ADMINISTRATIVE SERVICES AGREEMENT

BETWEEN
Strata Management Group Pty Ltd ABN 33 143 985 157 (SMG) of Level 11, 88 Tribune Street, South Brisbane QLD 4101.

AND
The Body Corporate for Paradise Crest CTS 23698 (Body Corporate) of 62 Victor Street, Runcorn, QLD 4113.

IT IS HEREBY AGREED THAT; the Body Corporate engages SMG as its Manager pursuant to s.119 of the Body Corporate and Community Management Act (BCCM Act) subject to the following terms:

1. TERM
The Agreement is for a **term** of One (1) year and commences on 01/02/2027 and finishes on 31/01/2028.

2. FEES
The **management fee** is $90.00 per lot per annum excluding GST.

The **fixed disbursement** fee is $45.00 per lot per annum excluding GST.

3. SERVICES
Agreed Services means the services set out in this Agreement.

Management Fees means the cost of SMG to complete the agreed services.

Fixed Disbursements Fee means the fixed fee that SMG has agreed to in advance to supply all required items from the Disbursements Table listed within the Cost Schedule to perform all Agreed Services.

Itemised Disbursement Fee means all fees outlined within the Cost Schedule to complete all Agreed and Additional Services.

Agreed Meetings means 1 Annual General Meeting and 1 Committee Meeting.

Additional Fees means the cost incurred to complete the items set out in item 7. Additional Services.

Additional Services means the services performed set out in item 7. Additional Services.

Cost Schedule means the list of expenses SMG can charge for various services and disbursements set out via the following link https://shorturl.at/X2VUP. All fees are excluding GST.

Annual Review means 3.5% or CPI whichever is greater.

Module means the Module regulating the Body Corporate from time to time.

Agreement means this agreement.

Act means the *Body Corporate and Community Management Act 1997*.

4. SPECIAL CONDITIONS
- Credit: A $1,500 credit will be placed on the Body Corporate account for future Administrative Service fees incurred in the first year of this agreement.
- There will be no handover fee associated with the load on of the Body Corporate.

5. EXECUTION
Executed by The Body Corporate for Paradise Crest CTS 23698:

Signature One

Name and Position

Date

Signature Two

Name and Position

Date

Executed by its duly authorised representative on behalf of: Strata Management Group Pty Ltd ABN 33 143 985 157 in accordance with s.126 of the *Corporations Act 2001*-

Signature One

Name and Position

Date

6. AGREED SERVICES

SMG will:

6.1 AGREED SERVICES - ANNUAL GENERAL MEETING

Call for nominations for the positions of executive and ordinary members of the Committee.

Call for motions from Owners for the Annual General Meeting.

Prepare statutory motions required for the Annual General Meeting agenda plus the re-appointment of SMG, up to 30 pages doubled sided.

Prepare the End of Financial Year Statements as required for the Annual General Meeting.

Prepare a draft budget for each financial year including seeking any Committee advice to develop this budget in the normal course of the administrating the scheme.

Prepare and distribute the notice of Annual General Meeting and ancillary documentation in relation to statutory motions and the re-appointment of SMG.

Provide a SMG Office as the location of the meeting.

Provide electronic voting options.

Provide electronic meeting facilities**.** Does not include cost of service.

Attend the Annual General Meeting for up to 1 hour, provided that the meeting is held between 8:30am to 5:00pm on a business day.

Creation and maintenance of meeting Attendance and Voting Tally Register.

Provide advice on meeting procedure to the Committee at the meeting as and when requested.

Record and distribute minutes of Annual General Meeting up to 7 pages double sided.

6.2 AGREED SERVICES - COMMITTEE MEETINGS

Prepare and distribute notices for Committee Meeting/s based upon the number of Committee Meeting/s stipulated, up to 2 pages double sided.

Vote Outside of Committee Meeting/s can be requested in lieu of physical Committee Meetings based upon the number of Committee Meeting/s stipulated.

Prepare the Interim Financial Statements as required for the Committee Meeting/s.

Provide a SMG Office as the location of the meeting.

Provide electronic meeting facilities. Does not include cost of service.

Attend the Committee Meeting/s for up to 2 hours, provided that the meeting is held between 8:30am to 5:00pm on a business day.

Record and distribute the minutes of the approved number Committee Meeting/s as stipulated, up to 4 pages.

6.3 AGREED SERVICES - FINANCIAL SERVICES

Open, maintain and operate a bank account at a financial institution for the Administrative Fund and the Sinking Fund.

Complete a monthly reconciliation of the bank account.

Issue and receipt levy notices to lot owners up to 4 times per year for schemes with fixed disbursements.

