 November 1999, attended by eight owners, one proxy, and the Strata Manager: it was the EC meeting after the Annual General Meeting held on 29 September 1999. The minutes contained indisputable intention to declare pergolas as common property without proper registration in the Land Titles Office and without special resolution at any general meeting. Raine & Horne Strata Sydney (acquired by BCS Strata Management in 2010 who inherited all benefits, liabilities and staff) and EC resolved, without tender and without decision at general meeting, to spend up to \$16,000.00 on painting pergolas, although the complex was only three years old! Of importance is to note that three members of the EC lived in the townhouses where pergolas were supposed to be repainted.

2. Minutes of EC meeting on 19 January 2000, attended by seven owners, two proxies, and the Strata Manager confirmed the costs for pergolas and stated that:

QUOTE

...a question exists regarding the responsibility for maintenance of the pergolas.

The committee is of the opinion that it would be reasonable and in the interests of the complex for the pergolas to be maintained by the Owners Corporation and to this end, a general meeting is to be arranged to approve a by-law to confirm/establish responsibility of the Owners Corporation to maintain these structures.

The general meeting is to be carried out by way of proxy votes and a letter is to be drawn up which is to accompany the paperwork suitably supporting the proposal.

It was noted that if the owners do not approve the proposed motion, that an application may be made to the Strata Titles Commissioner requiring an order that the Owners Corporation maintain the pergolas.

END QUOTE

3. At the EC meeting held on 24 May 2000 it was documented that previous advice from Mr. David Lepage of Land Titles Office indicated responsibility for maintenance of the pergolas lay with the individual townhouse owners. The meeting resolved to have general meeting to create By-Law for pergolas.

Solicitor Alex Ilkin got second opinion from Land Titles Office that the roof structure of the pergolas were common property, but written document or record of it has never been provided.

4. Annual General Meeting was held on 5 October 2000. Agenda and minutes of the meeting confirm no mention of pergolas or their inclusion into common property register.

5. Minutes of EC meeting on 14 February 2001, attended by eight owners, one proxy, and the Strata Manager reported that painting of pergolas was proceeding and that "formalising the Owners Corporation responsibility for maintenance of the uprights will be discussed at the next Annual General Meeting".

6. Minutes of EC meeting on 8 August 2001, attended by eight owners and the Strata Manager confirmed that painting and repairs of pergolas were almost completed, without registered common property, and without project approval by the owners corporation, and missing tender at any general meeting.

7. Annual General Meeting on 14 October 2010: 26 owners present in person and 55 via proxy. BCS Strata Management failed to declare the meeting invalid due to lack of quorum. Of 55 proxies, 35 were given to EC member, who, along with a selective group of 20 (out of 26) townhouse owners (including one other member of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law, hence directly decreasing their voting entitlements and being unfinancial. These secret and undeclared reimbursements were never disclosed to owners. Three proxy votes were given to Strata Manager himself, who voted for his own increased remuneration at the meeting. The agenda for the AGM held on 13 October 2010 failed to include two owner's motions: "Future proposals to run business on common property and EGMs" and "Analysis of Optus proposal and past mistakes at the committee level". Outcome: Meeting was non-compliant with SSMA 1996 Schedule 2 Section 12 2 (a) and (b), SSMA 1996 Schedule 2 Section 10 (8), SSMA 1996 Schedule 2 Section 11 (7A) and (7B), and SSMA 1996 Section 183.

The general meeting noted, without any budget approval from Sinking Fund:

QUOTE

During the next year it is proposed to consider options to replace the townhouse pergolas which are deteriorating due to age. Matters to examine will be the materials used and the design.

END QUOTE

8. Minutes of EC meeting on 1 December 2010, attended by eight owners and the Strata Manager reported that a proposal was obtained from Pergola Land at a cost of approximately \$10,000.00 a lot to replace the existing pergolas with aluminium pergolas (making total cost around \$260,000.00 for 26 townhouses). The meeting also noted:

QUOTE

It was agreed that further proposals be obtained for consideration at the next meeting. Due to the cost if the committee did support the matter proceeding it

will need to be examined by all owners at a general meeting.

The Sinking Fund appraisal for the strata plan will be reviewed taking into account cost estimates on the pergola replacement.  
END QUOTE

9. Minutes of EC meeting on 16 February 2011, attended by seven owners and the Strata Manager highlighted the requirement to get approval for the work by owners corporation at a general meeting.

10. Minutes of Executive Committee meeting on 13 April 2011, attended by six owners and the Strata Manager: not only BCS Strata Management and EC avoided consulting owners corporation for approval at general meeting (in spite of persistent intention to do so in minutes of previous meetings), but as well none of the alleged competitive tenders were provided to owners, in spite of paid document search as per SSMA 1996 S108 five times.

The EC and BCS Strata Management "accepted" quote from Robertson Painting in amount of \$61,490.00 for painting the pergolas.

11. Minutes of EC meeting on 20 July 2011, attended by seven owners and the Strata Manager confirmed that the painting of pergolas was completed.

12. The evidence that neither the By-Law nor the Special Resolution exists is shown in EC's response to Strata Manager on 21 January 2015 in which they suggested "registering" an amendment to the scheme without general resolution.

13. I notified Department of Land about secret plan by EC members to register it (they asked BCS Strata Management about costs of engaging Solicitor).

In response, Department of Land advised me to report it to the Police, which I did (I will soon publish what COO of BCS Strata Management NSW attempted when he learned about it).

14. Five document searches as per SSMA 1996 S108 at BCS Strata Management could not allocate any evidence of pergolas being common property.

15. BCS Strata Management and their COO prevented Motions about it at general meetings since 2013.

16. Six requests to BCS Strata Management staff and managers to provide evidence of pergolas being common property were met with silence.

17. No general meeting ever recorded Motions to approve and then register a By-Law in regards to pergolas being common property.

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 **SamJR**  
4 years ago

BCS Strata Management and EC decided to have two checks for water leakages in all lots (192 units in buildings and 26 townhouses) in 2010 and 2014. The job was given to BCS' preferred supplier without seeking other options. NCB Plumbing earned around \$160,000.00 in my complex in period July 2011 to December 2016. The total cost for water inspections was around \$5,000.00 without any benefits to owners and without clear goal what to achieve.

1. Inspections by NCB Plumbing in 2010:

48 lots (including two members of the Executive Committee) out of 218 lots did not allow access to their property.

NCB Plumbing charged the following fees for inspections:

14 April 2010 \$2,432.00  
12 July 2010 \$450.00  
30 July 2010 \$170.00

In total, NCB Plumbing charged our complex \$3,052.00 and managed to visit only around 78% of all lots.

Around 90% of all visited lots had water leakages in showers, sinks, toilets, and kitchen sinks.

Water bills for the complex in 2011, 2012 and 2013 showed that no significant savings were achieved.

Repairs of the water leaks were not documented, and not enforced.

All the above information was undisclosed to owners. BCS Strata Management prevented its publishing as part of Motion for general meetings.

2. Inspections by NCB Plumbing in 2014:

Around \$2,000.00 spent on inspections in units.

This time, 50 lots refused to give access for inspections, including one EC member.

26 lots had various types of water leaks.

26 townhouses were not visited or checked at all.

Water bills for the complex in 2015 and 2016 showed that no significant savings were achieved.

Repairs of the water leaks were not documented, and not enforced.

All the above information was undisclosed to owners. BCS Strata Management prevented its publishing as part of Motion for general meetings.

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BCS Strata Management was involved in replacing perfectly operational fire door knobsets in four buildings in my complex in 2011, without any justified reason and causing expenses in common funds around \$20,000.00 without decision at general meeting, and without seeking competitive quotes.

BCS and EC members started a campaign when several lift failures in one building created problems for owners who lost or did not have fire door keys to exit the floors via fire stairs. The committee discussed it over three meetings during 2011 and provided almost no valuable comments in the minutes for owners to review (I was present at one of them in February 2011). Their discussion was superficial, lacked substance and proper evaluation.

EC meetings were held on:

16 February 2011  
13 April 2011  
20 July 2011

At each meeting, I was presenting evidence against such expenditure but BCS Strata Management prevented their publications.

In the end, they decided to replace all 64 fire door knobsets with the ones that did not have locks (leversets). In that process, the owners spent \$8,976.00 (\$140.25 for each lever set installation (with GST)).

Why was it a bad, unwise, and unjustified expenditure (BCS Strata Management did not allow this information to be shared with owners)?

1. If an owner lost a key, it was their private issue to obtain a replacement (each key was \$5.00 only);
2. If an owner, during the sale of the property, did not give the keys to the new owner, it was their issue to sort it out;
3. The cost of replacing the locks was excessive and significantly cheaper deals were easy to obtain;
4. A potential security problem was introduced as the same fire door key opened one of the locks on doors in many units in the complex, and also allowed unrestricted and unmonitored access to all floors via fire stairs;
5. Locks on fire doors were part of what owners wanted when they purchased units in the complex.
6. On 31 October 2011, I obtained a quote for getting new fire door keys (Archer Locksmith):

Single key cost was \$5.00 (GST inclusive). Bulk purchase of larger number of keys dropped the price to \$4.00 per key and they were prepared to finish the task in three hours.

So, instead of paying \$768.00 in the worst case (for all 192 owners in four buildings), and leaving our fire door knob sets with locks intact, the "project" wasted \$8,976.00.

7. As well, if we had to replace the knob sets (which we did not!), the price paid to Lock, Stock & Barrel Locksmiths was excessive.

The locksmith took all perfectly good knobsets (64 of them), which they would certainly resell or reuse somewhere. Many owners still had the original knobsets on their outside doors in the towers. The same key that opened those knobsets was used to open the fire doors. That meant: each of those units had multi-fold increase in potential risk of being abused because the same locks had been given to third party (locksmith). That was an additional personal expense to each owner in the buildings.

8. What we had on each fire door was commercial grade fire-rated knobsets (lockable from entering from the stairs).
9. None of the fire door knobsets had any mechanical fault or problems. They had been very lightly used since the complex was built in 1996.
10. A simple search on the net (I also contacted three different locksmiths), confirmed that the RETAIL prices for Carbine fire-rated commercial leversets ranged between \$77.00 and \$99.00 (depends on the diameter of the sets, the fire rating of two or four hours, and with/without locks).

Our model was what is commonly called passage locks (non-locking sets). In other words, there are no locks on either side of the leverset.

To make a fair comparison, I looked at another highly-recommended brand: Brava. Archer Locksmith (Chatswood) gave me the following RETAIL prices:

Service call (call-out) fee \$66.00

Brava non-locking fire-rated commercial leverset  
(similar to what we currently have installed in  
Carbine range) \$85.00

Brava fire-rated commercial knobset with  
one-side lock (similar to what we used to have  
on our fire doors) \$60.00

Supply and installation of Brava non-locking  
fire-rated commercial leverset \$143.00

Supply and installation of Brava fire-rated  
commercial knobset with one-side lock \$110.00

On average, Archer Locksmith staff told me that we should count on around \$30.00 to \$50.00 difference in full price of supply and installation of old knobset and the new leverset (when average models are used).



I also looked at another brand of commercial fire-rated leversets. They were available at many locksmiths and at Bunnings. The model was Gainsborough and the price was RETAIL (negotiable for larger installations like ours):

Gainsborough SNO950SC 65mm diameter leverset \$89.00

Gainsborough SNO46PSC 70mm diameter leverset \$105.00

If one does not take into account the cost of leversets, three locksmiths that I contacted gave me quotes of around one hour work required per each fire door to replace knobsets with leversets. The cost per hour ranged from \$80.00 to \$88.00.


When everything was taken into account, and bearing in mind that these were RETAIL PRICES, there was an opportunity to negotiate "wholesale" prices for 64 fire doors and each locksmith was VERY EAGER to do it when I contacted them.

The end result, BCS Strata Management:

1. Forced owners to pay full retail price for leversets (no locks on them),
2. Did not help owners to trade-in the expensive fire door knobsets with leversets,
3. Did not seek alternative quotes,
4. Ultimately, decreased security in the complex by allowing free moves between floors via fire stairs and forcing owners to replace the locks on their external doors because the same fire door key was used for them,
5. Caused expenses from common funds above \$20,000.00 without decision at general meeting.
6. Prevented owners from having access to this information ever since 2011.

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 [SamJR](#)  
4 years ago

BCS Strata Management and non-compliance with OH&S pavers tripping hazard since 2012.

BCS Strata Management failed to comply with OH&S tripping hazard requiring pavers to be repaired as per Napier & Blakely's building report dated July 2012. The same report was also deliberately undisclosed to CTTT in 2012/2013.


The report documented uneven surfaces of the paved areas around the complex and potential for tripping hazard, which could cause injuries and litigation.

BCS Strata Management failed to include this Motion in the agenda for AGM 2016 without due notice to the requester of the Motion, and owners corporation was denied a vote on the Motion.

To this day, the paving areas have not been repaired.

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BCS Strata Management and relationship with Strata Community Australia NSW.

The time-line of contacts with Strata Community Australia (NSW).

4 March 2013

Enquiry sent to SCA (NSW) how to submit a complaint against an SCA member.

Reply received on some day advising me that in order to progress this matter SCA (NSW) required me to undertake the following:

1. Read the SCA (NSW) Code of Conduct;
2. Complete the Complaint Management Form, (they had received my evidence but required the form to be completed).

Documentation and forms were submitted in neatly-organised folders to SCA promptly.

8 April 2013

SCA (NSW) declined to review the complaint, one month and four days after encouraging me to submit the complaint.

Their official reason was that I needed formal support from members of the Executive Committee!?

21 April 2013

I replied that I could not obtain the EC's approval because they worked with the Strata Manager (some of them were receiving personal and undisclosed benefits from common funds) and were directly involved in mismanagement themselves. I also advised that my strong statement could easily be proven.

I therefore acknowledged the receipt of SCA (NSW) note dated 8 April 2013 in which they declined to review a serious case of misconduct and unprofessional actions of one of their members.

I was disappointed that formal reason to reject my request for investigation was based on a reason which should not be an obstacle.

I then requested my folder with files be returned as SCA (NSW) would never read them anyway.

21 April 2013

SCA (NSW) responded that my complaint would be reviewed on 9 May 2013 again.

1 June 2013

As there were no responses from SCA (NSW), I asked about outcome of the decision and provided more evidence of misconduct and mismanagement by the strata agency.

13 June 2013

SCA responded that they had meeting that morning and decided that they could not proceed without "support from the Executive Committee" which was not listed in any requirements for submitting a complaint.

Couple of days later, I collected files from SCA in person.

The folders were never opened and they were in the same position as I had prepared them. Not a single attempt was made by SCA (NSW) staff to read any evidence.

14 December 2014

I sent another letter reporting that SCA (NSW) actions did not seem to be valid and professional.

In addition, it turned out that the same strata agency received an award for best company for the year. More evidence was provided that strata agency was, in fact,

unprofessional and failed code of conduct imposed on members of CSA (NSW) and failed compliance with many Australian laws related to companies and strata agencies.

No reply from SCA was ever received.

16 May 2015

Another email sent to SCA.

I also documented conflict of interest for few SCA (NSW) Directors who had direct connections with the strata agency. One of them was, in fact, CEO of parent company of strata agency and he was obviously on the panel who awarded 2014 best company to his own "subsidiary".

No reply was ever received from SCA.


13 November 2016

Another reminder sent to SCA (NSW).

No reply was ever received from SCA.

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 **SamJR**  
4 years ago

BCS Strata Management and relationship with Strata Community Australia NSW (SCA (NSW)).

BCS Strata Management is a member of SCA (NSW) and, according to their own statements, must abide by their Code of Ethics and Code of Conduct.

Once serious mismanagement issues were accidentally uncovered by me in my complex, one of the avenues I attempted to use was Strata Community Australia (NSW).

BCS Strata Management prevented my motions at three general meetings to submit inquiry to SCA (NSW) about their actions in my complex.

At all times, BCS Strata Management staff were informed about attempts to take action against them at SCA (NSW). Their silence was the only "response".

President of SCA (NSW) was also CEO and Managing Director of PICA Group (parent company of BCS Strata Management) during the initial periods of my efforts to engage SCA (NSW) - so he had fiduciary duty to investigate his company, which, as document shows below, did not happen.

The time-line of contacts with Strata Community Australia (NSW) and their refusal to investigate BCS Strata Management.

4 March 2013: Enquiry sent to SCA (NSW) how to submit a complaint against an SCA member (BCS Strata Management).

Reply received on some day advising me that in order to progress this matter SCA (NSW) required me to undertake the following:

1. Read the SCA (NSW) Code of Conduct;
2. Complete the Complaint Management Form, (they had received my evidence but required the form to be completed).

Documentation and forms were submitted in neatly-organised folders to SCA (NSW) promptly.

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Their official reason was that I needed formal support from members of the Executive Committee!

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14 December 2014: I sent another letter reporting that SCA (NSW) actions did not seem to be valid and professional.

In addition, it turned out that the same strata agency received an award for best company of the year from SCA (NSW) whose President was also CEO and Managing Director of Pica Group (parent company of BCS Strata Management). More evidence was provided that strata agency was, in fact, unprofessional and failed code of conduct imposed on members of CSA (NSW) and failed compliance with many Australian laws related to companies and strata agencies.

No reply from SCA (NSW) was ever received. CEO and Managing Director of Pica Group did not respond either.

16 May 2015: Another email sent to SCA (NSW).

I also documented conflict of interest for three SCA (NSW) Directors who had direct connections with BCS Strata Management.


No reply was ever received from SCA (NSW).

13 November 2016: Another reminder sent to SCA (NSW).

No reply was ever received from SCA (NSW).

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 **SamJR**  
4 years ago

BCS Strata Management and their efforts, together with the EC members, to prevent investigations about my complex mismanagement.

More details about other threats by BCS Strata Management will be provided in the future publishings, including an attempt by COO of BCS Strata Management NSW to prevent me from publishing any information at Product Review or other web sites in January 2015 (I am writing a book about them, and it has been made available for free in draft form on the internet since 2011, with full knowledge of BCS Strata Management).

My investigative work that started in 2010 brought lot of serious events that included personal attacks, warnings, bullying, and threats.

I advocated that, because most owners did not (and still do not) attend meetings, it was of crucial importance that BCS Strata Management and EC members give factual, full, and unbiased information in all reports. Unfortunately, quote the opposite was delivered by them.

BCS Strata Management staff and managers never took any action to improve their services.

Some of the experiences my family and I had so far:

1. More than dozen reports in various EC and general meetings portraying me almost as a "deranged lunatic" (all evidence is in my ownership). BCS Strata Management was highly responsible for preparing reports of all meetings.

2. One of the EC members who strongly supported BCS Strata Management (without allowing any investigations and actively preventing me from sharing evidence with owners), with full support from BCS Strata Management, wrote the following to CTTT on 14 February 2011:

QUOTE

As Australia is a democracy it is free decision of each owner whether to attend the meetings or not, not a dictatorship (insert my name) was educated under by Marshal Tito of Yugoslavia.

END QUOTE

BCS Strata Management stayed silent.

3. Anonymous hate email in letterbox. Police Event on 7 October 2011. When I approached BCS Strata Management with plea to be careful about what they do and say (they kept publishing very defamatory, untruthful, and misconstrued statements in agendas and minutes of the meetings, without allowing any evidence that I had to be submitted to owners), here was the response:

QUOTE

Private mail addressed to you by parties unknown is not a matter for the members of the Strata Plan to consider.

END QUOTE

Since that time, I asked various BCS Strata Management managers (including their COO) several times to explain this behaviour. Eventually, this strata manager "resigned" in January 2016 and joined Waratah Strata.

4. EC member's attempt to bully my wife in garage in 20 October 2011. EC members and "friends" of BCS Strata Management often used tactics to bully my wife in various manners when I was away at work.

5. Anonymous phone death threat sometime in 2012. I reported it to Minister of NSW Department of Fair Trading in 2013.

6. EC member's attempt to bully my wife at petrol station in August 2015 (different EC member from the one listed in item 2.).

7. EC member's (this is third different EC member) verbal attack and light assault on my wife in October 2015. Police event created.

The same EC member and his wife would greet my wife with phrase "non-believer" on number of occasions (whatever it was supposed to mean).

8. Police Event against an EC member and BCS Strata Management in November 2015. When COO of BCS Strata Management NSW learned about it, instead of taking actions to investigate, he tried to find a loophole and obtain legal advice on 25 November 2015 at 18:51 hours, where he stated the following about me (this evidence was collected in BCS Strata Management office by me in December 2015 - strata manager who accidentally had given me this document "resigned" six months later after only several months of employment):

QUOTE

... could we have a chat about this serial litigant who is running an anti BCS / executive committee blog site.


END QUOTE

COO was personally approached about it several times, asking him to explain his comments or show results of investigations that would prove me wrong. No replies.

I also personally asked COO of BCS Strata Management NSW to forward my requests to CEO and Managing Director of Pica Group (parent company of BCS Strata Management), who committed in this forum to check my claims on 9 December 2015. No replies, and no results of their "investigations".

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BCS Strata Management comfortably ignoring requests for information and correction of minutes of meetings even after CEO and Managing Director of Pica Group (parent company of BCS) had promised publicly to investigate all my claims in Product Review note on 9 December 2015.

Strata Manager from Epping office sent this to me on 8 February 2016. At the time, he was not only the strata managing agent for my complex, but also a Secretary and Treasurer of the EC:

QUOTE

The committee have instructed us to ignore your email...

We look forward to receiving your AGM motions in due course.

END QUOTE

My reply to him was also forwarded to COO of BCS Strata Management NSW. A response or comment was never received.

The Motions for AGM were dully submitted during the year. The end result:


34 of them were ignored without documenting it for owners or responding to me.

6 Motions were misconstrued and changed without notification to me and did not include explanatory notes.

It did not help them in the end: they lost contract renewal in my complex at AGM on 19 October 2016.

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4 years ago

BCS Strata Management, broken promise about missing documents during document search for my strata complex on 12 November 2012.

I paid fees for strata document search in advance and provide information what files I wanted to get access to before the official visit to BCS Strata Management office at Epping. I was assured that everything was organised for me.

On the day of the visit, lot of documents were missing. I documented it for BCS Strata Management.

The reason why access to them was important:

The water and gas reimbursements were secretly applied to selective townhouse owners (including three EC members) over 13 years without Special By-Law or Special Resolution, and undisclosed in any financial statement to owners. This also, rightfully begs the questions, if there was direct conflict of interest by EC members receiving benefits, and why they supported BCS Strata Management to the level that for 16 years they were winning strata management contract without any tender.

The missing documents:

a) Invoices issued by the townhouse owners (copies of their water and gas bills) in regards to payments of water and gas rebates for the last 13 years (since it was "introduced" in 1999). If such invoices exist, then they apply in period January 2000 to October 2012.

The earliest records I found in the legacy database Epping BCMS, ItemID 898 (Account 105) and ItemID 010 (Account 27), dated in last quarter of 2008.

b) Extracts from expenditure transaction records in regards to water and gas payments (cheques) issued to townhouse owners for the last 13 years (since it was "introduced" in 1999). If such records exist, then they apply to period January 2000 to October 2012. They were also not available for the period before 2008.

Branch Manager of BCS Strata Management at Epping office belatedly replied one month later, on 12 December 2012, with the following short statement:

QUOTE

You have my word that all records will be looked at and any information we have will be sent to you.

END QUOTE

It took another month to get access to two financial years which covered water and gas reimbursements. The documents for other years allegedly did not exist!


Branch Manager failed to keep his promise.

As luck had it, two years later, I managed to obtain access to another four years and confirmed that water and gas reimbursements were paid to selective townhouse owners in each of them.

In 2014, COO of BCS Strata Management NSW promoted this Branch Manager into a new role at Pica Group (parent company of BCS Strata Management).

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 [SamJR](#)  
4 years ago

BCS Strata Management and missing documents during document search for my strata complex on 17 October 2013.

I paid fees for strata document search in advance and provided information what files I wanted to get access to before the official visit to BCS Strata Management office at Epping. I was assured that everything was organised for me.

On the day of the visit, lot of documents were missing and forced strata manager to sign off the paper with details of every missing document, which was provided to various staff and managers at BCS:

a) Copies of last year's tender, quotes from strata agencies, and the document by the Executive Committee summarizing why was BCS Strata Management selected for the Strata Manager's contract. The Strata Manager is an official Treasurer and the Secretary of the EC since the AGM 2012 and has duty to provide them.

Results after visit to BCS office: Strata Manager failed to provide any evidence of the tender for the management contract and quotes from alternative providers, in non-compliance with the SSMA 1996 Section 108.

b) Public liability insurance by owner of a lot as per Special By-Law 4 for FY 2014. At the time of my visit, the owner allegedly has two insurances in amount of \$20,000.000.00:

The GIO insurance policy issued on 18 October 2012 (one day after the AGM 2012 and the CTTT Hearing) and "backdated" to 13 September 2012 (this one would have expired),

The APIA insurance policy issued for period starting 16 November 2012 (one month after the AGM 2012).

The documents for all years before the AGM 2012 are still missing, and officially confirmed at the document viewing on 16 September 2013, which means that the Strata Manager FAILED to uphold the By-Laws of my complex in this regard.

Results after visit to BCS office: The public liability insurance was not enforced as per Special By-Law 4 in any year prior to October 2012.

BCS Strata Management made four insurance claims in amount of \$24,919.31 for alleged "defence" of this lot in CTTT case in 2012/2013 (there was no CTTT case related to this owner):

First claim on 31 August 2012 \$367.64

Second claim on 7 December 2012 \$12,714.65

Third claim on 26 April 2013 \$1,320.00

Fourth claim on 4 June 2013 \$10,517.02

BCS Strata Management failed to disclose the insurance claims in any financial statements to owners corporation.

This owner is still a member of the Executive Committee.

c) All correspondence by ThyssenKrupp in regards to excessive increase of their yearly maintenance contract (5% in each of last two years) and the way they will reimburse the owners corporation.

Results after visit to BCS office: No new information provided by the Strata Manager. The proof that ThyssenKrupp decreased their contract costs for the last two years is still pending, two months after their original email.

My note: I actually uncovered that BCS paid increased fees to ThyssenKrupp in non-compliance with the contract with the elevator maintenance company. My actions forced BCS to recover the overpaid fees without disclosing it to owners.

d) The Minutes of the AGM 2001. In current Minutes Book only the Adjourned AGM 2001 in late October is listed. Note that the adjourned AGM ordered destruction of the ballot papers straight after the meeting, which was in dire non-compliance with the SSMA 1996 (ballot papers must be kept for five years).

Results after visit to BCS office: The Minutes of the initial AGM 2001 are missing and now confirmed in written form by the Strata Manager. The Notice for the AGM is missing too (although not specifically stated by law, it is recommended that relevant supporting documentation accompany the minutes such as annual financial statements, copies of quotations for major works if considered at the meeting etc. be pasted into the minute book with the agenda).

e) Copy of Land Titles Office amended ruling that the pergola roofs (and uprights) are common property in our complex (refer to EC meeting on 24 May 2000 and 14 February 2001). Note that we had major repainting (three coats) of the pergolas as reported at the EC meeting on 8 August 2001, and then regularly afterwards:

November 2002

2004

2011

On the other hand, buildings were painted only once in 17 years.

Results after visit to BCS office: The Land Titles Office ruling is missing. The Strata Plan By-Law is missing. The originally registered Strata Plan does not include pergolas as common property.

Total costs of fixing pergolas: more than \$100,000.00.

f) Copy of an application from a lot owner and the approval by the EC to install double glazing on all windows facing main road and a by-law that was supposed to be drawn up and tabled at the general meeting (minutes of EC meeting held on 17 March 1998).

Results after visit to BCS office: No documents provided.

g) Copy of an application from townhouse owner and the approval by the EC acknowledging that all costs were to be met by the owner and that all future gas accounts would not be paid by the owners corporation (minutes of EC meeting held on 17 March 1998).

Results after visit to BCS office: No documents provided. As of year 2013, owners of this lot were secretly paid for private water and gas usage (along with other selective townhouse owners) for 13 years without Special By-Law or Special Resolution.

h) Full details of the outstanding legal fees and their settlement by the owners of two lots (minutes of EC meeting held on 22 March 2000). The EC seemingly waived 50% of their costs without the approval by the owners corporation.

Results after visit to BCS office: No documents provided. One of the lot owners is a long-term passive member of the Executive Committee who never attends meetings (both EC and general).

i) There are some concerns from owners that another EC member from townhouse enjoys (or enjoyed?) special privileges by the caretaker's staff for a long time:

i1. Rubbish bin maintenance that is not done for other townhouse owners;


i2. Other services within the boundaries of the townhouse.

Results after visit to BCS office: No documents provided and no answers given.

My note: Two years later, it was found out that my allegations were true. BCS and Caretaker provided exclusive services to this townhouse owner for free and without any disclosure to the owners corporation.

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 **SamJR**  
4 years ago

BCS Strata Management and missing documents during document search for my strata complex on 17 November 2014.

Before going any further, I am quoting an instruction by an EC member (full evidence is in my possession), sent to BCS strata managing agent on 5 September 2013:

QUOTE

I trust you can make his inspection as inconvenient as possible!

END QUOTE

That EC member enjoyed special privileges by BCS Strata Management over 14 previous years, without disclosure to owners corporation, and in non-compliance with the strata laws.

My visit to BCS Strata Management Epping office was just one week before the Annual General Meeting, at which:

1. BCS Strata Management won the strata management contract renewal for minimum of two year period, without any evidence of competitive bids, and without disclosed value of the contract as voted in the Motion,

2. BCS Strata Management was delegated all of the functions of Chairperson, Secretary, and Treasurer for my complex (making BCS in complete power during FY 2015),

3. Caretaker's contract was awarded to a member of the staff of the incumbent Caretaker, who had full knowledge of the expenses charged by his employer. In essence, it was insider-bidding. Since May 2014, EC and BCS Strata Management were aware of the intent by the staff member to tender against his employer and made no effort to run independent tendering that includes companies not currently involved in the management of the complex. Caretaker's contract was "awarded" to ex-staff of incumbent Caretaker with increase of around 16% in comparison to previous year. Total cost of caretaker's contract over next two years was around \$580,000.00.)

4. BCS Strata Management prevented number of my Motions from appearing on the agenda for the general meeting,
5. BCS Strata Management prevented to publish my candidacy for the Executive Committee.
6. I sent personal invitation to COO of BCS Strata Management NSW to be present at our general meeting, which he did not respond to, and did not attend.
7. BCS Strata Management staff, including COO of BCS Strata Management NSW, received my report on how badly the general meeting was conducted straight after the meeting. The titles of my emails:

THANK YOU FOR NON COMPLIANCE WITH LAW - Various matters and tender process

SUMMARY: Brief Personal View of AGM 2014

A reply has never been received from any representative of BCS Strata Management.

Missing documents during my fully paid strata document search as per SSMA 1996 S108 on 17 November 2014:

a) Documentary evidence that BCS Strata Management and the EC investigated allegations about the company (known to the EC for a while now) who have been providing caretaking services since 1999:

They were issued warning and forced by the Australian Taxation Office to pay proper amounts in superannuation funds to their staff,

In another complex, this company was removed from office because of overstated expenses and financial claims,

Overpayments for security guard services in our complex. Back on 1 December 2013 I sent the request to EC members and BCS Strata Management documenting the fact that for more than a month at that time the working schedule for security guards was cut by two hours in our complex (14 hours a week, or around 68 hours a month). No replies were ever received.

Results after visit to BCS office: Not found in any folder or in computer search.

My note: At AGM 2014, BCS Strata Management admitted overpayment of around \$14,000.00 for security services that were not delivered to the complex. However, they refused to publish this information in the Minutes of the meeting and that money was never reimbursed to owners corporation. AT AGM 2016, BCS Strata Management removed this Motion from appearing on the agenda.

b) Full details of audited financial statements for FY 2014 (balance sheet, income and expenditure statements, debtor financial status report, cash book payments by account code, cash book payments summary, receipts, and similar).

Results after visit to BCS office: Not found in any folder or in computer search.

c) Document listing which members of the EC and the date of when they approved final version of the accounting (including if they sighted the receipts) for FY 2014.

Results after visit to BCS office: Not found in any folder or in computer search.

d) Proof of any possible payments details when and how much was credited back from the 18 owners to the Owners Corporation between now and the day of the notice for the AGM 2014 (that includes water and gas reimbursements post 1 September 2014).

The penalty interest rate is applied in accordance with the NSW Strata Schemes Management Act 1996 and the EC has no power to reduce or waive it.

As per spreadsheet I created for water and gas reimbursements to selective townhouse owners this month, 18 of them are unfinancial and cannot vote or be counted in quorum at the AGM 2014. To be financial, in accordance with the NSW Strata Schemes management Act 1996, Schedule 2, Section 10 (8), vote at a general meeting (other than a vote on a motion requiring a unanimous resolution) by an owner of a lot or a person with a priority vote in respect of the lot does not count unless payment has been made before the meeting of all contributions levied on the owner, and any other amounts recoverable from the owner, in relation to the lot that are owing at the date of the notice for the meeting. Unfinancial is any owner who is in negative for more than several dollars before, or on, the date of AGM 2014 notices being sent (as per EC's own statement in the past, which I have copy of).

Results after visit to BCS office: Not found in any folder or in computer search.

e) Final listing of FINANCIAL owners who have rights to vote or be counted in quorum for the AGM 2014. This listing is finalised by, or on, the date of AGM 2014 notices being sent to owners.

Results after visit to BCS office: Not found in any folder or in computer search.

f) Evidence who approved and why for some significant invoices to be paid belated. Not only it is against the contractual agreement with the vendors, but as well creates false accounting status whereas the invoices are artificially moved into different financial year pretending that the costs are lower than they really are.

Example, ThyssenKrupp sent invoice number 1066146 for lift maintenance in amount of \$6,464.06 (GST inclusive) on 1 July 2014 (payable within 30 days), which BCS Strata Management paid on 4 September 2014 (34 days late!). Then, eight days later on 12 September 2014, another ThyssenKrupp invoice in amount of \$6,464.06 (GST inclusive) was paid.

Results after visit to BCS office: Not found in any folder or in computer search.

g) Exact bank status of all strata accounts on the day of my visit for document viewing.

Results after visit to BCS office: Not found in any folder or in computer search.

h) Proof of Special By-Law 4 compliance by EC member during whole 2014. They obtained exclusive use rights to common property through falsified General Meeting in 2003 (at the first meeting, there was no quorum, whilst the adjourned meeting had astonishing 74 proxy votes without a single person



being present).

This was clear violation of the NSW Strata Schemes Management Act 1996, Schedule 2, Section 11 (3) b.

The proof has to be either photocopy of their public indemnity insurance in amount of at least 5 million dollars, or Statutory Declaration stating so (with at least insurance policy number and insurer details that can be verified independently).

Results after visit to BCS office: Not found in any folder or in computer search.

i) Copy of an updated listing of By-Laws which includes Special By-Law 4. This by-law has been hidden in all official documents since 2003. I warned BCS Strata Management about it two times (last on 4 August 2014 and no actions so far). It can be seen in BCS DocID 2541110, published at community on 10 October 2011.

This document has to be updated and all owners notified about the updated version, along with newest By-Laws 10, 11, 12, and 13.

Results after visit to BCS office: Not found in any folder or in computer search.

j) Proof of valid contract and earnings credited to owners corporation by "allowing" BigAir Group to run wireless services in our complex during 2014. Reminder: they have been running business without proper reimbursements and benefits to the owners corporation since 2004.

During FY 2014, Grace Lawyers charged our complex \$4,172.30 (GST inclusive) for attempts to remove this company from the complex to no avail.

Results after visit to BCS office: Not found in any folder or in computer search.

k) Full building inspection report (including OH&S compliance) with updates about the issues listed by Napier & Blakeley as early as July 2012.

Results after visit to BCS office: Not found in any folder or in computer search.

l) Summary of the physical inspection of additional gas connections in townhouses who enjoy selective, inequitable, and discriminatory financial benefits for private water and gas usage.

The same inspection was conducted twice for owners in the four building in last four years but never for townhouse owners, of which some received excessive reimbursements.

Results after visit to BCS office: Not found in any folder or in computer search.

m) At least two quotations for all new contracts that have to be approved at the AGM 2014 (cannot be done by EC alone):

Building Painting,

Strata Manager's Contract,

Caretaker's Contract.

Why two quotes: NSW Strata Schemes Management Act 1996 Section 80B: at least two quotations required by large strata schemes for expenditure over \$30,000.

Results after visit to BCS office: Not found in any folder or in computer search.

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 **SamJR**  
4 years ago

Three examples of BCS Strata Management staff at Epping office deleting my emails without reading, and not responding:

Subject: Not read: REQUEST FOR REPAIR: Lot XYZ toilet bowl partially disconnected from the floor  
Your message was deleted without being read on Monday, April 14, 2014 10:45:38 AM

Subject: Not read: REQUEST FOR REPAIR: Lot XYZ burnt and faulty power point socket in kitchen  
Your message was deleted without being read on Wednesday, February 26, 2014 9:36:24 AM

Subject: Not read: REQUEST Why is information about serious water leaks in Block A top floor hidden from owners  
Your message was deleted without being read on Friday, 29 April 2016 11:10:27 AM

Branch Manager of BCS Strata Management at Epping - examples of delayed reading of my emails and never responding:

Subject: Re: AGM Agenda 19.10.2016 - first comments on 4Oct2016 - update 7Oct2016  
Sent: Friday, October 7, 2016 8:09:31 PM  
was read on Tuesday, November 22, 2016 3:44:17 PM

Subject: SUMMARY Solicitor again engaged to prevent Motions from AGM 2016 at owners corporation cost  
Sent: Wednesday, October 12, 2016 7:23:26 PM  
was read on Tuesday, November 22, 2016 3:42:59 PM

This evidence was submitted to COO of BCS Strata Management NSW, and CEO and Managing Director of Pica Group (parent company of BCS Strata Management) for their review. Response or courtesy acknowledgement was never received from their side.

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BCS Strata Management and missing documents during document search for my strata complex on 18 December 2015.

My first request for document search was submitted on 16 August 2015. Strata Manager at BCS Strata Management (who acted as Secretary, Treasurer, and Chairperson of the EC) did not respond.

Request for document viewing was resent on 2 September 2015, and then forwarded to COO of BCS Strata Management NSW on 15 September 2015. No response from BCS.

AGM 2015 was conducted without allowing access to strata documents not only to me, but also proxies vested in me (similar situation to previous years).

Fourth request for document viewing was extended with additional items was sent on 21 November 2015. This time, the payment for document viewing was enforced by me in advance, without waiting for BCS Strata Management to issue an invoice. I asked for following preferred dates for document inspections:

Friday, 28 November 2015, from 09:30 hours onwards  
 Tuesday, 1 December 2015, from 09:30 hours onwards  
 Friday, 4 December 2015, from 09:30 hours onwards

Most of the requested strata documents were NOT provided to me on the day of visit to BCS Strata Management office at Epping on 18 December 2015.

I requested that Branch Manager sign off the document as evidence of what was not provided to me. He hid behind the desks and did not show up at the counter.

I then politely but firmly ensured that Strata Manager be a witness of phone call to Pica Group on 02 8216 0387 (the number they provided at Product Review on 9 December 2015, promising investigation about all my claims). I left a voice mail for the CEO and Managing Director of Pica Group, with my phone details, explaining what had just happened in the BCS office, asking for a call back. The voice message was more than 40 seconds long. To this day, as on February 2017, the reply from BCS Strata Management or Pica Group (parent company of BCS) never happened.

