THE COMMUNITY CO - STRATA ADMINISTRATION AGREEMENT

THIS AGREEMENT is made

BETWEEN: **THE COMMUNITY CO. PTY LTD ABN 95 602 223 825** (**The Community Co**)

AND: **BODY CORPORATE FOR PARADISE CREST CTS 23698 (**the **Body Corporate**).

RECITALS:

A. There is a Committee for the Body Corporate.

B. This is an engagement of The Community Co as the body corporate manager for the Scheme.

1. Engagement

1.1 The Body Corporate engages The Community Co to supply administrative services for the Term subject to the terms of this Agreement.

1.2 The Community Co is engaged as an independent contractor, and not as an employee of the Body Corporate.

2. Scope of engagement

2.1 The Community Co must supply the Fixed Fee Services to the Body Corporate.

2.2 The Community Co may supply the Additional Services to the Body Corporate at the request of the Body Corporate for the Additional Fees.

2.3 During the Term, The Community Co will have custody of the seal and is authorised to sign and attach the seal to documents on behalf of the Body Corporate.

2.4 The Community Co will comply with the Act, the Module and the Code of Conduct for Body Corporate Managers when performing functions under this Agreement.

3. Authorised Powers

3.1 The Body Corporate authorises The Community Co to exercise the Authorised Powers to facilitate the performance of the Fixed Fee Services and the Additional Services.

3.2 Without limiting clause 3.1, The Community Co is specifically authorised to:

(a) open bank accounts in the Body Corporate's name;

(b) administer funds controlled by the Body Corporate;
(c) disburse Body Corporate funds in payment of liabilities incurred by the Body Corporate;
(d) attend, and Chair adjourned General meetings where the Chairperson is not present; and
(e) sign on behalf of the Body Corporate any Form 33 Body Corporate Certificate issued under section 205 of the Act.

3.3 This authority to exercise the Authorised Powers does not:

(a) amount to an engagement under Chapter 3, Part 5 of the Module;
(b) make The Community Co responsible for the performance of the statutory functions of the Body Corporate and its Committee; or
(c) relieve the Body Corporate or its Committee of their statutory functions.

4. Nominees

4.1 The Body Corporate must nominate in writing a Committee voting member to communicate with The Community Co on behalf of the Body Corporate. If the Body Corporate does not nominate a person in writing, the chairperson of the Committee is taken to be the Body Corporate's nominee.

4.2 The following is only applicable for Bodies Corporate with 3 Lots or 3 owners:

In the event that the Body Corporate has not nominated a Committee voting member to communicate with The Community Co and more than one person holds the office of Chairperson of the Committee, then The Community Co may nominate one Committee voting member to be the Committee's nominee (with that person's consent).

4.3 The Community Co. nominates the Appointed Strata Manager to be its point of contact with respect to the performance of its functions under this Agreement.

4.4 Either party may replace its nominee by written notice.

5. Payment

5.1 The Body Corporate must pay The Community Co:

(a) for the performance of the **Fixed Fee Services** (Management Fee) **$181.81 per lot per annum (exclusive of GST) for 31 lots** payable **monthly** in advance.

(b) for the performance of the **Fixed Fee Services** (Disbursements Fee) **$90.90 per lot per annum (exclusive of GST) for 31 lots** payable **monthly** in advance.

(c) for the performance of any Additional Services – the Additional Fees (where stated), or fees calculated by reference to the amount of time spent performing the Additional Services by the staff of The Community Co based on the Hourly Rates, payable monthly in arrears or as otherwise agreed between the parties. Additional services will not be carried out without consultation with the Body Corporate.

5.2 The Community Co may:

(a) keep fees received by it or on behalf of the Body Corporate for:

(i) information the Body Corporate must supply under the Act or the Module, which is facilitated by The Community Co; and
(ii) services supplied at the request of lot owners; and

(b) retain any form of remuneration including commission paid to it by service providers to the Body Corporate as disclosed in writing before the engagement of the service provider and in accordance with Legislation.

5.3 The Body Corporate must pay all accounts rendered by The Community Co under this Agreement within 14 days of receipt of a tax invoice.