Maintain an Aged Balance List of overdue levies.

Through the use of SMG's software provider, process and pay invoices received by the Body Corporate.

Pay Insurance Renewal / Endorsement Invoices immediately upon Committee approval to ensure coverage.

Upload the monthly Status Report for the Committee's information on the online portal, which outlines:

- List of Cheques and EFTs drawn
- Bank Account Details
- Balance of Administration and Sinking Funds
- Roll Changes
- Copy of monthly Bank Statement
- Copy of Financial Statements
- Copy of General Ledger Summary

6.4 AGREED SERVICES - RECORDS

Maintain online Body Corporate portal including ensuring that the following records are up to date and available for inspection online by all Owners:

- Individual Owners levy statement
- Individual Owners roll information
- All previous meeting minutes
- Community Management Statement (CMS)
- Survey Plans
- Building Plans
- Sinking Fund Forecast
- Insurance Valuation
- All compliance reports (Fire, Electrical, Pest etc)
- Insurance Certificates and Reports
- All Agreements held with the Body Corporate

Maintain online Body Corporate portal including ensuring that the following records are up to date and available for inspection online by the Committee:

- Aged Balance List
- Financial Statement (Current and Last Year)
- Office Bearers Report
- Invoice Activity Report
- All previous Status Reports

Establish the roll at handover based on information provided by the previous Body Corporate Manager or Developer.

Make available the records for inspection.

Keep all electronic data provided by the Body Corporate. This does not include hardcopy archive records.

6.5 AGREED SERVICES - ADMINISTRATION

Receive all correspondence on behalf of the Body Corporate.

Provide Disclosure and Information Certificates upon the receipt of payment by party requesting the inspection.

6.6 AGREED SERVICES - INSURANCE

Pay insurance premiums and organise quotations for renewals through SMG nominated preferred Insurance Broker/s.

7. ADDITIONAL SERVICES

The following items are services not covered by the management fees and or any disbursements fees, however they may be required to be completed by the Body Corporate. Where there is no rate specified for these specific tasks, the applicable hourly rate will apply.

SMG will charge for the following examples (but not limited to):

7.1 ADDITIONAL SERVICES - MEETINGS

All tasks to complete an Extraordinary General Meetings, Committee Meetings and Vote Outside of Committee Meetings that are in addition to the agreed stipulated meetings.

Inclusion of additional motions outside of the statutory motions and attachments for the Annual General Meeting.

The provision of additional pages than the agreed stipulated figure for all meetings. Each additional page will be subject the per page costs outlined in the disbursements.

Preparation and review of Owners and Committee Motions outside of the statutory required motions.

Preparation and co-ordination of Open and Secret Ballots including the co-ordination and engagement of Returning Officer.

Attendance at meeting/s that are in excess of the agreed stipulated amount and times.

Adjourned meetings.

Attendance at any reconvened meetings.

Any works required in relation to Management Rights including Sales and Deeds.

Travel to and from meetings.

7.2 ADDITIONAL SERVICES - FINANCIAL SERVICES

Preparation of BAS and IAS for the Body Corporate.

Preparation of records for Auditors and attending to Auditors queries.

Preparation of records for the annual Tax Return and carrying out the duties as the Body Corporate Public Officer.

Annual CPI calculation for Caretakers Salary.

Preparation and supply of additional requested financial reports from the Body Corporate.

Investment of funds upon Committee instruction.

Approval of invoices for payment on the Invoice Hub Payment Portal, where the Body Corporate has not nominated an Invoice Authoriser.

Re-coding and on-charging of expenses including on charging to non-owners.

Body Corporate establishment fees including ABN, TFN, GST and Public Officer registration.

Opening and closing bank accounts including time and travel to banking institutions.

Distribution of additional levy notices (utility service charges, special levies).

Bank Transaction charges applied to the Body Corporate's account by a financial institution.

Preparation and distribution of Non-Mutual Income correspondence to Owners.

Any matters in relation to the collection of un-paid levies by the due date as per the below process. All costs to be on-charged to the Owner of the lot:

- Issue a reminder notice at 14 days (more or less)
- Issue a 2nd reminder notice 30 days (more or less)
- Issue a 3RD reminder notice 45 days (more or less)
- Issue a Letter of Demand at 60 days (more or less)
- Engagement of professional to complete formal debt recovery process.

Any matter in relation to the collection of second debtor accounts.

Co-ordination of levy payment plan requests.

Co-ordination of loss of discount/ arrears requests.

In the event that the Body Corporate has employees: Preparation and payment of wages to Body Corporate employees.

In the event that the Body Corporate requires the billing and collection of utility recoveries and/or any matters in relation to the billing and collection of utility recoveries from clients.