Missing documents during my fully paid strata document search as per SSMA 1996 S108 on 18 December 2015:

1. Evidence of competitive tenders for renewal of caretaker's contract (already requested through paid document search as per SSMA 1996 S108 in October 2014, which BCS Strata Management REFUSED TO PROVIDE). Caretaker's contract was "awarded" to ex-staff of incumbent Caretaker (who had advanced insider's knowledge of his employer's contract), with increase of around %16 in comparison to previous year. Total cost of caretaker's contract over next two years is around \$580,000.00. For the last 15 years, the Caretaker's contract totalling around AU\$3,500,000.00 over 15 years, never issued request for tenders. EC and the Strata Manager solely "negotiated" its renewals, increases in remuneration, and conditions (non-compliance with Strata Schemes Management Act 1998 Section 80B).

In FY 2013 and 2014, allegedly another member of the EC (now left complex), managed the tenders for the Strata Manager and Caretaker.

Results after visit to BCS office: No documents provided and no answers given.

2. The EC meeting held on 12 February 2014 stated that the service provider failed to install number of LEDs, although they had charged owners corporation for the work. Since that meeting, owners never received an update if Strata Manager resolved the issue of undelivered service. EC member from Lot 148 was delegated duty to investigate it.

Over the last three years, (2013-2015) undisclosed expenses for various lights replacements and "improvements" amounted to above \$60,000.00.

Results after visit to BCS office: No documents provided and no answers given.

3. Copies of all paperwork and tender for the Strata Management contract awarded to BCS Strata Management in 2013.

Results after visit to BCS office: No documents provided and no answers given.

4. Evidence of valid legal contract and earnings credited to owners corporation by "allowing" BigAir Group to run wireless services in our complex.

Proof of BigAir Group reimbursements for electricity usage in the complex.

All correspondence with BigAir in period 2010-2015, including undisclosed legal costs.

All correspondence with Office of Telecommunications Ombudsman and Australian Communications and Media Authority in period 2010-2015 (if applicable).

Reminder: they have been running business without proper reimbursements and benefits to the owners corporation since 2004.

During FY 2014, Grace Lawyers charged our complex \$4,172.30 (GST inclusive) for attempts to remove this company from the complex to no avail. Grace Lawyers issued order for their eviction on 31 January 2014.

Losses to owners corporation over 11 years amount to above \$250,000.00 if pricing during unsuccessful Optus bid to erect telecommunications antennae system in the complex in 2010 is taken into account.

Results after visit to BCS office: No documents provided and no answers given.

5. Paperwork for AGM 2013, 2014, and 2015, including proxy papers, and ballots.

Results after visit to BCS office: No documents provided and no answers given.

6. Bank statements and current accounting in all strata accounts in period 1 September 2015 and the date of my visit.

Results after visit to BCS office: No documents provided and no answers given.

7. Details of official signatories who can withdraw the funds from strata funds.

Results after visit to BCS office: No documents provided and no answers given.

8. Calculation of quorum at AGM 2014 and 2015. For FY 2014, the official minutes listed 66 owners being present in person or via proxies (some representing multiple lots). Of those, 17 were allegedly unfinancial.

Because balance sheet was the only financial document presented to owners, provide evidence how could owners like EC members be financial when they failed to pay levies in accordance with the schedule (balance sheet reported final figures, meaning paid levies from which water and gas reimbursements were must be subtracted). BCS applied that ruling for expenses like legal fees, so the same ruling must apply in case of levy contributions.

Strata Manager and Branch Manager from Epping office refused to provide proofs of who was financial before the general meeting.

Results after visit to BCS office: No documents provided and no answers given.

9. Proof that long-standing EC member from Lot 218 paid all levies, as per outstanding contributions letter sent to him on 20 October 2014 in amount of \$1,450.40 before the AGM 2014.

Results after visit to BCS office: No documents provided and no answers given.

10. Copies of all paperwork and tender for the Strata Management contract awarded to BCS Strata Management in 2014 for two-year period.

Results after visit to BCS office: No documents provided and no answers given.

11. There were more than NINE candidates for the Executive Committee at AGM 2014, as officially submitted before the meeting to Strata Manager in a timely manner. Provide full copies of ballot papers with proof of how voting was conducted at the meeting.

Results after visit to BCS office: No documents provided and no answers given.

12. Full accounting documents as audited by certified accountants for last three financial years (period 1 September 2012 to 31 August 2015):

Debtor Financial Status

Cash Book Receipts

Cash Book Payments

Bank Reconciliation

Detailed Expenses (Transaction Records) for Admin and Sinking Funds

Cash Management

Statement of Financial Position (electronic copy of bank statements of all strata accounts on the day of my visit for document viewing)

Results after visit to BCS office: No documents provided and no answers given.

13. Evidence who prevented my submission for Motion for AGM 2015 and Department of Fair Trading's recommendation for forensic accountant to verify our financial affairs.

Results after visit to BCS office: No documents provided and no answers given.

14. Evidence of competitive tenders for insurance renewal in September 2015, which was awarded to QBE. The renewal's expense to owners corporation is \$72,456.06.

Back in FY 2013, QBE was overly expensive and owners corporation overpaid the insurance:

Insurer Name: QBE Insurance Group Ltd.

Policy Number: 836665

Start Date: 21/09/2012

Expiry Date: 22/09/2013

Premium: \$84,414.77

Broker Name: Gallagher Broking Service

Results after visit to BCS office: No documents provided and no answers given.

15. Document listing which members of the EC and the date of when they approved final version of the accounting (including if they sighted the receipts) for FY 2013, 2014, and 2015.

Results after visit to BCS office: No documents provided and no answers given.

16. Public liability insurance by EC member from Lot 3 as per Special By-Law 4 during whole FY 2014 and 2015. The documents for all years before the AGM 2012 are still missing, and officially confirmed at the document viewing on 16 September 2013, which means that the Strata Manager FAILED to uphold the By-Laws in this regard.

Results after visit to BCS office: No documents provided and no answers given.

17. Correspondence provided by BCS Strata Management and the owners corporation in regards to Department of Fair Trading file 7563482, in which allegedly they notified DFT about full compliance with SSMA 1996 S108. I have special evidence to refute that statement and prove that government officials were deliberately misled by BCS.

Results after visit to BCS office: No documents provided and no answers given.

18. Full professional building inspection report (roof membranes, exterior of buildings, garden beds, elevators, OH&S compliance and others) in FY 2015. Recent incomplete report documented concrete cancer and serious need for major repairs.

Results after visit to BCS office: No documents provided and no answers given.

19. All invoices with fully itemised billing by Solicitor Mr. Adrian Mueller in period 2012 till AGM 2015.

Results after visit to BCS office: No documents provided and no answers given.

20. Full details (invoices) of all insurance claims that our strata plan made in period 1 August 2010 and date of my visit.

Results after visit to BCS office: No documents provided and no answers given.

21. Proof that pergolas are common property in this complex, and the date when it applied. This was already requested through SSMA 1996 Section 108 two times.

Results after visit to BCS office: No documents provided and no answers given.

My note: new strata managing agency just sent me alleged document from year 2000 that might have some details about pergolas. However, there are missing parts of the top of the second page of the photocopied document, and a few other discrepancies which I need to verify with the Department of Land.

22. Proof of payments details when and how much was credited back by the townhouse owners (who received water and gas reimbursements in non-compliance with Special By-Law 13) to the owners corporation up to the day of the notice for the AGM 2014 and AGM 2015 (that includes water and gas reimbursements post 1 September 2014).

Results after visit to BCS office: No documents provided and no answers given.

23. Evidence of audit of townhouses in regards to additional gas connections. Summary of the physical inspection of additional gas connections in townhouses who enjoy selective, inequitable, and discriminatory financial benefits for private water and gas usage.

Results after visit to BCS office: No documents provided and no answers given.

24. Register of property that is not on common-property listing any longer.

Results after visit to BCS office: No documents provided and no answers given.

25. Evidence who approved and why some significant invoices were paid late in FY 2014 and 2015.

Results after visit to BCS office: No documents provided and no answers given.

26. Evidence who approved and on what basis excessive water and gas reimbursements to SELECTIVE townhouse owners in FY 2014 and 2015 in non-compliance with Special By-Law 13.

Results after visit to BCS office: No documents provided and no answers given.

27. Register of owners with additional gas connections in buildings and dates since the levies for them should apply.

Results after visit to BCS office: No documents provided and no answers given.

28. Evidence that all owners in buildings paid for additional gas connections in arrears (including EC member from Lot 181 since 1999) as per Special By-Law 12.

Results after visit to BCS office: No documents provided and no answers given.

29. Evidence who authorised permanent and/or long-term parking on common property in non-compliance with By-Law 2 and 3 and names of owners who have been granted such permissions without owners corporation knowledge (two owners are well known and confirmed for the last 12 months – two EC members).

Results after visit to BCS office: No documents provided and no answers given.

30. Evidence who at BCS, or in EC, monitors warranties for substandard and repeated repairs in the complex and actions taken to protect owners investments and why are "repeated offenders" for poor services still used.  
As an example, losses in common funds from repetitive water leaks, hot water tanks, roof membranes and repairs, and garden beds amount to over \$200,000.00 over last five years.

Results after visit to BCS office: No documents provided and no answers given.

31. All correspondence and approval for using public land for additional car park towards M2 motorway by the City Council, together with any legal costs paid by the owners corporation if applicable.

Results after visit to BCS office: No documents provided and no answers given.

32. All correspondence in regards to continuous faulty phone lines managed by Telstra in period 2010-2015, including prolonged faults for the whole complex in May-June 2015 (the whole complex was without phone lines for more than three weeks).

Results after visit to BCS office: No documents provided and no answers given.

33. Evidence of corrective actions for problems and issues reported in my summary titled

"BCS-Strata-Management-Issues-to-be-dealt-with-at-next-EC-Meeting-public-version-Oct2015"

Results after visit to BCS office: No documents provided and no answers given.

34. All monthly Caretaker's reports as per contract signed by two EC members on behalf of owners corporation on 5 December 2014, including photo proofs of damages and faults.

Results after visit to BCS office: No documents provided and no answers given.

35. Copy of detailed 10-Year Sinking Fund plan (never given to owners), and full report on compliance with the plan for major repairs in period 2010-2015.


Results after visit to BCS office: No documents provided and no answers given.

36. Copies of the tender and all paperwork for the electricity supply renewal awarded in 2015 for three-year period.

Results after visit to BCS office: No documents provided and no answers given.

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For 16 years, before they lost management contract in my complex on 19 October 2016, BCS Strata Management failed to provide evidence that pergolas were common property in my complex.

Numerous emails and five document searches that I paid in amount of around \$2,500.00 did not disclose any evidence of pergolas being part of common property.

Attempts to engage BCS Strata Management Directors and senior staff were met with their silence.

All of a sudden, new strata managing agency, which replaced BCS Strata Management in my complex on 1 February 2017, just sent me a document dated 27 July 2000 titled "Determination of Title Boundary".

It is unknown at this stage why BCS Strata Management wasted so much time, effort, and money, reporting that pergolas needed to be properly registered as common property in the complex, why they kept misleading owners corporation, and why they repaired/repainted pergolas nevertheless three times with cost above \$90,000.00 without tenders or competitive quotes in period 1999-2010. Three EC members benefited from these repairs, along with other townhouse owners.

EC meeting on 17 November 1999

EC meeting on 19 January 2000

EC meeting on 24 May 2000

AGM on 5 October 2000

EC meeting on 14 February 2001

EC meeting on 8 August 2001

AGM on 14 October 2010

EC meeting on 1 December 2010

EC meeting on 16 February 2011

EC meeting on 13 April 2011

EC meeting on 20 July 2011

EC inquiry to Solicitor Mr. Adrian Mueller on 21 January 2015

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In period 2007-2008, BCS Strata Management and EC members wanted to replace unsightly carpets in foyers of four buildings and on each of seven floors in one building (other three buildings have tiles only).

They claimed that only one shop was providing quality carpets in whole of Sydney and that only black colour was available. Their plan was to spend around \$90,000.00, based on a single quote, without any other competitive quote, and without decision at a general meeting.


Only huge personal efforts of handful of owners horrified by the costs, including my wife and me, prevented this expense.

In the end, we were able to provide high quality samples of carpets from various vendors, in many colours and patterns and saved owners corporation around \$60,000.00.

During that process, BCS Strata Management refused to get involved and seek other quotes.

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A major update: EC meeting planned for mid-March 2017, now that BCS Strata Management is not in my complex, has an item on the agenda that shows BCS Strata Management prevented owners corporation from having knowledge of CHU Insurance seeking repayment of \$8,800.00 for legal expenses that BCS Strata Management made for non-existent CTTT case (they officially called it "defence of one lot owner", who happens to be an ex- and again current EC member since 2014) without owners corporation approval in 2012/2013.

I am now forcing new strata agency to disclose full details of this legal threat and provide full evidence why BCS Strata Management hid this from owners

corporation although they received legal notification from CHU lawyers in October 2016.

One of the CTTT cases I tried to pursue in 2012 was in regards to professional negligence by BCS Strata Management, poor maintenance of the complex (I had photo evidence), secret payments to selective townhouse owners over 13 years for private water and gas usage without Special By-Law and Special Resolution (three EC members were also benefiting from it), and number of other serious items.

Eventually, my case was dismissed in spite of overwhelming evidence. Tribunal ordered that I pay \$8,800.00 and the other \$8,800.00 was a cost for owners corporation. I paid my dues as ordered, in spite of not agreeing with the decision and processes at CTTT.

How it all rolled out...

BCS Strata Management and EC members held meeting on 9 July 2012 without compliance with SSMA 1996 (CTTT confirmed that it was conducted illegally a year later). The meeting had the following characteristics:

- a) Owners did not receive agenda for the meeting at least 72 hours earlier.
- b) One out of nine members of the Executive Committee did not receive notice for the meeting (resolution 1 in the minutes of the EC meeting, provided to the Tribunal nine months after the meeting, in Strata Manager's Statutory Declaration, page 15, dated 19 April 2013).
- c) Owners and the members of the Executive Committee did not receive Standard Costs Agreement and Standard Costs Disclosure from any Solicitor before or at any other time after the meeting.
- d) There were no submissions of quotes from other providers of legal services.
- e) Owners were not given a copy of, or notified about, CTTT case.
- f) Owners did not receive minutes of the EC meeting within seven days after the meeting (or at any time afterwards).
- g) Minutes of this meeting were not recorded in the Minutes Book or in any other form available to owners.

One of the "decisions" of the non-existent EC meeting was to engage Solicitor to "defend" owners corporation and BCS Strata Management.

Solicitor submitted Standard Costs Agreement to BCS Strata Management in amount of \$11,550.00. This document is not available in any document search and never presented to owners.

The Solicitor gave advice, in spite of not officially being appointed at any EC or general meeting, and without owners corporation knowledge, to investigate possibility of insurance claims for his expenses.

BCS Strata Management, without approval of the EC at any meeting, or knowledge of owners corporation, made a secret change of the insurance policy of the owners corporation, only one month before its expiration, on 1 August 2012.

This is extract from CHU Underwriting Agencies who extended the owners corporation QBE insurance policy through Gallagher Broking Services on 1 August 2012:

QUOTE

We will extend indemnity to the insured under Policy 9. C) in this instance for legal expenses incurred in the legal advice sort in defence of the appeal.

We are not in a position to appoint legal representation on behalf of the insured in these circumstances.

END QUOTE

The same day, CHU Underwriting Agencies Insurance Broker sent another email to strata agency warning about risks:

QUOTE

We would not refer this matter through to our Company's lawyers nor do we impose a rate scale.

We thought being a large risk that they would be in contract with a strata lawyer.

END QUOTE

BCS Strata Management was very quick to start making claims for legal expenses for what officially did not exist at CTTT (legal defence for ex-EC member!).

BCS Strata Management made four insurance claims in amount of \$24,919.31 for alleged "defence" of this lot in CTTT case in 2012/2013 (there was no CTTT case related to this owner):

First claim on 31 August 2012 \$367.64

Second claim on 7 December 2012 \$12,714.65

Third claim on 26 April 2013 \$1,320.00

Fourth claim on 4 June 2013 \$10,517.02

I reported it to insurance broker and insurance company and also raised a police case against an EC member and BCS Strata Management in 2015.

BCS Strata Management and EC members failed to disclose the insurance claims in any financial statements to owners corporation to this day.

The insurance policy was changed by BCS Strata Management without approval of the owners corporation at any EC or general meeting, one month before the secret first claim was made, in spite of insurance broker's warnings about high risks and their refusal to provide legal advice.

As of 2014, this owner became a member of the Executive Committee again.

BCS Strata Management refused to include my Motion documenting these illegal insurance claims and expenses at AGM 2014, 2015, and 2016.

COO of BCS Strata Management NSW was personally notified by me several times but his response never happened.

Legal threat by CHU Insurance to repay \$8,800.00 that BCS Strata Management made through insurance claim is now awaiting owners corporation in my complex.

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BCS Strata Management and example of threats in attempt to prevent investigations against their lack of duty of care and professional negligence in 2012.

Several times, I tried to initiate mediation at Department of Fair Trading in period 2010-2015. Each time, BCS Strata Management refused to attend and failed to offer any evidence of their "good actions". And as I was getting deeper and deeper into finding evidence showing serious mismanagement, BCS Strata Management staff and their representatives became more and more aggressive.

It worked well on other owners - most simply sold their properties and left, others stopped complaining.

In one of the cases, Directions Hearing was conducted on 8 August 2012, followed by Hearing on 17 October 2012. At that time, BCS Strata Management engaged Solicitor without owners corporation knowledge or approval. By the orders made on the day of the Directions Hearing, I was to file my submission by 15 August 2012 (which was complied with), and the Respondent (BCS Strata Management and owners corporation) was to file their submissions by 12 September 2012 (not complied with).

The Solicitor, on behalf of the Respondent, who was not approved at any general meeting and without full disclosure to owners corporation, filed two request for my case to be summarily dismissed because it was "misconceived" (the word quoted from his submission)":

5 September 2012

13 September 2013

In both cases, the CTTT did not approve the summarily dismissal.

Directions Hearing on 8 August 2012 in paragraph 4 imposed an obligation on the Respondent to provide the Tribunal and the owner with a copy of all documents on which they intended to rely at the Hearing by 12 September 2012. The Solicitor did not comply with the Tribunal's orders. I complained to BCS Strata Management. No response.

Upon my complaint about not receiving documents from the Respondent on 10 September 2012, the Tribunal issued notice of non-compliance with procedural directions on 17 September 2012. The Solicitor again did not comply with the Tribunal's notice for the second time.

On 19 September 2012 the Solicitor submitted a request for extension of time by 2.5 weeks to provide the documents to the Tribunal and me (to 28 September 2012).

His request was granted in Tribunal's notice issued on 26 September 2012. The Solicitor did not comply with his own request for extension of time and the Tribunal's notice for the third time.

At the Hearing on 17 October 2012, Solicitor appeared on behalf of the owners corporation and BCS Strata Management. No evidence was brought in by him. As well, he provided false statements which I easily proved.

I provided over 1,000 pages of hard-code evidence, photos, screen-shots, emails, and so on.

BCS Strata Management and the Solicitor did not provide a SINGLE page of evidence to counter my claims.

Sadly, CTTT ignored indisputable evidence about Solicitor's false statements. Throughout the Hearing, Senior Tribunal member was stressing to me that this Solicitor had aspirations to become a member of the Supreme Court and that he was "well respected", and that I "did not know really the law", and so on. He was publicly showing annoyance because of my knowledge, in spite of me not having any formal degree in that area.

While BCS Strata Management and Solicitor were giving appearance to CTTT that they were ready to comply with the Tribunal orders, they were secretly threatening me with this letter (sent to me on 6 September 2012). They were making every effort to force me to drop the case. Readers can judge for themselves:

QUOTE

...

These statements carry a number of defamatory imputations about members of the executive committee, particularly (name withheld), and BCS Strata Management staff (names withheld).

They include imputations that the defamed persons:

- \* have engaged in unlawful activity;
- \* have committed crimes;
- \* have committed a fraud;
- \* have stolen (or aided and abetted the theft of) monies from the owners corporation;
- \* have used the monies of the owners corporation for their personal benefit.

Demand

The statements made by you have caused hurt, distress, and embarrassment to the defamed persons particularly due to the fact that you have circulated



your letter amongst all residents of the complex.

Apology and retraction

You should submit to us in writing by no later than midday, 13 September 2012:

(i) a clear and unqualified retraction addressed to each of the defamed persons withdrawing the allegations made by you against them and stating that they are untrue;

(ii) a clear and unqualified apology addressed to each of the defamed persons for making the false allegations against them;

(iii) authority for the defamed persons to send your letter of retraction and apology to all of the owners and residents;

END QUOTE

I ignored these warnings as unfounded, although I received anonymous warnings in letterbox, anonymous death threat on my mobile, several attacks on my wife, and other types of bullying.

The "defamation" case against me never happened.

In the other summary in this forum yesterday, I published the serious legal claim by CHU Insurance which is now requesting my owners corporation to replay \$8,800.00 for insurance claim for non-existent case that involved this Solicitor. It took four years for CHU Insurance to take some action.

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COO of BCS Strata Management NSW threatening me on 19 January 2016.

I am an owner of a website publishing evidence about BCS Strata Management and problems in my complex. BCS knows about it for now six years. When they attempted to shut the website down, CTTT ignored their request two times in 2012 and 2013.

At all times, I tried (and still do) to engage BCS Strata Management staff and managers to rectify problems in my complex. Each time, I was met with silence.

Mediation efforts at Department of Fair Trading prove it (BCS Strata Management declined to attend each time).

My over 50 direct attempts to contact the COO of BCS Strata Management NSW were ignored by him in period of more than three years. He never replied to any emails.

Even when Pica Group publicly promised to investigate my claims at ProductReview website on 9 December 2015 (after being silent and unresponsive to my original report at ProductReview in November 2014 - one year earlier!), nothing ever happened as outcome of their public commitment.

Instead of contacting me to discuss problems and my statements, and without offering any evidence to counter my claims, COO of BCS Strata Management NSW sent me this on 19 January 2016:

QUOTE

We note that you are the author and publisher of the website (name withheld). We have reviewed the content of your website and have identified numerous defamatory statements you have made against persons employed by BCS as well as executive committee and other members of the owners corporation.

We also note you are the author of defamatory statements /material in relation to BCS personnel posted on another website known as "ProductReview.com.au" whose specific site reference is (withheld).

We draw your attention to the Defamation Act 2005 (NSW), which provides that persons who are defamed by statements published by you are able to commence legal proceedings against you for the removal of the defamatory statements and seek damages for any harm caused by your defamatory statement.

Accordingly and to avoid the possibility of an individual who have been defamed commencing legal proceedings, we demand the following immediate actions by you:

1. You immediately remove all contents on your website, and in particular those parts making comment on individuals;
2. You issue an apology for making the defamatory statements;
3. You undertake in future not to make any defamatory statement against the employees of BCS as well as the executive committee and other members of the owners corporation.

END QUOTE

I verified contents of my publishings with two legal authorities and no evidence of "defamation" was found - just plain facts.

I asked BCS staff, managers and directors to identify ANY issue that "defames" them. No response.

14 months passed by since this threatening email, which even tried to prevent me from publishing notes at ProductReview.

Like in previous cases, no further actions by BCS or any of their staff occurred.

During 2016 I continued to contact COO of BCS Strata Management NSW, various staff and managers at BCS Epping Office, and COO and Managing Director of Pica Group (parent company of BCS Strata Management). Nobody replied.

On 19 October 2016, owners in my complex removed BCS Strata Management from managing our property.

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BCS Strata Management increased their management fees at paper EC meeting on undisclosed date in the minutes of the meeting in 2002 or possibly even in 2003 (difficult to confirm because the date is missing in the minutes).

Motion 4 in these minutes stated:

QUOTE

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 \$4,700.00. - Carried

END QUOTE

No tender of the strata management contract happened in that year and it did not happen at any other time in period 1999 to 2016.

I obtained access to this file by accident at one of the document searches at BCS Strata Management Epping Office in 2013.

The agenda for this EC meeting was not sent to all owners to arrive at least three days before the meeting (SSMA 1996 requirement at the time).

Minutes of this EC meeting were not sent to all owners within seven days after the meeting (SSMA 1996 requirement at the time).

EC meeting was "approved" on paper by six members of the EC (out of nine members of the committee at the time).

The minutes of the meeting still do not list the date when this happened.

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BCS Strata Management and count of votes at Annual General Meeting on 19 October 2016.

a) Both the Branch Manager and Strata Managing Agent from Epping Office (he was the seventh manager for our complex in period 2010-2016 - often changed due to poor performance) were representing BCS Strata Management at the general meeting.

b) Advance warning that they were conducting the meeting without compliance with SSMA 1996 were ignored.

c) 20 owners were present at the meeting in person (one with dual lot ownership).

d) 50 proxies were reported in the minutes of this AGM, of which 10 proxies were invalid because the owners were present at the meeting in person but BCS Strata Management did not disclose it to owners in clear terms.

e) This is how those 10 invalid proxies were listed in the minutes of the meeting:

Lot A gave proxy to EC member F  
Chairperson of EC gave proxy to EC member G  
EC member F gave proxy to Chairperson of EC  
EC member H gave proxy to Chairperson of EC  
Lot B gave proxy to to Chairperson of EC  
EC member I gave proxy to Chairperson of EC  
EC member J gave proxy to Chairperson of EC  
Lot C gave proxy to Chairperson of EC  
EC member K gave proxy to Chairperson of EC  
Lot D gave proxy to Chairperson of EC

All of them were present at the meeting in person.

Circular pattern of proxy allocations can be observed by a sharp eye.

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

He did not have to pay legal fees for outstanding levies at the Executive Committee meeting held on 22 March 2000 (such special treatment has not been given to other owners, or at least not reported to owners in public documents),

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

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

Based on access to several financial years, I confirmed that he did not pay levies for second gas connection in them.

h) Two proxies were given to EC member who illegally obtained exclusive rights to common property, helps to still hide Special By-Law that applies to them from owners and investors for 13 years, actively supports BCS Strata Management since 1999, is non-compliant with the Special By-Law, was involved in four fraudulent insurance claims for owners corporation amounting to \$24,919.31 for non-existent CTTT case allegedly defending them (CHU Insurance is now requesting payment back in amount of \$8,800.00 - almost four years after the event).

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

j) Seven proxies were counted as valid from townhouse owners who received reimbursements for personal water and gas usage without Special Resolution or registered By-Law in period before 6 May 2013, and applied in non-compliance with new Special By-Law since 6 May 2013, hence directly decreasing their voting entitlements and being unfinancial. In spite of advanced warnings, BCS Strata Management BCS refused to issue invoices for overpayments to townhouse owners in order to make their votes valid at AGM 2016.

These secret and undeclared reimbursements were never provided in financial reports to any owner. Here is how selective townhouse owners received payments for personal water and gas usage in inequitable, excessive, and secret manner in FY 2016:

Townhouse A with lot entitlement 52 was paid \$1,135.19 for private water and gas usage  
 Townhouse B with lot entitlement 49 received no reimbursements for private water and gas usage  
 Townhouse C with lot entitlement 49 was paid \$101.50 for private water and gas usage  
 Townhouse D with lot entitlement 49 was paid \$990.99 for private water and gas usage  
 Townhouse E with lot entitlement 52 was paid \$1,158.73 for private water and gas usage  
 Townhouse F with lot entitlement 56 was paid \$724.38 for private water and gas usage  
 Townhouse G with lot entitlement 54 was paid \$482.38 for private water and gas usage  
 Townhouse H with lot entitlement 55 was paid \$777.73 for private water and gas usage  
 Townhouse I with lot entitlement 55 was paid \$547.05 for private water and gas usage  
 Townhouse J with lot entitlement 55 \$0.00 received no reimbursements for private water and gas usage  
 Townhouse K with lot entitlement 55 \$0.00 received no reimbursements for private water and gas usage  
 Townhouse L with lot entitlement 58 was paid \$874.24 for private water and gas usage  
 Townhouse M with lot entitlement 58 was paid \$808.50 for private water and gas usage  
 Townhouse N with lot entitlement 55 \$0.00 received no reimbursements for private water and gas usage  
 Townhouse O with lot entitlement 50 \$0.00 received no reimbursements for private water and gas usage  
 Townhouse P with lot entitlement 55 was paid \$254.90 for private water and gas usage  
 Townhouse Q with lot entitlement 55 was paid \$494.35 for private water and gas usage  
 Townhouse R with lot entitlement 60 \$0.00 received no reimbursements for private water and gas usage  
 Townhouse S with lot entitlement 57 \$0.00 received no reimbursements for private water and gas usage  
 Townhouse T with lot entitlement 54 was paid \$931.91 for private water and gas usage  
 Townhouse U with lot entitlement 54 \$0.00 received no reimbursements for private water and gas usage  
 Townhouse V with lot entitlement 54 \$0.00 received no reimbursements for private water and gas usage  
 Townhouse W with lot entitlement 54 \$0.00 received no reimbursements for private water and gas usage  
 Townhouse X with lot entitlement 54 was paid \$1,336.61 for private water and gas usage  
 Townhouse Y with lot entitlement 54 \$0.00 received no reimbursements for private water and gas usage  
 Townhouse Z with lot entitlement 54 \$0.00 received no reimbursements for private water and gas usage


k) I mentioned before in this forum that BCS Strata Management also prevented 34 of my Motions from appearing on the agenda for the AGM 2016, another six Motions were deliberately misquoted and presented without Explanatory Notes, and my candidacy for EC members not presented to owners for voting.

None of my requests to be transparent and provide owners with full details of how strata plan is managed were responded to by BCS Strata Management staff and COO of BCS Strata Management NSW.

Requests to CEO and Managing Director of Pica Group (parent company of BCS Strata Management) were also unanswered.

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 **SamJR**  
4 years ago

BCS Strata Management - example of avoiding to talk about negative balance in the Admin Fund.

On 20 February 2013, with proxies vested in me and my own name, I sent the following request to BCS Strata Management:

QUOTE

Subject: OFFICIAL REQUEST: Provide details why the Admin Fund is close to \$11,000 in negative balance as at 20 Feb 2013

... Please forward my request to Secretary of the committee to provide the summary why the Admin Fund had negative balance of around \$11,000.00 as disclosed in the minutes of the EC meeting on 20 February 2013, in spite of around 14% rise in levies at AGM 2012:

\* All major expenses from the Admin Fund between 1 September 2012 (the start of new financial year for the complex) and now;

\* Who reviewed and approved them;

END QUOTE

BCS did not reply or even acknowledge the request.

By pure coincidence, in March 2015, I found out that there was a secret cash advance from Pica Group (parent company of BCS Strata Management). The date of the cash advance was 21 August 2014, which fell right at the end of financial year (1 September in one year to 31 August in the following year).

However, BCS Strata Management pushed the invoice date into new financial year to 22 September 2014. The amount that owners corporation took from Pica Group was \$18,859.55. This was NOT disclosed in any accounting figures or statements at AGM 2014 or at any other time. I again asked BCS Strata Management if this was related to lack of money in the Admin Fund. No response.

On 16 March 2015, owners corporation repaid \$20,745.50 (GST inclusive) to Pica Group.

I personally asked BCS Strata Management (including their COO) and EC members to explain the reason for taking cash advance about dozen times and even attempted to have it listed as Motion at AGM 2015 and 2016. BCS Strata Management prevented Motion to discuss it both times.

To this day, BCS Strata Management Epping Office staff stayed silent on these matters.

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BCS Strata Management and complaint from Executive Committee about lack of multiple quotes and timely repairs.

An extract from an email sent from the members of the Executive Committee to BCS Strata Management on 6 February 2013. It discusses instructions to obtain multiple quotes for any expense above \$1,000.00 and avoid delays in repairs and maintenance.

#### QUOTE

It is a fair question to ask why you are not automatically obtaining two or three quotes for larger repairs (say in excess of \$1000) and making recommendations to place these orders...

The Owners Corporation has delegated these tasks to the MA and you should only have to approach the committee if the amount is abnormally large or not budgeted as in this case.

There may be times when the job is so urgent that immediate emergency work has to be done even without a quote but if this is not the case we should always obtain a minimum of two quotes and preferably three and maintain a record of these in order to be absolutely certain that the best (not necessarily lowest) quote is accepted.

...It is also important that procedures are in place to automatically advance repairs through competitive quoting on an everyday basis.

#### END QUOTE

Extensive evidence shows that BCS Strata Management ignored these instructions even for much larger expenses, and kept on delaying significant repairs until they lost right to manage my complex at AGM on 19 October 2016.

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BCS Strata Management: one of pieces of evidence of winning strata management contract in my complex without tenders (lasted for 16 years), EC criticizing them of incompetence in accounting, and confirming that my complex did not have (still does not, as of March 2017) a proper Sinking Fund (now called Capital Works Fund).

BCS Strata Management and a single EC member "negotiated" their fees without even consulting the rest of the Executive Committee, let alone the owners corporation.

The extract from an email had a misleading and incorrect statement about planned tender for strata managing contract a year later (in 2013). Copies of notices and minutes of all general meetings easily confirm there was no tender for strata management contract in 2013, 2014, and 2015. BCS was "winning" it without competition (same way as in any period between 1999 and 19 October 2016).

Email from EC member sent to whole committee, Branch Manager of BCS Strata Management at Epping office (who was promoted at Pica Group, parent company of BCS Strata Management, in 2014), and strata managing agent from the same office on 21 September 2012:

QUOTE (includes spelling errors made by the EC member)

The fees for BCS for the last financial year were agreed as \$30,000 by Branch Manager (name withheld) and I to avoid the need to seek external quotes and risk putting your management to a vote at the last AGM in hostile circumstances.

Next year is different and I have a different quote and am prepared to allow the committee to reach a decision not to put forward a recommendation to change that is not solely based on financial grounds. I represented this to owners in writing and require that adjustment.

The sinking fund levies are NOT to be shown as prepaid this year. I want the full collected levy shown as per the budget. Do not lecture to me about tax and interest making up the difference.

Both these items were budgeted and if you had checked you would have seen that the interest received is also below budget.

Your accountant clearly has no understanding about our sinking fund. This is for large non-recurrent expenditure approved by the committee and part of the long term plan. The surplus or deficit in this will oscillate every year and it is not about the movement in the year but meeting our planned balance for very large future expenses (lift replacement, tower painting, replacement pool and gym equipment and items generally with a service life of 7 years or more. We have never used this as a buffer for sloppy accounting or bad budgeting.

#### END QUOTE

I asked BCS Strata Management to publish this email for all owners (of which around 50% are investors) who had no idea how complex was managed. BCS staff never replied since 2012.

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BCS Strata Management and example of attempts to abuse Sinking Fund without approval of owners corporation.

An email from the Executive Committee to BCS Strata Management staff with request to modify accounting for the AGM 2012, sent on 18 September 2012. It shows that BCS Strata Management did not know how to use Admin and Sinking Funds even after 13 years of managing my complex at that time.

It also shows the lack of proper internal audit process at BCS.

#### QUOTE

We have a whole lot of accounting differences in the way items have been treated in the past and the way these accounts for the immediate past year have been prepared. We have always operated on a policy of only charging major works to the sinking fund account (and recording the approvals of expenditure on these at committee level) and for this reason there are a whole series of balance that need to be moved into the Admin Fund.

Please arrange to have the costs of all of the following moved into the Admin Fund and out of the SF. These are largely recurrent and add nothing to common property value and do not constitute replacement or addition of new assets.

- a. Fire Equipment \$1,636.36 transferred to GI256 Admin.
- b. Garage Door \$1,395.45 transferred to GL302 Admin.
- c. Hot Water repairs \$3,710.00 transferred to GI291 Admin
- d. Doors & Windows \$2,280.00 transferred to GI278 Admin
- e. Electrical Replacements \$12,779.00 transferred to GL279 Admin
- f. Sewers & Drains \$3,610.00 transferred to GL291 Admin
- g. Water penetration \$2,795.00 transferred to GL297 Admin

Your accountant has failed to note that the policy in the past has only ever been to put on to the balance sheet the deferred portion of the admin fund NOT the sinking fund as well.

Why is security reduced to \$43,000.00 from \$83,000.00? The budget should be around \$83,000.00 (12 x \$6,822.00). The \$43k figure was based on an earlier set of annual accounts which had an incorrect amount attributed to this line item.

#### END QUOTE

BCS made urgent correction for FY 2012, but repeated some of the same mistakes in FY 2013, so much so that cost for Security Guard (night shift) was reported in audited accounts as \$41,491.00 (real cost was around \$83,000.00), in spite of repeated warnings by various owners and EC members. To this day, this has not been corrected.

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BCS Strata Management and undisclosed talks with EC members influencing outcome of the renewal of their contract in my complex.

As shown in my post on 8 March 2017, an email from EC member sent to whole committee, Branch Manager of BCS Strata Management at Epping office (who was promoted at Pica Group, parent company of BCS Strata Management, in 2014), and strata managing agent from the same office on 21 September 2012:

QUOTE (includes spelling errors made by the EC member)

The fees for BCS for the last financial year were agreed as \$30,000 by Branch Manager (name withheld) and I to avoid the need to seek external quotes and risk putting your management to a vote at the last AGM in hostile circumstances.

Next year is different and I have a different quote and am prepared to allow the committee to reach a decision not to put forward a recommendation to change that is not solely based on financial grounds. I represented this to owners in writing and require that adjustment.

#### END QUOTE

A year later, instead of tender for the strata management contract, the same EC member (supported by BCS Strata Management and other EC members, wrote the following to strata managing agent on 9 September 2013:

#### QUOTE

There will be no motion supported by the committee to change the Managing Agent and in my view your contract does not require to be tendered this year as we were satisfied last year that a careful test was done.

#### END QUOTE

I requested proof of competitive tenders on 17 October 2013 as per paid document search (in accordance with SSMA 1996 S108), one week before AGM 2013:

Copies of last year's tender, quotes from strata agencies, and the document by the Executive Committee summarizing why was BCS Strata Management selected for the Strata Manager's contract.

Results after visit to BCS Strata Management office: The EC and the Strata Manager failed to provide any evidence of the tender for the management contract and quotes from alternative providers.

This information was shared with three Branch Managers at BCS Strata Management Epping Office, three strata managing agents, and COO of BCS Strata Management NSW. This evidence was offered to CEO and Managing Director of Pica Group (parent company of BCS Strata Management) several times.

After four years of trying, I am still waiting for a response.

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 **SamJR**  
4 years ago

BCS Strata Management and my two reports to Australian Competition and Consumer Commission.

Both times, BCS Strata Management staff and managers were notified by me and asked to respond. That did not occur.

ACCC replied to my note and advised that the more reports they received from customers, the more powerful and thorough their investigations would be.

a) My submission on 14 July 2013:

QUOTE (partial details herewith)

Competition and Consumer Act 2010 imposes on sellers a "statutory condition" that goods and services must be "fit for their intended purpose".

The strata agency failed (and still fails) to provide services in accordance with:

1. ITSM Strata Management Agreement number 2671 that was signed by the Strata Plan 52948 on 16 June 1999:

Clause 7.1

The Strata Manager will comply with the Act (SSMA 1996), the Agents Act and Regulations including Rules of Conduct, as well as the Code of Conduct of the Institute of Strata Title Management.