5.4 On each annual anniversary following the commencement of this Agreement, The Community Co may increase the fee for the Fixed Fee Services and its hourly rates stated the schedule for the Additional Services by the same percentage increase, if any, as the percentage increase in the CPI for the preceding years or 4.5% - the greater of these amounts. This does not include increases due to the renewal of the contract - the new strata agreement price (Management & Disbursement Fees) will be determined upon renewal.

5.5 In the event that this Agreement is declared void by a court, tribunal or adjudicator of competent jurisdiction or terminated by either party, the Body Corporate must pay The Community Co any fees for the performance of its duties, functions, powers and obligations under this Agreement up until the date of that declaration or determination calculated on a pro-rata basis.

6. Release and indemnity

6.1 The Body Corporate

(a) Releases, discharges and forever holds harmless the Manager (to the extent permitted by law) from any damages, losses, liabilities, costs, expenses and/or claims arising from or in connection with any act or omission of the Body Corporate that did not result from the direct action or negligence of the Manager; and
(b) Indemnifies and keeps indemnified the Manager against any damages, losses, liabilities, costs, expenses or claims incurred by the Manager (including the Manager being made a party to any litigation commenced by or against the Body Corporate) arising from or in connection with any act or omission of the Body Corporate that did not result from the direct action or negligence of the Manager.

7. Transfer

7.1 The Community Co may transfer its rights and obligations under, and interest in, this Agreement in accordance with the Act and Module.

8. Termination

8.1 The Body Corporate may terminate this Agreement in accordance with the requirements under the Body Corporate and Community Management Act 1997 and Applicable Module governing the scheme.

8.2 The Community Co. may terminate this agreement with 45 days' notice in writing, due to a breach of the terms of this contract or on reasonable grounds.

8.3 The Body Corporate must, within 45 days of the date of termination of this Engagement, account to the Manager for any amounts outstanding that are payable under this Engagement, including the cost of effecting the termination and the transfer of records to the Body Corporate.

8.4 The Manager must deliver the records and other property of the Body Corporate in the possession of the Manager to the Body Corporate within 30 days of the expiry or termination of this Engagement.

9. Holding over

9.1 Upon the expiry of the Term, this engagement will continue on a month-by-month basis unless or until:

(a) another Body Corporate Manager is engaged by the Body Corporate by ordinary resolution in general meeting;
(b) the Body Corporate gives The Community Co 90 days written notice that the engagement is not to be held over or the holding over period is to end; or
(c) The Community Co gives the Body Corporate 45 days written notice that the engagement is not to be held over or the holding over period is to end.

9.2 During the holding over period, the Body Corporate must pay The Community Co for the performance of:

(a) Fixed Fee Services the management fee on a pro-rata basis in accordance with clause 5;
(b) Additional Services on a monthly basis within 14 days of receipt of a tax invoice.

10. Miscellaneous

10.1 Notices under this Agreement must be given pursuant to the process set out in section 347 of the *Property Law Act 1974* (Qld).

10.2 If all or any part of any provision of this Agreement is invalid, unenforceable, void or illegal, then it is severed, and the rest of the Agreement will remain in force unless it would substantially alter the intention of the parties.

11. Key Performance Indicators (KPI)

ITEM	KPI
Accounting Queries	Response within 2 business days
Accounting Invoices	To be recorded and payment authorities issued to the relevant Committee member on a fortnightly basis (at the latest) for authorisation
Debt Recovery	To be carried out every 14 days
Email, letters	Response from manager within 2 business days
Insurance Claims (if handled by TCC)	To be followed up at a reasonable timeframe with the insurer and update provided to the affected party (Please note: Underwriters have Legislated timeframes to work within - eg: up to 28 days to reply to Brokers on certain matters).

Insurance Renewals (if handled by TCC)	Quotes will be procured & be provided to the Committee as received by the Broker, from the Insurance Underwriters.
Meeting Agendas	To be sent out within the legislated notice period
Meeting Minutes	Drafts to be completed within 10 business days after the meeting for review by the chairperson or secretary.
Phone Calls	To be returned within 2 business days
Work Orders	To be issued within 2 business days upon receiving the request

12. Communication Policy

12.1 The Community Co prides itself on its professionalism, respect for others and even in trying times being courteous. Similarly, it expects the same for its team. Accordingly, The Community Co implements the following communication policy to ensure that all parties are aware of the expectations of each other when communicating.