- Review, reconciliation, administration and collection of data
- Issuing of invoices to client
- Issue a reminder notice at 14 days (more or less)
- Issue a 2nd reminder notice 30 days (more or less)

- Issue a 3RD reminder notice 45 days (more or less)
- Issue a Letter of Demand at 60 days (more or less)
- Engagement of professional to complete formal debt recovery process.

7.3 ADDITIONAL SERVICES - ADMINISTRATION

International postage.

Any services undertaken outside of business hours being 8:30am to 5:00pm.

Assistance to Owners in relation to items outside of the Agreed Services including responding to correspondence and proposed Owners Motions.

Maintain registers for the Body Corporate.

Software Fees incurred by a third-party software provider at the choosing of SMG providing services for the scheme.

Archiving of physical records including storage, retrieval and destruction.

Lodgement to all Government Departments and compliance institutions including submitting reports, registers, forms and certificates.

Obtaining missing records from relevant industries and third parties.

Circulation of Land Valuations to all Owners within the objection period.

Liaison with Lawyers and other professionals.

Liaison with Contractors to assist with maintenance co-ordination including quote requests and work orders.

Co-ordination of requirements from compliance and statutory reports.

All items in relation to Building Management Statements.

All items in relation to Principal Bodies Corporate.

Obtaining Owners contact information if the Body Corporate has not been advised.

Providing a Welcome Pack to all Owners that confirms online portal login information and lot levy balance

Assisting with the enforcement of Body Corporate by laws.

Insurance renewals when the Body Corporate does not use an SMG preferred Broker.

Co-ordinate all insurance claims where the claim has been submitted through an SMG preferred Broker/s.

Lodgement of annually required WorkCover Application/ Renewal. *General Meeting resolution required by the Body Corporate to instruct SMG not to effect WorkCover.*

All travel where the use of vehicle is required.

Parking costs incurred by the Manager.

Upload of additional documentation to the Online Portal and creation of additional custom pages as requested by the Body Corporate.

Update the Roll based on the information that Owners provide the Body Corporate.

8. PROCEDURAL ITEMS

8.1 ENGAGEMENT

The Body Corporate engages SMG in accordance with s.119 of the Act and SMG accepts the engagement to perform the agreed services for the term commencing on the commencement date and expiring on the expiry date.

The special conditions of this Agreement (if any) apply in priority of any other term of this Agreement.

This Agreement including its terms may not be modified without the prior written approval of a Director of SMG.

8.2 MANAGERS DUTIES AND POWERS

The Body Corporate acknowledges that under a standard Section 119 BCCM Act engagement, SMG cannot be delegated Restricted Issues or any function that must be decided by ordinary resolution, special resolution or majority resolution, and nothing in this Agreement is to be interpreted as delegating those powers to SMG.

SMG may action instructions only where:
(a) the instruction has been given by the Committee or its authorised representative;
(b) the instruction does not relate to a Restricted Issue; and
(c) the instruction is lawful under the Act and Module.

8.3 BODY CORPORATE DUTIES

The Body Corporate must:

- provide SMG with all information reasonably necessary to enable SMG to perform the agreed services;
- appoint a representative to give SMG directions and instructions on behalf of the Body Corporate otherwise that representative shall be deemed to be the Chairman or Secretary. (Any instructions given by that representative of the Body Corporate will be deemed to have been approved by the Committee);
- otherwise do all things reasonably necessary to assist SMG to carry out the agreed services; and
- comply with any special conditions.

8.4 PAYMENT AND FEES

Management Fees and Fixed Disbursement Fees - the Body Corporate must pay SMG the Management Fee by equal calendar monthly instalments in advance on or around the same day of each month.

Additional Fees - the Body Corporate must pay SMG the Additional Fees in arrears on or around the same day of each month. SMG must be paid at least 14 days after the supply of an invoice to the Body Corporate.

Itemised Disbursements - the Body Corporate must pay SMG the itemised Disbursements Fees in arrears on or around the same day of each month. SMG must be paid at

least 14 days after the supply of an invoice to the Body Corporate.

Method of Payment - Payment for any Management Fee, Additional Fee or Disbursements must be made by the Body Corporate in the manner as directed by SMG the payment of which will have GST added.

Other Fees - SMG may keep money received by it for:

- information which SMG must supply about the Body Corporate under the BCCM Act or the Module;
- services supplied at the request of lot owners; and
- commissions paid to it by the providers of services to the Body Corporate.

Adjustments - All fees listed in Item 2 are to be increased each year by the greater of 3.5% or CPI on the anniversary of the commencement of this agreement.