2. The following breaches of the Strata Community Australia Code of Ethics have been uncovered:

Failure to comply with the SCA 1.2 i.

Failure to comply with the SCA 1.3 i. to xi. inclusive

Failure to comply with the SCA 2.1 e.

Failure to comply with the SCA 2.1 j.

3. Failures to act in accordance with Strata Schemes Management Act 1996 and Strata Schemes Management Regulation 2010.

4. Failures to act in accordance with the Property Stock and Business Agents 2002.

5. The Strata agency even engaged in providing misleading and misconstrued statements to the Department of Fair Trading and CTTT, or hid evidence at other times.

Due to lack of professional conduct and poor ethics, the financial losses to the owners corporation amount to hundreds of thousands of dollars. 218 owners in the complex are prevented from having access to full financial documents over the last 13 years.

END QUOTE

2) My submission on 7 July 2015:

QUOTE (partial details herewith)

I paid for access to my strata documents as prescribed by law on the following occasions, with full rights to access them. BCS accepted the payments but failed to provide documents:

7 November 2012 (number of documents missing)

11 September 2013 (number of documents missing)

18 October 2013 (number of documents missing)

7 October 2014 (none of the 14 documents provided)

Evidence of all payments and attempts to obtain access to documents (sent to BCS numerous times) is readily available.

History of two of those issues is enclosed.

The undisclosed documents are of crucial importance to further prove serious financial mismanaged of common funds by BCS. More details of some other proofs that were already uncovered at the following web location (withheld herewith).

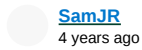
This is a direct lack of services for which BCS was fully paid.

END QUOTE

BCS Strata Management prevented me from sharing this knowledge with owners corporation.

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BCS Strata Management and example of avoidance of free mediation at Department of Fair Trading.

Five attempts over six years were ignored by BCS Strata Management to engage in open, fair, and free mediations at Department of Fair Trading since 2011.

Here is an example of what strata managing agent at BCS Strata Management Epping Office advised members of the Executive Committee on 26 March 2013:

QUOTE

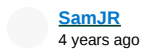
... If we do not give CTTT a yes or no answer, they will close the file and mediation will not take place.

END QUOTE

When I uncovered this email by accident in one of the strata document searches as per SSMA 1996 S108, BCS Strata Management prevented me from sharing it with owners by not publishing it in the agenda of meetings.

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BCS Strata Management trying to force advance payment of levies before due date.

On 22 December 2016, BCS Strata Management sent letter to owners in my complex suggesting early payment of levies due to closure of their account (their contract was expiring on 1 February 2017, after decision by owners corporation to not renew it with them on 19 October 2016).

Here is what I wrote to them, including their Branch Manager at Epping Office, and COO of BCS Strata Management NSW:

QUOTE

This afternoon letter arrived from BCS Strata Management asking, allegedly on behalf of the Executive Committee, to pay levies due by or on 1 February 2017 at least two days earlier!

Lot 158 will not pay earlier because there is no legal ground and justification for it.

1. It is up to BCS Strata Management, EC members, and incumbent Strata Managing Agent to ensure smooth transition of management of our strata plan.

Since your account will be closed on 31 January 2017, either your office or new strata agency must provide details of levy payments AFTER 30 January 2017.

Once that is done, we will pay levies on time, as we have done promptly for the last 19 years.

2. Your letter fails to disclose factual information to owners:

An unpaid levy attracts interest at the rate of 10% simple interest a year if not paid within one month after it is due. So, there is absolutely no legal obligation for owners to pay earlier.

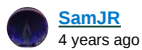
3. EC and BCS Strata Management are requested to update the letter, with apology for withholding legal information on owners' rights, and notify owners about Strata Schemes Management Act 2015 Section 85, enclosed herewith.

END QUOTE

BCS failed to correct their statements and did not take any action.

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BCS Strata Management - example of trying to force owners for advance payment of levies before due date and not providing Strata Act advice.

On 22 December 2016, BCS Strata Management sent letter to owners in my complex suggesting early payment of levies due to closure of their account (their contract was expiring on 1 February 2017, after decision by owners corporation to not renew it with them on 19 October 2016).

Here is what I wrote to them, including their Branch Manager at Epping Office, and COO of BCS Strata Management NSW:

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END QUOTE

BCS Strata Management failed to correct their statements and did not take any action.

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**SamJR**

4 years ago

BCS Strata Management using owners corporation funds for their own protection.

BCS Strata Management received an email from the Executive Committee on 3 January 2013, which documented request that BCS Strata Management use their own legal defence at CTTT.

QUOTE

... an attack (CTTT case) on the Managing Agent and it may be important to ensure that BCS Strata Management Epping have independent legal advice as it is not the job of the OC to defend the actions of the MA.

END QUOTE

This request was ignored by BCS Strata Management.

According to limited access to strata documents, the same Solicitor was engaged 14 times in period from March 2012 to September 2016 without disclosure of expenses in any financial statement given to owners corporation at general meetings, or decisions at general meetings.

This Solicitor was paid \$63,318.77 (GST included) from common funds so far (not only for the CTTT cases but also three secret reviews of my Motions to prevent them from appearing on the agenda of general meetings). No information is given to owners about these expenses in any financial statement:

Doc. Date	Doc. Total
5/09/2016	\$1,100.00
28/10/2014	\$742.50
29/07/2014	\$484.00
6/03/2014	\$242.00
14/02/2014	\$20,624.75
18/02/2014	\$6,980.28
8/11/2013	\$484.00
24/06/2013	\$1,452.00
10/05/2013	\$11,568.72
6/03/2013	\$1,452.00
15/11/2012	\$13,986.12
10/08/2012	\$1,504.40
28/05/2012	\$198.00
13/03/2012	\$2,500.00

This information is well-known to BCS Strata Management and their parent company Pica Group. They chose not to respond for the last five years.

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**SamJR**

4 years ago

BCS Strata Management and example of excessive courier delivery costs at owners corporation expense, without approval of EC or owners corporation.

On 19 April 2013 BCS Strata Management delivered 73-page document via courier to CTTT in Sydney CBD. It incurred massive cost of \$851.56 (GST inclusive).

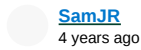
Strata Managing agent was asked who approved it and with what justification such expense was authorized (a simple drive to the city and delivery in person was very convenient and easy, about 15 km distance, or same-day delivery via Australia Post).

Even members of the Executive Committee were astonished by the high cost for such simple delivery. Australia Post would have done the same for around tenth of this expense.

The response was never provided.

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BCS Strata Management - example of excessive, inequitable, undeclared, and unauthorised reimbursements for private water and gas usage to selective townhouse owners and even a person who was not listed as an owner in 2007.

a) In FY 2007, total water bill for my complex, consisting of 218 lots (of which 26 are townhouses), was \$17,060.00.

b) In FY 2007, total gas bill for my complex was \$19,511.00.

c) The complex has more than 26,000 square meters of land, and includes spa, sauna, swimming pool, large gardens, two shared water meters, and four gas meters for the four buildings. Townhouse owners have individual water and gas meters.

d) 16 out of 26 townhouse owners (including two members of the Executive Committee) received secret reimbursements for personal water and gas usage in amount of \$6,973.47 in the same financial year.

Such "rebates" were never disclosed to owners corporation, and not approved by Special Resolution or registered as Special By-Law until 6 May 2013 (applied since 1999 to benefit only specific owners).

e) Benefits to selective townhouse owners in 2007, including two EC members:

Townhouse A with lot entitlement 52 was paid \$762.66 for private water and gas usage  
 Townhouse B with lot entitlement 49 was paid \$22.75 for private water and gas usage  
 Townhouse C with lot entitlement 49 \$0.00 received no reimbursements for private water and gas usage  
 Townhouse D with lot entitlement 49 was paid \$215.35 for private water and gas usage  
 Townhouse E with lot entitlement 52 was paid \$102.90 for private water and gas usage  
 Townhouse F with lot entitlement 56 \$0.00 received no reimbursements for private water and gas usage  
 Townhouse G with lot entitlement 54 \$0.00 received no reimbursements for private water and gas usage  
 Townhouse H with lot entitlement 55 \$0.00 received no reimbursements for private water and gas usage  
 Townhouse I with lot entitlement 55 was paid \$279.62 for private water and gas usage  
 Townhouse J with lot entitlement 55 \$0.00 received no reimbursements for private water and gas usage  
 Townhouse K with lot entitlement 55 \$0.00 received no reimbursements for private water and gas usage  
 Townhouse L with lot entitlement 58 was paid \$673.73 for private water and gas usage  
 Townhouse M with lot entitlement 58 was paid \$586.08 for private water and gas usage  
 Townhouse N with lot entitlement 55 was paid \$710.83 for private water and gas usage  
 Townhouse O with lot entitlement 50 was paid \$354.79 for private water and gas usage  
 Townhouse P with lot entitlement 55 was paid \$111.00 for private water and gas usage  
 Townhouse Q with lot entitlement 55 was paid \$342.04 for private water and gas usage  
 Townhouse R with lot entitlement 60 \$0.00 received no reimbursements for private water and gas usage  
 Townhouse S with lot entitlement 57 \$0.00 received no reimbursements for private water and gas usage  
 Townhouse T with lot entitlement 54 \$0.00 received no reimbursements for private water and gas usage  
 Townhouse U with lot entitlement 54 was paid \$378.85 for private water and gas usage  
 Townhouse V with lot entitlement 54 was paid \$472.22 for private water and gas usage  
 Townhouse W with lot entitlement 54 was paid \$452.37 for private water and gas usage  
 Townhouse X with lot entitlement 54 \$0.00 received no reimbursements for private water and gas usage  
 Townhouse Y with lot entitlement 54 \$0.00 received no reimbursements for private water and gas usage  
 Townhouse Z with lot entitlement 54 was paid \$369.18 for private water and gas usage

f) \$1,139.10 was paid for water usage to somebody who was NOT listed as owner in this complex in FY 2007. Audited accounting files confirm it and they are in my possession.

g) Simple mathematics: 15 townhouse owners (plus one unidentified person who received water usage reimbursements) claimed more than 19% of the water and gas usage that other 203 owners spent together for shared facilities.

BCS Strata Management was asked several times to comment on this and justify why were majority of owners discriminated and treated differently, especially 11 other townhouse owners and why the two EC members who received these benefits did not disclose it as conflict of interest at meetings. Reply was never received.

BCS Strata Management prevented this information to be shared with owners since year 2010 when I uncovered this scheme by accident.

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BCS Strata Management and appearance of tender for strata managing contract at general meeting in my complex on 19 October 2016.

BCS Strata Management was winning contract renewal without tender or any evidence of competitive quotes in period May 1999 and October 2016. Agenda and minutes of all EC and general meetings confirm it.

Based on my persistence, and growing discontent with BCS in the complex, 2016 was a bit different.

a) A new strata managing agency submitted their bid for the contract as early as late June 2016, four months ahead of the general meeting.

Their quote offered two options:

1. Full price, with all disbursements (printing, postage, correspondence, meetings, administration, site visits, monthly financials and archive storage). This all-inclusive price provided a clear estimate of what owners will be paying for the year, eliminating surprise charges. Compared to BCS Strata Management's costs this quote was around 27% cheaper.

Or

2. A lower base rate with a schedule of reasonably priced disbursements. This base rate was significantly cheaper than current BCS Strata Management agreement (around 44% cheaper).

The new company not only offered significantly lower management fee, but also offered have two contactable, fully qualified strata managers taking care of the complex. They guaranteed to be contactable seven days a week, and would always respond to owners' emails and calls within 24 hours. They committed to travel to customers' sites for meetings and site visits at no additional cost (BCS Strata Management has very poor history of visits to my complex).

Within a week, BCS Strata Management responded with an urgent change. They sent a letter to all owners stating that the current strata managing agent for my complex resigned. The letter was dated 1 July 2016. The new (seventh strata managing agent for my complex in period 2010 to 2016), had "many years of experience" (quote from BCS Strata Management's letter).

b) Before AGM 2016, I was able to collect invoices paid for BCS Strata Management Services in FY 2016 (1 September 2015 to 31 August 2016). Based on limited access to strata files (BCS Strata Management prevented owners from accessing all financials in my complex), the total amount paid to BCS was \$50,700.02.

I asked that this information be presented to all owners but BCS Strata Management (who acted as Secretary and Treasurer of the EC in FY 2016) silently declined to do it.

c) Agenda for the general meeting, sent on 4 October 2016, contained two bids:

From BCS Strata Management

From another agency in Eastwood which had undisclosed connection and relationship with BCS Strata Management

These two bids differed by only around 2.5% in total costs (base fee plus disbursements) from each other.

The bid from the first company dated June 2016 (significantly cheaper and offering more services), was NOT put in the notice of general meeting, disallowing owners to consider it.

In spite of all my attempts and notices to BCS Strata Management staff, including the COO of BCS Strata Management NSW, the third bid was not listed in the agenda.

d) At AGM on 19 October 2016, BCS Strata Management lost contract with my complex, with 50 owners voting against them and 10 owners for them.

e) What BCS Strata Management and EC members failed to report to owners before the general meeting was the following:

1. Director of incumbent strata managing agency from Eastwood (which won the contract) was employed by BCS Strata Management and resigned from them several years ago.

2. Strata managing agent from the incumbent strata agency that was planned for my complex in advance (EC members had full knowledge of it), was actually removed from my complex due to incompetence, poor services, and lack of proper skills in late 2011. Owners were very displeased with his professional attitude and ethics. He was also involved in secret renewal of electricity supply contract for my complex without any disclosure or approval by owners corporation in 2015 (whilst still employed by BCS Strata Management). He officially resigned from BCS Strata Management in late January 2016.

f) The incumbent strata managing agency signed the contract with my complex with increased based fees and decreased disbursements, without owners corporation approval on 14 December 2016.

Number of contract items are not favourable to owners corporation, including automated 5% increase in fees if owners corporation did not decide differently at the next general meeting.

More important is Section 7 in the contract with very unusual clauses (in my 33 years in business I have never seen that service provider can almost "dictate" to the customers who their next service provider would be). Let the verbatim extract from the contract speak for itself:

#### QUOTE

##### 7. Transfer of Agreement

7.1 The agent cannot transfer the agreement without the written consent of the owners corporation, which consent shall not be unreasonably withheld if the agent satisfies the owners corporation that the proposed transferee and related persons are fit and proper persons and have the qualifications, competence and experience to perform agreed services and additional services at an agreed services fee and an additional services fee not greater than the current agreed services fee and additional services fee.

7.2 The owners corporation must advise the agent of its decision whether to approve a proposed transfer within 28 days after receiving from the agent the information reasonably necessary to make the decision.

7.3 If the owners corporation approves the transfer, the owners corporation, the agent and the transferee must enter into a transfer agreement, or alternatively if the agent elects to enter into a new agency agreement then clause 7.4 will apply.

7.4 After the transfer agreement has been entered into or, if an election has been made by the agent under clause 7.3, the new agent must request that the owners corporation enter into a new agency agreement and the owners corporation must advise the new agent of its decision to enter into a new agency agreement within 28 days after such request, such approval not to be unreasonably withheld if the new agency agreement is on the same terms as this

agreement, or on terms not less favourable to the owners corporation as this agreement. The new agency must pay the reasonable cost of preparing the new agency agreement, preparing and holding the meetings of the strata committee and the general meeting of the owners corporation, however if the meeting relates to more than approval of the minutes of the last meeting and the resolution relating to the new agency agreement, then the new agent must pay the proportionate share of the total cost relating to approval of the new agency agreement.

END QUOTE

g) I approached both BCS Strata Management and incumbent strata managing agency from Eastwood for comments . No reply was received.

h) My complex has the first EC meeting with the new agency on 16 March 2017 and I requested that these details and full strata agency contract be shared and discussed with all owners, including legal and moral responsibility of disclosure of all relevant information by BCS Strata Management, EC members, and the incumbent strata agency.

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

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

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

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

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

QUOTE

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

END QUOTE

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

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

The count of proxy votes did not satisfy the quorum.

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

QUOTE

Motion 2

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 Administration 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 the way of Special Contribution.

Motion 3

That the Owners Corporation resolve that an additional charge 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.

END QUOTE

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

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

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


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

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

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

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BCS Strata Management - AGM 2000 conducted without quorum, without disclosure of conflict of interests for EC members, approving special levies in

amount of \$100,000.00, approving increase of strata manager's contract without tender, and failing to provide access to ballot papers when requested.

Details of the AGM:

a) It was held on 5 October 2000.

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

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

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

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

QUOTE

Item 7

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

END QUOTE

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

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

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

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

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

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


QUOTE

That a Special Levy of \$100,000.00 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.

END QUOTE

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BCS Strata Management - example of undisclosed inequitable calculation of proxy votes.

To ensure winning strata management contracts without tenders and that EC members and owners who supported them had favourable services, BCS Strata Management was carefully selecting which proxy votes to accept at general meetings.

a) Examples for AGM 2012:

Lot 160, who gave proxy vote to EC member (EC member enjoyed personal water and gas reimbursements for 13 years without Special By-Law and Special Resolution) was accepted by BCS when owning \$2.30 in levies

Lot 195, who gave proxy vote to EC member (EC member enjoyed personal water and gas reimbursements for 13 years without Special By-Law and Special Resolution) was accepted by BCS when owning \$1.46 in levies

Lot 203, who gave proxy vote to EC member (EC member enjoyed personal water and gas reimbursements for 13 years without Special By-Law and Special Resolution) was accepted by BCS when owning \$3.01 in levies. This lot was also recipient of unauthorised reimbursements for private water and gas usage

b) Examples for AGM 2013:

Lot 98, who gave proxy vote to me was rejected by BCS due to owing \$0.10 (10 cents) in levies

Lot 111, who gave proxy vote to me was rejected by BCS due to owing \$5.40 in levies

c) AGM 2014:

Lot 218, a long-service EC member who almost never attends EC and general meetings but was/is vocal supporter of BCS Strata Management. This owner was in arrears with levies and received a stern warning by Strata Manager on 20 October 2014. The amount owing was \$1,450.40.

According to audited debtor financial status ending on 31 August 2014, this owner was \$1,384.03 in arrears in levies for Lot 218 and \$1,230.24 in arrears for Lot 34.

My request to view the levy payments as per SSMA 1996 S108 was refused by BCS by providing access to computer system without files in it.

Not only there was no proof that this EC member was financial at the time of AGM on 26 November 2014, but he was "voted" to continue to serve as member of the Executive Committee.

In spite of my persistent requests for document search, I was not allowed by BCS Strata Management to view paperwork for preparation of general meetings in other years.

BCS Strata Management also refused to provide full audited details of who was financial in accordance with Strata Act in any financial year.

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BCS Strata Management - example of poor and repetitive maintenance efforts causing problems to owner who could not rely on insurance claim and had to cover the costs themselves.

As I am slowly getting access to strata documents, more and more disturbing stories of neglect, mismanagement, and lack of responses to owners surface in my complex...

This is what an angry and unhappy owner sent to BCS Strata Management on 7 September 2012:

QUOTE

Re: water damage - I am afraid it will be many months or years for us to determine if the work is properly carried out. Problems of water seepage over a longer term will result in our paint peeling off.

The last time they fixed it was likely 3-4 years ago when we painted the whole unit because of the damage to the paintwork. Then 4 years later, we needed to repaint the whole unit again.

I wrote to your previous strata manager that:


- we are not happy to repaint the unit again because the work was not rectified properly the first time around. I was trying to claim this from my insurance however this particular water seepage/damage issues are not covered by my insurance. I have informed your colleague that I will want compensation from the Strata as it is unreasonable for me to have to repaint the whole unit again due to poor workmanship by the Strata's workman. I would like to discuss this with you. Can you please refer to my emails and photos sent to your colleague.

- re external problems - please also refer to my letters and photos emailed before - there are some patches which needs to be painted. I cannot determine whether the defects have been fixed as I did not see what was done to fix the problem. I have also asked your previous strata manager to send me a report on what work was carried out for MY RECORDS BUT UNFORTUNATELY HE HAS NOT SENT ME ANYTHING YET.

END QUOTE

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BCS Strata Management - example of angry townhouse owner who complained to BCS about not knowing about water and gas reimbursements, in spite of me raising it at CTTT cases and BCS Strata Management providing false statement to the Tribunal. It also shows that this townhouse owners lost same privileges and was not paid for their private and water usage for 7-year period that was available to other selective townhouse owners between complained period 2007 and 2013, including two members of the Executive Committee who enjoyed these secret benefits).

Extract from townhouse 201 email to BCS Strata Management sent on 5 July 2013:

QUOTE

Following our telephone conversation a couple of hours ago, as I mentioned to you, I was not given the correct information regarding the possibility of rebating for the gas bills when I made an enquiry about it a few years ago. I am not sure whether it was (name of original BCS Strata Manager withheld) or the person before him who told me there is no such thing as gas rebate and hence I never claimed for it.

After I contacted you this year and you sent me the information regarding the rebate process on the water bills and also gas bills, I realised that I could have requested the rebate from the beginning. I have been paying for gas since 2004 which is when I purchased moved in the townhouse but have only been able to get the previous bills only as far as 2007 onward.

However, I will be following it up to get the gas bills from the beginning. In the meantime, I would like to be reimbursed for what I have so far paid for gas and have never been reimbursed for. Please see attached all the electricity/gas bills since 2007.

Can you please assist me with my request as the STRATA fees are very high and I would like to claim back what has been my right from the beginning and unfortunately I have been denied out of the negligence of the STRATA management.

Can you please keep me in the loop with the progression of my request? Thanks for your consideration and assistance.

END QUOTE

It took BCS Strata Management SIX MONTHS to respond!

Here is an extract from BCS Strata Management reply on 9 January 2013:

QUOTE

(name of strata manager withheld) is no longer the Manager for this scheme.

I have been managing this scheme for the last six months and will be the Manager for the foreseeable future.

You are entitled to rebates on your gas usage as well as your water usage.

Please see the attached rebate form (attached). Please complete this form and forward copies of your Gas Invoices to us with the completed form.

Please note that we can only reimburse you accounts for the Strata Scheme's current financial year, which is 1 September 2012 to 31 August 2013.

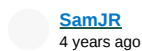
END QUOTE

My notes to share with audience:

1. This strata manager lasted only six months in spite of his prediction that he would manage my complex for "foreseeable future"! He was removed due to unsatisfactory performance but not before he provided false statements in Statutory Declaration to CTTT.
2. Townhouse 201 was rented out at the time of these claims since 2013, so the payments were actually paid to owner who did not incur the expenses. Owners corporation was never told about it.
3. Townhouse owner 201 sold their property and left the complex quietly in 2016.
4. There are many documented examples with evidence I collected that some townhouse owners claimed water and gas reimbursements for several years in one bulk payment in the past (without ever showing these payments in any financial reports to owners corporation between 1999 and 2016 when BCS Strata Management was voted out from managing my complex at AGM on 19 October 2016).

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BCS Strata Management ignoring my request to comply with Strata Schemes Management Act 1996 Schedule 2 Part 2, Section 8:

QUOTE

Voting rights may not be exercised if contributions are not paid

A vote at a general meeting (other than a vote on a motion requiring a unanimous resolution) by an owner of a lot or a person with a priority vote in respect of the lot does not count unless payment has been made before the meeting of a contribution levied on the owner, and any other amounts recoverable from the owner, in relation to the lot that are owing at the date of the notice of the meeting.

END QUOTE

After uncovering that BCS Strata Management often miscalculated quorums at general meetings in my complex, I repeatedly sent the following message to their strata managing agent and Branch Manager at Epping Office (this Branch Manager was promoted at Pica Group - parent company of BCS - in 2014). They both ignored me.

Here is an extract of my email dated 4 December 2013, warning them about dangers and legality of the Extraordinary General Meeting they organised in rush:

QUOTE

Your legal advice is apparently wrong (see page 5 of the Strata Community Australia):

Entitled to vote for ordinary and special resolutions an owner must be financial at the time of CALLING the meeting.

1. The ratification of a lawful contract has a retrospective effect, and binds the principal from its date, and not only from the time of the ratification, for the ratification is equivalent to an original authority, according to the maxim, that omnis rati habitio mandate aequiparatur (ratification is equivalent to express command).
2. As a general rule, the principal has the right to elect whether he will adopt the unauthorized act or not. But having once ratified the act, upon a full knowledge of all the material circumstances, the ratification cannot be revoked or recalled, and the principal becomes bound as if he had originally authorized the act.
3. The ratification must be voluntary, deliberate, and intelligent, and the party must know that without it, they would not be bound.
4. The ratification is used very rarely and with great care. In all listed cases, common ground exists: for a ratification to be legal and successful, a general meeting (AGM or EGM) with full disclose is required - CLEAR ADOPTIVE ACT.

END QUOTE

BCS Ignored the email and proceeded with the Extraordinary General Meeting. Here is one of the Motions for it (no other details or explanatory notes were given to owners!):

QUOTE

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

END QUOTE

The same Motion was completely rewritten to state, as listed in the minutes of the meeting:

QUOTE

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



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

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BCS Strata Management and attempt to spend around \$70,000.00 (GST inclusive) without evidence of tender at AGM 2012.

This was provided to owners in short Explanatory Notes for four Motions in the agenda for AGM sent on 2 October 2012.

It is worth paying attention to EC warning that these decisions could not be delayed as "quotes may no longer be valid"... BCS Strata Management and EC members were pushing owners corporation for a quick decision:

QUOTE

Motions 13 and 14

The Executive Committee has received a number of quotations from builders the lowest being from Insurance Builders Australia Pty Ltd in the amount of \$27,404.00 plus GST for the installation of a concrete pathway and staircase from the paved common property area of Block D to the boundary fence on LC Road. Quotes may no longer be valid as a result of delaying the decision to the date of the AGM.  
(other notes removed for the sake of brevity)

Motions 15 and 16

That the Executive Committee has received a quotation from Insurance Builders Australia Pty Ltd in the amount of \$36,690.00 plus GST for the installation of an elevated gate house on the common property, adjoining the boundary fence on LC Road where the concrete pathway will meet the boundary fence.  
(other notes removed for the sake of brevity)

END QUOTE

I worked very hard to educate owners and prevent waste of money from common funds and won after a hard work on visiting owners door to door.

After the meeting, I requested that BCS Strata Management and EC members provide proof of competitive tenders. I repeated that request several times - notified five strata managing agents and three branch managers at Epping office. As of March 2017, that has not happened yet.

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BCS Strata Management and example of granting special privileges to an owner without disclosure of full information to owners corporation.

1. The first initiative for exclusive use of common property by owners of unit 136 and 137 was recorded on 22 February 2012. In minutes of EC meeting held on that day, owners received this information:

QUOTE

To consider the application from the owners of units 136 and 137 to install access internally between the two units.

END QUOTE

No actions by the Executive Committee were needed at the time and no other documentation provided to owners.

2. In my email address to the managing agent (who, since February 2012 acted as Secretary of the Executive Committee) on 12 of March 2012, I stated the following:

QUOTE

a) Firstly, the above statement implies that two different owners hold rights to units 136 and 137, whilst, from what I can see, there is one owner.

In the eventual proposal for the by-law it should be stated that both units are owned by same person (or persons?).

All assessments for the project must be fully paid by the owner of unit 136 and 137:

Legal advice

Structural engineer

Architect

And any other service that applies

c) From the owners corporation point of view, the advice must be sought from the insurance company if such work would increase INSURANCE OF OUR COMPLEX, and IF SO, BY HOW MUCH!?

These details must accompany the submission for the by-law.

d) All work that might be required to reroute cabling and piping for gas, electricity, water, telephone must be paid by the owners of units 136 and 137.

e) Once all relevant assessments are provided to ALL owners, at least one meeting of the executive committee must be allowed for consultation with the owners. There is absolutely no need to rush into Extraordinary General meeting without proper discussion. Any such attempt to bypass general discussion at a "normal" meeting would raise serious questions about duty of care, transparency and accountability of the executive committee and will have to be addressed.

f) Owner of unit 136 and 137 shall indemnify, and keep indemnified, the owners corporation in respect of all claims, actions, costs and expenses whether for injury to persons, or damage to property, arising in any way out of carrying the works and future maintenance.

g) Like in Special By-Law 4, the owner of unit 136 and 137 shall, at all times, keep in effect a public risk insurance policy in a sum no less than \$5,000,000 to cover the owners obligations (the sum of five million applied to unit 3 in 2003, it will be up for a discussion if such sum is sufficient nowadays or if it should be increased!).

h) The owner of unit 136 and 137 shall reimburse the owners corporation for all costs in the preparation and registration of the by-law.

i) The work to add doors must be undertaken by a qualified tradesperson or company.

j) Since, technically, units 136 and 137 will become one merged lot if the internal door is installed, it will be interesting to analyze how special by-law 9 ("Control of Excessive Water Usage") applies:

Not use more than one washing machine within their lot space.

In any case, proper consultations and evaluations are required.

END QUOTE

BCS Strata Management never replied.

3. All of a sudden, owners received a request for an Extraordinary General Meeting (EGM) on Thursday, 26 April 2012.

The EGM was to be held on Monday, 7 May 2012 at 10:00am in the office at Epping. It was the first day of a working week, and during business hours (very inconvenient for most owners).

The Extraordinary General Meeting was PRIMARILY PLANNED to be what is called "paper meeting". The only Motion was:

"Special Privilege By-Law Lot 136 and Lot 137 Improvements"

4. The Motion at this EGM stated that adding a door between two units and making entrance in the adjacent wall "included other aesthetic work" but failed to document it for owners.

In addition, the owners corporation might be financially liable for any damages in the future because the current version of the proposed by-law in Item 18. of the Liability and Indemnity Section stated:

QUOTE

Any loss and damage suffered by the Owners Corporation as a result of making the improvements may be recovered from the Owner as a debt due to the Owners Corporation on demand with interest at the rate of 10% per annum until the loss and damage is made good.

END QUOTE

I again asked BCS Strata Management about this section in the Motion but received no response. My argument was:

QUOTE

If the damage, due to this work at some time in the future, is significant, the owner of Lot 136 and 137 can simply declare themselves bankrupt and, ALL OF US (owners corporation) cannot claim ANYTHING but maybe some parts of the sale of the property (and that is only if somebody else, like financial institution, does not have stronger claims first), or we can claim it through our insurance but then OUR premiums would go up in the forthcoming years.

END QUOTE

Item 20. of the Liability and Indemnity Section in the Motion:

QUOTE

The Owner must pay the reasonable costs of the Owners Corporation of any incidental to the making and registering of this by-law.

END QUOTE

I argued again: who and how decides what were "reasonable" versus "unreasonable" costs. If the cost was "unreasonable", did it mean all owners pay for it? No official response was ever received.

5. At the EGM held on 7 May 2012, in person came only two (out of nine) members of the Executive Committee, one owner from a townhouse, an owner of unit 136 and 137, and two managing agents from BCS Strata Management Epping office.

According to the oral statement by the Chairperson of the meeting, between 10 and 12 votes were missing to satisfy the quorum (typically required is around 60 votes in my complex). My request to view the proxy votes was denied by BCS Strata Management.

After compulsory 30-minute waiting, the EGM was declared closed without a decision being made.

6. The document for the adjourned EGM was sent to owners on the same day.

The proxy form was sent to owners again, giving an impression that they could use it in the adjourned meeting, which was not legally valid as per SSMA 1996.

7. The adjourned EGM was held on 14 May 2012. Only one (out of nine) members of the executive committee attended in person, plus a townhouse owner, an owner of unit 136 and 137, and one managing agent.

The Chairperson of the meeting declared that the owner of unit 136 and 137 was granted the right to exclusive use of common property, under conditions specified in the proposal.

8. Minutes of the meeting stated there were 53 valid proxy votes. Adding four owners who attended in person, that was 57 in total.

Judging by that number, something was not right with the proxy count as there should not be as many of them that were VALID at the first meeting. 53 proxy votes at the first EGM in May 2012 did not seem plausible.

I paid for document search and asked BCS Strata Management three times to get access to copies of the proxy votes from AGM 2012. To this day, they did not provide them.

9. I have evidence that at least two other owners complained to BCS Strata Management about their proxy votes, but no correction was ever published:

Unit 186 voted AGAINST this Motion but was counted INCORRECTLY. In his email to the owner strata manager acknowledged the error and promised to update the minutes.

Unit 193 vote was invalid because BOTH owners should have signed the form. Wife of the owner DID NOT SIGN IT.

10. The Special By-Law was registered with LPI NSW in record time - two days after the adjourned EGM on 16 May 2012. It happened well before owners even received the minutes of the meeting.

11. Through my persistence, I found out copy of the payments for EGM. Owner of unit 136 and 137 reimbursed owners corporation in total amount of only \$440.00.

For the sake or argument, typical general meeting in my complex, with all costs inclusive, is about \$2,500.00 (statement by EC members).

I tried to raise awareness of owners corporation that we were out of pocket for this almost private EGM, but BCS Strata Management prevented the information to be presented at the general meetings.

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BCS Strata Management and evidence of how they plan to influence Motions from ordinary owners at general meetings.

I have a copy of email correspondence between an EC member, and two staff members at Epping office on 18 September 2012:

QUOTE

All of the explanatory notes should be moved to a separate document (referenced to the motions). This is important because we do not want to be obliged to list explanatory notes for motions submitted by any other person.

END QUOTE

By not allowing Explanatory Notes from any owner unless they are members of the Executive Committee, BCS Strata Management directly influenced decisions at many general meetings in period 1999 to (and inclusive) 19 October 2016.

I personally complained to seven different strata managing agents and three branch managers at BCS Strata Management Epping office, COO of BCS Strata Management NSW, and CEO and Managing Director of Pica Group (parent company of BCS Strata Management). I was completely ignored. That applies to all proxy votes vested in me in the complex.

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Second example of townhouse owner complaining to BCS Strata Management about secret water and gas reimbursements to selective townhouse owners that they did not know about for seven years.

Extract from email sent by owner of townhouse 217 sent to BCS Strata Management Epping office in February 2008:

QUOTE

It's been more than seven years since we moved in and we never thought about this claim until recently my neighbours mentioned about it. We attach some copies of the previous bills, we could not find all old bills, they are all we can get. Thank you very much.

END QUOTE

The owner was then silently paid by BCS Strata Management from owners corporation funds for these private usage bills:

Gas: Period from 25/09/2006 to 03/01/2008

Water: Period 15/12/2006 to 18/12/2007

Total amount paid from common funds, without disclosure to owners: \$616.04

This owner then continued to received water and gas reimbursements, along with other selective townhouse owners to this day (typically 16-18 out of 26 in the complex). Details of reimbursements have never been listed in any accounting information to owners.

As of March 2017, BCS Strata Management still declines to disclose this information to owners corporation, Department of Fair Trading, and CTTT (now NCAT).

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Minutes of EC meeting, held with new strata agency Waratah Strata (took office from BCS Strata Management on 1 February 2017) for my complex on 16 March 2017, confirmed that BCS Strata Management made insurance claims with CHU Insurance in 2012/2013 and that after four years, CHU Insurance found the claims to be unjustified.

To make things worse, strata managing agent from BCS Strata Management received the letter of demand on 19 October 2016 at 12:34 PM from lawyers representing CHU Insurance in time for Annual General Meeting the same evening:

QUOTE

As CHU has paid all the legal expenses it would like the OC to refund the \$8,800.00 that it recovered from an owner.

I understand the AGM is this evening so I thought it best to get the information to you as quickly as possible.

END QUOTE

No information was shared with owners corporation that evening.

Lawyers for CHU Insurance again contacted BCS Strata Management on 11 January 2017 asking for an update.

This information was not disclosed to owners at any time before agenda of the EC meeting was sent at the beginning of March 2017.

QUOTE

CHU Insurance have requested and are entitled to receive these funds. Resolved the strata manager is to pay \$8,800.00 to CHU Insurance.

END QUOTE

Lot more is still not shared with owners, including the fact that four insurance claims were made for non-existent CTTT case.

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BCS Strata Management and evidence of lack of proper management of the Sinking Fund in my complex.

Strata managing agent from BCS Strata Management Epping office sent the following urgent request to a member of the Executive Committee on 11 April 2014:

QUOTE

I have been looking for a current Sinking Fund Plan (Forecast), but cannot locate one.

If you have one in your possession, could you please forward me a copy.

END QUOTE

No details or copies of the Sinking Fund were ever presented in any form to owners corporation until the Annual General Meeting in my complex on 19 October 2016 (six years and two months after it was allegedly created). It was my personal persistence that forced it.

BCS Strata Management, acting as EC Secretary and Treasurer, included the following Motion:

QUOTE (spelling error by strata manager)

Motion 5.1

That the Owners Corporation review the Sinking Fund prepared by MSA Sinking Fund Plan in 31/08/2010.

END QUOTE

Here is how BCS Strata Management and EC members mislead and misinformed the owners corporation just a year earlier. An extract from notice for the Annual General Meeting dated 4 November 2015:

QUOTE

The current long term plan is to raise future SF levies annually at a rate of 5% per annum for the foreseeable future. The current sinking fund plan (which

existed from the date the developer, Meriton, relinquished control of the complex around 1999) was initially prepared by independent experts. This plan was updated in 2000, 2005, 2009, and 2014 by the EC. It must be updated by law every five years.

It is important to understand this long term SF plan is not a planned maintenance program. It is a reasonable estimate of the total sum of money likely to be required in the next ten years to meet major irregular and non-recurrent costs or for major replacements of long life items.

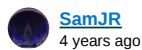
END QUOTE

Sinking Fund plan updates in 2005, 2009, and 2014 simply did not exist.

For the record, the Sinking Fund did not (and still does not) include plans for major repairs for roof membranes, building painting, garden bed repairs, elevator upgrades, tennis courts, and other items... that so far, based on few professional reports hidden from owners, estimate costs well above two million dollars.

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BCS Strata Management and example of manipulated Motions at general meetings on items of large expenditure without tender or competitive quotes, and misleading owners on details of warranties.

a) Two Motions as listed in the agenda of the AGM that occurred on 26 November 2014:

QUOTE

Motion 13

That the levy contributions for the Sinking Fund be determined for the period from 1 November 2014 to 31 October 2015, in the amount of \$200,000.00 plus GST be discussed, and after any amendment be approved.

...

Motion 15

That the Owners Corporation accept the quotation (copy attached) for the torch-on membrane from Kintyre Building in the amount of \$53,960.00 plus GST and ratify the EC decision recorded in the EC minutes of 11 September 2014 to apply this approach to other tower roofs as required.

END QUOTE

Not explained to owners was a fine-print caveat in the Kintyre Building Services quote for the work on Block B:

QUOTE

PLEASE NOTE - The torch on membrane comes with a 15 year material warranty. In discussions with the manufacturer they have advised that a liquid membrane applied to this roof would come with a 5 year material warranty due to excessive cracking and water ponding on the existing concrete substrate.

END QUOTE

Kintyre Building Services' quote was dated 12 September 2014 and expired on 12 November 2014, almost two weeks before the AGM.