The Body Corporate, Nominee, Owners and Occupiers Obligations

12.2 The Body Corporate's Nominee, Owners and Occupiers are welcome to communicate with The Community Co, and it would be appreciated for all communications to be sent in accordance with the following:

a) Written communication can be sent by pre-paid post and/or email to:

i. "The Secretary, Body Corporate for Paradise Crest CTS 23698" to GPO BOX 10, QLD, 4005; and/or

ii. mail@thecommunityco.com.au.

b) The Body Corporate's Nominee, Owners and Occupiers are free to liaise with The Community Co on an as-needed basis; however, at all material times, respecting and considering the reasonableness of the communication.

c) In the event that The Community Co considers the communication to be unreasonable or excessive, it may implement a communications policy which imposes reasonable parameters regarding future communications with The Community Co.

d) The Community Co's obligations are to receive and distribute (where appropriate) communications received. As such, communications received will be distributed to the Committee for its attention and action.

e) The Community Co may acknowledge receipt of any written communication received via an automatic reply.

f) The Community Co strongly recommends that each of its clients have a communications policy by-law enacted into its community management statement which reflects the policy for the particular Body Corporate.

13. Behaviour and Conduct Policy

13.1 The Community Co is here to assist your Body Corporate with the effective administration and operation of the Scheme. Our role is to act as the Body Corporate and Committees' administrative arm and ease the inevitably burdensome workload on Committees. This often results in The Community Co being the first point of contact for owners, occupiers and the Nominee.

13.2 We are going to build a long and fruitful relationship together. We therefore promote a policy which embodies 3 core principles:

Respect: That all persons are treated with dignity.

Professionalism: That all persons are communicated with, and engaged with, in a polite and courteous manner.

Kindness: That all persons are communicated with kindly and in a reasonable fashion.

13.3 Dysfunctional behaviour, which includes, but is not limited to, aggression, bullying, discourtesy, discrimination, harassment, intimidation, threats or vexatious behaviour will not be tolerated.

13.4 The Community Co strongly recommends that each of its clients have a behaviour and conduct policy by-law enacted into its community management statement

which reflects the policy for the particular Body Corporate."

14. Interpretation

14.1 All words having a defined meaning in the Act have the same meaning in this Agreement, unless excluded by the context used.

14.2 Unless the context otherwise requires:

(a) **Act** means the *Body Corporate and Community Management Act 1997* (Qld);

(b) **Additional Fees** means the fees and charges listed under the schedule of services of this Agreement ;

(c) **Additional Services** means any services not listed as an inclusion in the schedule of services of this Agreement;

(d) **Agreement** means this document and any annexure to or variation of this document;

(e) **Authorised Powers** means all of the powers of the executive members of the Committee under the Act or the Module, unless amended or excluded under this Agreement;

(f) **BCM** means Body Corporate Manager;

(g) **BMG** means Building Management Group

(h) **Commencement Date** means **TBC**

(i) **Committee** means the committee chosen by the Body Corporate pursuant to the Act and Module;

(j) **CPI** means the Consumer Price Index (All Groups) for Brisbane published by the Australian Bureau of Statistics;

(k) **Disbursements** means the disbursements listed in the schedule of services of this Agreement;

(l) **Expiry Date** means **TBC**

(m) **Fixed Fee Services** means those services stated in the schedule of services of this Agreement;

(n) **Hourly Rates** means the hourly rates listed in the schedule of services of this Agreement;

(o) **Module** means the regulation module of the Act applying to the Scheme from time to time,

(p) **PA** means Per Annum

(q) **Scheme** means the community title scheme for the Body Corporate; and

(r) **Term** means the period commencing on the Commencement Date and expiring on the Expiry Date.

SCHEDULE OF SERVICES

Note: Any services that are not listed under the schedule of services are taken to be additional services.