CPI means the percentage increase in the Consumer Price Index (All Groups) for the City of Brisbane as published by the Australian Bureau of Statistics, for the quarter prior to the commencement of each annual term. Adjustments to the Costs Schedule if required will be made 30 June each year.

8.5 GST

Where a Goods and Services Tax ('GST') pursuant to the provisions of the *Goods and Services Tax Act 1999* (Cth) becomes payable on the supply of any goods or services ('supply') under or in connection with this Agreement; and SMG is required to pay GST in respect of that supply the Body Corporate must pay the GST applicable on that supply to SMG in addition to any other amounts payable by the Body Corporate to SMG under this Agreement.

8.6 ASSIGNMENT

In accordance with the BCCM Act and Module, this Agreement may be transferred with Committee consent (unless it is a restricted issue of the Committee).

8.7 TERMINATION

In accordance with the BCCM Act and Module, this Agreement may be terminated by the Body Corporate.

SMG may terminate this Agreement at any time if SMG gives the Body Corporate one month's written notice, or immediately if the Body Corporate fails to pay amounts due within 30 days, issues unlawful directions, or becomes insolvent.

The Body Corporate authorises SMG to arrange payment prior to handover, all outstanding invoices and adjustments rendered by SMG up to and including the day of handover.

8.8 DISCLOSURE

SMG must disclose to the Body Corporate:

- any relationship between SMG and a provider of goods or services (if SMG is a Related Person of that provider) that the body corporate is considering entering into a contract with before the body corporate makes its decision;
- any relationship between SMG and a provider of goods or services (if SMG is a Related Person of that provider) that the body corporate has entered into a contract with in the shortest practicable time; and any commission,
- payment or other benefit that SMG is entitled to receive as a result of the Body Corporate entering into a contract with another party before the body corporate makes its decision.

For the purposes of this disclosure obligation, SMG discloses the following:

- Related Person relationship exists with Complete Maintenance Service Group Pty Ltd as a result of shared directorships;
- Related Person relationship exists with Facility Management Systems Pty Ltd as a result of shared directorships;
- Equity partnership with Coverforce Partners Pty Ltd and payment from that partnership is percentage share of the Broking Revenue (insurance commission, broking fee or a combination of the two) being up to 26% of the insurance premium as disclosed in the Insurance Renewal Report. Should SMG receive the standard commission due to a Body Corporate placing cover with our preferred broker, the Body Corporate will receive $20 per lot off their management fees. Please note, further information about strata insurance disclosure can be found on our website at https://www.stratamg.com.au/insurance-disclosure

8.9 NOTICES

Any notice, approval, consent or other communication in connection with this Agreement must be in writing and may be given by:

- leaving it at; or
- sending it by prepaid ordinary post or
- email to, the Committee or Director of the other party recorded at the commencement of this Agreement or
- such other address as may be notified by the other party from time to time.

A notice, approval, consent or other communication takes effect from the time it is received unless a later time is specified in it.

A letter or email is taken to be received:

- in the case of a posted letter, on the third day after posting; or
- in the case of an email, in accordance with the *Electronics Transmissions Act.*

8.10 WAIVER

The failure of a party at any time to require full or partial performance of any provision of this Agreement shall not affect in any way the full right of that party to require such performance subsequently.

The waiver by any party of a breach of a provision of this Agreement shall not be deemed a waiver of all or part of that provision or of any other provision or of the right of that party to avail itself of its rights subsequently.

Any waiver of a breach of this Agreement shall be in writing signed by the party granting the waiver, and shall be effective only to the extent specifically set out in that waiver.

8.11 RELEASE AND INDEMNITY

The Body Corporate:

- releases, discharges and forever holds harmless the Manager (to the extent permitted by law) from any damage's losses or liabilities, costs, expenses or claims incurred by the Manager being made a party to any litigation commenced by or against the body corporate or its members; and
- indemnifies and keeps indemnified the Manager against any damages, losses, liabilities, costs, expenses, including legal costs or claims incurred by the Manager being made a party to any litigation commenced by or against the Body Corporate or its members; and
- indemnifies the Manager for costs arising out of or in connection with the exercise of the Manager's rights, duties and obligations under this Agreement as a result of the Manager being the Manager of the Scheme.

The provisions of this section survive the term of this Agreement.

8.12 GOVERNING LAW

This Agreement is governed by the laws of Queensland and each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Queensland for determining any dispute in relation to this Agreement and waives any right to object to an action being brought in Queensland courts.