It was also hidden from owners the fact that Kintyre Building Services did repairs on roofs of all four buildings, as per undisclosed invoice dated 26 March 2012, charging owners corporation \$28,892.00 for "Block A, B, C, D and all townhouses: re-bed and re-point all ridge cappings, new sadning mix, new tiles replacing chipped ones" (as shown in BCS accounting sheet).

b) EC meeting was, in fact, held on 10 September 2014 and attended by seven members of the EC only. None of the other owners (out of 218 lots in the complex) attended. The Minutes of the meeting reported:

QUOTE (including spelling errors by BCS Strata Management)

Resolved that urgent repairs should be instructed for the affected half-room of Tower B, causing the leak into Unit 47. Kintyre Building Services' quote to apply the torch-on membrane was nominated as the preferred solution. The committee allocated \$60,000.00 to carry out this work. This is the oldest tower and other roofs will be allowed for in the revision of the long term sinking fund. Multiple quotes received indicate that this is the most cost effective solution noting that a 15 year guarantee will be provided.

END QUOTE

c) I personally paid document search as per SSMA 1996 S108 and visited BCS Strata Management office on 17 November 2014, one week before the AGM.

Like in other document searches, BCS Strata Management prevented my access to majority of strata documents. I was logged into alleged website, but most of the areas contained empty references and pages for my complex.

One of the document I requested was proof of multiple quotes for roof membrane repairs. I received no evidence that quotes exist, not only then but at any time afterwards, in spite of repeated requests in 2015 and 2016.

d) There was only one legally-convened EC meeting during 2015. It happened on 4 March 2015 and Minutes of the meeting reported the following:

QUOTE

Roof repairs

The EC decided that until this was completed no exterior painting work or even type of paint could be agreed. Kintyre Building Services have separated the quote from Block D into two half roofs to allow urgent repairs to be commenced as soon as the existing repair is deemed fully complete and satisfactory.

...

The new colour bond capped parapet an final appearance of the roof is very acceptable and the contracts have been very diligent in making this job that will last 15 years at least.

END QUOTE

BCS Strata Management misled the owners corporation by again avoiding to mention 5-year material warranty for the roof membrane on Block B as clearly shown in Kintyre Building Services' quote dated 12 September 2014.

BCS Strata Management also misled the owners corporation because the Kintyre Building Services' quote for Block D again contained caveat about 5-year warranty, as shown in their document dated 4 March 2015:

QUOTE

PLEASE NOTE - The torch on membrane comes with a 15 year material warranty. In discussions with the manufacturer they have advised that a liquid membrane applied to this roof would come with a 5 year material warranty due to excessive cracking and water ponding on the existing concrete substrate.

END QUOTE

The important item to observe is that this is second building, Block D, not Block B that was approved at AGM 2014.

The second item to observe is that it was claimed that Block D roof membranes allegedly required urgent repairs. Evidence shows that Kintyre Building Services started work on Block D on 6 October 2015, six months after the "urgent approval" by EC, without any tender, and without disclosing to owners how much the whole roof membrane for Block D would cost.

Undisclosed to owners was Caretaker's report in early March 2015 which stated:

QUOTE

Kintyre Building completed B Block rooftop waterproofing on 26 February 2015. Caretaker and Greg, Kintyre building supervisor, performed final inspection.

Unit 47 called after a heavy downpour in early March to report that their ceiling was still leaking. Kintyre, one EC member, and myself re-inspected the area. Kintyre resealed inside the exhaust fan area.

END QUOTE

It confirmed that work by Kintyre needed immediate rectification after the completion.

e) Minutes of AGM held on 4 November 2015 contained the following summary:

QUOTE

Motion 8

That the quotation from Kintyre Building Services for \$99,350.00 plus GST accepted by the Executive Committee for urgent repairs to the roof on Block D as contemplated in Motion 13 of the previous AGM be ratified as expenditure from the Sinking Fund as contemplated on Motion 13 of the previous AGM.

END QUOTE

f) I reported that this Motion was incorrect and could not be approved in form as listed:

It was Motion 15 that related to AGM 2014,

Evidence of tender and competitive quotes was not shown to any owner.

BCS Strata Management ignored it and deliberately changed my Motion to correct it at AGM 2016 and prevented Explanatory Notes to be listed in the agenda for the meeting.

g) The end result:


Undisclosed costs for roof membranes (half-roof on Block B and whole roof on Block D) - close to \$170,000.00:

\$7,785.00 Block D: roof membrane - fourth part  
 \$25,000.00 Block D: roof membrane - third part  
 \$32,786.00 Block D: roof membrane - second part  
 \$43,714.00 Block D: roof membrane - first part  
 \$35,613.60 Block B: roof membrane - second part  
 \$23,742.40 Block B: roof membrane - first part

To this day, BCS Strata Management (now removed from managing my complex as of 1 February 2017) refuses to publish undeniable evidence on this matter.

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 [SamJR](#)  
4 years ago

BCS Strata Management and evidence how they won the contract with my complex at general meeting without tender in 1999. This applied to BCMS (trading as Raine & Horne Strata Sydney), which was acquired by BCS Strata Management in 2010, hence inheriting all rights and liabilities.

The complex has 218 lots.

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

Meeting was adjourned for 11 May 1999.

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

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

make payment of outstanding levies during the adjourned period.

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

BCS Strata Management won the strata contract without tender or any competitive quote as proven by own admission of an EC member who had introduced them to the complex.


The owners did not receive any details of the contract in the agenda of the meeting and were only allegedly shown it at the adjourned meeting.

Between 11 May 1999 and the day they lost the contract renewal in my complex on 19 October 2016, BCS Strata Management was winning contract in my complex without any tender or competition.

All attempts to engage BCS Strata Management to notify owners about this were silently ignored by BCS staff (strata managers, branch managers, COO of BCS Strata Management NSW), and alleged investigation by CEO and Managing Director of Pica Group (parent company of BCS) never approached me or anyone else in my complex with the results of their work.

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BCS Strata Management and misconduct of Annual General Meeting in 2002.

Complex has 218 lots


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

BCS Strata Management failed to declare the meeting invalid due to lack of quorum. Of 48 proxies, 30 were given to EC member, who, along with a selective group of townhouse owners (including two other members of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law, hence directly decreasing their voting entitlements and being unfinancial.

Meeting was non-compliant with SSMA 1996 Schedule 2 Section 12 2 (a) and (b), SSMA 1996 Schedule 2 Section 10 (8), and SSMA 1996 Section 183. These reimbursements have never been disclosed in accounting books to owners at any meeting even in 2017.

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 [SamJR](#)  
4 years ago

Recent written admission to me by ex-Manager at Pica Group (parent company of BCS Strata Management). He left the company few years ago (evidence is in my possession):

QUOTE

I understand the concerns that owners have had with BCS. This is a common complaint we hear from other strata plans that are with BCS as we have taken over the management of many buildings from them over the last few years.

...

BCS is a very large, bureaucratic company that undertrains and overworks its staff. If Mr. (name undisclosed) had only worked for BCS I would not have employed him.

END QUOTE

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BCS Strata Management and an example how they protected previous member of the Executive Committee for work without license.

A neighbour of mine found out that ex-EC member conducted electrical work in a unit of an old lady living alone and questioned if it was properly licensed.

The same ex-EC member was previously reported by another long-serving EC member for poor computer repairs done to his friend.

Here is what my neighbour sent to strata managing agent on 6 February 2013:

QUOTE

As you can see it amounts to predatory behaviour and I am almost 100% certain he does not have a licence to carry out electrical work. If he has a licence it should be displayed on the invoice. (Throughout a heated discussion with him he did not offer any licence credentials.)

He is a former member of the executive and is well known to a lot of residents.

END QUOTE

In email from strata managing agent to an EC member, this was reported on the same day:

QUOTE

I have not heard of him before today and most definitely have not engaged him for anything.



The owner who complained about ex-EC member also advised me that he too was "taken for a ride" by this gent some time ago.  
END QUOTE

I got interested in this issue and asked strata managing agent and EC members to investigate:

1. If it was true that the ex-EC member did not have a proper electrician license, then his work in the complex affected the insurance,
2. Strata managing agent and the EC had a duty of care and contractual obligation to notify the insurance company about electrical works that was not certified. If any accident happened, the owners corporation would stand to lose lot of money in compensations,
3. Strata managing agent and the EC had a duty to warn owners never to use services from unregistered and/or non-certified staff, or without their own insurance for the works carried out.

BCS Strata Management never took any action, did not reply to my neighbour and me, and left the issue unattended to this day.

The same ex-EC member had unauthorised pass to garages and a basement area (granting him virtually unlimited access to the complex) long after he sold his unit. It lasted until I caught him entering the complex without escort and demanded an audit of all passes.

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BCS Strata Management and an example of repetitive repairs for leaking roof in townhouse.

This is an extract from an email sent by wife of a long-serving EC member to strata managing agent on 14 January 2013:

QUOTE

We've complained numerous times about the roof outside our sons room leaking and rain water coming into his bedroom - it doesn't seem to get fixed each time we complain about it.

We're reaching the end of our tether here as we've had this issue addressed at least 3 times in the past year alone.

Whatever they're doing obviously isn't fixing the issue - the rain again seeped into our son's room yesterday with the paintwork on the roof jutting out from the window again bubbling up.

This needs to be fixed urgently.

Can you please ask that they come out again and actually fix the problem - and advise next steps if it happens again, as you can understand we can't keep continuing to raise this and have no progress.


END QUOTE

Not even her husband, as a member of the EC, was able to push BCS Strata Management for proper repairs over number of years.

None of these repetitive problems and "recurring" expenses for same repairs were ever reported to owners.

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BCS Strata Management and calculation of quorum at AGM 2004.

My complex has 218 lots (192 units in four buildings and 26 townhouses).

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

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

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

Seven proxy votes were given to Strata Manager himself, who voted for his own increased remuneration at the meeting (Motion 8). This also confirmed that there was no tender for strata managing contract:

QUOTE

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

END QUOTE

The same AGM approved removal of Section 80A of SSMA 1996 which limited spending by the Executive Committee of large strata schemes. This was later on effectively abused by BCS Strata Management and EC members to avoid asking owners corporation to approve large expenses at general meetings.

The problem with this misleading Motion 8 is also that the Executive Committee never signed a new contract. The same contract number 2671, signed on 26 May 1999 was used until its first official rewrite on 5 December 2014. This information has never been presented to owners by BCS Strata Management and EC members (as of April 2017).

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BCS Strata Management and calculation of quorum at AGM 2005.

My complex has 218 lots (192 units in four buildings and 26 townhouses).

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

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

BCS Strata Management failed to register the Special Resolution as a By-Law and failed to comply with the decision (water tanks were never installed):

QUOTE

Motion 9

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

Special Resolution

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

END QUOTE

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BCS Strata Management and calculation of quorum at AGM 2006.

My complex has 218 lots (192 units in four buildings and 26 townhouses).

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

Outcome: BCS Strata Management failed to declare the meeting invalid due to lack of quorum. Of 43 proxies, 33 were given to EC member, who, along with a selective group of townhouse owners (including one other member of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law, hence directly decreasing their voting entitlements and being unfinancial. These secret and undeclared reimbursements were never provided in accounting books even in 2017.

Four proxy votes were given to Strata Manager himself, who voted for his own increased remuneration at the meeting. Meeting was non-compliant with SSMA 1996 Schedule 2 Section 12 2 (a) and (b), SSMA 1996 Schedule 2 Section 10 (8), SSMA 1996 Schedule 2 Section 11 (7A) and (7B), and SSMA 1996 Section 183.

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BCS Strata Management and calculation of quorum at AGM 2007.

My complex has 218 lots (192 units in four buildings and 26 townhouses).

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

Outcome: BCS Strata Management failed to declare the meeting invalid due to lack of quorum.

Of 41 proxies, 31 were given to EC member, who, along with a selective group of 16 (out of 26) townhouse owners (including one other member of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law, hence directly decreasing their voting entitlements and being unfinancial. These secret and undeclared reimbursements were never provided in accounting books even in 2017.

Three proxy votes were given to Strata Manager himself.

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

One Special By-Laws was, without proper calculation of quorum, registered with the Land and Property NSW:

QUOTE

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

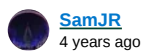
that time.  
END QUOTE

There was an attempt to exclude owners corporation and add common property without general meeting, which, due to my personal efforts, were eventually withdrawn or forced to be presented at general meetings where they were defeated:

- a) Additional council-owned land facing M2 Motorway for "extended carpark space" in 2011/2012,
- b) Attempt to add walk path to LC Road, which was defeated at the AGM 2012,
- c) New security guard office closer to letterboxes (current one was in perfect condition, and security cameras with better locks on letterboxes proved to be much cheaper and efficient solution),
- d) Join part of property currently belonging to two townhouses (drains in courtyards) to common property, as documented in minutes of EC meeting held on 4 March 2015. Details of the outcome of this meeting, and registration of common property was never declared to owners corporation. During FY 2015 only one official EC meeting was held in the whole year.

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**SamJR**  
4 years ago

BCS Strata Management and calculation of quorum at AGM 2008.

My complex has 218 lots (192 units in four buildings and 26 townhouses).

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

Outcome: BCS Strata Management failed to declare the meeting invalid due to lack of quorum.

Of 40 proxies, 35 were given to EC member, who, along with a selective group of 17 (out of 26) townhouse owners (including one other member of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law, hence directly decreasing their voting entitlements and being unfinancial. These secret and undeclared reimbursements were never provided in accounting books even in 2017.

Four proxy votes were given to Strata Manager himself.

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

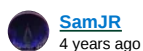
As for any of my complaints, this AGM was also reported to directors and managers at BCS Strata Management and Pica Group (parent company of BCS Strata Management).

BCS Strata Management and Pica Group select silence when they hear news that does not suit them.

The broken web link for directly lodging complaints at Pica Group that I had reported on several occasions has silently being removed without a response to me.

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**SamJR**  
4 years ago

BCS Strata Management and calculation of quorum at AGM 2009.

My complex has 218 lots (192 units in four buildings and 26 townhouses).

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

Outcome: BCS Strata Management failed to declare the meeting invalid due to lack of quorum. Of 56 proxies, 46 were given to EC member, who, along with a selective group of 18 (out of 26) townhouse owners (including one other member of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law, hence directly decreasing their voting entitlements and being unfinancial. These secret and undeclared reimbursements were never provided in accounting books even in 2017.

Three proxy votes were given to Strata Manager himself.

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

This meeting introduced Special By-Law that was impossible to enforce or manage:

QUOTE

Special By-Law 9 - Control of Excessive Water Usage

An owner and/or occupier of a lot must:

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

The Owners Corporation shall by its agents, employees, or contractors have the right to enter a lot to inspect the laundry, bathroom and kitchen areas to

ensure compliance with this By-Law and may also arrange for any necessary repairs to leaking taps/cisterns to be undertaken and recover the cost of such maintenance from the lot owner.

END QUOTE

BCS Strata Management and EC decided to have two checks for water leakages in all lots (192 units in buildings and 26 townhouses) in 2010 and 2014. The job was given to BCS' preferred supplier without seeking other options - NCB Plumbing. The total cost for water inspections was around \$5,000.00 without any benefits to owners and without clear goal what to achieve.

1. Inspections by NCB Plumbing in 2010:

48 lots (including two members of the Executive Committee) out of 218 lots did not allow access to their property.

NCB Plumbing charged the following fees for inspections:

14 April 2010 \$2,432.00

12 July 2010 \$450.00

30 July 2010 \$170.00

In total, NCB Plumbing charged our complex \$3,052.00 and managed to visit only around 78% of all lots.

Around 90% of all visited lots had water leakages in showers, sinks, toilets, and kitchen sinks. BCS Strata Management tried to force owners to use expensive repairs, which most owners declined.

Water bills for the complex in 2011, 2012 and 2013 showed that no significant savings were achieved.

Repairs of the water leaks were not documented, and not enforced.

All the above information was undisclosed to owners. BCS Strata Management prevented its publishing as part of Motion for general meetings.

2. Inspections by NCB Plumbing in 2014:

This time, 50 lots refused to give access for inspections, including one EC member.

26 lots had various types of water leaks.

26 townhouses were not visited or checked at all.

Water bills for the complex in 2015 and 2016 showed that no significant savings were achieved.

Repairs of the water leaks were not documented, and not enforced.

All the above information was undisclosed to owners. BCS Strata Management prevented its publishing as part of Motion for general meetings.

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 **SamJR**  
4 years ago

BCS Strata Management and calculation of quorum at rushed Extraordinary General Meeting in 2010 whilst I was on business trip overseas.

My complex has 218 lots (192 units in four buildings and 26 townhouses).

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

Of 74 proxies, 71 were given to EC member, who, along with a selective group of 20 (out of 26) townhouse owners (including one other member of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law, hence directly decreasing their voting entitlements and being unfinancial. These secret and undeclared reimbursements were never provided in accounting books even in 2017.

Two proxy votes were given to Strata Manager himself.

The EC member who had almost all proxy votes was strongly pushing for acceptance of the Optus proposal.

Outcome: Rushed without proper agenda on 16 August 2010, attempted to lure owners corporation and cause significant financial losses by allowing Optus mobile antennae system to be installed on one of the buildings in the complex.

BCS Strata Management, with majority of EC members, attempted to coerce owners corporation to sign off the contract with telecom carrier without tender.

a) Failed to provide impartial information for the proposal.

b) Failed to disclose crucial information to owners. Some examples:

Item 14.4 in the legal document presented by Aurecon on behalf of Optus said:

QUOTE

The Lessee may sublet, part with or share its rights to possession of the Premises upon written notice to the Lessor.

END QUOTE

In other words, they could do it ANY time they wish, without owners' CONSENT. All they commit to do was "notify owners"!?

In fine print, in the legal document presented by Aurecon on behalf of Optus, Ruling 6. stated that:

QUOTE

The Lessor consents to the Lessee and persons authorised by the Lessee without the need for prior notice and with or without materials, plan or other apparatus and vehicles entering the Land of the purpose of using the Premises and exercising its rights under the Lease at all times of the day and night during the term.

END QUOTE

In Rulings in 5.x in the legal proposal, it clearly worked against the owner's corporation and ensured that the lessee can work in the complex almost without any right to challenge them in the future, as long as they conform to "legal" regulations.

c) Provided false information to owners by stating that after the contract was approved, BCS Strata Management and EC members would negotiate even better financial terms.

Fact: Managing Agent at BCS Strata Management, in his CTTT submission, six months later, admitted that I was right:

QUOTE

The Optus representative indicated that the \$20,000 offer was their best offer (attachment 4).

END QUOTE

This statement has never been disclosed to owners.

d) Involved in electricity upgrade by Energy Australia for Optus telecom requirements as early as June 2010, month and a half before the rushed Extraordinary General Meeting, without owners corporation approval or knowledge.

e) The EC and BCS Strata management hid the information that, according to Taxation Ruling 2505, individual proprietors are taxed on this type of income (from leasing common property), rather than the body corporate, where it is income from common property. In addition, If your strata title body corporate has made a capital gain or a capital loss from a transaction in respect of all or part of the common property, the gain or loss is not included in the tax return for the body corporate. Each proprietor or unit owner must include their share of the capital gain or loss in their own tax return based on their proportion of the lot entitlements.

e) Ran alleged urgent electrical switch upgrade at cost above \$100,000.00 without tender, which, as later on found out, was rushed to accommodate Optus needs for the telecom equipment. The work was actually completed several months later, without "rush" and after Optus proposal was rejected at the general meeting.

f) Due to botched electrical switch upgrade, two out of three phases for elevator in Block A were burned out but blame put to "sudden slab movement that damaged the conduit"? Insurance company rejected this claim. Cost to owners corporation: about \$50,000.00.

g) Spent \$2,500.00 from the Admin Fund for unnecessary Extraordinary General Meeting that had only one motion in the agenda.

h) Failed to disclose cost of more than \$4,000.00 from the Admin Fund for redesign of the electrical works due to absence of Optus installation.


BCS Strata Management and EC members prevented full information to be provided to owners before voting. My request to give owners more details was silently denied.

As proven during 16-year management of my complex before they lost contract at AGM 2016, BCS Strata Management had persistently prevented owners from having access to financial and other data that belonged to strata plan.

Thanks to my extensive work and efforts by few other concerned owners, the owners corporation rejected Optus' proposal to rent common property for small mobile tower in amount of \$22,000.00 (GST inclusive) per year at this EGM in 2010.

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BCS Strata Management and calculation of quorum at Annual General Meeting in 2010.

My complex has 218 lots (192 units in four buildings and 26 townhouses).

26 owners were present in person and 55 via proxy on 13 October 2010.

BCS Strata Management failed to declare the meeting invalid due to lack of quorum.

Of 55 proxies, 35 were given to EC member, who, along with a selective group of 20 (out of 26) townhouse owners (including one other member of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law, hence directly decreasing their voting entitlements and being unfinancial. These secret and undeclared reimbursements were never provided in accounting books even in 2017.

Three proxy votes were given to Strata Manager himself.

The agenda for the AGM failed to include two owner's motions:

"Future proposals to run business on common property and EGMs"

and

"Analysis of Optus proposal and past mistakes at the committee level".

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

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BCS Strata Management and non-existent Extraordinary General Meeting in 2011.

My complex has 218 lots (192 units in four buildings and 26 townhouses).

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

Ordinary EC meeting held on 16 February 2011 was mistakenly listed in the Minutes as an Extraordinary General Meeting.

Then, to correct the error, updated Minutes of the EC meeting were sent, which contained INVALID resolution to approve minutes of the previous General Meeting (only General Meeting can approve minutes of the previous General Meeting)!


An EC member, who, along with a selective group of 14 (out of 26) townhouse owners (including one other member of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law in 2011, hence directly decreasing their voting entitlements and being unfinancial.

These secret and undeclared reimbursements were never provided in accounting books even in 2017.

As so many times before and after this meeting, all my attempts to engage BCS Strata Management to correct minutes of meetings and ensure full transparency of actions were ignored by BCS managers and staff. They continued to act in non-compliance with Strata Act and other applicable laws until they were voted out from managing my complex at AGM on 19 October 2016.

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BCS Strata Management and calculation of quorum at AGM 2011.

My complex has 218 lots (192 units in four buildings and 26 townhouses).

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

Of 39 proxies, 30 were given to EC member, who, along with a selective group of 14 (out of 26) townhouse owners (including one other member of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law, hence directly decreasing their voting entitlements and being unfinancial.

These secret and undeclared reimbursements were never provided in accounting books even in 2017.

The agenda for the AGM held on 19 October 2011 failed to include Motions:

"Analysis of Optus proposal and past mistakes at the committee level"

"Free training for members of the Executive Committee"

... and deliberately misconstrued and misquoted motion:

"Removal of By-Law 8" to ensure its failure at the AGM.

BCS Strata Management and EC members prevented the Explanatory Notes for the Removal of By-Law 8 from being included in the agenda for the general meeting, in spite of several warnings on my side. By doing this, owners corporation was not informed about risks of having such a by-law, which was abused and misused several times in the complex (largest one being additional expense of around \$110,000.00 above approved value of building painting contract in 2004/2005, of which more than \$43,000.00 is still unaccounted for even in 2017). Later on, more than \$170,000.00 was spent on roof membranes on two buildings without multiple quotes in 2015/2016.

This is the extract from the Minutes of the AGM 2011. For a reason that BCS Strata Management has never explained and never issued corrections for, they included the SAME motion two times in the agenda and the minutes of this AGM:

QUOTE

That the Owners Corporation, by SPECIAL RESOLUTION, pursuant to Section 47 of the Strata Schemes Management Act 1996, rescind the previously registered Special by-law 8 at (site name withheld):

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

The chairman advised the meeting that as he was in receipt of 30 proxies, representing more than 25% of unit entitlements present in person or by proxy (sufficient to prevent a special resolution passing) that he would be voting against the motion there was nothing to be gained by debating it and the motion was declared defeated.

## MOTION 13:

That the Owners Corporation, by SPECIAL RESOLUTION, pursuant to Section 47 of the Strata Schemes Management Act 1996, rescind the previously registered Special by-law 8:

The chairman advised the meeting that as he was in receipt of 30 proxies, representing more than 25% of unit entitlements present in person or by proxy (sufficient to prevent a special resolution passing) that would he be voting against the motion there was nothing to be gained by debating it and the motion was declared defeated.

END QUOTE

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

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BCS Strata Management and calculation of quorum at Extraordinary General Meeting in 2012.

My complex has 218 lots (192 units in four buildings and 26 townhouses).

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

The EGM was to be held on Monday, 7 May 2012 at 10:00am in the office at Epping. It was the first day of a working week, and during business hours (very inconvenient for most owners).

The Extraordinary General Meeting was PRIMARILY PLANNED to be what is called "paper meeting". The only Motion was:

"Special Privilege By-Law Lot X and Y Improvements"

The Motion at this EGM stated that adding a door between two units and making entrance in the adjacent wall "included other aesthetic work" but failed to document it for owners.

In addition, the owners corporation might be financially liable for any damages in the future because the current version of the proposed by-law in Item 18. of the Liability and Indemnity Section stated:

QUOTE

Any loss and damage suffered by the Owners Corporation as a result of making the improvements may be recovered from the Owner as a debt due to the Owners Corporation on demand with interest at the rate of 10% per annum until the loss and damage is made good.

END QUOTE

I asked BCS Strata Management about this section in the Motion but received no response. My argument was:

QUOTE

If the damage, due to this work at some time in the future, is significant, the owner of the Lots can simply declare themselves bankrupt and, ALL OF US (owners corporation) cannot claim ANYTHING but maybe some parts of the sale of the property (and that is only if somebody else, like financial institution, does not have stronger claims first), or we can claim it through our insurance but then OUR premiums would go up in the forthcoming years.

END QUOTE

Item 20. of the Liability and Indemnity Section in the Motion:

QUOTE

The Owner must pay the reasonable costs of the Owners Corporation of any incidental to the making and registering of this by-law.

END QUOTE

I argued again: who and how decides what were "reasonable" versus "unreasonable" costs. If the cost was "unreasonable", did it mean all owners pay for it? No official response was ever received.

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

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

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

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

One proxy vote was counted INCORRECTLY with wrong vote for (not against) the Motion. In his email to the owner Strata Manager acknowledged the error promising to update the minutes. That never happened.

One proxy vote was invalid because BOTH owners should have signed the form. Wife of an owner DID NOT SIGN IT.

One proxy vote was rejected because ONLY proxies issued on the date of the FIRST GENERAL MEETING could be legally used. Quite the opposite rule BCS Strata Management BCS used at other general meetings.



Owner who requested exclusive rights to common property did not pay all costs as per approved Special By-Law. For the sake or argument, typical general meeting in my complex, with all costs inclusive, is about \$2,500.00 (statement by EC members).

I paid for document search and asked BCS Strata Management three times to get access to copies of the proxy votes from AGM 2012. To this day, they did not provide them.

The Special By-Law was registered with LPI NSW in record time - two days after the adjourned EGM on 16 May 2012. It happened well before owners even received the minutes of the meeting.

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

I tried to raise awareness of owners corporation that we were out of pocket for this almost private EGM, but BCS Strata Management prevented the information to be presented at the general meetings.

The owner of these two lots provided unconditional support for BCS Strata Management at every general meeting.

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BCS Strata Management and calculation of quorum at Annual General Meeting in 2013.

My complex has 218 lots (192 units in four buildings and 26 townhouses).

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

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

One proxy vote given to a member of EC who was 1 1/2 hours late for the meeting but counted as valid in all motions.

My paid inspection of strata documents as per SSMA 1996 S108 was denied by BCS Strata Management and the EC before the AGM. Attempt to notify all owners about it was prevented by BCS Strata Management.

Here is an extract from secret email member of the EC instructions to BCS Strata Management before the AGM:

QUOTE

I intend to put one motion in before all of owner's motions to move that all motions that are merely repetitious of prior year AGM submissions by this owner are rejected as time wasting and vexatious.

I will produce an Annual Report covering the last year for inclusion with the accounts, budget and AGM notices and update all owners on the real state of affairs.

I trust you can make his inspection as inconvenient as possible!.

There will be no motion supported by the committee to change the Managing Agent and in my view your contract does not require to be tendered.

END QUOTE

For the record, here are some of the Motions that BCS Strata Management and EC either excluded from, or presented without my explanatory notes, in the agenda of the AGM:

Mandate-Water-Saving-Program

Proposal-in-Relation-to-Common-Property-and-EGMs-GM

Positive-Covenant

Rescind-Special-By-Law-8

Issue-Notice-of-Compliance-to-EC-Member-Special-By-Law-4

Invalidate-Special-By-Law-for-Inequitable-Townhouse-Water-and-Gas-Reimbursements

Improvements-for-Financial-Reporting-and-Auditing

Rescind-AGM2005-Motion-8

Training-for-Executive-Committee-Members-and-Declaration-of-Conflict-of-Interest

Improved-Dispute-Resolution-Process

Introduction-of-Subcommittees

Control-of-Gas-Usage

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

183.

BCS Strata Management staff and their managers never responded to my complaints or took any action.

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After fruitless efforts at Department of Fair Trading and CTTT over several years, to avoid high costs, I sent the following to BCS Strata Management in January 2014:

QUOTE

1. BCS Strata Management will contribute \$25,000.00 to Westmead Children's Hospital funds.

They can be seen as a great donor for a good cause and even boast about their contribution in the media. Good publicity stunt for them, and making decent contribution to the society.

2. Just for a good measure of fairness, BCS Strata Management will pay me back \$2,590.00 for unnecessary copy of the folders in CTTT file, which Solicitor took without valid grounds and approval in May 2013.

I am prepared to make void all other financial claims.

3. BCS Strata Management will resign from the duties in the complex immediately (on whatever grounds they wish to present to owners). They can find a graceful way to say to owners that they wish not to continue providing services to my complex and that they will stay until the owners corporation completes a tender for the new agency (which we can organize for free through Strata Match, a company that even the CTTT uses).

END QUOTE

BCS Strata Management (their staff and managers) did not reply.

Two and a half years later, in spite of their efforts, BCS Strata Management was removed from managing my complex by majority of votes at AGM on 19 October 2016:


50 votes against hem

10 votes for them

Over 16 years of "winning" strata managing contract without tender or any competitive quote, BCS Strata Management earned more than \$500,000.00 in my complex alone.

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BCS Strata Management and calculation of quorum at Annual General Meeting in 2014.

My complex has 218 lots (192 units in four buildings and 26 townhouses).

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

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

Of 39 proxies, 36 were given to EC member, who, along with a selective group of 18 (out of 26) townhouse owners (including a wife of one previous member of the Executive Committee, and another member who became a future EC member without ballot or decision at general meeting in March 2017 - my complex now managed by Waratah Strata Management staff who used to be work at BCS Strata Management and Pica Group) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law in period before 6 May 2013, and applied in non-compliance with new Special By-Law since 6 May 2013, hence directly decreasing their voting entitlements and being unfinancial. In spite of advanced warnings, BCS Strata Management BCS refused to issue invoices for overpayments to townhouse owners in order to make their votes valid at AGM 2014. These secret and undeclared reimbursements were never provided in accounting books even in 2017.

One proxy vote was not counted although perfectly valid. Strata Manager provided false statement to owner that he did not receive it, although there was undeniable proof of delivery as other recipients received it at the same time. This was not the first time that BCS Strata Management discard valid proxy votes to influence the voting outcomes at meetings.

BCS Strata Management BCS failed to provide access to full financial and other strata documents to an owner as per SSMA 1996 Section 108 before the meeting in spite of full payments for the document search and documented errors on the balance sheet amount to around \$50,000.00.

All details of tenders for the contract renewal for the strata manager and caretaker undisclosed to this day (June 2017).

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

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

By pure coincidence, in March 2015, I found out that there was a secret cash advance from Pica Group (parent company of BCS Strata Management). The date of the cash advance was 21 August 2014, which fell right at the end of financial year (1 September in one year to 31 August in the following year). However, BCS Strata Management pushed the invoice date into new financial year to 22 September 2014. The amount that owners corporation took from Pica Group was \$18,859.55. This was NOT disclosed in any accounting figures or statements at AGM 2014 or at any other time.

On 16 March 2015, owners corporation repaid \$20,745.50 (GST inclusive) to Pica Group.

After I uncovered it, I personally asked BCS Strata Management (including their COO) and EC members to explain the reason for taking cash advance. To this day, nobody replied.

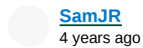
I reported it to Department of Fair Trading but BCS refused to mediate or communicate.

BCS Strata Management "won" the contract renewal at that AGM without real tender and that was for 15th year in a row.

It was, and still is, absolutely impossible to get any manager or staff member at BCS Strata Management Epping office, or Pica Group (parent company of BCS Strata Management) to engage in any review or correct their actions.

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BCS Strata Management and calculation of quorum at Annual General Meeting in 2015.

My complex has 218 lots (192 units in four buildings and 26 townhouses).

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

All 53 proxies were given to an EC member, who, along with a selective group of 17 (out of 26) townhouse owners (including wife of ex-member of the Executive Committee, and another owner who would in 2017 become an EC member without ballot or approval at general meeting) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law in period before 6 May 2013, and applied in non-compliance with new Special By-Law since 6 May 2013, hence directly decreasing their voting entitlements and being unfinancial.

In spite of advanced warnings, BCS Strata Management BCS refused to issue invoices for overpayments to townhouse owners in order to make their votes valid at AGM 2015. These secret and undeclared reimbursements were never provided in accounting books even in 2017.

Official recommendation by Department of Fair Trading to allow owners to vote for Motion to engage forensic accountant was disallowed by BCS and EC members at the AGM and deliberately not presented in the agenda of the meeting. Not only staff at BCS Strata Management were notified about it but as well managers at Pica Group (parent company of BCS Strata Management).

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

My other Motions were silently ignored.

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

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

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Follow-up to post about BCS Strata Management and calculation of quorum at Annual General Meeting in 2016.

My complex has 218 lots (192 units in four buildings and 26 townhouses).

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

50 proxies were registered in the minutes of the meeting, of which 10 should be declared as invalid because owners were present at the meeting in person.

At strata document inspection that I just obtained at Waratah Strata Management on 13 June 2017 (they won contract from BCS Strata Management at this AGM), the following facts were revealed:

1. Five current and previous EC members failed to pay levies for second gas connections in various previous years and BCS Strata Management secretly sent invoices to them during 2015 and 2016 (obviously due to my persistence to get to the bottom of this issue since 2010).

One of the EC member is the long-serving member (ex-Chairperson before 1999) and current Secretary of the committee. She was invoiced for 15 years of UNPAID GAS LEVIES on 17 July 2015:

Period 1 September 2000 to 31 October 2015 in amount of \$1,085.00

The other EC member is long-serving EC member and current Chairperson of the committee. He was invoiced for undisclosed period for UNPAID GAS LEVIES on 17 July 2015.

The invoice simply stated:

QUOTE

Gas usage for period up to 31/10/2015 \$311.66

END QUOTE

The third current long-service EC member was invoiced for UNPAID GAS LEVIES on 16 July 2016:

QUOTE

Gas line charges 2012 & 2013 \$100.00

END QUOTE

And so on.

For the sake of public knowledge, here is how the gas levies were set up:

In period from 21 July 1999 (EC meeting) till 6 May 2013 when the Special By-Law 12 was registered, the levies were struck at \$200.00 per year, without owners corporation approval or ratification at any general meeting.

In period since 6 May 2013, when the Special By-Law was registered through false statements to owners corporation, the applicable gas levies were \$50.00 per year, without owners corporation approval or ratification at any general meeting.

At EC meeting held on 16 March 2017, the gas levies were increased to \$220.00 per year.

I have evidence that none of the EC members and other owners with second gas connection paid correct levies (including 10% interest).

2. 19 current owners were undeclared as having second gas connection and they did not pay their levies in some or all of the previous years. Most of such owners did not even declare it to owners corporation.

3. There were 12 submissions for the Executive Committee and the ballot was held but not declared in the minutes of the general meeting. One of the names (mine) was crossed out without any legal or valid reasons). I now have copies of the ballot papers.

BCS Strata Management went even further and again, as in several previous years, conducted illegal ballot.

As per Strata Schemes Management Regulation 2010, Section 18:

(1) If a ballot for membership of the executive committee of an owners corporation is required, the chairperson must:

- (a) announce to the meeting the name of each candidate and the nominator of the candidate, and
- (b) provide each person present and entitled to vote at the meeting with a blank ballot-paper for each vote the person is entitled to cast.

(2) For a vote to be valid, a ballot-paper must be signed by the voter and completed by the voter's writing on it:

(a) the names of the candidates (without repeating a name) for whom the voter desires to vote, the number of names written being no more than the number determined by the owners corporation as the number of members of the executive committee, and

(b) the capacity in which the voter is exercising a right to vote, whether:

- (i) as owner, first mortgagee or covenant chargee of a lot (identifying the lot), or
- (ii) as a company nominee, or
- (iii) by proxy, and

(c) if the vote is being cast by proxy—the name and capacity of the person who gave the proxy.

Instead, BCS Strata Management presented listing of candidates for the EC (in spite of advance notice) on a photocopied version of printed form.

4. It has been fully confirmed now that BCS Strata Management hid Special By-Law 4 that gave exclusive rights to common property to the EC member (current secretary) from all owners and investors since June 2003!

That is the same EC member who did not pay for second gas connections of r 15 years (without disclosure to owners) until second half of 2015, and even then paid less than the due amount.

5. BCS Strata Management failed to disclose to owners that on the day of the general meeting (19 October 2016) CHU Insurance, through their their lawyers, issued request for repayment of illegal claim in amount of \$8,800.00.

The repayment of \$8,800.00 was for legal expenses that BCS Strata Management made for non-existent CTTT case (they officially called it "defence of lot owner" (same EC member who did not pay second gas connection levies for 15 years and was vocal supported of BCS Strata Management!)), without owners corporation approval in 2012/2013.

One of the CTTT cases I tried to pursue in 2012 was in regards to professional negligence by BCS Strata Management, poor maintenance of the complex (I had photo evidence), secret payments to selective townhouse owners over 13 years for private water and gas usage without Special By-Law and Special Resolution (various EC members were benefiting from it), failed levies to EC members and other owners who had second gas connection. and number of other serious items.

Eventually, my case was dismissed in spite of overwhelming evidence. Tribunal ordered that I pay \$8,800.00 and the other \$8,800.00 was a cost for owners corporation. I paid my dues as ordered, in spite of not agreeing with the decision and processes at CTTT. BCS Strata Management and EC members claimed their costs from the insurance company:

BCS Strata Management made four insurance claims in amount of \$24,919.31 for alleged "defence" of this EC member in CTTT case in 2012/2013 (there was no CTTT case related to this owner):

First claim on 31 August 2012 \$367.64

Second claim on 7 December 2012 \$12,714.65

Third claim on 26 April 2013 \$1,320.00

Fourth claim on 4 June 2013 \$10,517.02

I reported it to insurance broker and insurance company and also raised a police case against an EC member and BCS Strata Management in 2015.

Waratah Strata Management and EC members paid \$8,800.00 to CHU Insurance in late March 2017, four years after the event.

Much more was uncovered during inspection of strata documents this week. I finally obtained access to more than 11,500 documents for my strata plan that is allegedly everything BCS Strata Management kept on-line and passed to new strata agency on 31 January 2017. I have already uncovered lot of documents missing (or deleted), which is a serious problem with legal consequences.

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Example of BCS Strata Management trying to avoid cleaning of drains in the courtyard of units on ground floors of four buildings.

Due to poor maintenance of drains, my complex had number of flooding events on ground floors, in basements, and even in townhouses.

Over the previous year, whenever there was an emergency, caretaker would organise clean-up of drains.

Here is what BCS Strata Management attempted on 27 September 2016:

QUOTE

We are writing to you in regard to the drains in your rear courtyards. After a recent inspection was completed by the caretaker of the complex, it was found that we have a problem with all the drains on the ground floor becoming blocked with leaves. This then causes flooding under heavy rain and the flooding causes the water to enter weep holes and the water then settles in between the cavity walls, causing moisture and bubbled walls.


We are writing you this letter to advise you that we require the drains to be inspected by the owners/tenants and cleared out once a week...

END QUOTE

Owners quickly responded by angry comments and BCS Strata Management ensured that gutters and full clean-up of drains was promptly completed.

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Recently uncovered email with angry comments from an EC member to BCS Strata Management on 9 October 2011:

QUOTE

I am fast getting to the end of my tether with your organization. The level of service is poor and as current EC member I cop it in the neck from 219 owners who want answers.

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

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

I 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.

I do not need this grief (and I have been EC member since 2001) and I can assure you that any alternative EC will be far more unpleasant than me.


END QUOTE

This information was hidden from owners, as majority of EC members were receiving personal benefits without authorisation or approval at any meeting, without disclosure to owners.

The services by BCS Strata Management did not improve, rebates were never given, and the contract with BCS Strata Management (Epping office) was finally terminated in my complex by majority vote at AGM on 19 October 2016 (only after core of original EC members left the complex). The 16-year cycle of "winning" contract without tender finally ended for BCS Strata Management on that day.

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 [SamJR](#)  
4 years ago

An example of how BCS Strata Management Epping office was ignoring an owner with serious need for a telephone line in 2013.

This information was withheld from owners, and kept secret in strata files.

QUOTE

I called the office on 9868... on Thursday 14 June 2013 about this matter. They said "YOU" must ask (Strata Manager's name withheld) who is the person in charge. I emailed my request to (Strata Manager's name withheld) in the same day. There was no response from him.

I called the office again on Tuesday 19 June 2013, they connected me to someone else, who refused to give me his name, and explained to him that I need the telephone line as soon as possible as I have a sick person at home and need to speak to the hospital and doctor few times a day.

"That man" told me that he will contact (Strata Manager's name withheld) soon and let me know what they can do. There came no response.

I called the office again to see why nobody takes any action about this matter. The receptionist tried to connect me to three different managers to speak to

me. But none of them picked up the phone to talk to me, they all refused to even listen to what I wanted to say. Then the receptionist again who I told that it has been more than a week that my request, which is very urgent, has been declined or denied or ignored by BCS Strata Management managers.

She told me " No one is here to help you" and hung up on me.

This way I request for your technician to connect the telephone line immediately. I am warning you that if anything happens to my sister who is living in that unit, because of your ignorance and lack of responsibility, I will take the necessary action.

You will be responsible for any problem that would happen because of the telephone line not being connected to the unit and as the result we can not get connect to a telephone and internet company. My correspondence with you is filed and will be used if necessary.

END QUOTE

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Ultimate proof that managers and directors at BCS Strata Management and Pica Group (parent company of BCS Strata Management) often do not respond to customers' complaints.

My posts in this forum show many attempts to engage staff at BCS Strata Management and Pica Group since 2010.

Here is the latest one.

I sent an email to the address that was provided to customers at ProductReview by Pica Group.

Here is an extract from it dated 2 July 2017:

QUOTE

To whom it may concern,

The information at ProductReview website alleges that you investigate all claims of mismanagement very seriously. My evidence shows that it is not true:

(web link with evidence not disclosed herewith)

For six years now, my information has been made available to you. All attempts to engage with your staff failed due to silence on your side.

At AGM on 19 October 2016, my complex finally terminated your contract after 16 years of "winning" it without tender. Staff at BCS Strata Management deliberately prevented access to strata documents for six years, in spite of my payments.

However, once you were gone, access to files opened up quite a bit. On 13 of June 2017 I obtained copies of more than 11,500 strata documents. They give incredible insight how BCS Strata Management operates.

I now request a direct response to me in regards on what your findings are in regards to my complaints since 9 December 2015:

(web link with details of Pica Group Managing Director and CEO making promise in ProductReview forum to investigate of my claims but never called back or replied)

One of my latest findings show that BCS Strata Management failed to enforce gas levies in proper manner and mismanaged them for 16 years, directly helping selective group of owners and number of EC members (see attachment). And that is just a small example of how poorly BCS Strata Management operated in my complex.

Photos of what your company left in my complex:

(web link undisclosed herewith)

END QUOTE

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By pure accident I discovered that in my complex (218 lots) in 2012 we had no funds to pay outstanding invoice just before the end of the financial year.

Email correspondence between two staff members at BCS Strata Management on 4 July 2012. One of them later got promoted to a position at Pica Group (parent company of BCS Strata Management):

QUOTE

We have one payment of \$14,056.90 which has been approved by (name undisclosed) for creditor code 69633 can you please confirm payment as the creditor is looking for payment.

END QUOTE

A reply:

QUOTE

This invoice has not been paid, the plan has insufficient funds.

END QUOTE

Order from BCS Strata Management manager:

QUOTE

Can you please inject funds into SP (undisclosed name) from the account in the sum of \$50,000.

END QUOTE

This information was never presented to owners, not they were made aware of it.

At the same time, without owners corporation approval, BCS Strata Management engaged a Solicitor at owners corporation expense, which eventually cost owners above \$62,00.00.

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[SamJR](#)  
3 years ago

Another example of mismanagement by BCS Strata Management, this time related to late submission of Annual Fire Safety Statement (AFSS).

Correspondence between two staff members on 16 June 2016:

QUOTE

AFSS should be submitted in April. We are already very late. To avoid any penalty, your urgent reply is much appreciated.

END QUOTE

Response from the other staff member:

QUOTE

I can see what you see.

Maybe we need to lodge it with council and cross our fingers.

Unfortunately the assistant that was handling this matter, left earlier in the year.

END QUOTE

As always, these issues were hidden from owners corporation.

I personally complained about fire safety issues for five years to various BCS Strata Management staff and managers, to no avail.

My own external door was not compliant with fire safety for more than 12 years until I forced the replacement in 2016.

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[SamJR](#)  
3 years ago

Evidence of manipulation of votes at general meetings in my complex. Small amounts were credited to selective owners who were considered to be safe votes for BCS Strata Management contracts without tender or any competitive quotes in period 1999 to 2014.

This example was accidentally uncovered in June 2013 during document search.

An extract from email dated 10 October 2011 in which COO of Pica Group requested staff at BCS Strata Management Epping office to:

BEGIN QUOTE

After discussions with the chairman of this scheme, could we please credit the following lots to clear the small arrears (each less than \$3 each):

Lot 165

Lot 185

Lot 196

Lot 214

END QUOTE

This information was not presented to owners at any meeting.

In other years, the same BCS Strata Management team at Epping office disallowed owners who were around ONE dollar in arrears with levies.

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[SamJR](#)  
3 years ago

Email sent by a retired University lecturer who owns a unit in my complex to BCS Strata Management dated 2 May 2013. He complained about undated EC meetings, meetings that did not have agenda sent to owners, meetings that minutes were never sent to owners, and so on. He never received a reply.

BEGIN QUOTE

I am in receipt of the various documents from Strata Manager (name withheld) as requested. Incidentally, most of these documents are undated.

You will note that the document 'CM Minutes 09 July 2012' presents the minutes of the emergency committee meeting held on 9th July 2012 in an email that EC Chairperson emailed to you, selected EC members, and other BCS Strata Management staff. There is no document from BCS strata managers which forwards these minutes to the owners, as there should have been.



Consequently owners like myself were never informed about the meeting of July 9th 2012, until reference was made to it in the document PCM Agenda 26 April 2013 which was dated April 16th, 2013. This is the point that I made in my email to Strata Manager dated April 17th.

Could you please confirm that those minutes about the July 9th 2012 meeting were not circulated to owners within 7 days (and not even later) as they should have been? If there is a signed and dated document of the minutes which you claim had been circulated to owners at the time please let me have a copy and that would settle the matter.


END QUOTE

Soon afterwards, the retired lecturer tried to speak to COO of Pica Group NSW (parent company of BCS Strata Management) and instead of being listened to, the COO yelled at him and hung up.

This non-compliant EC meeting from 2012, and Statutory Declaration by BCS Strata Management to CTTT in 2013 is currently being reviewed by relevant parties.

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 **SamJR**  
3 years ago

Angry comments from a friend of mine who owns a unit in my complex, documenting poor repair in his property over SEVEN YEAR PERIOD.

The email was sent to BCS Strata Management on 22 September 2014:

QUOTE

I am very concerned that it has again taken so long to rectify the recently reported issues (it has been more than 6 months since we first reported this) and would like to advise that we are pursuing our claim against the Strata management for not rectifying this issue which has been reported and fixed on several occasions over the last 7+ years. I have written to you (strata manager's name withheld) just over 2 years ago after we have had to re-paint the whole unit again when the rectification work that the strata had organised did not fix the issues.

We now have the added issue of our tenant wanting to break her 12 months lease. She has only been in the unit for almost 6 months. We will be claiming all losses incurred by us for her breaking the lease because of the damp issue. And if we are not able to lease the unit out i.e. if the unit remains untenanted until the problems are fixed we will be looking for compensation from you.

I have correspondence re this issue going back to the days when four different strata managers from BCS Strata Management were involved.

END QUOTE

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 **Body Corporate Services** BCS STRATA MANAGEMENT  
3 years ago

Hi SamJR,

Thank you for your feedback. Please email us your contact details so we can identify your branch and discuss your concerns: [picagroup@picagroup.com.au](mailto:picagroup@picagroup.com.au)

Kind regards,  
The BCS Team

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 **Body Corporate Services** BCS STRATA MANAGEMENT  
3 years ago


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Kind regards,  
The BCS Team

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 **SamJR**  
3 years ago

I was away on business for a while.

The branch is Epping.

I already contacted BCS Strata Management senior managers (including your NSW COO). They were ignored more than 50 times. If you want proof that his office or himself read the emails and then failed to respond, contact me in this forum for details, or simply ask him to provide you with the copies of messages.

Sadly, I even have evidence of Epping staff receiving my emails and deleting them without reading.

Likewise, I attempted to contact Pica Group Managing Director and CEO several times. In this forum, he, or somebody on his behalf, publicly promised to investigate my claims. I called his office by phone and never got a reply (three years now).

Overall, more than 200 emails to various staff members at BCS (Epping office) and managers (including COO and CEO at Pica Group - parent company of

BCS Strata Management), and over 100 posts in public forums like ProductReview - BCS staff ignored to respond to and instead tried to label me as "serial litigant".

Why so many emails from me: to see how far can you go and how far can you ignore customer with legitimate complaints that are backed by by evidence and photos.

Instead of addressing issues, COO of BCS Strata Management NSW tried to prevent me from publishing negative information at ProductReview. Recently, the Federal Court found that Meriton Property Services Pty Ltd, trading as 'Meriton Serviced Apartments' (Meriton), engaged in misleading or deceptive conduct in connection with the posting of reviews of its properties on the TripAdvisor website. Actions by BCS follow that trend.


I am very easy to communicate with, but bullying and threats are not accepted.

For the public record, by pure chance I found in June 2017 evidence how your strata manager organized three different signatures for illegal solicitor engagement (costing owners around \$65,000.00 without approval) and they were undisclosed to CTTT in 2013, making the Statutory Declaration false. False statements in Statutory Declaration are indictable offenses. You want to see proofs that nobody can deny? Contact me. I am sure staff at Epping well know me. Photos can show it to you too.

Regards

1 like

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 [SamJR](#)  
3 years ago

At AGM 2017, nine months after BCS Strata Management was removed from office in my complex by overwhelming majority, one of the possibly longest running abuse of common funds in NSW strata history (secret payments to selective townhouse owners for Private water and gas usage in inequitable manner, including three members of the Executive Committee since 1999, without Special Resolution or Special By-Law until May 2013, and in non-compliance with the Special By-Law since May 2013, where amounts of the benefits to those owners was never disclosed at any meeting since 1999, was finally defeated with the following notice in the Minutes of the meeting:


BEGIN QUOTE

Note: Proposed Special By-Law 13 was not approved in its current form. The strata committee is to review the charges being incurred for water and gas supply by the townhouse and unit owners and amend the by-law to ensure it is equitable.

END QUOTE

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 [SamJR](#)  
3 years ago

Secret admission by BCS Strata Management about fire safety problems that was not disclosed to owners, CTTT, and city council.

I accidentally found this document in June 2017, five months after BCS Strata Management was removed from managing my complex.

City Council letter to BCS on 9 August 2016:

QUOTE

Council has received correspondence advising that compliance tags are being fitted to existing fire doors, some doors being twelve years old; it is also alleged that some fire doors are non-compliant with the relevant Australian Standard.

I note that the last annual fire safety statement listed fire doors as one of the installed fire measure and certified them as complaint with their original design/installation standard; from the information provided to Council the gaps around the doors do not comply with the relevant standards.

END QUOTE

Here is what BCS Strata Management responded on 15 November 2016, more than Three months after the council inquiry and almost one month after the annual general meeting in my complex:

QUOTE

There are 198 residential units on the premises, each one with a fire door. There are also 98 common area fire doors.

...

This will take a technician 3 days to complete as long as all units provide access.

....

They have calculated that hey would need to charge the building \$3,840.00 + GST for this service. At the moment they are scheduled to carry out an annual inspection on the building in January when (as per their agreement wit the building) all of these doors will be inspected in accordance with conditions of the annual fire safety statement.

...

Due to above reasoning, the OC are kindly requesting that Council will agree to hold off until January to save the building this large expense.

END QUOTE

Another problem with this excuse by BCS Strata Management is that the complex had Annual General Meeting on 19 October 2016, and this information was hidden from owners.

Even worse, BCS Strata Management deliberately excluded my Motion from the agenda for the general meeting (one of 34 Motions excluded from AGM):

QUOTE

Motion: Regular Fire Safety Reports Non-Compliant with Australian Standards

An extract from one of the my complaints about fire safety issues in 2013 that has not been attended to as of May 2016:

To: BCS Strata Management Epping

Cc: EC members

Subject: OFFICIAL Submission for next EC MEETING: Costly Delay in Rectifying Fire Safety Problems

Date: Wed, 31 Jul 2013 20:58:58 +1000

Motion: That Owners Corporation by ORDINARY RESOLUTION pursuant to Section 47 of the Strata Schemes Management Act 1996, confirms that BCS Strata Management:

Failed to maintain common property in compliance with AS1905.1 and AS1530.4 for more than 12 years in regards to external fire door on Unit XYZ and number of other Lots (undisclosed issues), potentially endangering safety and lives,

Submitted fire safety reports to City Council without satisfying compliance requirements,

Failed to notify owners corporation about failed fire safety tests over many years.

END QUOTE


Two more attempts were made to contact Pica Group directors since then. One of them:

Updated request number seven: Forward document to Pica Group Managing Director and process Motions for AGM or EGM 2017 on 21Dec2016

A reply was never received.

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 [SamJR](#)  
3 years ago

In regards to my latest post about deliberate, long-term fire-safety issues that BCS Strata Management did not want to resolve...

When City Council wrote a letter to BCS Strata Management on 9 August 2017, BCS Strata Management simply ignored it. Their response was then forced by City Council because they sent a second letter dated 3 November 2016, in which they stated:

QUOTE

I refer to Council's letter dated 9 August 2016 advising of an alleged serious fire safety breach and requesting comment from your service contractor.

To date Council has not received a response to this request.

You are therefore requested to advise Council, by 21 November 2016, the present position in this matter.


END QUOTE

Fire safety reports for most years (in period 1999 to 1 February 2017 when they finished the contract with my complex) were hidden from owners by BCS Strata Management and the rectification steps were often delayed, or simply ignored unless somebody (like me) complained.

BCS Strata Management was "winning" strata management contract in my complex without tenders or any competitive quotes in period 1999 to late 2016. I tried to enforce it as a matter of duty of care and transparency, but was not allowed to submit Motions at general meetings.

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 [SamJR](#)  
3 years ago

Here is an extract from last (seventh) Strata Manager for my complex from BCS Strata Management in direct email to me on 4 January 2017, after they lost the contract at AGM in October 2016.

This was the strata manager who, among the other serious mistakes he made in just five months of his employment, on the day of AGM on 19 October 2016, received a request from CHU Insurance to repay \$8,800.00 for false insurance claim in non-existent CTTT case in 2012/2013 (actually protecting a member of the EC who obtained exclusive rights to common property through false organization of the Extraordinary General Meeting in 2003 and then hid a registered Special By-Law from all owners and investors since then). The strata manager failed to disclose this insurance request to recover money from my complex to owners at any time before they were removed from office on 30 January 2017.

QUOTE

I know you might think you are a nobody sometimes because everyone always ignores your views and complaints and they speak down to you like you are a peasant, but I think that you are special and I think you are a very thoughtful, wise and brilliant man.

I would never listen to other people if they said things like that about you. I think your website shows your dedication...

I know your superior intellect will lead you to the right decision...

QUOTE

As a reminder, in period 2010 to 2016, BCS Strata Management changed seven strata managers and three branch managers at Epping office for my complex.

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 [SamJR](#)  
3 years ago

In period 2013 to 2016, BCS Strata Management sent three unsolicited customer satisfaction surveys by email.

In each of them, I gave them failing marks and explained why I did it.

Their survey promised customers to be called back. That never eventuated.

Based on the fact that BCS Strata Management ignored my emails, evidence, and the negative customer satisfaction surveys, in one of the reports to their management I asked if they worried more about their public image than the quality of services they really provide. I based it on simple (undeniable) evidence (updated to include latest stats):

ProductReview rating for BCS in June 2015: 1.8 from 61 reviews

ProductReview rating for BCS in November 2015: 1.8 from 63 reviews

ProductReview rating for BCS in March 2016: 1.8 from 71 reviews

ProductReview rating for BCS in August 2016: 3.1 from 137 reviews

ProductReview rating for BCS in December 2016: 4.1 from 351 reviews

ProductReview rating for BCS in March 2017: 4.0 from 373 reviews

ProductReview rating for BCS in December 2017: 4.2 from 529 reviews

Even when Pica Group publicly promised to investigate my claims at ProductReview website on 9 December 2014 (after being silent and unresponsive to my original report at ProductReview in November 2014 - one year earlier!), nothing ever happened as outcome of their public commitment.

Instead of contacting me to discuss problems and my statements, and without offering any evidence to counter my claims, COO of BCS Strata Management NSW sent me this on 19 January 2015:

#### QUOTE

We note that you are the author and publisher of the website (name withheld). We have reviewed the content of your website and have identified numerous defamatory statements you have made against persons employed by BCS as well as executive committee and other members of the owners corporation.

We also note you are the author of defamatory statements /material in relation to BCS personnel posted on another website known as "ProductReview.com.au" whose specific site reference is (withheld).

We draw your attention to the Defamation Act 2005 (NSW), which provides that persons who are defamed by statements published by you are able to commence legal proceedings against you for the removal of the defamatory statements and seek damages for any harm caused by your defamatory statement.

Accordingly and to avoid the possibility of an individual who have been defamed commencing legal proceedings, we demand the following immediate actions by you:

1. You immediately remove all contents on your website, and in particular those parts making comment on individuals;
2. You issue an apology for making the defamatory statements;
3. You undertake in future not to make any defamatory statement against the employees of BCS as well as the executive committee and other members of the owners corporation.


END QUOTE

I verified contents of my publishings with two legal authorities and no evidence of "defamation" was found - just plain facts.

I asked BCS staff, managers and directors to identify ANY issue that "defames" them. No response was received then or ever since.

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 **SamJR**  
3 years ago

One example of incompetence by BCS Strata Management and misleading statement to Department of Fair Trading.

Since BCS Strata Management took office in my complex without tender in 1999 (its business name was Raine & Horne Strata Sydney at the time), more than \$90,000.00 was spent without tenders for repairing and repainting pergolas on 26 townhouses (three members of the Executive Committee lived there).

Numerous requests were sent to BCS Strata Management to prove that pergolas were part of common property due to fact that they were not listed on the plans with Land and Property NSW. BCS staff declined to provide it and even declined to respond in each case.

Here is what Senior Portfolio Manager at BCS Strata Management wrote to the Department of Fair Trading on 7 May 2015, without disclosing it to me and other owners (this email was accidentally uncovered by me on 13 June 2017 as it had never been displayed in strata documents before):

#### QUOTE

We believe there is no Special By-Law in place in regards to pergola roofs for this scheme.

...

We will endeavour to assist owners within reason.

END QUOTE

Not only they did not communicate it with owners, but BCS Strata Management and EC members failed to disclose evidence and proof of pergolas being

common property, in non-compliance with SSMA 1996 Section 108 for strata document search in 2013, 2014, 2015, and 2016, which directly contradicts their statement to a government official.

As very common for the strata agency, this staff member of BCS Strata Management disappeared from his job several months after the general meeting, surviving on the job only seven months. They are currently employed by Strata Plus.

BCS Strata Management and EC members failed to disclose this information to CTTT, hindering their investigation, in non-compliance with the strata laws in 2012 and 2013.

BCS Strata Management and EC members misconstrued statements about pergolas (persistently saying that there was no ruling on pergolas) in the minutes of the following meetings:

EC meeting on 17 November 1999

EC meeting on 19 January 2000

EC meeting on 24 May 2000

AGM on 5 October 2000

EC meeting on 14 February 2001

EC meeting on 8 August 2001

AGM on 14 October 2010

EC meeting on 1 December 2010

EC meeting on 16 February 2011

EC meeting on 13 April 2011

EC meeting on 20 July 2011

EC inquiry to Solicitor Mr. Adrian Mueller on 21 January 2015 asking him to help register the Special By-Law without owners corporation knowledge

New Strata Management Agency for my complex, Waratah Strata Management, produced photocopy of Determination of Title Boundary, dated 27 July 2000, printed on 11 January 2013.

This information was prevented to be shared with owners at EC meetings and the Annual General Meeting in October 2017 by Waratah Strata Management (its Director was ex-staff member of Pica Group - parent company of BCS Strata Management and its strata manager was also ex-staff of BCS Strata Management).

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**SamJR**  
3 years ago

Example of how BCS Strata Management failed to disclose insurance claims and risks of unapproved legal costs in 2012/2013, incurring 53% rise in insurance renewal as only one company was willing to quote, and currently ending with my complex paying \$8,800.00 to CHU Insurance in 2017 for invalid claims bade by BCS four years earlier in 2012/2013 (case is ongoing).

My complex of 218 lots has to renew insurance on 21 September each year.

There were (and still are) frequent water-related damages that are not presented to owners or correctly disclosed in balance sheet.

a) An extract from insurance broker AJG to BCS Strata Management on 29 August 2012:

QUOTE

CHU have advised they do have reservations over the constant water ingress issues which have been prevalent since 2007, and have not seen a great improvement.

END QUOTE

This information was hidden from owners.

b) AGJ requested BCS Strata Management to provide FULL details for another insurer - Strata Unit Underwriters on 5 September 2012:

QUOTE

I have already forwarded all details for a quote from Strata Unit Underwriters, they have requested the attached form to be completed by your goodselves. Please kindly complete quote request form, and return to our office via email.

END QUOTE

c) BCS Strata Management replied on 11 September 2012:

QUOTE

Sorry about the delay in responding with the attachment. Please pass on to SUU for an early response that is if they are interested with the legal defence claim on the go.

END QUOTE

In it, the following was listed:

QUOTE

Claims

24.3.2011 Burst pipe \$7,000.00 + \$14,000.00 LOR

2.9.2010 Burst pipe \$12,261.00

5.9.2010 Storm damage \$9,191.00

28.5.2009 Burst pipe \$2,545.00

25.4.2009 Impact \$4,077.00

13.7.2007 Fusion \$1,304.00

18.5.2008 (declined)

25.7.2011 Water damage \$3,043.00

16.4.2012 Burst pipe \$4,338.00

8.8.2012 Legal defence claim

An owner is claiming Exec. Committee and Strata Mgr. are not carrying out their administrative duties correctly. Case is ongoing  
END QUOTE

BCS Strata Management failed to disclose real values of claims some and excesses, and refused claims, which were contained in secret emails between their staff on 29 July 2011:

QUOTE

Unit XX wind sucked out window

claim \$9,190.50

excess \$2,000.00

recvd. \$6,355.00

Lift power cable replacement in 2010/2011 \$39,500.00

claim refused

Unit YY

burst pipe

claim \$12,260.50

excess \$2,000.00

recvd. \$4,683.00

Assessor appointed contractor \$7700 plus our contractors

Unit ZZ

burst pipe

claim \$7,000.00

excess \$2,000.00

recvd \$970.00

Assessor considered contractor's claim for drying out unit was excessive at \$3,910.00. Contract for repair arranged by assessor and paid direct by insurer \$22,180.00 and loss of rent paid to unit owner \$14,000.00

END QUOTE

BCS Strata Management deliberately failed to disclose to Strata Unit Underwriters that legal cost claims for non-existent CTTT case already had one claim paid.

BCS Strata Management made four insurance claims in amount of \$24,919.31 for alleged "defence" of this lot in CTTT case in 2012/2013 (there was no CTTT case related to this owner):

First claim on 31 August 2012 \$367.64

Second claim on 7 December 2012 \$12,714.65

Third claim on 26 April 2013 \$1,320.00

Fourth claim on 4 June 2013 \$10,517.02

Full details provided elsewhere in this forum.

d) AJG replied to BCS Strata Management on 20 September 2012 (one day before the insurance renewal):

QUOTE

Further to our telephone conversation of today, Strata Unit Underwriting have declined to quote on renewal for Strata Plan, due to pending 'legal defence' claim.

END QUOTE

e) In the end, only one insurance company provided the quote to my complex.

Here is the confirmation from an EC member how badly insurance claims and renewals were managed by BCS Strata Management. This is extract from secret email to BCS Strata Management on 20 September 2012:

QUOTE

Can we please get a claims report for the last few years.

The Executive committee is not seeing all these claims and there is clearly a misunderstanding as to what claims are being made when we may be better off

paying these directly.

There are virtually no insurance claims of any size reflected in our accounts. If payments are being made directly to contractors there is no visibility of the claims volume and we cannot assess whether these premiums are reasonable or understand the nature claims.

This dramatic jump in premium will cause us to reassess our budgets dramatically - Our strata manager provided me with a budget two days ago with a figure of \$60,000 – does no one speak to each other? That's over \$100 per unit increase in levies that we would have been in error.

I am extremely disturbed that we are only getting follow up 24 hours before our insurance lapses. Had I been appraised of these difficulties earlier I might have been able to assist.

The committee cannot be expected to assess quotes on a reasonable basis with a shotgun held to their heads at the last minute.

If no better quote is received we need to proceed with the CHU quote with the higher excess - please supply me with a copy of the cover note as soon as insurance is placed.

END QUOTE

This information has never been disclosed to owners. BCS Strata Management also failed to disclose it to Department of Fair Trading and CTTT, directly hampering the investigations by the Adjudicator.

f) Agenda for the Annual General Meeting, sent to owners on 4 October 2012, and repeated on 9 October 2012, contained the following misconstrued and misleading statements:

QUOTE

In the last few days the EC was placed in the invidious situation of having only one insurer prepared to quote on reinsuring our almost \$100m asset due to the pending CTTT action and the allegations of fraud contained herein. This resulted in being forced to accept a cost with a 53% increase without any of the normal alternatives available to us.

...

The EC believe these claims are equally ill-founded and without basis and the OC is cooperating in the defence of these claims for BCS Strata Management. As is abundantly clear from both the financial performance measured against budgets, audited accounts, minutes of meetings and the physical state of the complex, all such claims are false and there is and never has been any mismanagement, let alone fraud.

The EC has received formal written confirmation from the Managing Agent (BCS Strata Management) that no fraud has occurred and that no EC member has any financial interest with or received any benefit from BCS Strata Management.

END QUOTE

g) CHU Insurance renewed policy for my strata plan for FY 2012/2013 with extremely high costs:

Insurer Name: QBE Insurance Group Ltd.

Start Date: 21/09/2012

Expiry Date: 22/09/2013

Premium: \$84,414.77

Broker Name: Gallagher Broking Service

For comparison, insurance renewal in September 2017 (five years after the one with CHU Insurance) was still cheaper:

Insurer Name: AIG Australia Ltd

Broker : Body Corporate Broker

Premium : \$83,053.51

h) BCS Strata Management failed to disclose to owners that on the day of the general meeting (19 October 2016) CHU Insurance, through their lawyers, issued request for repayment of illegal claim in amount of \$8,800.00.

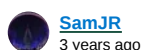
The repayment of \$8,800.00 was for legal expenses that BCS Strata Management made for non-existent CTTT case (they officially called it "defence of lot owner" (same EC member who did not pay second gas connection levies for 15 years and was vocal supported of BCS Strata Management!)), without owners corporation approval in 2012/2013.

My complex had to repay \$8,800.00 to CHU Insurance in April 2017.

It turns out Strata Unit Underwriting and other insurers were correct in declining to quote on renewal for my Strata Plan, due to pending 'legal defence' claim in 2012. Owners in the complex are prevented from having full information about these events both by BCS Strata Management and their successor Waratah Strata Management.

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Example of double standards for repairing private property by using common funds of owners corporation in my complex.

Evidence exists of number of cases where BCS Strata Management provided full payments for repairs of private repairs to selective owners without disclosure.

a) Continuous water leaks from balcony and room in a unit owned by medical professional in Block B.



BCS Strata Management failed to maintain his property in proper manner. causing him large expenses, and lost CTTT cases due to false statements provided by BCS.

Recognising massive problems with roofs, BCS Strata Management and EC members started repairing them in 2014 and 2015, without disclosing alternative quotes to owners. They repaired membrane on ONLY HALF ROOF on Block B at cost of \$59,355.00 including GST, whilst a FULL ROOF quote from Dural Building Services in amount of \$74,800.00 including GST, dated 9 June 2014 was kept secret.

Paid roof repairs without tender since 2014 (prices include GST):

\$7,785.00 Block D: roof membrane - fourth part  
\$25,000.00 Block D: roof membrane - third part  
\$32,786.00 Block D: roof membrane - second part  
\$43,714.00 Block D: roof membrane - first part  
\$35,613.60 Block B: roof membrane - second part  
\$23,742.40 Block B: roof membrane - first part

The roofs on two other buildings and half of roof in Block B are still not repaired and costs not planned in 10-Year Capital Works Fund.

An extract from letter sent by BCS Strata Management to him on 15 December 2011:

QUOTE

The interior surface finishes of a unit eg painting or wallpaper, are not part of common property and therefore the owner's responsibility.

Repairs to water damage to the material lining of the ceiling, in the case of insurable event, would be covered by strata insurance but not the paint finish.

END QUOTE

b) Paid carpet maintenance for a lot that was caused by water leak in a unit above him from long-serving EC member.

Invoice by Sydney Wet Carpet and Structure Drying Experts for Lot 157 dated 10 December 2014:

Restoration of water damaged areas \$2,750.00 plus GST

BCS Strata Management received the following note about it from building manager (caretaker) on 23 December 2014:

QUOTE


This was caused by a water pipe that leaked from Unit XXX down the building and wet this unit. This was arranged and completed.

END QUOTE

Neither EC members nor BCS Strata Management ever disclosed the double standards for maintaining private property in the complex.

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 **SamJR**  
3 years ago

Addendum to example of how to mismanage large expense without proper tender and without owners corporation being allowed to make educated decision.

BCS Strata Management used so-called "ratification" process, without disclosure of information to advance number of activities that would have never been approved otherwise.

Here is an extract of my email dated 4 December 2013, warning them about dangers and legality of another Extraordinary General Meeting they organised in rush:

QUOTE

Your legal advice is apparently wrong (see page 5 of the Strata Community Australia):

Entitled to vote for ordinary and special resolutions an owner must be financial at the time of CALLING the meeting.

1. The ratification of a lawful contract has a retrospective effect, and binds the principal from its date, and not only from the time of the ratification, for the ratification is equivalent to an original authority, according to the maxim, that omnis rati habitio mandate aequiparatur (ratification is equivalent to express command).

2. As a general rule, the principal has the right to elect whether he will adopt the unauthorized act or not. But having once ratified the act, upon a full knowledge of all the material circumstances, the ratification cannot be revoked or recalled, and the principal becomes bound as if he had originally authorized the act.

3. The ratification must be voluntary, deliberate, and intelligent, and the party must know that without it, they would not be bound.

4. The ratification is used very rarely and with great care. In all listed cases, common ground exists: for a ratification to be legal and successful, a general meeting (AGM or EGM) with full disclose is required - CLEAR ADOPTIVE ACT.

END QUOTE

BCS Ignored the email then and at future meetings.

One of the Motions for AGM 2014, as sent to owners by BCS Strata Management:

QUOTE

Motion 15

That the Owners Corporation accept the quotation (copy attached) for the torch-on membrane from Kintyre Building in the amount of \$53,960.00 plus GST and ratify the EC decision recorded in the EC minutes of 11 September 2014 to apply this approach to other tower roofs as required.

END QUOTE

a) Not explained to owners was a fine-print caveat in the Kintyre Building Services quote for the work on Block B:

QUOTE

PLEASE NOTE - The torch on membrane comes with a 15 year material warranty. In discussions with the manufacturer they have advised that a liquid membrane applied to this roof would come with a 5 year material warranty due to excessive cracking and water ponding on the existing concrete substrate.

END QUOTE

b) Kintyre Building Services' quote was dated 12 September 2014 and expired on 12 November 2014, almost two weeks before the AGM.

c) It was also hidden from owners the fact that Kintyre Building Services did repairs on roofs of all four buildings, as per undisclosed invoice dated 26 March 2012, charging owners corporation \$28,892.00 for "Block A, B, C, D and all townhouses: re-bed and re-point all ridge cappings, new sadning mix, new tiles replacing chipped ones" (as shown in BCS accounting sheet).

d) Dural Building Services visited the complex, checked the status of roofs, and submitted a quote DBS Q14-048 in regards to waterproofing Block B dated 9 June 2014.

BCS Strata Management paid their invoice in amount of \$385.00 six months after your invoice was submitted, which was, common problem for the strata agency from Epping.

Dural Building Service's quote seemingly suggests that complete roof of Block B would be properly waterproofed and repaired at cost of \$74,800.00 (GST inclusive).

Kintyre's quote was for half-roof!

e) EC meeting was held on 10 September, not 11 September 2014, as the Motion at the AGM suggested. Seven EC members were present, and no other owner from complex of 218 lots.

The agenda for this EC meeting that was sent ONLY to EC members (document ID BCS8765061) contained inconclusive and incomplete Motion 7 that only contained these words:

QUOTE

ITEM 7: Roof repairs.

END QUOTE

The agenda for this EC meeting that was sent to ordinary owners (document ID BCS8765065) also contained inconclusive and incomplete Motion 7 that only contained these words:

QUOTE

ITEM 7: Roof repairs.

END QUOTE

No owner had any information about the alleged quotes for roof repairs before, or at the EC meeting.

The Minutes of this EC meeting recorded the following statements:

QUOTE (including spelling errors by BCS Strata Management)

Resolved that urgent repairs should be instructed for the affected half-room of Tower B, causing the leak into Unit below. Kintyre Building Services' quote to apply the torch-on membrane was nominated as the preferred solution. The committee allocated \$60,000.00 to carry out this work. This is the oldest tower and other roofs will be allowed for in the revision of the long term sinking fund. Multiple quotes received indicate that this is the most cost effective solution noting that a 15 year guarantee will be provided.

END QUOTE

f) Kintyre's quote provided ONLY FIVE YEAR warranty for the work due to long-term neglect of roofs in the complex.

g) Owners were not told that the work order 0003682 was signed with Kintyre on 17 September 2014, two months before the approval happened at the General Meeting on 26 November 2014.

h) Without any further bids or requests for quotes, Kintyre Building Services "won" project for one other building. Paid roof repairs without tender to them since 2014 (prices include GST):

\$7,785.00 Block D: roof membrane - fourth part  
\$25,000.00 Block D: roof membrane - third part  
\$32,786.00 Block D: roof membrane - second part  
\$43,714.00 Block D: roof membrane - first part  
\$35,613.60 Block B: roof membrane - second part  
\$23,742.40 Block B: roof membrane - first part

h) Number of owners, including three EC members were not financial to vote at AGM 2014 due to unpaid full second gas connection levies since 1999 but BCS Strata Management kept that information secret from ordinary owners to this day.

In summary, waterproofing one whole roof in just one building cost my complex around \$107,000.00 (GST inclusive), without evidence of tender, with only five year warranty due to confirmed neglect in the past years, and allowed unfinancial owners to vote and "approve" it.

Numerous attempts were made with BCS Strata Management (staff and managers) to deal with this issue. They never responded.

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**SamJR**  
3 years ago

Another proof of neglect and lack of customer service by BCS Strata Management in my complex.

This was found during strata document search in 2017 after BCS Strata Management lost contract in my complex at AGM in October 2016. Otherwise, it would be next to impossible to obtain access to these files as BCS Strata Management refused access whenever possible.

On 20 December 2012, the tenant of a unit in my complex wrote the following to the real estate agency, which the agent then forwarded to BCS Strata Management:

BEGIN QUOTE

Late October we had a water leak in our kitchen. They found out it was from one of the units above us.

The ceiling was damaged (the cornices and the ceiling bubbled up and started peeling, the wall paint also had bubbles.) the handy man from the strata came in half fixed it not finished yet said will come back will chase up later on next month.

The kitchen bench has bubbled you cant see it but when you put your hand over the bench you can feel the bench has swelled a bit.

Re: dining room there definitely is some form of leak as the paint has swelled and now its getting worse and there is new swelling.

I reported this last year when we started and strata sent someone and they thought it was a leak from the roof vent and nothing was done. I just think strata think we are tenants and we wont be bothered.

It does look pretty ordinary.

END QUOTE

None of these events were reported at any meeting of owners corporation.

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**SamJR**  
3 years ago

As I sift through thousands of strata documents from my complex that I obtained only after BCS Strata Management lost contract at AGM 2016, I find more and more disturbing evidence.

Here is an example of how BCS Strata Management avoided proper management of elevators by ignoring professional reports and delaying repairs.

Extract from minutes of EC meeting on 29 August 2013:

BEGIN QUOTE

To receive the report on lift maintenance confirming no major costs in next few years.

The meeting reviewed the contract with ThyssenKrupp Elevators, which is valid to mid 2017, and recent correspondence from ThyssenKrupp Elevators in which they state that they do not anticipate any out-of-the-ordinary expenses for the scheme's four lifts during the remainder of the current maintenance contract.

The meeting also noted that the Strata Manager has issued a work order to ThyssenKrupp Elevators in relation to the D Block lift, which has broken down on several occasions in the last couple of months, requesting that the problems being experienced with this lift be addressed to provide a permanent solution, as soon as possible.

END QUOTE

What is wrong with this statements:

1. ThyssenKrupp did not make such statements. We had numerous problems with elevators, and even stuck people in them.
2. Napier & Blakeley report in July 2012 (never disclosed to owners) showed significant needs for elevator upgrades in the short-to-mid term period.
3. Reports by ThyssenKrupp in December 2013 presented this information (also never disclosed to owners) in their Risk Implementation Plan for elevators and the cost for dealing with:

\* High Risks (rectification required within one year, during 2014)  
quoted at budgeted price of \$149,644.00;

\* Medium Risks (rectification required within three years from 2014)  
quoted at budgeted price of \$20,336.00;

\* Low Risks (rectification required within five years from from 2014)  
is quoted at budgeted price of \$99,400.00.