8.13 SEVERANCE

If any provision of this Agreement is, for any reason, considered or found by a Court of competent jurisdiction or any competent Government authority to be invalid, illegal or unenforceable, or to reduce the Term of this Agreement, that provision is to be severed from the remainder of the provisions of this Agreement and will be deemed never to have been part of this Agreement or the Term will be reduced accordingly. The remainder of the provisions of this Agreement will remain in full force and effect unless the basic purposes of this Agreement are defeated.

8.14 EXECUTION

This Agreement may be executed and delivered in two or more counterparts (whether original or bearing an electronic signature, whether delivered in hard copy or electronically), each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

8.15 PRIVACY ACT

If SMG holds personal information under this Agreement, SMG must, subject to the Act, comply with Australian Privacy Principle 11 set out in Schedule 1 of the Privacy Act.

8.16 BODY CORPORATE RECORDS

Without any obligation on the part of the Manager, the Body Corporate authorises the SMG to hold any document of the Body Corporate in photographic or electronic image form.

8.17 BODY CORPORATE CERTIFICATES

The Body Corporate acknowledges and agrees that, as part of the Manager's contracted duties under this Agreement, the Manager may, from time to time and as required, prepare Body Corporate Certificates (as defined in the *Body Corporate and Community Management Act 1997* and relevant regulation module) (**Certificates**).

In consideration of, and conditional upon, the parties entering into and complying with their obligations under this Agreement, the Body Corporate releases, discharges and forever holds harmless the Manager in respect of any and all liability for Claims of whatsoever nature which the Body Corporate, or any person on behalf of the Body Corporate, may now have or at any time heretofore had or at any time hereafter may have or, but for the execution of this Deed, could have against the Manager, with respect to, or in any way connected with, the Manager preparing and issuing Certificates on behalf of the Body Corporate.

The Body Corporate agrees to indemnify the Manager against any and all Claims, loss or damage that the Manager suffers as a result of any action, or threatened action, by any third party with respect to, or in any way connected with, the Manager preparing and issuing Certificates on behalf of the Body Corporate.

The Body Corporate agrees that this Agreement may be pleaded as an absolute bar and defence to any Claim, action, suit or proceedings commenced now or taken at any time by the parties, or any third party (as between the Body Corporate and Manager), with respect to, or in any way connected with, the Manager preparing and issuing Certificates on behalf of the Body Corporate.

In this clause 8.17, ***Claim*** means any complaint, demand, suit, cost, action, proceeding, judgment, right of action, liability, claim for compensation or reimbursement, or liability incurred by, or to be made or recovered by or against, a person, howsoever arising (either at law, in equity or under any statute), and whether ascertained or unascertained, immediate, past, present, future, or contingent, including any claims for legal costs and economic or consequential loss.

8.18 COMMUNICATION

The Body Corporate acknowledges that the agreed management fee includes a reasonable and standard level of communication and administrative support directly related to the ordinary functions of the Body Corporate.

Where the frequency of communication (including but not limited to emails, letters, phone calls, meeting requests, or other correspondence) exceeds standard levels reasonably expected for the scheme, the Manager may charge an additional service fee.

Where communication from the Committee or Owners exceeds the standard levels expected for a scheme of similar size or complexity, including repeat requests, excessive demands or multiple follow ups, SMG may charge Additional Services at the hourly rate. SMG will notify the Committee prior to applying such charges.

8.19 LIMITATION OF LIABILITY

(a) To the maximum extent permitted by law, SMG's total aggregate liability to the Body Corporate arising out of or in connection with this Agreement is capped at the total Management Fees paid in the 12 months prior to the event.
(b) SMG is not liable for any indirect, consequential, special or economic loss.
(c) SMG is not liable for loss arising from building defects, contractor actions, reliance on incorrect information supplied by the Body Corporate, or matters outside SMG's control.
(d) Nothing limits liability for fraud, wilful misconduct or gross negligence.

8.20 FORCE MAJEURE

(a) A party is not liable for delay or failure to perform obligations (other than payment obligations) if caused by a Force Majeure Event.
(b) Force Majeure Event means an event beyond a party's reasonable control.
(c) The affected party must attempt to resume performance as soon as reasonably possible.

8.21 DATA SECURITY AND PRIVACY

(a) SMG must take reasonable steps to protect personal information.
(b) The Body Corporate acknowledges that SMG relies on third-party platforms and is not responsible for outages or cyber incidents affecting those providers.
(c) SMG will notify the Body Corporate of data breaches where required by law.

8.22 CONTRACTORS AND THIRD PARTIES

(a) SMG's role in relation to contractors is administrative only.
(b) Owners must not instruct contractors unless authorised.
(c) SMG is not responsible for contractor workmanship or performance.
(d) Contractor disputes are for the Body Corporate to resolve.