\* Major upgrade item within one year, during 2014:

Lift Car Landing Door Equipment \$250,000.00

Other upgrade items within next five years come up to figure of \$385,000.00, additional \$150,000.00 in the following two years afterwards (within seven years from now), and additional \$200,000.00 within next 10-15 years.

4. Vertical Transport Management Services report on elevators in February 2014. Also, never provided to owners. They reported that, on average, there were 0.61 faults/lift/month, and highlighted that such rate was above normal. They also highlighted need for major upgrades (at costs above one million dollars) and lack of compliance with OH&S.

5. None of these costs were listed in any version of 10-Year Sinking Fund and even now, in 2018, latest Capital Works Fund has no allocated funds for upgrades in spite of new strata agency (that replaced BCS Strata Management - worth noting that two main staff members are from BCS Strata Management and Pica Group (parent company of BCS Strata Management)) and EC members planning major repairs and upgrades this year.

I had many attempts to reason and communicate concerns with BCS Strata Management staff and managers. None of them ever replied to me, or allowed such information to be presented to owners at meetings.

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 [SamJR](#)  
3 years ago

Further example of how BCS Strata Management and Pica Group treat customers.

Compare it with their service charter, as displayed on their web site:

BEGIN QUOTE

PICA Group service charter

We strive for excellence at all times. This is why we have created a service charter. Your experience with us should be productive and valuable. Our charter reflects this and helps to ensure we always maintain our high level of customer service standards.

Our charter stipulates that we stand by our responsibility to:

Provide high standards of guidance, support, and delivery. We are dedicated to providing ethical, quality service that delivers the best level of support you seek, with the intention to exceed expectations whenever possible.

Commit to clear, courteous communications. We address requests with promptness, and respond in a polite, friendly, and respectful way.

Respond promptly to all enquiries. We commit to replying to all voicemails and emails within one to two working days, and other written correspondence within five working days.

Coordinate meeting minutes in a timely manner. We will distribute the minutes of meetings within seven days.

END QUOTE

For public scrutiny... No need for me to offer any comments.

1. On 11 February 2018, after numerous attempts to engage BCS Strata Management and their parent company Pica Group, I decided to send them another email to an address they provide at Product Review when asking unhappy customers to contact them:

BEGIN QUOTE

To whom it may concern.

Pica Group and BCS Strata Management state they are genuinely interested in good customer service.

This has been provided first hand by CEO and Director of Pica Group (name withheld) on 9 December 2015 (refer to attached image). I followed up on that offer multiple times (including a message on his phone on 18 December 2015) and so far, no response has been received.

BCS Strata Management was engaged in a contract with the complex I live in, and during this time I requested access to the strata files a total of four times. On 19 October 2016 when the contract with BCS Strata Management ended, I continued my request which resulted in incurring a cumulative personal cost of around \$2,500.00. These fees were paid directly to BCS Strata Management. While a voluminous amount of files were provided between both BCS and the new strata management company, not all were made available to me.

As part of this original document request and for this to be finalised, could you please search for the following eight emails and provide them to me:

(list of emails undisclosed in public forum)

The emails can be sent to me at the following email address (undisclosed).

Alternatively, a USB containing the emails can be posted to my home address.

END QUOTE

2. Pica Group responded with a single question if I could provide names of the strata managers involved in those events, which I did on 12 February 2018:

BEGIN QUOTE

Document search as per SSMA 1996 S108 on 12 November 2012 (two strata managers, one promoted and currently working at Pica Group).

Document search as per SSMA 1996 S108 on 17 October 2013 (two strata managers, one promoted and currently working at Pica Group).

Document search as per SSMA 1996 S108 on 17 November 2014 (two strata managers).

Document search as per SSMA 1996 S108 on 18 December 2015 (two strata managers).

Follow-up to document search in January 2016 (two strata managers).

END QUOTE

3. Pica Group, instead of any investigations, apology, or offers, responded with a single line on 13 February 2018:

BEGIN QUOTE

All our records were handed over to the new strata managing agent and so document requests should be dealt with through them.

END QUOTE

4. My response on the same day, 13 February 2018:

BEGIN QUOTE

Thank you for the reply. I know what documents the new strata agency has. Its Director (name withheld) was a staff member of Pica Group, whilst its strata manager (name withheld) worked at BCS Strata Management and had poor reputation when he managed our complex in 2011.

It seems the received response from Pica Group did not address my direct questions. Rather, it deflected them:

a) What was the outcome of alleged investigations by your previous CEO and Managing Director (name withheld) as publicly promised on Product Review on 9 December 2015?

b) Why was I never contacted since leaving the voice mail on his phone on 18 December 2015?

c) Why did BCS Strata Management fail to provide access to strata files in five document searches in period 2012 to 2016?

Customer relationship is not based on promises, but genuine actions.


END QUOTE

BCS Strata Management and Pica Group went SILENT after my final email.

Public can make up their mind about it.

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 [SamJR](#)  
3 years ago

For public information:

A complete silence from BCS Strata Management staff and managers. I received absolutely no replies, complaints, or any kind of support.

Here are the latest updates.

As I could not locate the missing strata files in five paid strata document searches, I continued to put pressure on both BCS Strata Management and the current strata agency.


Based on my actions, current strata agency, from the complex I live in, provided USB key with allegedly all files that BCS Strata Management had given them at the end of their contract on 1 February 2017.

I now have both oral and written confirmation from the Police that they also could not find the missing files in searches so far.

Further actions by various organisations trying to get to the bottom of this are underway.

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Further updates worth sharing.

Public will note herewith that BCS Strata Management and Pica Group directors are staying silent and not responding to any of my claims, in spite of their "commitments to investigate all issues since December 2014".

In essence, their silence resembles the behaviour of Australian banks, who were eventually forced to take action, as per Shine Lawyers comments on AMP several days ago:

"... failed to disclose to the market material information in relation to its dealings with the regulator, and failed to disclose material information about its risk management processes..."

Police also contacted the Solicitor, engaged by BCS Strata Management in 2012/2103, without owners corporation material knowledge or approval at general meeting. The Solicitor claimed he did not have copies of those eight emails I allege were part of fraudulent insurance claims in amount above \$24,000.00 and false statements to CTTT. The Solicitor helped strata manager submit Statutory Declaration to CTTT on 19 April 2013.


Police then contacted the strata manager who signed the Statutory Declaration at CTTT on 19 April 2013. He now works for different strata agency and his response to Police was that BCS Strata Management should have copies of all emails listed in the CTTT Statutory Declaration.

Based on the current evidence that neither Police nor I could locate those emails (for me through five document searches and USB given to new strata

agency on 1 February 2017, and Police through checks of USB files), all attention goes to BCS Strata Management.

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After 13 years since BCS Strata Management signed the contract to allow their antennae system and tower to operate on roof of a building in the complex without general meeting or benefits to owners, through hard work and efforts at personal costs, I managed to win against such disastrous business.

EC members actually confirmed in meetings in 2014 that proper yearly earnings from BigAir were supposed to be around \$20,000.00 (plus GST). Owners never received a cent of that money and BigAir even did not pay for electricity usage.

At EC meeting held in April 2018, new strata agency confirmed that BigAir company will finally be expelled from the complex, as per legal order dated 31 January 2014, and owners decision at AGM 2014, which BCS Strata Management refused to enforce:


BEGIN QUOTE

The strata manager advised that Superloop, who have taken over from BigAir/WHome have offered to remove their equipment from the building within 60 days and to pay \$2,000 "to compensate for previous usage". Resolved the strata manager is to respond that the equipment has been in place since December 2003, that WHome had agreed to pay 5% of all of its income from that equipment, that BigAir had proposed to pay \$2,500 per annum licence fee, plus \$500 per annum for electricity consumption and that a reasonable compensation amount would be at least \$20,000.

END QUOTE

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3 years ago

A short update.

At EC meeting held on 21 of June 2018 (which was not compliant with SSMA 2015 because the agenda was not sent to all owners - a practice inherited by new strata agency from BCS Strata Management), the eviction of BigAir/WHome ISP was announced:

BEGIN QUOTE

A settlement payment from BigAir in the amount of \$12,000.00 (being \$7,000.00 for the 5% income in the original WHome agreement and \$5,000.00 for electricity other costs) has been accepted and BigAir are going to remove their equipment from the building within 60 days.

END QUOTE

My long-running efforts to force it finally happened.

As a reminder for public scrutiny, BCS Strata Management and a few members of the Executive Committee, without decision at general meeting, approved installation of WHome ISP equipment in 2003.

Over next 14 years, no benefits were receive by owners.

BigAir Group Ltd (BigAir) and its predecessor WHome wireless service provider failed to comply with the commercial agreement with my large strata scheme:

- a) Have not reimbursed owners corporation an amount equal to 5% of all income twice a year from April 2004.
- b) Since 15 November 2013 runs the business without any legal rights as original WHome contract was cancelled by the owners corporation officially.
- c) Have not paid 10% interest on unpaid amounts to owners corporation.
- d) Failed to ensure all required certifications were provided to the owners' representative within five business days of completion of installation.
- e) Since 31 January 2014, BCS Strata Management failed to enforce legal order that requested BigAir to leave private property.
- f) BigAir is not paying for electricity usage to owners corporation.
- g) BigAir is not paying for renting common property in the complex. In 2010, the owners corporation rejected Optus' proposal to rent common property for small mobile tower in amount of \$22,000.00 (GST inclusive) per year. Using that average figure for BigAir, the losses to owners corporations are easy to calculate.
- At one of the secret meeting, EC members agreed that yearly fee to earn from BigAir was at least \$20,000.00 (plus GST) per year.
- h) BigAir is not serving the needs of the owners (there are no users who subscribe to BigAir services in the complex. The last one was supposed to be the caretaker, who, according to the email exchange on 1 March 2013 and 22 August 2013 was instructed by BCS Strata Management to move to another provider.
- i) BigAir is illegally running business on private property, in spite of clear order to leave premises on 31 January 2014, as sent by lawyers, who charged \$4,172.30 (according to incomplete accounting data as BCS Strata Management prevents owners from accessing all strata documents).
- j) In spite of my personal efforts, BCS Strata Management refused to engage Telecommunications Ombudsman in period 2013 to 2016 (until they were removed from managing our large strata complex), although I had prepared the case for them.

In any case, one of the terrible actions by BCS Strata Management has now been annulled.

And BCS Strata Management is still silent to respond.

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3 years ago

It is worth mentioning that BCS Strata Management is only part of the problem.

Here is a proof of how Australian Communications and Media Authority (ACMA) ignored my report on illegal BigAir ISP.

I sent them one of the reports on 21 October 2014 - no reply received.

Then, two years later, I got an automated email with Message Delivery Notice (MDN) advising me that they deleted my message without reading!

I have similar evidence of BCS Strata Management staff at Epping office deleting emails without responding or reading.

BEGIN QUOTE

To: ACMA Customer Service Centre

Subject: Re: [SEC=UNCLASSIFIED] RE: INQUIRY: BigAir Site R2MAC running without contract with Owners Corporation CRM:000048000690

Sent: Tuesday, 21 October 2014 9:54:49 PM (UTC+10:00) Canberra, Melbourne, Sydney

was deleted without being read on Tuesday, 20 December 2016 2:41:59 PM (UTC+10:00) Canberra, Melbourne, Sydney.

END QUOTE

Accountability is a large problem in corporate Australia and sadly, even present in public tax-funded organisations.

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[SamJR](#)  
3 years ago

After many unsuccessful efforts to get a constructive action or response from staff at BCS Strata Management and Pica Group (parent company of BCS Strata Management), I received an email from Pica Group Manager of Regulation & Licensee-in-Charge in 20 July 2018. No proof of actions on his side was offered.

Here are excerpts from my response:

BEGIN QUOTE

Your comments confirm lack of action to co-operate with the Police investigations (Event number undisclosed) and Minister for Innovation and Better Regulation order to Department of Fair Trading to investigate affairs in this strata plan.

I emphasize that you did not deny that five document searches (costing me more than \$2,500.00) were not complied with by BCS in period of five years. I represented not only myself but a group of owners through their proxy votes, nor was there any evidence of BCS managers and directors investigating my complains and reports (refer to Pica Group Customer Service Charter). Not to mention lack of replies.

Instead, BCS responded with threats, bullying, false statements in pubic forums and to DFT, CTTT, and District Court.

...

You seem to suggest that allegedly all strata files in this complex were given to a new strata agency who, in return, did not provide them to me in document search on 13 June 2017, and to the Police in (Event number undisclosed).

My allegations against BCS for false statements in CTTT Statutory Declaration and false insurance claims do not have expiration date (indictable offences).

I offered to reason with parties at all times.

Over the last five years, your offices were constantly reminded of their duty of care and responsibilities. The fact that CHU Insurance forced this complex to repay \$8,8000.00 four years after the events (in 2017) whilst the complex was managed by BCS in 2012/2013 prove that there was significant negligence.

More serious is the matter that BCS knew about this claim on the day of AGM 2016 and failed to inform owners that night and at any time before they lost the management contract on 1 February 2017.

END QUOTE

In attachment, I provided evidence of Pica Group's CEO and Managing Director, who promised in Product Review forum to investigate all my claims and evidence of mismanagement by BCS Strata Management on 9 December 2015 but never replied since then. It includes the message left of his phone after BCS failed to provide access to strata files at document search on 18 December 2015.

No reply was received.

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[SamJR](#)  
2 years ago

Undeniable records exist that BCS Strata Management tried to prevent me, and some other owners, from publishing negative reviews and comments about them on public website. That includes efforts to persuade customers not to publish reviews at ProductReview.

I personally received several threats, including the one from NSW COO, but after I questioned them to disprove veracity of my claims, they stayed silent for SEVEN YEARS.



These have been the questions I asked BCS Strata Management and Pica Group (parent company of BCS) in regards to surge in positive comments at ProductReview in last two years - a response has never been received:

BEGIN QUOTE

1. Do these owners with sudden positive comments get full accounting details at least once a year (and I mean full accounting, not one-page balance sheet that is often manipulated),
2. Do they have proper long-term sinking fund based on thorough assessments of maintenance?
3. Are repairs done efficiently and without repetitive attempts?
4. Are all owners treated equally?
5. Does any owner receive undeclared benefits from BCS?
6. Do all major repairs and contract renewals run through competitive tenders?
7. Were these owners approached by BCS staff to write positive report at ProductReview or elsewhere?

END QUOTE

In July 2018, serviced apartments giant Meriton was hit with a \$3 million fine after it was found to have directed staff to "mask" potentially damaging reviews on TripAdvisor.

The Federal Court handed down the fine after an Australian Competition and Consumer Commission (ACCC) investigation found Meriton employees employed practices that stopped potentially negative accommodation reviews from being published publicly.

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**SamJR**  
2 years ago

Latest finding in my complex, courtesy of BCS Strata Management Epping office which, due to my persistence to enforce transparency of their actions, lost contract renewal at AGM in October 2016.

Going through wealth of strata files uncovers more and more evidence of poor management.

The complex has 218 lots, with 192 units in four buildings and 26 townhouses.

It turns out that three owners in buildings have special and undisclosed privileges in their garages, without paying for it or notifying owners that their changes on common property was illegal and unauthorised:

a) Long-term Executive Committee member and strong supporter of BCS Strata Management, who boasted about bringing them to the complex without any tender in 1999, has four fluorescent light tubes in her garage.

Every other of 191 owners has one or maximum two fluorescent light tubes in their garage.

b) Long-term Executive Committee member and strong supporter of BCS Strata Management, received special connection in his garage for using it as a workshop.

c) An ordinary owner has special housing over the fluorescent tube in his garage, disallowing free and open airflow over the tubes.

Even more, apart from fire and safety risk, this also brings a potential for insurance premium increases, especially if these connections/changes were done by unlicensed staff.

None of the three owners received official approval for such changes to common property, BCS Strata Management refused to document these items on the register of property that is not common property any longer, and BCS Strata Management refused to issue even symbolic levies for additional electricity usage.

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**SamJR**  
2 years ago

Another secret invoices were uncovered for alleged work on 26 townhouses in my complex in 2007/2008, without tenders, without approval by owners corporation at the general meetings, without providing any reasonable explanation for the work, and without disclosure of cost.

BCS Strata Management hid the fact that meetings were held from year 2000 till 2010 in serviced-apartment chain, which charged owners corporation fees without disclosure that one member of the EC was closely linked to them in a business relationship.

This was pushed and co-ordinated by BCS Strata Management and two members of the Executive Committee and who lived in townhouses at the time, causing expense of \$15,456.00 plus GST for alleged under-roof insulation of townhouses.

Additional expense in amount of \$13,636.27 plus GST was spent on covers for letterbox area, without tender or any competitive quotes.

History of the events:

a) Brief comment in the Minutes of EC meeting dated 15 August 2007. Nothing was listed in the Agenda for the meeting:

BEGIN QUOTE

## General Business

(A) During recent work on the roof of the townhouses it was identified that there is no roof isolation for the townhouses. Proposal to address the situation are to be obtained and a provision is to be included in the budget for the coming year.

END QUOTE

b) The Agenda for the Annual General Meeting on 17 October 2017 contained only these personalised comments from an EC member, without any budget plan or approval of cost for alleged townhouse insulation. This EC member owned property in the townhouse.

It is important to note that no tender for alleged works was provided for voting at the general meeting 2007, no proof of under-roof insulation on townhouses being common property, false statement that all owners had to vote for such upgrades in Special Resolution, and then based on that false statement, BCS Strata Management and EC members "persuaded" owners to vote to allow them to spend up to 10% of the Sinking Fund balance without asking owners for any kind of approval (in 2007, Sinking Fund had exactly \$440,469.84 at the end of the financial year, one month before the general meeting). It meant that BCS Strata Management and EC members were allowed to spend up to \$44,046.00 on each "improvement" in FY 2008 without general meeting, without tender, and without explanations...

Spelling errors are owned by the EC member. I just quote them as they were published.

BEGIN QUOTE

The committee will next year consider sinking fund expenditure on new common area projects such as weatherproofing the mailbox area, improving roof insulation and fire rating in the townhouses, a rolling long term program on lobbies and hallways in the towers and replacements of parts of the hot water system.

Estimates only are included the budget for these items which will all be examined case by case before proceeding.

Technically even the smallest expenditure from the sinking fund that "improves" or "adds" to the Common Property requires approval by all members in a Special Resolution. This is an expensive and time consuming restriction. The committee seeks approval of a new Bye Law granting the authority to be allowed to approve projects under 10% of the sinking fund balance without a separate resolution on each project.

END QUOTE

c) Minutes of AGM 2007 contained this Special By-Law that was misconstrued and ambiguous:

BEGIN QUOTE

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

END QUOTE

d) BCS Strata Management and EC members failed to declare the general meeting invalid due to:

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

Of 41 proxies, 31 were given to EC member, who, along with a selective group of 16 (out of 26) townhouse owners (including one other member of the Executive Committee) received reimbursements for personal water and gas usage without Special Resolution or registered By-Law, hence directly decreasing their voting entitlements and being unfinancial. These secret and undeclared reimbursements were never provided in accounting books.

Three proxy votes were given to Strata Manager himself, who voted for his own increased remuneration at the meeting.

Four proxies were given to EC member who failed to pay levies in amount of \$200.00 (plus GST from 2000 onwards) for second gas connection (private gas heating) in period 1999 to 2016.

Four other owners, including three members of the EC, failed to pay levies in amount of \$200.00 (plus GST from year 000 onwards) for second gas connection (private gas heating) in period 1999 to 2016.

Outcome: BCS Strata Management failed to declare the meeting invalid due to lack of quorum.

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


e) On 12 March 2008, without any tender or disclosure of costs to owners corporation, BCS Strata Management paid from owners fund to NSW Insulation Pty Ltd the amount of \$15,456.00 plus GST.

f) In two payments during March and May 2008, BCS Strata Management paid from owners fund to Twinlite Awnings the amount of \$13,636.27 plus GST. This was for covering the letterbox areas against rain. No evidence of any tender or competitive quotes was ever provided to owners.

BCS Strata Management managers and directors from Pica Group (parent company of BCS Strata Management) failed to respond, refute, or reimburse owners corporation for losses and faulty tenders.

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 [SamJR](#)  
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The horror of secretly applied levies for second gas connections (used for heating) is displayed herewith for public scrutiny. In this article I describe an example of how one single EC member owns around \$6,000.00 in unpaid levies without disclosure, and how Strata Schemes Management Act 2015 Section 84 can affect the future owners...

BCS Strata Management has full knowledge of this issue and refuse to co-operate. In addition, they knowingly provided false statements to the Department

of Fair Trading and CTTT in 2011, 2012, 2013, and 2014.

This was mentioned before in the forum, but deserves the full example of unpaid gas levies that apply to six members of the Executive Committee alone, not even mentioning other owners who also did not pay correct levies for many years.

Here are details for one EC member:

a) Minutes of EC meeting held on 21 July 1999. Levies for second gas connection introduced officially without general meeting and set for owners in units (four buildings with 192 lots in total) to \$200.00 per year.

b) Minutes of EC meeting held on 17 November 1999 confirmed levies for the second gas connection applied to lots in buildings and townhouses and set to \$200.00 per year payable in advance by 1 December in each financial year.

c) Minutes of EC meeting held on 19 January 2000 stating that all owners would receive notice about these levies.

The notice about second gas connection was never sent to owners.

d) Minutes of EC meeting held on 24 May 2000 added GST to gas levies, setting them to \$220.00 per year.

e) Minutes of EC meeting held on 28 August 2013, wrongly stating gas levies at \$55.00 (GST inclusive) per year. I requested that BCS Strata Management amend the statement with correct figure for levies, but they refused to do so.

f) BCS Strata Management sent approval to another lot for second gas connection on 11 September 2013, again wrongly stating the levy amount as \$55.00 (GST inclusive) per year.

g) Under my pressure at Department of Fair Trading and CTTT, BCS Strata Management sent urgent letter to owners on 14 April 2014, confirming gas levies at \$220.00 per annum, including retrospective charges.

h) Minutes of EC meeting held on 18 June 2014 reported alleged action by BCS Strata Management to audit owners who had second gas connection and apply levies as per Annual General Meeting in 2012 (that is when I had opened the CTTT case, which BCS Strata Management "won" against me based on false statements and no evidence from their side).

At no time owners received any information of how gas levies were applied and what interest was paid into owners corporation funds.

i) Sensing danger from my actions, minutes of EC meeting held on 4 March 2015 stated that managing agent from BCS Strata management was "instructed to reinstitute the quarterly billing for gas heating" which was omitted for two quarters.

The minutes also stated:

BEGIN QUOTE

Lot owners who have voluntarily disclosed the use of common gas supply for room heating are to be charged at the rate then applying for each year of past use. Interest charges will be levied on owners found to have been using gas for heating without paying for the supply.

END QUOTE

For the record, only three owners (EC members) "admitted" having second gas connection, without revealing that they were paying less than the prescribed levies.

One EC member, who used to be a Chairperson, then Secretary and in another year an ordinary EC member, stayed silent about their second gas connection in period 1997 to 2014 when the voluntary self-reporting was conducted.

Again, at no time owners received any information of how gas levies were applied and what interest was paid into owners corporation funds.

i) During 2015 and 2016, before BCS Strata Management lost the contract in my complex in October 2016, there was lot of secret activities trying to recover lost revenue from second gas connection, but because number of EC members were affected, BCS Strata Management failed to apply correct levies and the interest.

All evidence is in my possession now.

j) Now the illustrative example of losses in common funds incurred by one EC member.

There are six of them, with levies applicable for similar number of years.

Instead of paying \$200.00 in 1999, or \$220.00 (GST inclusive) since year 2000, the EC member paid \$55.00 (GST inclusive) per year. To make things worse, I have evidence that BCS Strata Management did not charge the EC member in years 2004, 2012, and 2013 (for several other years I am missing the data at this stage).

BCS Strata Management secret invoices and email correspondence shows that no owner, including this EC member, paid any gas levies in FY 2012 and 2013.

First time this EC member paid \$220.00 was in year 2016. A secret personal email confirming it to BCS Strata Management was accidentally uncovered during document search in 2017. Same applies to other owners with second gas connection, whilst few owners have been missed to be charged to this day (November 2018).

Interest rate applied to late strata levies are calculated as simple interest of 10% per year.

How does it work? Here is the equation:

$$A = P(1 + rt)$$

P is the Principal,  
r is the interest rate (here 10% per year),  
t is how many years to apply it.

So, for example, if an owner failed to pay \$145.00 in levies in 1999, and OVERDUE UNTIL year 2016 (17 years):

The total amount accrued, principal plus interest, from simple interest on a principal of \$145.00 at a rate of 10% per year for 17 years is \$391.50.

The full status of unpaid levies for this EC member:

Year Paid FullLevy Diff Owing

FY 1999 \$55.00 \$200.00 \$145.00 \$391.50 (simple interest calculated for 17 years)  
FY 2000 \$55.00 \$220.00 \$165.00 \$429.00 (simple interest calculated for 16 years)  
FY 2001 \$55.00 \$220.00 \$165.00 \$412.50 (simple interest calculated for 15 years)  
FY 2002 \$55.00 \$220.00 \$165.00 \$396.00 (simple interest calculated for 14 years)  
FY 2003 \$55.00 \$220.00 \$165.00 \$379.50 (simple interest calculated for 13 years)  
FY 2004 \$0.00 \$220.00 \$220.00 \$484.00 (simple interest calculated for 12 years)  
FY 2005 \$55.00 \$220.00 \$165.00 \$346.50 (simple interest calculated for 11 years)  
FY 2006 \$55.00 \$220.00 \$165.00 \$330.00 (simple interest calculated for 10 years)  
FY 2007 \$55.00 \$220.00 \$165.00 \$313.50 (simple interest calculated for 9 years)  
FY 2008 \$55.00 \$220.00 \$165.00 \$297.00 (simple interest calculated for 8 years)  
FY 2009 \$0.00 \$220.00 \$220.00 \$374.00 (simple interest calculated for 7 years)  
FY 2010 \$0.00 \$220.00 \$220.00 \$352.00 (simple interest calculated for 6 years)  
FY 2011 \$55.00 \$220.00 \$165.00 \$247.50 (simple interest calculated for 5 years)  
FY 2012 \$55.00 \$220.00 \$165.00 \$231.00 (simple interest calculated for 4 years)  
FY 2013 \$55.00 \$220.00 \$165.00 \$214.50 (simple interest calculated for 3 years)  
FY 2014 \$55.00 \$220.00 \$165.00 \$198.50 (simple interest calculated for 28 years)  
FY 2015 \$55.00 \$220.00 \$165.00 \$181.50 (simple interest calculated for 1 years)  
FY 2016 \$220.00 \$220.00 \$0.00 \$0.00 (simple interest calculated for 0 years)

Total owing if paid in full in 2016 (the levies are still outstanding, so the current debt is significantly higher): \$5,578.00.

This owner is current Chairperson of the EC and protected by incumbent strata agency, whose two main staff are ex-BCS Strata Management and Pica Group members.

The six EC member alone, if all gas levies were recovered from them, would have covered the full gas costs paid to the provider for the whole complex consisting of 218 lots in FY 2016, for example...

k) The persistent, deliberate, and orchestrated lack of action by BCS Strata Management to protect selective owners (which helped them "win" strata management contract for 17 years without any tender) created another problem.

A new owner could be liable for debt incurred by previous owner:

SSMA 2015 Section 84:

84 Liability of persons other than owners for contributions

(1) If, at the time a person becomes the owner of a lot, another person is liable to pay a contribution in respect of the lot, the owner is jointly and severally liable with the other person for the payment of the contribution and any interest on the contribution.

(2) A mortgagee or covenant chargee in possession of a lot is jointly and severally liable with the owner of the lot:

(a) for any regular periodic contributions to the administrative fund or capital works fund together with any interest on those contributions, and

(b) for any other contribution together with interest on that contribution taken to recover unpaid contributions, if the mortgagee or covenant chargee has been given written notice of the levy of the contribution, and

(c) for any costs payable as a debtor in respect of enforcement action to recover unpaid contributions.

(3) Subsection (2) does not affect the liability of an owner of a lot for any contribution levied under this section.

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Another evidence of BCS Strata Management ignoring NSW strata laws and the by-laws in my complex up to 2016 when they lost contact in my complex.

This time it was in regards to smoking and fire safety.

Two By-Laws in my large strata plan (218 lots), existed in period 1997 to October 2016, when BCS Strata Management was finally removed from managing our complex due to poor performance and unsatisfactory costs:

BEGIN QUOTE

By-Law 9 - Depositing of rubbish and other material on common property

An owner or occupier of a lot must not deposit or throw on the common property any rubbish, dirt, dust, or other material likely to interfere with the peaceful enjoyment of the owner or occupier of another lot.

## Special By-Law 5

An owner or occupier and their invitees must not smoke on any enclosed area of common property such locations to include but are not limited to building entrance, lift foyers, lifts, fire stairs, garage area, pool area etc. Owners or occupiers shall be responsible to take reasonable steps to ensure that their invitees comply with this By-Law.

END QUOTE

In addition, Strata Schemes Management Act 1996 Section 117 on "Owners, occupiers and other persons not to create nuisance" dealt with the rights of every owner and occupier to enjoy living without nuisance or hazard.

These by-laws and regulations were repeatedly ignored by number of owners, with BCS Strata Management only occasionally sending reminders but not taking proper action to enforce because most of those owners breaking the rules were supporting BCS Strata Management and their renewal of strata contract form 16 years without any tender or competitive bids., In essence, BCS Strata Management bought votes for their own contract for their own benefits.

One specific owner was specially known as notorious abuser of these by-laws and regulations.

BCS Strata Management was repeatedly asked by me to follow up in the manner as done in well publicised Consumer, Trader, and Tenancy Tribunal (CTTT) case SP49822 vs May & Ors decision in 2006 where non-smoking orders were made against owners. BCS Strata Management refused to respond to my requests or take full actions as permitted by law.

BCS Strata Management failed to notify owners about these continuous problems and the fact that in 2015 Sydney landlord ordered to pay \$11,000.00 to tenant because of chain-smoking neighbour (reference easily found on internet).

In 2010, based on my recommendations, BCS Strata Management and the caretaker were forced to introduce sound alarms on all fire doors in the basement of the complex at night, which prevented the owners from smoking behind the fire doors for several years (albeit, they continued to smoke elsewhere within the complex). My proposal helped for several years at least with fire exits not to be abused for smoking. Then, several years later, BCS Strata Management and the caretaker removed the alarms on fire doors without decision by the Executive Committee and the smoking near or behind the fire doors continued again, not only causing nuisance but also creating safety risks.

These are some of secret notices BCS Strata Management sent to the notorious smokers, but never followed with any action after they were ignored:

10 September 2014

24 November 2014

30 March 2016

13 May 2016

Part of the emails send to the owners in question contained these threats:

BEGIN QUOTE

Continued contravention of the above By-Law may result in a fine up to \$550.00 for each offence.

END QUOTE

How bad the smoking habits of the particular owner was can be proven by desperate email (never disclosed to owners) to BCS Strata Management by the caretaker on 20 October 2014:

BEGIN QUOTE

These are photos of unit (number protected) who smokes outside each day in this spot and leaves his butts and empty packets in this garden box. We clean this garden box at least three times a week with this amount of litter. He is the same person who smokes in the basement and in fire stairs throughout the complex.

END QUOTE

The photo that the caretaker provided to BCS Strata Management contained 55 cigarette butts.


None of these proofs made BCS Strata Management take full actions to force owners to comply.

Based on 16 years of terrible experience with BCS Strata Management (which includes the attempts to personally contacts their top state and Australia-wide management), I cannot recollect any evidence of them forcing the by-laws at CTTT or through fair Trading Department for repeated offenders.

Every possible attempt to reason with BCS Strata Management staff and their management was met with silence or ignorance from their side.

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An example of how BCS Strata Management failed to properly maintain property in large strata complex and caused significant increase in insurance excess and insurance premiums in 2012.

Water-leak damages due to neglected roof membrane maintenance and frequent plumbing repairs in various lots (without warranties), caused insurance companies to take drastic action in 2012 (increased insurance premiums by 59.73% compared to the previous year (from \$52,845.27 to \$84,414.77 GST incl.) and water damages excess of \$10,000.00 for each and every loss).

As an example, just one of the lots on top floor of a building had 16 repairs costing owners corporation \$12,992.30 in period 2011-2016. Maintenance company was so unhappy with the way they had to do patchwork for these lots that on 24 February 2016 they sent warning letter to BCS Strata

Management stating ongoing water leaks in four lots on the top floor required

BEGIN QUOTE:

... Big job, as all ceilings would need to be pulled down throughout all these units kitchens, bathrooms, and possibly hallways and bedrooms to access all the piping.

END QUOTE

BCS Strata Management prevented Motion about it to be listed at AGM on 19 October 2016 and owners are still not officially notified about this pending work.

Here is an extract from secret email (never disclosed to owners) between BCS Strata Management staff and a single member of the Executive Committee on 20 September 2012. This email was obtained during one of the document search for strata plan:

BEGIN QUOTE

CHU have advised that because of all the burst pipes and water damage claims they will be increasing the excess for those type of claims to \$5,000.00.

If you agree to place a \$10,000.00 excess on the pipes and water damage claims there would be significant decrease of the premium of around \$9,000.00.

END QUOTE

Several problems:

1. The decision to increase excess for insurance premiums to \$10,000.00 was not made at any legally-convened meeting and there was no information for owners to make them aware of it.

2. The insurance was renewed on 21 September 2012, whilst the decision to "approve" it was made at Annual General Meeting that did not satisfy quorum (non-compliance with Strata Schemes Management Act 1996, Schedule 2, Section 10) and BCS Strata Management used special proxy paper they sent and used for selective owners (non-compliance with Strata Schemes Management Act 1996, Schedule 2, Section 11) on 17 October 2012.

3. BCS Strata Management deliberately mislead the owners by stating the following in the agenda for the Annual General Meeting 2012:

BEGIN QUOTE

Deductible for water damage has been increased to \$10,000.00, all others \$2,000.00.

END QUOTE

This was made to appear that the water-related damages were claimable after the first \$10,000.00 per year, which was not true.

Longitude Insurance actually stated the following in their renewal:

BEGIN QUOTE

Water damages excess: \$10,000.00 each and every loss.

END QUOTE

4. BCS Strata Management failed to disclose to owners that the insurance premiums increased by 59.73% compared to the previous year (from \$52,845.27 to \$84,414.77 GST incl.):

Start Date: 21/09/2012

Expiry Date: 22/09/2013

Premium: \$84,414.77 (GST incl.)

For comparison, insurance renewal in September 2018 moved up by only 6% over six years because most of insurance claims the complex could not make:

Premium: \$89,523.50 (GS incl.)

5. BCS Strata Management deliberately mislead the owners by stating the following in the agenda for the Annual General Meeting 2012:

Insurance budget for 2013: \$81,400.00 (GST incl.)

... although they knew quite well that the insurance contract was renewed on 21 September 2012 (one month before the AGM) at cost of \$84,414.77 (GST incl.).

6. BCS Strata Management failed to disclose to owners that the renewal of their contract was made without tender again.

This is the extract from SSMA 1996 non-compliant EC meeting on 22 August 2012:

BEGIN QUOTE

Reappointment of BCS Strata Management as MA for a further year

Due to level of cost involved with the Agency Agreement between the OC and BCS, it is a statutory requirement that alternative quotes be obtained before an appointment is confirmed. The EC were authorised to obtain at least one alternative Strata Management quotations not to be made available to the MA before discussion with the committee to determine the course of action.

END QUOTE

Evidence of any alternative quote for the strata management contract was never found and owners never received any information about it.

7. At AGM 2012, 32 owners present in person and 46 via proxy on 17 October 2012.

Of 46 proxies, 35 were given to EC member, who, along with a selective group of 17 (out of 26) townhouse owners (including one other member of the Executive Committee) (out of 26) townhouse owners (including one other member of the Executive Committee) received reimbursements for personal water

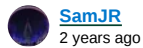
and gas usage without Special Resolution or registered Special By-Law in period before 6 May 2013, and applied in non-compliance with new Special By-Law since 6 May 2013, hence directly decreasing their voting entitlements and being unfinancial.

13 owners, including few EC members did not pay levies for second gas connection in FY 2012 and 2013 (confirmed in secret invoice by BCS on 1 August 2016). During document inspection on 13 June 2017, it was finally uncovered that group of 19 (possibly even more) owners failed to declare or pay full levies for second gas connection. Among them are units that still belong, or used to belong, to members of the Executive Committee. For some of them, the details of the installation of the second gas connection are unknown, so it is difficult to ascertain if the specific EC member was involved in avoiding levies and for how long.

The evidence shows that gas levies were set to \$200.00 as early as 21 July 1999 but never paid by EC members in any period before BCS Strata Management lost contract in my complex at AGM 2016.

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**SamJR**

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An example of attempt to manipulate insurance claims by BCS Strata Management.

In 2016, BCS made claim in amount of \$2,019.60 for broken water pipe in Block C plant room.

The insurance company responded with this comment (which BCS Strata Management hid from owners and also kept secret that due to frequent water damages excess increased to \$10,000.00 per event per year), and forced BCS to withdraw the claim on 18 July 2016:

"Please be advised that excess for burst pipes on the policy is \$10,000.00

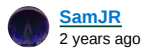
The claim cost falls far below excess"

Public already got information about another insurance claim by BCS in 2010. Due to botched electrical switch upgrade, two out of three phases for elevator in Block A were burned out but blame put to "sudden slab movement that damaged the conduit". Insurance company rejected this claim. Cost to owners corporation: about \$50,000.00.

Public also already got the information about CHU Insurance forcing our large strata complex in 2017 to repay \$8,800.00 for legal expenses that BCS Strata Management made for virtually non-existent CTTT case in 2012/2013. BCS officially named the insurance claim "defence of a lot owner" without approval of the owners corporation at any legally-convened meeting. The owner in question happened to be an EC Chairperson in the past.

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**SamJR**

2 years ago

Evidence of how BCS Strata Management failed to disclose personal benefits to selective owners and Executive Committee members.

This is an extract from official submission to BCS Strata Management on 17 July 2011:

BEGIN QUOTE

Over the last five years, has any member of the current or previous executive committee (those that might have left two-three years ago, for example) AND their families (including de-facto relationships) received any direct or indirect financial compensation from the owners' corporation? If so, I need the full details of the financial transactions: when, why, amount, and who approved it.

The examples of direct compensation would be work related to financial audits, or work on web site setup, or discounted strata fees for the units they own, and similar.

The example of indirect financial benefit (which might not be directly payable to them in person, but still constituted conflict of interest that should be declared) might be a project that benefits some company in which given member of the committee (or their families) have shares, active roles as directors or managers, and so on.

END QUOTE

A reply has never been received, even as of January 2019.

Based on our efforts, BCS Strata Management lost contract in our large strata complex in October 2016.

Once they were gone, it allowed us to start collecting strata files which they refused to provide, in spite of paid document searches.

As shown in previous posts, it was proven that BCS Strata Management facilitated secret and unapproved benefits to selective townhouse owners, owners in four buildings, and some Executive Committee members since 1999.

Based on full access to audited financials (a few years still missing), we were able to summarise losses to owners corporation due to unpaid levies for gas heating in period 1999 to 2016 for the following group of 11 owners (there are more owners who we did not analyse in full yet). The unpaid levies include 10% simple interest per year.

Not all Executive Committee members are currently members of the committee, some moved out, one is deceased, and the debt has carried over to new owners without disclosure by BCS Strata Management.

The figures do not include growing debt in FY 2017 and 2018.

First Executive Committee member, undeclared unpaid levies \$6,991.50 for second gas connections – 1999 to 2016

Second Executive Committee member, undeclared unpaid levies \$5,572.50 for second gas connections – 1999 to 2016



First ordinary owner, undeclared unpaid levies \$973.50 for second gas connections – 2012 to 2016

Second ordinary owner, undeclared unpaid levies \$4,015.00 for second gas connections – 2003 to 2016

Third Executive Committee member, undeclared unpaid levies \$4,746.50 for second gas connections – 2001 to 2016

Third ordinary owner, undeclared unpaid levies \$973.50 for second gas connections – 2012 to 2016

Fourth ordinary owner, undeclared unpaid levies \$4,317.50 for second gas connections – 2003 to 2016

Fourth Executive Committee member, undeclared unpaid levies \$5,644.00 for second gas connections – 1999 to 2016

Fifth ordinary owner, undeclared unpaid levies \$2,156.00 for second gas connections – 2009 to 2016

Fifth Executive Committee member, undeclared unpaid levies \$2,475.00 for second gas connections – 2007 to 2016


Sixth ordinary owner, undeclared unpaid levies \$2,475.00 for second gas connections – 2007 to 2016

These owners gave virtually unrestricted powers to BCS Strata Management, including the fact that BCS Strata Management won the contract without tender for 16 consecutive years, until they were removed in 2016.

Literally hundreds of attempts were made to reason with staff at BCS Strata Management and Pica Group - parent company of BCS Strata Management (including their Managing Director, CEO, and COO). No apologies, corrections, or proofs to counter my claims was ever received.

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Another disturbing piece of evidence about non-compliance for fire safety and false statements to Ryde Council that BCS Strata Management orchestrated over many years.

Some details of previous cases were published in this forum, including my own external door in the unit being non-compliant with fire safety standards AS1905.1 and AS1530.4 for more than 12 years, until I forced them to replace the whole door in mid-2016.

For all those 12 years, BCS provided statement of full compliance to the Council.

More shocking information:

a) BCS lost contract with my complex at AGM in October 2016. Two main staff of the new strata agency came BCS Strata management and from Pica Group (parent company of BCS Strata Management).

As I was preparing to lodge a fire safety complaint about persistent lack of services provided by the current strata agency and building manager in February 2019, I received an urgent SMS on 16 February 2019 that the new external door in my unit (that was replaced in mid-2016) still did not have a proper compliance tag and that I needed to provide them with access to the door to install it.

That was almost three years after the door was installed and during that period Ryde Council was led to believe that my large strata complex with 218 lots was fire safety compliant.

b) The NSW Environmental Planning & Assessment Regulation 2000 requires that "the owner of a building, to which an essential fire safety measure is applicable, is required to maintain each essential fire safety measure in the building". Failure to comply with this legislation can lead to significant fines and possibly serious legal ramifications for those responsible.

The bottom-line is: everyone MUST comply with the fire safety legislation – no excuses.

In an effort to protect residents from this risk, the NSW Government introduced the Environmental Planning and Assessment Amendment (Smoke Alarms) Regulation 2006.

As of May 2016, a legislative change came into force requiring that all smoke detectors should be replaced when they are 10 years old.

The requirement to replace smoke alarms is defined by law and also shown at Fire and Rescue NSW.


One of the smoke detectors in my unit should have been replaced in 2005, and the other one expired last year. I have undeniable photo evidence with the label on the detector which shows the replacement date.

That makes BCS Strata Management directly responsible for ignoring requests to replace expired smoke alarm in my unit n period 2005 to October 2016 (11 years), and deliberately manipulating safety reports for Ryde Council.

This information was well known to BCS managers and staff. They chose to stay silent and never respond to my (and other owners') complaints.

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Here is another example of blatant ignorance of the law by BCS Strata Management (Epping office) in 2015.

Since 2011, without consultation with the owners corporation, a few members of the Executive Committee (of which number were not financial due to unpaid full levies for second gas connection in four buildings, and undeclared personal benefits for water and gas usage in townhouses without Special By-Law or Special Resolution) and BCS Strata Management were attempting to acquire public land although the complex already has more than 26,000 square meters

in full ownership.

That effort was prevented by me and the owners corporation rejected any idea of such acquisition.

In 2015, without Ryde Council approval, BCS Strata Management silently approved illegal parking on council land which was orchestrated by a single member of the Executive Committee and a caretaker.

I tried to reason with BCS Strata Management on the following grounds:

- a) Parking was illegal,
- b) It created possibility of litigation,
- c) Owners corporation did not approve it,
- d) There was only one entry and exit, which could create a trap in emergencies.

I also argued that the unnamed park was classified as Public Recreation Space and had strict usage approvals.


BCS Strata Management completely ignored my comments, failed even to respond, in spite of duty delegated to them as Secretary of the committee.

The abuse of public land continued until I forced the gate towards public land to be locked again several months later (through communications at Ryde Council).

At no time staff and managers at BCS Strata Management felt an urge to protect public property or take actions to prevent its misuse.

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 [SamJR](#)  
2 years ago


Another example of personal favours that BCS Strata Management offered to owners who persistently supported their contract renewals without tender or any competitive quotes.

Evidence has been gathered that in some years, when few owners failed to provide access to fire safety inspections, BCS Strata Management organised additional visits to the complex at owners corporation expense, in spite of clear orders that owners who did not allow access to their lots were personally liable for additional costs.

Such expenses were never disclosed in financial statements.

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 [SamJR](#)  
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Here is an example of how BCS Strata Management (Epping office) used Admin Fund from our large strata complex to pay for repeated smoke alarm checks.

Each year, as legislated, smoke alarms must be checked in every unit. A very decent advance notice about the date of the checks is given to each owner and on notice boards. It was/is duty of each owner to provide access to their unit on the day.

Recently, I found out direct evidence that when owners, for whatever reason, failed to provide access to their units, BCS Strata Management simply organized the second visit at owners corporation expense without disclosure to other owners. The owners corporation always held the opinion that avoidance to provide access to their units for critical requirements like fire safety was going to be a private expense.

Needless to say, BCS Strata Management ignored owners corporation guidelines, and whilst BCS was managing the complex for 16 years without tender, they never provided full accounting data to owners at any meeting - it was easy to keep various expenses undisclosed.

This also brought another confirmed practice - BCS Strata Management was submitting fire safety statements with false data (as described in the previous posts), or submitting them late, for compulsory yearly registrations. One example was that the external door on my own unit was non-compliant with fire safety for around 12 years and that one of the smoke alarms was deemed out-of-date from 2005 and not replaced even at the time when BCS Strata Management was finally removed from managing the complex at Annual General Meeting in late 2016.


No amount of reasoning with BCS Strata Management staff and Pica Group Directors (Pica Group is the parent company of BCS Strata Management) helped. The CEO of Pica Group publicly personally promised to "investigate" and that never happened.

Analyzing the complaints of customers at Product Review, a reasonable person might form the following opinion:

BCS Strata Management is trying extremely hard to manage the public image, more than to deal with customers' issues.

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 [SamJR](#)  
2 years ago

An example of poor management of customers' strata files by BCS Strata Management (Epping office).

On 13 June 2017, in my sixth paid viewing of strata files, four months after BCS Strata Management passed strata management duties to Waratah Strata Management, I received an USB with allegedly all files for my complex on a USB drive for the last seven years (around 10,000 file).

An analysis of them up to now shows many files are missing, including eight crucial emails that are the ONLY proof of validity of CTTT Statutory Declaration by BCS strata manager in 2013. So far, these files are nowhere to be found and a Police Event for fraud has been initiated. In addition, Office of Legal Services Commissioner has been requested to investigate professional misconduct by the Solicitor who was directly involved in generating the Statutory Declaration, who, also, "cannot find them". Third avenue of investigation is the Fair Trading NSW, upon referral of the Minister.


Aside from the missing strata files, I happened to obtain accidental access to strata files from other complexes. Obviously, BCS Strata Management had such poor file management skills that it was easy to place files of different strata complexes into wrong folders that belong to other strata complexes.

Therefore, I accidentally learned about problems in other complexes, which, I, or anybody else, should never ever have access to.

I tried to warn BCS Strata Management about it, but it fell on "deaf ears".

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 **SamJR**  
2 years ago

Example of how BCS Strata Management (Epping office) Branch Manager attended Annual General Meeting in attempt to save contract with our large strata complex in 2016 and then charged owners corporation for attendance without disclosure.

a) For 16 years, BCS Strata Management was "winning" contract renewals without tenders or competitive quote in our complex, in spite of documented poor performance and serious mismanagement issues.

b) At AGM 2016, partial tender was conducted and BCS Strata Management realized they was serious chance they would lose the contract.

c) Normally, at most meetings, only strata manager was attending, but this time Branch Manager came as well.

d) Here is the undisclosed charge that owners corporation paid for his attendance that was neither needed for owners corporation, nor beneficial:

19/10/2016

Branch Manager attendance at 2016 AGM

charged as per Management Agreement

25 units at \$19.980

Total \$499.50

e) These expenses came on top of strata manager's own costs:

19/10/2016

2016 - AGM - Attendance & Secretary of AGM (7:30pm-8:00pm)

5 units at \$17.000

19/10/2016

2016 - AGM - Attendance & Secretary of AGM (8:00pm-10:00pm)

20 units at \$17.000

Total \$481.00

f) Comparison of the above total costs at AGM 2016 (\$980.50) against the AGM 2015 (\$247.50):

04/11/2015

Attendance at AGM, after hours on Wednesday 4/11/15 7:30pm

15 units at \$16.500

Total \$247.50

It is also worth stating that the unit charges increased from \$16.500 to \$17.000 between 2015 and 2016, without any knowledge by the owners corporation (more than 3% increase in one year, well above the CPI).

The last contract with BCS Strata Management was "renewed" without tender by two unfinancial members of the Executive Committee alone on 27 November 2014, whose details were not disclosed to owners and included 3% yearly increase in strata management fees. These two members of the Executive Committee were receiving personal benefits from common funds without approval or knowledge of the owners corporation for many years (one was being paid for private water and gas usage without Special resolution or Special By-Law, and the other was not paying prescribed levy for second gas connection and not paying 10% simple interest for late payments).

Here are the problems with this contract:

- The printed date of the contract was 7 November 2014,

- The Annual General Meeting occurred on 26 November 2014. One of the Motions at this meeting was:

BEGIN QUOTE

Motion 4

That in accordance with Section 27(1) of the Strata Schemes Management Act 1006 (Act):

(a) BCS Strata Management Pty Limited trading as Body Corporate Services be appointed as strata managing agent of Strata Scheme No. (number undisclosed) for a minimum period of two years commencing 1 December 2014;

...

<rest removed for the sake of brevity>

END QUOTE

- The AGM did not satisfy the quorum requirements, which BCS Strata Management failed to address,
  - There was a handwritten change of the date of the strata contract which firstly modified it to 17 November 2014 and then overwrote to 27 November 2014.
  - The Motion at AGM 2014 did not disclose the value of the contract with BCS Strata Management, which was actually \$37,950.00 (incl GST) per year, so owners were not even given an insight or rightful privilege to vote on it.
  - At AGM 2016, in desperation to win the contract renewal in our complex, BCS Strata Management tried to decrease the contract value to \$35,996.00 (incl GST), which included disbursements,
  - BCS Strata Management prevented 34 of my perfectly valid Motions from AGM 2016, including Motion that documented COO of BCS NSW negotiating so-called "loyalty discount" with a single unfinancial member of the Executive Committee before Annual General Meeting in 2012, but evidence of such discount (in balance sheets provided to owners) showed it had not been paid back to owners corporation in that or any of the following years. Attempts to force BCS to provide proof of "discounts" failed,
  - At no time, over 16 years before BCS Strata Management lost the contract management rights in our complex, owners were given a copy of the strata management contract.
- g) Straight after the lost contract, BCS Strata Management also charged owners corporation for three alleged Executive Committee meetings that did not have any agendas sent to owners, no minutes of meetings, and no outcomes provided to owners (non-compliance with SSMA 1996).

18/10/2016

Attend 3 meetings with Members of the Executive Committee


50 units at \$17.000

Total \$850.00

Needless to say, BCS Strata Management lost the contract at that meeting, in spite of efforts by the Branch Manager.

[Like](#)

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 [SamJR](#)  
2 years ago

Staff at Product Review are working hard to ensure that false ratings are prevented. Thanks to them for the efforts. With my expertise, I know how difficult it is to manage it.

The graph of how ratings for BCS Strata Management changed over time reveal astonishing details. Few examples:

Product Review rating for BCS in June 2015: 1.8 from 61 reviews

Product Review rating for BCS in November 2015: 1.8 from 63 reviews

Product Review rating for BCS in March 2016: 1.8 from 71 reviews

Product Review rating for BCS in August 2016: 3.1 from 137 reviews

Product Review rating for BCS in December 2016: 4.1 from 351 reviews

Product Review rating for BCS in March 2017: 4.0 from 373 reviews

Product Review rating for BCS in December 2017: 4.2 from 529 reviews

Product Review rating for BCS in July 2018: 4.4 from 860 reviews

Product Review rating for BCS in November 2018: 4.4 from 966 reviews

Product Review rating for BCS in April 2019: 4.4 from 1009 reviews

In mid-2016, within period of just a few months, BCS Strata Management average rating jumped from around 1.8 to 4.0.

I personally received unfounded threats to stop publishing information from BCS Strata Management COO in the past. COO of BCS Strata Management NSW sent me this on 19 January 2016:

#### QUOTE

We note that you are the author and publisher of the website (name withheld). We have reviewed the content of your website and have identified numerous defamatory statements you have made against persons employed by BCS as well as executive committee and other members of the owners corporation.

We also note you are the author of defamatory statements /material in relation to BCS personnel posted on another website known as "ProductReview.com.au" whose specific site reference is (withheld).

We draw your attention to the Defamation Act 2005 (NSW), which provides that persons who are defamed by statements published by you are able to commence legal proceedings against you for the removal of the defamatory statements and seek damages for any harm caused by your defamatory statement.

Accordingly and to avoid the possibility of an individual who have been defamed commencing legal proceedings, we demand the following immediate actions by you:

1. You immediately remove all contents on your website, and in particular those parts making comment on individuals;

2. You issue an apology for making the defamatory statements;

3. You undertake in future not to make any defamatory statement against the employees of BCS as well as the executive committee and other members of the owners corporation.

END QUOTE

When I challenged the CEO of Pica Group to provide evidence of their claims, they failed to respond or investigate my claims and never communicated again.

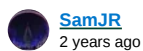
In July 2018, serviced apartments giant Meriton was hit with a \$3 million fine after it was found to have directed staff to "mask" potentially damaging reviews on TripAdvisor.

The Federal Court handed down the fine after an Australian Competition and Consumer Commission (ACCC) investigation found Meriton employees employed practices that stopped potentially negative accommodation reviews from being published publicly.

It will be left to every reasonable person to make up their own mind about it.

1 like

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**SamJR**

2 years ago

In regards to the previous post about unusual rating status for BCS Strata Management.

ACCC report was raised for potential breach of Competition and Consumer Act 2010.

Businesses that do not remove reviews that they know to be fake risk breaching the Competition and Consumer Act 2010. Reviews may mislead consumers if they are presented as impartial, but were written by:

- a) The reviewed business,
- b) Competitor,
- c) Someone paid to write the review who has not used the product, someone who has used the product but written an inflated review to receive a financial or non-financial benefit.

The ACCC considers conduct such as the following to be misleading. The business should not:

- a) Encourage family and friends to write reviews about the business without disclosing their personal connection with the business in that review,
- b) Write reviews when they have not experienced the good or service reviewed or which do not reflect a genuinely held opinion,
- c) Solicit others to write reviews about the business or a competitor's business if they have not experienced the good or service.

Businesses that offer incentives to those who write positive reviews risk misleading consumers and breaching the CCA. Incentives should only be offered in exchange for reviews of your business (its products or services) if:

- a) Incentives are offered equally to consumers likely to be complimentary and consumers likely to be critical, and positive and negative reviews are treated the same,
- b) The reviewer is expressly told that the incentive is available whether the review is positive or negative,
- c) The incentive is prominently disclosed to users who rely on affected reviews.

Some examples of definite pattern of multiple positive ratings being posted by allegedly independent customers immediately after negative ratings, listed at Product Review from April 2019 backwards in time, for the last six months:

Two independent customers' 1-star ratings were followed by seven 5-star ratings and one 4-star rating

A single customer's 1-star ratings was followed by five 5-star ratings

A single customer's 1-star rating was followed by one 5-star ratings

A single customer's 1-star rating was followed by twelve 5-star ratings

Two independent customers' 1-star ratings were followed by three 5-star ratings

A single customer's 1-star rating was followed by five 5-star ratings

A single customer's 1-star rating was followed by three 5-star ratings

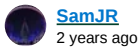
A single customer's 1-star rating was followed by two 5-star ratings

and so on.

BCS Strata Management was asked multiple times about ratings at Product Review. A reply was never received.

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SamJR

2 years ago

Another illustrative example of BCS Strata Management making payments from common funds without authorization or knowledge of owners corporation.

It is not unique to the large strata complex I live in. A simple search on the internet for keywords "Owners Corporation Strata Plan 61759" will provide details of CTTT case in 2016. That information is in the public domain.

a) Back to our strata complex. Long-term neglect caused number of large trees to fall within the property, or create other type of problems like roots destroying sewage pipes).

In mid-April 2015, a massive tree fell over the fence onto the smaller building. The tree was fully "owned" by my owners corporation. The neighboring property was managed by Titles Strata Management.

Here is an extract of the email between BCS Strata Management and Titles Strata Management on 27 April 2015:

BEGIN QUOTE

It is on [name withheld] property and is leaning at 45 degree angle over the roof to the rear of unit 12 & 13 [neighboring address withheld]. It seems is has broken a sewerage pipe too.

Please ignore the email below [BCS staff member] initially thought the tree was on council property.

END QUOTE

b) BCS Strata Management took no action, in spite of clear risks and liabilities to neighboring property and lives.

c) In addition to not taking any action, owners in our strata complex were not even informed of this problem.

d) A week later, another email with sense of urgency was sent to BCS Strata Management by Titles Strata Management on 6 May 2015:

BEGIN QUOTE

The tree which has fallen from [location withheld] on to [neighboring address withheld] is still there an causing a danger to property. Can you organise removal.

END QUOTE

e) Still no real action by BCS Strata Management, apart from obtaining a quote from a single tree removing service provider on 1 May 2015:

BEGIN QUOTE

Invoice: 00000734

Date: 1/05/2015

neighbouring trees

The tree will be removed through the neighbouring property, so access will need to be granted by owner.

Tree will be cut to ground level and all debris will be removed off site.

Total: \$3,450.00 (GST included)

f) A desperate plea from Titles Strata Management to BCS Strata Management on 20 May 2015:

BEGIN QUOTE

The remains of the fallen/sawn tree of the property [location withheld] still lie abandoned on our strata property at rear of [neighboring address withheld] (SES cut it down safely only).

END QUOTE

g) BCS Strata Management finally approached the Executive Committee in our complex, asking for an approval to issue work order for the tree removing service provider on 20 May 2015.

The response from the Executive Committee did not allow the work to be done by the tree removing service provider, with the following response in the email on the same date, 20 May 2015:

BEGIN QUOTE

... Our caretaker and gardener will move it so no work order required.

END QUOTE

In essence, our owners corporation expected the caretaker and their staff to remove the fallen tree as part of their standard duties and obligations.

h) In spite of not approving the expenses for tree removal, BCS Strata Management used the common funds in our complex and authorized the payment to the tree removing service provider on 28 July 2015:

28/07/2015

00991493

\$3,450.00 (GST included)

TREE REMOVAL

That is just one of the examples of financial losses in our complex.

The secret payments to selective townhouse owner (that included three Executive Committee members over different periods) in our complex for private water and gas usage from 1999 to 2013 without Special By-Law, or Special Resolution, or any disclosure in financial statements at any ordinary or general meeting were well-described in the previous posts in this forum. BCS Strata Management had every opportunity to comment since 2014.

[Like](#)[Delete](#) [Edit](#)**SamJR**  
2 years ago

Illustrative example of "friends with benefits" that BCS Strata Management Epping office effectively implemented in our large strata complex for 17 years before they were removed from managing it at Annual General Meeting in October 2016.

This owner showed gratitude towards BCS Strata Management by always voting for the strata agency contracts without tenders and "approving" all actions by BCS Strata Management, even when they were clearly illegal.

The below stats belong to an owner who acted as Chairperson, Secretary, or ordinary member of the Executive Committee in various years.

Owner received special privileges and benefits, at owners corporation losses, and returned the favours by always voting for BCS Strata Management although unfinancial and not having any rights to be counted at general meetings.

The owner had second gas connection that they used for heating without owners corporation approval since 1997 (BCS Strata Management took office in mid-1999 in our complex).

a) The Executive Committee introduced levies for second gas connection, payable once in December of each year in amount of \$200.00 for 1999, and \$220.00 (GST inclusive) from year 2000 onwards.

b) For a brief period in 2013, BCS Strata Management, without owners corporation approval, wrongly informed some owners that the levy was \$55.00 per year (GST inclusive).

c) Minutes of EC meeting on 21 July 1999 set annual fee of \$200.00 for second gas connection.

d) Minutes of EC meeting held on 17 November 1999 confirmed levies for the second gas connection applied to units in buildings and townhouses and payable in advance in December of the current financial year and be subject to annual review.

e) Minutes of EC meeting held on 24 May 2000 introduced GST to all levies.

f) The yearly review of the levies for the second gas connection and disclosure of conflict of interest when it applied to members of the EC never happened.

g) 13 years later, when it was clear that the levies existed without Special Resolution or registered Special By-Law (I uncovered it), BCS Strata Management rushed to register it on 6 May 2013.

h) Minutes of EC meeting on 28 August 2013 (EC meeting) set applicable gas levies to \$55.00 per year.

i) Letter from BCS Strata Management sent to owners on 14 April 2014 confirmed gas levies at \$220.00 per year, number of owners having such connections without approval or payments to Admin Fund, and including retrospective charges of maximum one year for voluntary disclosures.

j) Once I discovered that levies were not properly managed in 2010/2011, I put pressure on the strata managers to disclose full details of the payments, which they declined, with the full knowledge and silent approval by their COO NSW and senior managers. From 2014, Managing Director and CEO was also personally informed about it and in spite of his alleged personal pledge in Product Review forum, nothing was done.

j) In 2014, BCS Strata Management sent letters for self-reporting on second gas connections. This owner failed to declare it, like most of other owners because "honesty system" easily fails when money is involved.

This also confirmed that BCS Strata Management failed to monitor, manage, and enforce levies for second gas connections, effectively causing losses to owners corporation in common funds, and forcing owners who do not have second gas connections to pay for gas heating for those who had it.

k) In 2015, a secret email between Chairperson of the EC (who was also not paying proper levies for second gas connection) and BCS Strata Management on 15 July 2015, confirmed the following:

BEGIN QUOTE

Lot (number undisclosed herewith) have had gas connection since they moved in 1996 and haven't been billed.

END QUOTE

l) In panic, BCS Strata management issued an invoice to the owner on 17 July 2015, which stated:

BEGIN QUOTE

Gas Usage 1/9/2000 - 31/10/2015 \$1,085.00

END QUOTE

There was another invoice in amount of \$55.00 on 25 September 2015.

Another invoice in amount of \$60.00 (\$5.00 brought forward, because it seems the GST was not paid in earlier invoice) on 30 December 2015.

Another invoice in amount of \$115.00 (\$60.00 brought forward, because it seems earlier invoice was not paid) on 24 March 2016.

Another invoice in amount of \$172.30 (\$115.00 brought forward, because it seems earlier invoice was not paid) on 24 June 2016. This time, an interest in amount of \$2.33 was applied and additional \$55.00 charged.

It was obvious that the owner ignored the requests to pay.

m) On 1 August 2016, BCS Strata Management issued another secret invoice for unpaid levies for second gas connection for FY 2012 and 2013 in about of \$110.00 (only charging \$55.00 per year and not applying any interest for late payments. The invoice applied to 13 owners, including the one described in this



post.

n) As regulated by Fair Trading:

Each owner and/or property manager needs to be aware of their owners corporation levy cycle.

If money is not received to the trust account at the end of one month after it is due and payable, it bears interest at the rate of 10% (as prescribed by the regulations) from the due date until it is paid.

Owners corporation may, by special resolution at general meeting, determine (either generally or in particular case) that a contribution is to bear no interest.

Strata manager does not have authority to waive the interest as it is not money owing to the strata manager.

The Courts have determined that non-receipt of a levy notice is not a sufficient reason for non-payment.

If a lot is sold and there are unpaid levies, then both the owner at the time the contributions were levies and the new owner are jointly and severally liable for the payment of the contribution and the interest payable.

None of this information was provided to owners and BCS Strata Management deliberately hid it.

o) Secret email between Chairperson of the EC (who was also not paying proper levies for second gas connection) and Waratah Strata Management (new agency after BCS lost contract in our complex) on 15 April 2017, confirmed the following:

BEGIN QUOTE

The first time we charged \$220.00 per annum was in 2016.

I supposed it should be followed up.

I have a feeling that we may have difficulty from some of them...

END QUOTE

p) When BCS Strata Management issued invoice to this owner in amount of \$1,085.00 for 15 years of unpaid levies for second gas connection to the owner on 17 July 2015, they not only grossly underestimated the losses to owners corporation, but also failed to enforce the Special Resolution.

Interest rate applied to late strata levies are calculated as simple interest of 10% per year.

How does it work? Here is the equation:

$$A = P(1 + rt)$$

P is the Principal,

r is the interest rate (here 10% per year),

t is how many years to apply it.

So, for example, if an owner failed to pay \$200.00 in levies in 1999, and OVERDUE UNTIL year 2016 (17 years):

The total amount accrued, principal plus interest, from simple interest on a principal of \$200.00 at a rate of 10% per year for 17 years is \$540.00.

The full status of unpaid levies for this occasional EC member (used to the Chairperson of the EC):

Year Paid FullLevy Diff Owing

FY 1999	\$0.00	\$200.00	\$200.00	\$540.00	(simple interest calculated for 17 years)
FY 2000	\$0.00	\$220.00	\$165.00	\$572.00	(simple interest calculated for 16 years)
FY 2001	\$0.00	\$220.00	\$165.00	\$550.00	(simple interest calculated for 15 years)
FY 2002	\$0.00	\$220.00	\$165.00	\$528.00	(simple interest calculated for 14 years)
FY 2003	\$0.00	\$220.00	\$165.00	\$506.00	(simple interest calculated for 13 years)
FY 2004	\$0.00	\$220.00	\$220.00	\$484.00	(simple interest calculated for 12 years)
FY 2005	\$0.00	\$220.00	\$165.00	\$462.00	(simple interest calculated for 11 years)
FY 2006	\$0.00	\$220.00	\$165.00	\$440.00	(simple interest calculated for 10 years)
FY 2007	\$0.00	\$220.00	\$165.00	\$418.00	(simple interest calculated for 9 years)
FY 2008	\$0.00	\$220.00	\$165.00	\$396.00	(simple interest calculated for 8 years)
FY 2009	\$0.00	\$220.00	\$220.00	\$374.00	(simple interest calculated for 7 years)
FY 2010	\$0.00	\$220.00	\$220.00	\$352.00	(simple interest calculated for 6 years)
FY 2011	\$0.00	\$220.00	\$165.00	\$330.00	(simple interest calculated for 5 years)
FY 2012	\$0.00	\$220.00	\$165.00	\$308.00	(simple interest calculated for 4 years)
FY 2013	\$0.00	\$220.00	\$165.00	\$286.00	(simple interest calculated for 3 years)
FY 2014	\$0.00	\$220.00	\$165.00	\$264.00	(simple interest calculated for 2 years)
FY 2015	\$0.00	\$220.00	\$165.00	\$181.50	(simple interest calculated for 1 years)
FY 2016	\$0.00	\$220.00	\$0.00	\$0.00	(simple interest calculated for 0 years)

Total owing if paid in full in 2016 (the levies are still outstanding, so the current debt is significantly higher): \$6,991.50


As a side note, the same owner was granted exclusive rights to common property at extraordinary general meeting non-compliant with SSMA 1997 general meeting in 2003, also, undisclosed to owners and not listed in owners corporation By-Laws for 13 years.

Senior managers at BCS Strata Management, including their Managing Director, CEO and COO) are fully aware of this problem and stayed silent so far.

Readers can draw they own conclusions. All evidence is readily available.

Like

Delete Edit

 [SamJR](#)  
2 years ago

Worth sharing with the public due to high criticality of the issue.

Current strata agency is under pressure to confirm non-compliant general meetings in our complex for the last 22 years, including last two general meetings since they took office on 1 February 2017 (after BCS Strata Management lost contract in our complex at AGM in October 2016). One of the burning issues is the fact that levies for second gas connections were not charged properly since 1999.

Based on my persistence and patience, the problems started surfacing.

This was published in the Minutes of the Executive Committee meeting for our complex held on 21 March 2019 (last month) by Waratah Strata Management (current strata agent for our complex):

BEGIN QUOTE

The strata manager advises that due to a complaint lodged with the police by owners of Lot [number withheld] the USB containing the BCS Strata Management records was taken by the NSW Police for examination.

The USB was subsequently lost by the Police.

Both the Police and Waratah Strata Management have attempted to obtain replacement USB from BCS, but that has not been provided.

As a result of the missing USB, it will be impossible to determine the history of the gas point fee charges during BCS' management period.


END QUOTE

The Police was asked to confirm if they really lost the USB in March/April 2018. If the USB was lost (I have four copies of it as I got it on 13 June 2017 during strata document search), it does not explain why current strata manager did not notify our owners corporation they had lost files "permanently" and that BCS Strata Management refused to provide an additional copy of strata files which they MUST keep for seven years.

Any further development of the issue will be reported in the forum. Maybe BCS Strata Management would like to publicly confirm or refute statements by the current strata agency? That would be welcome and appreciated. Any reputable company would do it.

Like

Delete Edit

 [SamJR](#)  
2 years ago

Passage of time reveals all secrets.

Here is an example of how BCS Strata Management refused to co-operate with Waratah Strata Management and the Police in 2018 and 2019.

Background of the events.

a) Waratah Strata Management received a USB key with allegedly all strata files for our large strata complex for period prior to 1 February 2017, which is the date when BCS Strata Management was removed from managing our complex due to unsatisfactory performance.

b) Police opened investigations about suspected four insurance claims and suspected false statements in Statutory Declaration to CTTT and District Court made by BCS Strata Management in 2013/2014.

Four years later, CHU Insurance forced our complex to repay \$8,800.00 for those claims, but did not yet press harder for investigating the other claims.

c) In April 2018, Waratah Strata Management provided the same USB key to the Police, without allegedly making a copy of backups of the files.

d) For whatever reason, Police lost the USB key, without disclosing it to our owners corporation.

By the same token, Waratah Strata Management hid that information from the owners until they were forced on 12 March 2019 (almost a year later)! The reason why Waratah Strata Management was forced to admit it: allegedly on 1 February 2019, Waratah Strata Management was allegedly attacked by ransomware and lost all files in the cloud (services provided by third-party provider), on their local computers, all emails in Office 365, and so on!

e) During 2018, both Waratah Strata Management and the Police frantically tried to obtain an additional copy of the USB key from BCS Strata Management.

Here is an extract from the Police email to Pica Group (parent company of BCS Strata Management) dated 27 August 2018:

BEGIN QUOTE

As per the below email chain, I am writing to you in relation to obtaining a copy of the archive records for the Owners Corporation for the address (details withheld).

...

Can you please contact me on...

Detective A/Inspector

<name withheld>

END QUOTE

BCS Strata Management failed to do it.

Waratah Strata Management tried the same on 22 October 2018. Here is an extract from their email to Pica Group (parent company of BCS Strata Management):

BEGIN QUOTE

... The Police were investigating claims made by (name withheld) against the owners corporation and BCS Epping. Unfortunately, that USB has been lost by Detective (name withheld). Please advise whether it is possible for you to provide a copy of all documents that were on that original USB.

END QUOTE

BCS Strata Management failed to offer any assistance.

f) On 12 March 2019, Waratah Strata Management provided the following information in the letter to all owners:

BEGIN QUOTE

The strata manager advises that due to a complaint made to the Police by owner (name withheld), the USB containing the BCS Strata Management records was taken by the NSW Police for examination. The USB was subsequently lost by the Police. Both the Police and Waratah Strata have attempted to obtain a replacement USB from BCS, but that has not been provided. As a result of the missing USB, it will be impossible to determine the history of the gas point fee charges during BCS management period.

END QUOTE

g) Here is what Waratah Strata Management failed to provide in the belated information for owners:

1. They were directly responsible for not having backups of strata files.
2. They "forgot" that I, during paid document search at Waratah Strata Management on 13 June 2017 made four copies of the USB key (the same one that BCS Strata Management allegedly provided to Waratah Strata Management on 31 January 2017).
3. They "forgot" to mention that owners were not notified about lost strata files (all financials, invoices, emails, legal files, insurance claims, Cash Receipts, Cash Payments, tax returns and claims, and much more) for almost 12 months (including Annual General Meeting in October 2018).
4. The Police investigation was not related to the owners corporation but a group of Executive Committee members for their personal actions and staff of BCS Strata Management.


g) I personally contacted BCS Manager of Regulation & Licensee-in-Charge on 4 July 2019.

They did not reply, in spite of evidence that they, or somebody in their office, read the email on 5 July 2019.

The Office of Legal Services Ombudsman confirmed on 1 March 2019 and 29 June 2019 that they would help the Police and/or owners corporation obtain copies of the files from Solicitor who had been engaged for the Statutory Declaration in 2013/2014 and had been actively involved with the four insurance claims in 2012/2013. The Solicitor has legal obligation to keep them for sever years (after the end of legal proceedings), which ends in February 2021.

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 **SamJR**  
2 years ago

Secret document by BCS Strata Management explaining why they lost the contract in our large strata complex in 2014:

BEGIN QUOTE

Reason for losing scheme:

1. Pegasus
2. Limit of Financial Institutions for term Deposits
3. Placate single owner (name withheld)
4. Size Central Admin

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

The Executive Committee advised myself and my branch manager (name withheld) 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.

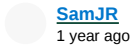
Please outline the process used to manage the retention of this scheme:

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.

END QUOTE

For the record, BCS Strata Management charged \$935.00 (GST inclusive) for what they named "Sep-Oct meeting attendance: Attend 3 meetings with Members of the Executive Committee" in invoice F1111399803 the same evening when they lost strata contract at AGM on 19 October 2016.

The dates, agenda and minutes of those three meetings do not exist and were never sent to any owner, or published on notice boards.

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For public scrutiny and right to have knowledge to make informed decisions.

Here are latest developments:

a) On 21 June 2019, current strata agency for our complex sent undisclosed email to the Solicitor who was involved in what is alleged to be multiple fraudulent insurance claims and preparing false statements in Statutory Declaration to CTTT on behalf of BCS Strata Management manager.

The email confirms, without any doubts, that BCS Strata Management ignores even request to help Police investigations and does not respond to valid inquiries (which is also shown in customers' complaints about being ignored by BCS):

BEGIN QUOTE

...

... he has lodged a complaint against you with the Office of Legal Services Commissioner. Please advise whether there is a conflict of interest for you acting on this matter based on complaint. If yes, please advise how you suggest we should proceed.

...

On a related issue, we received from BCS at the change of strata managers a USB of their archive records. In April 2018 we provide the USB to Police who were investigating a complaint lodged by Mr. (name withheld). Unfortunately the Police lost the USB (We have correspondence to support the fact). We have requested on a number of occasions for BCS to provide us with a copy of that USB (which we assume they will still have in their archive records), with no response. Please advise whether you have any connection with BCS management that may assist in having a copy of that USB provided.

END QUOTE

b) Current strata agency received repeated requests to provide access to strata files, which were not found in multiple paid document searches. Among the others are the following ones (managed by BCS Strata Management before they lost the contract in our complex in October 2016):

Cash Book Receipts By Receipt Date for FY 2012, 2013, 2014, 2015, 2016, 2017, 2018, and FY 2019

Cash Book Payments By Account Code for FY 2012, 2013, 2014, 2015, 2016, 2017, 2018, and FY 2019

Income Tax Returns for FY 2012, 2013, 2014, 2015, 2016, 2017, and 2018

Copies of all yearly Fire Safety inspection reports for FY 2013, 2014, 2015, 2016, 2017, 2018, and 2019

Copy of full audit of second gas connections for 218 lots, including who conducted it, the dates of gas disconnections with names of certified plumbers, and the date of the report

Register of items excluded from common-property (examples: exclusive rights to common property given to three owners, windows and frames with double-glaze glass, windows and frames with solar heating panels, air-conditioning units on the balconies, modified light fittings in two garages, five private lattices in front of townhouses, pergola modifications, second gas connections, and others)

Evidence that three owners comply with Special By-Laws in regards to public liability insurance for FY 2013, 2014, 2015, 2016, 2017, 2018, and 2019

Copies of detailed AGM agenda including quorum calculations for financial owners for FY 2014, 2015, 2016, 2017 and 2018

Email from BCS Strata Management with the spreadsheet of charges for EC member's second gas connection dated 17 July 2015 at 12:51 pm

Email with the spreadsheet for EC member's paid levies for second gas connection to BCS Strata Management on 10 June 2015 at 4:28 pm

Details of reimbursements to townhouses for private water and gas usage for FY 2012, 2013, 2014, 2015, 2016, 2017, 2018, and FY 2019

ThyssenKrupp Elevator correspondence and invoices in 2015, 2016, 2017, and 2018

ThyssenKrupp Elevator service reports for 2015, 2016, 2017, and 2018

All invoices for second gas connection for FY 2012, 2013, 2014, 2015, 2016, 2017, 2018, and FY 2019

The same Solicitor provided the following response on 14 November 2019, almost confirming that the strata records did not exist, including eight emails that are sought by the Police in their investigation for fraudulent insurance claims and false statements in Statutory Declaration to CTTT by BCS Strata Management:

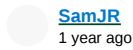
BEGIN QUOTE

Mr (name withheld) has undertaken repeated inspections of the records of the owners corporation. The representatives of the owners corporation consider that all available records of the owners corporation were made available to him during those inspections as a result of which if he does not have any records that he desires that is because those records are likely not available.

END QUOTE

All this information is well-known to all senior managers at BCS Strata Management. So far, they choose to stay silent and refuse to co-operate with the Police and Fair Trading NSW, and prove to public their commitment to customer-oriented services with integrity and duty of care.

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SamJR

1 year ago

In our large strata complex at AGM in October 2019, current strata agency (not BCS Strata Management) and the EC members made oral admission that the losses due to unpaid levies for second gas connection were in amount of 10-20 thousand dollars (our calculations point to double that figure).

It directly confirmed BCS Strata Management failure to collect correct levies for second gas connection in period from mid-July 1999 to 31 January 2017 (when their contract was terminated), failure to collect correct GST, and failure to disallow unfinancial owners to vote.

The minutes of AGM 2019 failed to publish that information for majority of owners who did not attend the meeting in person. Reported to Fair Trading NSW.

Like

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SamJR

1 year ago

Latest update.

Current strata agency (whose Director was employed by Pica Group before - Pica Group is parent company of BCS Strata Management), shyly admitted two data losses of many files for our large strata complex in mid-2018 and February 2019. The one in mid-2018 was allegedly due to Police losing the "only" USB key that contained strata files provided by BCS Strata Management to the new agency on 1 February 2017, and the one in February 2019 was allegedly due to ransomware attack.

As reported before, both the current strata agency and the Police desperately tried to obtain copy of the USB key from BCS Strata Management, to no avail. BCS Strata Management declined to even respond.

Here are the concerns that raise questions about validity of the statements by current strata agency:

a) On 13 January 2020, Rockend released information to us that they do own lookatmystrata.com.au domain (site where our files reside for owners).

Rockend does not store, hold, access, or release any information related to that domain, including your passwords. All such information is held by current strata agency. That means the alleged data loss in February 2019, which security auditor Sententia did not confirm in their report, shows serious signs of deliberate file removal by somebody who is NOT the hacker!

b) An alleged ransomware attack against our current strata agency occurred on 1 February 2019. Sententia report, dated 26 March 2019 stated (undisclosed by our current strata agency to 218 owners):

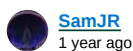
1. Their investigation had limited access to event logs.
2. Deeper understanding of the exact actions by the threat actor was not possible due to lack of evidence and an incomplete audit trail.
3. Based on incomplete logs, the encryption attack most likely occurred on 2 February 2019 at 12:08:56 hours.
4. Threat actor achieved brute-force success with the Administrator account on server WSMXXX, a malicious toolkit was then used to create www account on 1 February 2019 at 11:58:53 hours.
5. Incomplete audit logs from terminal services show the first login occurred at 23:59 hours on 1 February 2019 and session ended at 03:33 hours on 2 February 2019.
6. There was no conclusive evidence to suggest any data exfiltration occurred (simply based on available usage data logs that did not take into account possibility of using data compression for file transfers, or selective file transfers of targeted files).
7. In timeframe from 1 February 2019 up to around 15 and 17 February 2019, current strata agency was still at high risk, due to unpatched servers and continuous attacks with brute-force access. Lack of remediation actions to close all non-essential inbound ports continued to create risks.
8. Bitcoin ransom was subsequently paid by a third-party known to our current strata agency to the threat actor in the equivalent amount of \$5,052.03.
9. After this payment, there was no response from the threat actor.
10. The attack allegedly occurred due to misconfigured routers that allowed RDP protocol.
11. Our current strata agency allegedly recovered SOME of the data via a re-image procedure (mostly questionable, as per separate admission by them to Fair Trading NSW and owners in emails with four different explanations).
12. It appears Sententia report does not deal with any data loss on our current strata agency computers, or at lookatmystrata.com.au, or at Microsoft Office 365.
13. Sententia recommended to use more secure method of connectivity, such as MFA VPN.

Further investigations are underway if our current strata agency is co-operating with BCS Strata Management to be, in some way, involved, in file deletions and data losses because ransomware attack is not blamed by Sententia for any data loss.

What should and would ordinary users think about all this?

Like

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SamJR

1 year ago

Another worthy example of how BCS Strata Management manipulated general meetings to disallow owners who want proper management of the complex:

manipulate proxy forms and ballot papers.

On 22 June 2012, I submitted the following email to BCS Strata Management and Pica Group (parent company of BCS Strata Management):

BEGIN QUOTE

In accordance with NSW Strata Management Act and Regulations, I submit my nomination for the Executive Committee (EC) membership for AGM 2012.

In spite of a very busy schedule, I wish to be a member of the EC if elected at the AGM 2012.

My past contributions are undeniable and easily proven. Uncompromising integrity and analytical skills to evaluate all issues are some of my strong points.

I solemnly declare that I do not have any financial, business or family connections with the original owner, managing agent, caretaker, or any other third-party service provider in the complex.

All committee members (myself included if elected) must also disclose any financial, business or family connections they may have developed with the original owner, managing agent, or caretaker (or any other service provider in the complex).

END QUOTE

A reply from BCS Strata Management was never received, to this day.

Here is what BCS Strata Management did at AGM 2012, in direct non-compliance with NSW strata laws and regulations:

1. Allowed two owners to vote at the general meeting, in spite of being unfinancial (due to unpaid full levies since 1999 and 2001 respectively).

Proof: the two owners secretly received belated (and incomplete invoices because the outstanding levies were not applied for all previous years and 10% simple interest per year was not charged) for unpaid levies in 2012 and 2016.

Those two owners continued to be members of the Executive Committee.

2. Allowed another owner to vote and receive reimbursements for personal water and gas usage since year 2000 without Special Resolution, without Special By-Law, or even notice to owners (those benefits were secretly given to a small group of privilege owners).

That owner also continued to be members of the Executive Committee.

3. Allowed a group of owners who were unfinancial to vote, making the whole AGM 2012 legally invalid and void.

4. With full knowledge of the irregularities of the general meeting, BCS Strata Management presented misleading and misconstrued statements to Fair Trading NSW and CTTT (now NCAT), directly hampering Tribunal investigations.

5. BCS Strata Management prepared printed version of the ballot paper, in October 2012 with nine names on the list, deliberately ignoring my candidacy.

Two non-compliance issues:

Each ballot paper must be hand-written,

Unfinancial owners cannot be candidates for the Executive Committee.

As per Strata Schemes Management Regulation 2010, Section 18:

(1) If a ballot for membership of the executive committee of an owners corporation is required, the chairperson must:

(a) announce to the meeting the name of each candidate and the nominator of the candidate, and  
(b) provide each person present and entitled to vote at the meeting with a blank ballot-paper for each vote the person is entitled to cast.

(2) For a vote to be valid, a ballot-paper must be signed by the voter and completed by the voter's writing on it:

(a) the names of the candidates (without repeating a name) for whom the voter desires to vote, the number of names written being no more than the number determined by the owners corporation as the number of members of the executive committee, and

(b) the capacity in which the voter is exercising a right to vote, whether:  
(i) as owner, first mortgagee or covenant chargee of a lot (identifying the lot), or  
(ii) as a company nominee, or  
(iii) by proxy, and

(c) if the vote is being cast by proxy the name and capacity of the person who gave the proxy.

6. BCS Strata Management prepared two versions of the proxy papers.

BCS Strata Management distributed secret proxy form with detailed instructions to selective owners who were seen as their supporters in my complex.

32 owners were present in person and 46 via proxy on 17 October 2012. Of 46 proxies, 35 were given to EC member, who, along with a selective group of 18 (out of 26) townhouse owners, received reimbursements for personal water and gas usage without Special Resolution or registered Special By-Law, hence directly decreasing their voting entitlements and being unfinancial. The details of these undeclared reimbursements were never provided to owners.

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

Officially, only a standard proxy form was sent in agenda for the general meeting.

The secret proxy form instructed owners to:

Vote in favour for Motion 1, 2, 3, 4(a), 4(b), 5, 6, 7, 8 9, 10, 11, and 12

Have free choice in Motion 13, 14, 15, 16, 17, 18, and 19

Vote against Motions 20, 21, 22, 23, 24, 25, 26, 27, 28, and 29

If owners did not make selection in Motions 13, 14, 15, and 16, BCS Strata Management declared them as "vote in favour"!

When access to these forms was accidentally obtained by me, I also uncovered that some of them:

Did not have date stamp,

Did not have signature.

7. My Motions 20, 21, 22, 23, 24, 25, 26, 27, 28, and 29 were presented to owners corporation in attempt to prevent financial abuse of common funds, enforce tenders for major projects, enforce declaration of conflict of interest at each meeting by EC members and BCS Strata Management, rescind By-Laws that gave too much powers to BCS Strata Management and EC members without consultation of owners corporation at general meetings, and remove illegal and inequitable water and gas reimbursements to selective townhouse owners that were happening for 12 previous years.

8. BCS Strata Management prevented Explanatory Notes to be included in the agenda for the meeting, and prevented any details of the amounts given from common funds to selective townhouse owners for their private water and gas usage. How inequitable these water and gas reimbursements were in 2012 is shown in these figures for 18 owners (8 other townhouse owners received no benefits!), where some of them received almost half of the levies back into their own pocket on behalf of excessive water and gas usage:

\$1,800.61

\$1,773.16

\$1,112.81

\$746.66

\$644.52

\$552.30

\$517.69

\$472.50

\$460.40

\$451.51

\$448.01

\$442.99

\$378.96

\$372.48

\$330.43

\$127.77

\$127.76

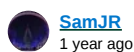
\$71.20

A month later, in November 2012, whilst legally valid member of the Executive Committee, BCS Strata Management prevented my access to many strata files and failed to disclose many documents, even charged me for what should have been free because of my status of legal representative of the owners corporation.

This was communicated to all levels of management of Pica Group and BCS Strata Management, including public challenge to answer the complaint and questions in this reputable forum (which they themselves promised in late 2014 but never delivered).

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**SamJR**

1 year ago

An example of BCS Strata Management silently supporting Executive Committee members who had no access to email or strata files and deliberately not disclosing crucial evidence and documents to them.

Upon finding that two EC members had no internet access and one of the complaining about not having enough information about what is happening in the complex, I approached BCS Strata Management and Pica Group on 6 August 2013 with this email. Extract provided herewith:

BEGIN QUOTE

...

Nevertheless, during a brief discussion the following was confirmed by the EC member:

1. She has no internet access or computer and has difficulties understanding the issues I have been raising!? Apparently, it is too difficult for her to get involved.
2. She has never looked at any evidence or documents, apart from oral discussions at the EC meetings!
3. She has nobody in the complex who can help her to view documents available via web at BCS Strata Management! That is what she stated in her own words.
4. As an example, she believes that the total legal costs for the Solicitor so far are "several" thousand dollars and does not accept the fact that they are above \$32,000.00.



5. She was unable to answer my question why was she on the EC if she was not prepared to read or ask for documents.

Therefore, my simple request: help her understand her duties and provide documents that she, legally, must consider before making any decision. In this specific case, let her know about the Solicitor's full costs.

At the AGM this year, the following will be asked (among many other questions):

- a. Which members of the EC viewed the invoices in this or previous financial years?
- b. Which members of the EC approved the invoices?
- c. Did the Strata Manager duly notify all EC members about every issue in the complex, or just selected two-three members of the committee?


END QUOTE

Staff at BCS Strata Management and Pica Group never replied to me.

The above questions were asked at the AGM 2013 but BCS Strata Management declined to answer them.

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 **SamJR**  
1 year ago

Another fresh example of how BCS Strata Management often ignored fire safety regulations and yearly audits.

In some of the previous posts, we published information relevant to fire safety problems and how none of the BCS Strata Management staff and directors never bothered to respond.

This applies to large strata complex with 2018 lots in Sydney, managed by BCS Strata Management in period mid-1999 to 31 January 2017 when their contract was not renewed due to high costs and poor quality of services.

Fire and Rescue NSW states that each smoke alarm unit should be replaced at least once every 10 years.

I complained about partially operational smoke alarms number of times (they worked sometimes and not at other times). When in 2009 one of them was "finally" completely "dead", they replaced it in our unit, but did not attended to the second smoke detector which still worked occasionally.

Due to my persistence, I forced our complex to be audited for the age of the smoke detectors for the first time in 23 years! Eagle Fire conducted the yearly fire safety audit in our complex in January 2020.


As predicted, both our smoke detectors are again not sensitive enough and do not trigger an alarm every time the test is done.

More shocking than the smoke detector that BCS Strata Management replaced in 2009 in our unit, was the finding about the second smoke detector HAS NOT BEEN REPLACED even after 24 years. Eagle Fire and we have been able to establish, without any doubt, that the second smoke detector was manufactured in 1994, making it probably one of the oldest "partially operational" smoke detector in any NSW strata complex.

The question why BCS Strata Management deliberately avoided maintaining all aspects of fire safety in our complex is open for any comments.

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 **SamJR**  
1 year ago

Two examples of letters sent by Ryde Council to BCS Strata Management in regards to improper fire safety maintenance in 2014. They are significant enough for public to make own judgement about quality of services they offered in our complex.

It is important to notify public that Managing Director and CEO of Pica Group (parent company of BCS Strata Management), NSW COO of BCS Strata Management, and number of senior managers of BCS Strata Management were fully aware of these issues. They chose not to respond to our complaints and ignore them to this day.

a) Letter sent by Ryde Council to BCS Strata Management on 2 April 2014 (undisclosed to owners who never knew of seriousness of fire safety breaches for many years):

BEGIN QUOTE

Thank you for the annual fire safety statement dated 1 April 2014 in respect to the above mentioned premises. I note however that the name and address of the certifying officer has not been provided and the statement has not been signed.

You are therefore requested to submit an amended statement with these anomalies rectified.

END QUOTE

b) Letter sent by Ryde Council to BCS Strata Management, eight months later, on 15 December 2014:

BEGIN QUOTE

I refer to Council's letter dated 2 April 2014 (copy attached) advising that the annual safety statement submitted in respect to the above premises was incomplete and requesting that an amended statement be submitted.

I note that the amended statement has not yet been received and the building owners are therefore liable to substantial penalties - see schedule below.

I further have to advise that Council is in receipt of reports indicating that in January 2013 there were 197 defects with the installed fire safety measures and 52 units were not inspected and in July 2013 there were 118 defects.

Would you please advise the present status of rectification of the reported defects and whether all units have no been inspected.

You are again requested to submit a fully completed annual fire safety statement in respect to the above premises.

Note: The statement is to be signed by the building owner or agent and considering the above mentioned 2013 inspection reports your attention is directed to Clause 283 (False or misleading statements) of the Environmental Planning and Assessment regulation 2000 which states "A person is guilty of an offence in the person makes any statement, knowing it to be false or misleading in an important respect, in or in connection with any document lodged with the Director-General or a consent authority or a certifying authority for the purposes of the Act or this Regulation."

Should the required statement not be received by 3 February 2015 penalty notices will be issued in accordance with the schedule below.

Viz:

\$500.00, for the offense of failing to give an annual fire safety statement that occurs during the first week after the time for giving the statement expires.

\$1,000.00, for the second week.

\$1,500.00, for the third week, and

\$2,000.00, for the fourth and any subsequent weeks.

END QUOTE

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 [SamJR](#)  
12 months ago

Another example of poor financial management. In 2012, after 12 years of providing payments to selective owners for their private water and gas usage without Special By-law and Special Resolution (not even disclosed in any financial statements to owners), BCS Strata Management found out that they were overpaying for such benefits.

Here are secret requests to group of selective owner, where one of them was member of the Executive Committee:

BEGIN QUOTE

We write in relation to previous water invoices you have forwarded to us for reimbursement. We apologise for misinterpretation which was applied to your last request for reimbursement resulting in an overpayment to you of an amount of ...

The overpayment has arisen because the policy is to reimburse consumption charges only whereas we mistakenly refunded supply and meter charges as well.

END QUOTE

Overpaid private water usage examples:

Lot 205 in amount of \$766.15

Lot 207 in amount of \$14.75

Lot 209 in amount of \$370.97

Lot 219 in amount of \$342.58

This information was hidden from CTTT investigators at the time, with full approval and knowledge of BCS Strata Management managers and staff.

[Like](#)

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 [SamJR](#)  
11 months ago

Current status worth sharing with public.

Two weeks ago, based on persistent evidence of mismanagement of our complex, we invited owners corporation and current strata agency (not BCS Strata Management) to attend free Mediation at Fair Trading.

One of the items for discussion is refusal by current strata agency to formally seek strata files for our complex from BCS Strata Management, which the current strata agency allegedly "lost" in two events (one in 2018 and one in 2019) and failed to co-operate with the Police and Fair Trading NSW so far.

Two days ago, we received notification that owners corporation and current strata agency (not BCS Strata Management) refused to attend mediation.

NCAT shall be involved to follow up and force BCS Strata Management to provide ALL files to our owners corporation (for example, the cheque books for period 1999-2017, lot of invoices, email records, tenders, and so on are MISSING), and some of them that Fair Trading and Police seek shall be supplied afterwards:

BEGIN QUOTE

Strata Schemes Management Act 2015

Section 227 Certain applications cannot be accepted without prior mediation

...

(4) This section does not apply to applications for the following orders--

...

(f) an order seeking provision of records to an owners corporation by a former strata managing agent for the strata scheme,

(g) an order with respect to the inspection of records of an owners corporation,

END QUOTE

For learning experience, we will also show the power of the current Interpretation Act 1987, which our current strata agency (not BCS Strata Management) failed to follow, making ALL Executive Committee and General Meeting in 2019 and 2020 non-compliant:

The "postal" rule which used to provide that a document served by post was deemed served on the fourth (4th) working day, has been amended to now provide that a document is deemed served on the seventh (7th) working day after the day of postage.

This amendment was effected by Schedule 1.18 of the Justice Legislation Amendment Bill (No 3) 2018 (NSW) which amends section 76(1)(b) of the Interpretation Act 1987 (NSW) ("IA") and was assented to on 28th November 2018.

Under the Strata Schemes Management Act, 2015 (NSW), the notice period for a general meeting (other than the first) is seven (7) days. In addition to this seven (7) day period, allowance must also be made for the postal rule, which is a further seven (7) day period. The day of postage cannot be included nor can the day of the meeting itself (Section 36 of the IA) in other words, those days must be left clear and not be counted in either the postal or strata period. The seven (7) day postal rule is for seven (7) working days working days are not public holidays, bank holidays in the state to which the agenda applies, Saturdays or Sundays.

Strata committee meetings require three (3) days notice with minutes issues within 7 days.

So, here are the problems that our current strata agency (not BCS Strata Management) will have to face:

- a) Agenda for EC meeting scheduled for 21 March 2019 was created on 18 March 2019. Not sent to our unit and failed to satisfy Interpretation Act 1987 (NSW) for "postal" rule which stipulates that a document is deemed served on the seventh (7th) working day after the day of postage (neither the day of postage nor the day of the meeting may be counted) plus three (3) days for notice to be effective.
- b) Agenda for EC meeting scheduled for 2 May 2019 was created on 26 April 2019. Not sent to our unit and failed to satisfy Interpretation Act 1987 (NSW) for "postal" rule which stipulates that a document is deemed served on the seventh (7th) working day after the day of postage (neither the day of postage nor the day of the meeting may be counted) plus three (3) days for notice to be effective.
- c) Agenda for EC meeting scheduled for 20 June 2019 was created on 17 June 2019. Not sent to our unit and failed to satisfy Interpretation Act 1987 (NSW) for "postal" rule which stipulates that a document is deemed served on the seventh (7th) working day after the day of postage (neither the day of postage nor the day of the meeting may be counted) plus three (3) days for notice to be effective.
- d) Agenda for EC meeting scheduled for 5 September 2019 was created on 30 August 2019. Not sent to our unit and failed to satisfy Interpretation Act 1987 (NSW) for "postal" rule which stipulates that a document is deemed served on the seventh (7th) working day after the day of postage (neither the day of postage nor the day of the meeting may be counted) plus three (3) days for notice to be effective.
- e) Agenda for EC meeting scheduled for 13 February 2020 was created on 7 February 2020 and not listed on Waratah Strata Management website for owners. Not sent to our unit and failed to satisfy Interpretation Act 1987 (NSW) for "postal" rule which stipulates that a document is deemed served on the seventh (7th) working day after the day of postage (neither the day of postage nor the day of the meeting may be counted) plus three (3) days for notice to be effective.
- f) Our unit sent Motions for AGM 2019 on Saturday 28 September 2019 at 21:09 hours.

At earliest, strata manager would have dealt with it on Monday, 30 September 2019 and sent notices by mail to owners in early October.

We have full photo evidence that notice boards in the complex did not have ANY information about AGM even as late as 11 October 2019.

If notices were sent on 1 October 2019 (the best-case scenario) the following would apply:

- 1 October 2019 not counted (day of postage)
- 7 October 2019 not counted (Labour Day in ACT, NSW & SA)
- 17 October 2019 not counted (day of the meeting)

... leaving the following calculation:

Seven working days as per Interpretation Act 1987 (NSW) are: 2, 3, 4, 8, 9, 10, and 11 October 2019

Days for notice of AGM: 12, 13, 14, 15, 16, and 17 October 2019 (six days, if 17 October 2019 is counted (day of AGM))

Days for notice of AGM: 12, 13, 14, 15, and 16 October 2019 (five days, if 17 October 2019 is NOT counted (day of AGM))

Day Date Weekday Service calculation Event

- 1 1/10/2019 Tuesday Postage date not included Notice posted
- 2 2/10/2019 Wednesday First working day
- 3 3/10/2019 Thursday Second working day
- 4 4/10/2019 Friday Third working day
- 5 5/10/2019 Saturday Weekend
- 6 6/10/2019 Sunday Weekend
- 7 7/10/2019 Monday Public holiday (Labour Day)
- 8 8/10/2019 Tuesday Fourth working day
- 9 9/10/2019 Wednesday Fifth working day
- 10 10/10/2019 Thursday Sixth working day
- 11 11/10/2019 Friday Seventh working day Notice effective
- 12 12/10/2019 Saturday First notice day
- 13 13/10/2019 Sunday Second notice day
- 14 14/10/2019 Monday Third notice day
- 15 15/10/2019 Tuesday Fourth notice day
- 16 16/10/2019 Wednesday Fifth notice day
- 17 17/10/2019 Thursday Date of meeting

Agenda for EC meeting scheduled for 17 March 2020 was prepared on 7 March 2020 (Saturday) and was put on notice boards at around midday on 12

March 2020. The earliest day of sending it by post was 9 March 2020. Not sent to our unit and failed to satisfy Interpretation Act 1987 (NSW) for "postal" rule which stipulates that a document is deemed served on the seventh (7th) working day after the day of postage (neither the day of postage nor the day of the meeting may be counted) plus three (3) days for notice to be effective.

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 [SamJR](#)  
6 months ago

It took us seven years to patiently collect evidence of what we claim to be false statements by BCS Strata Management strata manager from Epping branch in his Statutory Declaration to CTTT on 19 April 2013 and Affidavit to District Court in January 2014. In addition, BCS Strata Management engaged Solicitor [name withheld] without owners corporation approval and incurred significant financial losses to owners and ourselves.

It took us seven years to find enough evidence that we were legal members of the committee in our complex because two other long-service members were unfinancial due to unpaid levies for second gas connection since 1999 and 2001 respectively.

Even this warning that we sent to BCS Strata Management on 3 October 2012 did not deter them from dangerous activities:

BEGIN QUOTE

At Parramatta Local Court on Friday 22 July 2011, [name withheld] was convicted of lying at CTTT. The criminal offense carries 12 months imprisonment and/or a fine of up to \$5,500 (Consumer Trader And Tenancy Tribunal Act 2001 - SECT 71 False or misleading statements):

A person must not:

- (a) in any proceedings, or
  - (b) in any application under this Act,
- provide any information, or make any statement, to the Tribunal, Chairperson or Registrar knowing that the information or statement is false or misleading in a material respect.

END QUOTE

This evidence is now part of NCAT proceedings for gross mismanagement of our complex. In 2020, current members of the committee and strata manager (not BCS Strata Management) were offered free mediation at Fair Trading NSW, which they declined, without giving owners information about serious reasons for mediation

In 2019 and 2020, current members of the committee and strata manager (not BCS Strata Management) were requested to provide files and prove validity of general meetings and election of strata committee through our Solicitor. They so far declined and even refused to notify owners of what is being requested.

- a) Solicitor [name withheld] intentionally provided what we claim to be false and misleading statements to Fair Trading NSW and hid information from them to hamper their investigations
- b) Solicitor [name withheld] intentionally provided what we claim to be false and misleading statements to CTTT and hid information from them to hamper their investigations
- c) Solicitor [name withheld] intentionally mislead District Court to obtain personal benefits and protect selective group of owners and strata managers
- d) BCS Strata Management strata manager intentionally provided what we claim to be false and misleading statements in Statutory Declaration to CTTT (the document was written by Solicitor [name withheld])
- e) BCS Strata Management strata manager intentionally provided what we claim to be false and misleading statements in Affidavit to District Court
- f) Two members of the committee [names withheld] provided what we claim to be misleading and false statements in their submissions to CTTT, without disclosure that they were unfinancial and could not be legal members of the committee
- g) Third member of the committee provided what we claim to be misleading and false statements in his submissions to CTTT
- h) Other owners and previous members members of the committee provided what we claim to be false and misleading statements to CTTT

Here are two pieces of crucial evidence (much more is available):

Solicitor [name withheld] illegally represented strata plan [name withheld] in Fair Trading NSW mediation [number withheld] and CTTT SCS [number withheld]

1. CTTT file SCS [number withheld] was about interim order to stop Annual General Meeting 2012 due to serious misconduct and was dismissed until after Annual General Meeting because CTTT forced SCS [number withheld] to go to mediation on 10 September 2012
2. We sent email to Solicitor [name withheld] about facsimiles sent to CTTT for three events SCS files [numbers withheld] on 19 October 2012
3. NSW Fair Trading forwarded files to BCS Strata Management strata manager at Epping in CTTT SCS [number withheld] mediation events on 17 January 2013
4. On 6 March 2013, Solicitor [name withheld] sent letter to Fair Trading NSW claiming that he was legally representing strata plan [name withheld] in mediation case [number withheld] (precursor to CTTT file SCS [number withheld])

5. Solicitor [name withheld] was paid invoices which included work for mediation case and CTTT SCS file [number withheld]. Based on Solicitor's suggestions, owners corporation rejected to attend free mediation
6. In spite of all prior involvement and statements to CTTT and Fair Trading NSW, Solicitor [name withheld] claimed not knowing about CTTT SCS [number withheld] in email sent to BCS Strata Management on 6 May 2013
7. Solicitor [name withheld] belatedly issued Standard Costs Agreement for CTTT SCS [number withheld] on 6 May 2013 although he was already charging fees and involved in the case without authorisation
8. Letter from CTTT in file SCS [number withheld] sent to Solicitor [name withheld] about non-compliance order for strata plan [name withheld] sent to Secretary of the owners corporation (BCS Strata Management strata manager) and Solicitor on 7 May 2013
9. Solicitor [name withheld] sent invoice to owners corporation charging for involvement in CTTT SCS [number withheld] mediation events at NSW Fair Trading on 10 May 2013 without owners corporation approval or Standard Costs Agreement
10. We repeated complaints about false representation by Solicitor [name withheld] and expenses in CTTT SCS [number withheld] on 13 May 2013. Nobody believed us because BCS Strata Management prevented access to alleged Standard Costs Agreement and other strata files (based on Solicitor's advice!)
11. We provided summary of owner's votes against any engagement of Solicitor [name withheld] to BCS Strata Management on 17 May 2013. BCS Strata Management ignored owners' pleas and continued to engage the Solicitor
12. BCS Strata Management provided false statement to a single owner claiming that owners corporation engaged Solicitor [name withheld] not BCS Strata Management and even revealed the plan how to recover Solicitor's costs if CTTT case was dismissed on 22 May 2013 (they made four insurance claims in amount above \$24,000.00 in 2012 and 2013, but CHU Insurance forced our owners corporation to replay \$8,800.00 four years later in 2017)
13. BCS Strata Management requested extension of time to respond in CTTT SCS [number withheld] and confirmed that Solicitor engagement had to be approved at Extraordinary General Meeting on 24 May 2013
14. We repeated requests to Solicitor [name withheld] to return files (over 2,000 pages of evidence) due to false representation by Solicitor [name withheld] in CTTT SCS [number withheld] on 1 June 2013. BCS Strata Management and the Solicitor rejected the request
15. We provided folder with submission in CTTT SCS [number withheld] with evidence of illegal engagement of Solicitor [name withheld] on 4 June 2013. It was ignored because BCS Strata Management and committee members provided what we claim to be false statements
16. We submitted request to access strata files for CTTT file SCS [number withheld] on 5 June 2013. BCS Strata Management ignored it (same way they did in March 2013). Belatedly, we found out that BCS Strata Management provided Affidavit to District Court in 2014 that we were never refused access to strata files.
17. Member of the committee confirmed in secret email to strata manager he was fully aware of our rights to access strata files on 5 June 2013
18. We sent request to BCS Strata Management and committee about their refusal to organise general meeting and accept owners wishes for CTTT file SCS [number withheld] on 6 June 2013
19. Strata plan [name withheld] received CTTT decision on 2 September 2013
20. EC member confirmed Solicitor [name withheld] was not engaged for CTTT [number withheld] on 2 September 2013. Email recipients:

Strata Manager (BCS Strata Management)

Epping Branch Manager (moved to senior position at Pica Group - parent company of BCS Strata Management)

Committee member

Committee member (in 2016 BCS Strata Management secretly sent invoices for unpaid levies for 2012 and 2013)

Committee member (in 2016 BCS Strata Management secretly sent invoices for unpaid levies for 2012 and 2013)

Committee member

Committee member

Committee member

Strata manager [name withheld] and Solicitor [name withheld] statements to CTTT (other references to their statements will not be shared with public yet!)

21. Statutory Declaration by strata manager (written by Solicitor [name withheld]) on 19 April 2013:

BEGIN QUOTE

On 25 July 2012 the Standard Costs Agreement was signed by another strata manager [name withheld] on behalf of the owners corporation. I know him personally. He is employed by Raine & Horne Strata - Sydney. Mr. [name withheld] was the person at Raine & Horne Strata Sydney who throughout July 2012 was the person responsible for the day to day strata tile management of the owners corporation. I have seen Mr. [name withheld] sign document and I recognise the signature on the costs agreement as his signature.

On 25 July 2012 I emailed to [name withheld] a copy of the Standard Costs Agreement signed by my colleague [name withheld].

END QUOTE

22. Solicitor [name withheld] letter to CTTT on 19 April 2013:

BEGIN QUOTE

On 25 July 2012 the then strata manager of the owners corporation, [name withheld], signed the lawyer's costs agreement on behalf of the owners corporation and the signed costs agreement was emailed to the lawyer by the strata manager on that day.

END QUOTE

(EC meeting on 22 August 2012 introduced new strata manager who, eight months later submitted the Statutory Declaration to CTTT)

23. During 2018, 2019, and 2020, Solicitor [name withheld] and BCS Strata Management refused to co-operate with the Police in their investigations.

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**SamJR**

2 months ago

It is in public interest to provide further updates.

1. On 2 October 2020, the following email was sent to THREE very senior members of Pica Group staff, asking for their submissions as witnesses and actors in what is alleged to be serious fraudulent and criminal activities in NCAT case which is scheduled in February 2021:

BEGIN QUOTE

Pica Group website makes the following claims:

Accredited and well-trained staff  
Compliance and regulation experts  
High ethical standards  
Living by our company values  
Committed to our service promise  
Award winning teams  
Local knowledge and expertise

Now is the time to prove it.

We trust common sense will prevail.

The undersigned, without prejudice, hereby demands that you, on behalf of BCS Strata Management and Pica Group, confirm or refute customer's statements that BCS Strata Management deliberately engaged in deceitful actions resulting in:

- a) Illegal engagement of Solicitor in representation of strata plan in Fair Trading case SM12/XXX, CTTT case SCS 12/YYY, and CTTT case SCS 12/ZZZ,
- b) Four fraudulent insurance claims for Solicitor legal costs in non-existent "CTTT defense", amounting to \$28,511.24 (GST incl) paid to strata plan in 2012 and 2013, where CHU Insurance forced the strata corporation to repay \$8,800.00 in 2017,
- c) Knowingly organised creation of false statements in BCS Strata Management strata manager's Statutory Declaration to CTTT on 19 April 2013,
- d) Knowingly organised creation of false statements in BCS Strata Management strata manager's Affidavit to District Court on 31 January 2014,
- e) Forced strata plan to pay for more than 70% increase in insurance premiums in 2012 due to high risks with legal claims for Solicitor, disregarding warnings by AJG Insurance Broker and CHU Insurance on 1 August 2012,
- f) Silently refused to provide assistance to Police in Event EXXX since 2018,
- g) Failed to act upon customer's complaints and evidence since 2012, with special emphasis on public statement by Managing Director and CEO of Pica Group, given on ProductReview website on 9 December 2015,
- h) Risked well-being and physical safety of customer and his family due to continuous efforts to pervert the course of justice.

END QUOTE

They did not respond in any form.

2. On 2 November 2020, a follow-up email was sent to them:

BEGIN QUOTE

It is noted that no response has been received.

Follow-up is as follows - you are kindly asked to provide a response:

a) Do you have any objection to be called as witness in NCAT case SC 20/XXX with Hearing scheduled for February 2021. You are important to what is alleged to be false statements in Statutory Declaration to CTTT and District Court in 2013 and 2014, fraudulent insurance claims, and significant legal fees without owners corporation approval at any legally-convened meeting with full disclosure to owners.

Note that the letter of demand sent to you is part of NCAT case as offered evidence.

b) Reason(s) why BCS Strata Management and Pica Group failed to provide assistance to Police in Event EXXX in spite of their repeated requests so far.

c) Do you have any objection if unredacted letter of demand is published on Internet and in various forums related to strata laws and BCS Strata Management in the interest of public? If so, on what legal grounds do you object?

END QUOTE

Again, no responses.

Public can form their opinions freely.

[Like](#)

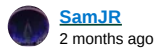
[Delete](#) [Edit](#)



Hi Sam, we appreciate your feedback and sorry that you have a negative experience. If you want to speak to someone directly to resolve the issues please send through your contact details to [CustomerCare@picagroup.com.au](mailto:CustomerCare@picagroup.com.au) and a team member will be in touch. Kind regards, BCS Customer Care

Like

Report



Hi,

Your reputation is on display. It needs to be earned and deserved, and comes AFTER good services in accordance with laws and good ethics are provided..

Note that over 60 attempts have been made so far. What kind of conclusion would an ordinary person make after so many unsuccessful attempts with BCS Strata management and Pica Group?

To show good will, we contacted CustomerCare@picagroup.com.au yet again On 20 December 2020. No response so far.

Note that BCS Strata Management and Pica Group failed to act upon customer's complaints and evidence since 2012, with special emphasis on public statement by Managing Director and CEO of Pica Group, given on ProductReview website on 9 December 2015.

We left voice mail for Managing Director and CEO of Pica Group on 18 December 2015 at the time when BCS Strata Management failed to provide access to many strata files in their Epping office. Nobody ever called us back.

That was in 2015, now is January 2021.

Like

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Going through voluminous evidence from the past years reveal more and more distressing evidence.

Here is another example:

Agenda for AGM in October 2013 in our large strata complex was sent on 9 October 2013 and included Auditor's report which was signed on 10 October 2013 (one day after the documents had been sent to owners)!

Another problem with the Audit was that it contained many serious errors as well.

Bamfield Accountants were asked to comment about the quality of their audit on 13 November 2013 but they never replied too:

BEGIN QUOTE

At AGM 2013 on 23 October, we documented number of errors in financial summary that was given to owners (based on your audit).

The Executive Committee and the Strata Manager squarely passed all blame to the auditors (yourself) because Bamfield "approved the accounts and that meant we (not being accountants) could not be right". Instead of reviewing the invoices, they simply stated that Bamfield was fully responsible for the audit.

We are sure you want to keep your reputation intact, so that is why we are contacting you.

We enclose herewith examples of obvious errors in accounting (even without going into deep details).

a) What is your position in regards to these (and any other errors)? We know that your statement clearly says that the Managing Agents are responsible for the preparation and fair presentation of the financial report.

Knowing that it was not "fair" in many areas, do you intend to investigate it further, or let owners believe that any errors are of your doing?

Be aware that BCS Strata Management has been providing dubious financial summaries for many years (including illegal payments without Special By-Laws or approvals by owners corporation, and some even in non-compliance with the Strata Schemes Management Act 1996 and Strata Schemes Management Regulation 2010.

b) How bad it can be: they even removed evidence of corrected six-monthly statement for FY2013 from the web site (the one that had amended details for the legal costs in March 2013).

Due to serious questions at AGM 2013, BCS Strata Management removed the evidence but we have both copies anyway...

In its own right, that is a clear criminal activity, and in non-compliance with the Property, Stock and Business Agents Act 2002.

END QUOTE

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Hi Sam,

We understand your frustration. Have you left your contact details for someone to reach out? Our offices were closed on the 20 December so that's why



there was no response. Since we returned on 11 Jan someone has reached out to see if we can resolve this for you.

Kind regards,  
BCS Customer Care

Like

Report

 **SamJR**  
4 weeks ago

Dear BCS Customer Care,

We responded on 13 January 2021 again. The response again reiterates promise given by Pica Group CEO on 9 December 2015, who (or somebody on his behalf) said in ProductReview forum:

BEGIN QUOTE

We have escalated this within our team to our Managing Director and Group CEO of the PICA Group of companies, Greg Nash. he will be taking over this matter personally and has begin an internal investigation into these allegations. We are working on the assumption that they are genuine and this is not an unfortunate misunderstanding. This investigation will determine next steps and our response.

In order to resolve the matter as quickly as possible, could you please contact us on (02) 8216-0387. This will ensure Greg is involved in future dialogue on this matter.

The PICA Group is committed to excellent customer service with integrity and honesty at all times. It is the PICA Group's intention to resolve this matter quickly and fairly for all concerned.

END QUOTE

For public record, to repeat again, we even called the CEO on the above number on 18 December 2015 during document search (SSMA 1996 S108). BCS

### Listing monitored by BCS Strata Management representatives.

unavailable . we replied with evidence to raise claims by BCS staff.

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Management NSW sent us this on 19 January 2016:

STAY CONNECTED

QUOTE

Like our **Facebook page** to stay in the know on amazing new products.

defamatory statements you have made against persons employed by BCS as well as executive committee and other members of the owners corporation.

Like us on Facebook

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We draw your attention to the Defamation Act 2005 (NSW), which provides that persons who are defamed by statements published by you are able to commence legal proceedings against you for the removal of the defamatory statements and seek damages for any harm caused by your defamatory statement.  
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Accordingly and to avoid the possibility of an individual who have been defamed commencing legal proceedings, we demand the following immediate actions by you:

1. You immediately remove all contents on your website, and in particular those parts making comment on individuals;
2. You issue an apology for making the defamatory statements;
3. You undertake in future not to make any defamatory statement against the employees of BCS as well as the executive committee and other members of the owners corporation.

END QUOTE

We verified contents of our publishings with two legal authorities and no evidence of "defamation" was found - just plain facts.


We asked BCS staff, managers and directors to identify ANY issue that "defames" them many times. No response.

So, to summarize, everything that a reasonable person could do has been done.

Email sent to BCS Customer Care on 13 January 2021 also has details of BCS' silent refusal to co-operate with Police when they asked for files on 27 August 2018. Copy of email request by Detective A/Inspector (Crime Manager) is in our possession.

Like

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 **SamJR**  
0 seconds ago

For public records, to inform customers and potential investors:

As of 17 February 2021, all promises that BCS Strata Management and Pica Group staff made in public forums or privately to us are just "empty and undelivered promises". There is no evidence of any actions on their side.

In addition, they so far refused to co-operate with NCAT Tribunal (there was a Hearing for a different case last week where BCS Strata Management and