FIXED MANAGEMENT FEE INCLUSIONS	
New Body Corporate set up and transition	✓
Preparation of a conciliation application with the Office of the Commissioner for Body Corporate and Community Management	✓
Maintain the Body Corporate roll and statutory registers	✓
Maintain and keep the records	✓
Make the records available for inspection	✓
Online Document Management System	✓
Virtual Meeting Platform (eg: Zoom or Teams)	✓
AI technology used within various roles, processes and management	✓
Open, maintain and operate one working bank account for the administrative fund and the sinking fund	✓
Issue financial records and statements as required by the Module for 2 Committee meetings and 1 Annual General meeting.	✓
Prepare a draft budget for each financial year	✓
Issue notices to lot owners for payment of contributions including Special Levies	✓
All administration tasks in relation to current levies including processing, receipting and banking of levies	✓
Process and pay Committee authorised invoices	✓
Arrears Management (levy arrears notice every 14 days, reference to debt recovery agent, liaison with debt recovery agent)	✓
Preparation of Information for Business Activity Statements (BAS) & Tax ledgers	✓

FIXED DISBURSEMENT FEE INCLUSIONS

Online Voting & Electronic form submissions for Lot owners (StrataVote via Urbanise)	✓
Inward and outward correspondence including letters, fax, email and national phone/mobile related to Body Corporate affairs, decisions, approvals and decisions associated with Body Corporate rules and bylaws.	✓
Issuing of by-law contravention notices	✓
A circular to all owners or residents per quarter of the Body Corporate financial year.	✓
Issuing quote requests and work orders on behalf of the Body Corporate if requested	✓
Call nominations for the position of executive and ordinary members of the Committee	✓
Prepare and distribute the notice of Annual General Meeting and ancillary documentation	✓
Convene and attend 1 X Annual General Meeting up to 1.5 hours per year (**During Business Hours**)	✓
Record and distribute 1 X Annual General Meeting minutes within legislative timeframes per year	✓
Prepare and distribute up to 2 X Committee Meeting agendas	✓
Convene and attend up to 2 X Committee Meetings per year for up to 1.5 hours per meeting (**During Business Hours**)	✓
Preparation of up to 2 X Committee meeting minutes	✓
Meeting Room Hire *(if needed)*	✓
Record and distribute 12 X Voting Outside Committee Meeting minutes within legislative timeframes per year	✓
Prepare and distribute 12 X Voting Outside Committee Meeting Agendas within legislative timeframes per year	✓
Insurance **Renewals** (Procurement, Record keeping, Valuations, Liaison, Negotiations & the like), if authorised by the Body Corporate. (***This service is paid for via Commissions, which are fully disclosed on the renewal report. If no commissions or fees are paid, it is assumed the 'Insurance Broker' will handle this process directly & solely. Otherwise, this service will be considered an additional service and charged accordingly.***	✓ (assuming commissions paid)
Where Insurance Remuneration or Commission is received by The Community Co for insurance services (*as disclosed on the renewal report),* The Community Co will forward **Claim Forms** to Owners for completion, lodge the claim including follow-up queries & handle all insurance enquiries by Lot Owners. (***If no commissions or fees are paid, it is assumed the 'Insurance Broker' will handle claims directly & solely. Otherwise, this service will be considered an additional service and charged accordingly).***	✓ (assuming commissions paid)

EXCLUSIONS

Urbanise - Strata Industry Software (Levy Management, Financial Mgmt, Lot Mgmt, Invoice Approvals etc)	✖ Urbanise Invoice will be On-Charged Annually (no additional mgmt or admin fee added)
Outside Business Hours Meetings (9 am to 5 pm) - to finish no later than 6:30 pm - incl. Committee & General Meetings	✖ BCM Hourly Rate
Extraordinary General Meetings	✖ BCM hourly rate + Disbursements (Minimum $1,650 incl. GST)
Assignment of Management Rights (Only applicable for Bodies Corporate with a Caretaking Agreement; costs for this are paid by the Management Rights vendor)	✖ BCM hourly rate + Disbursements (Minimum $2,200 incl. GST)
Lodgment of quarterly BAS (only applicable if the Body Corporate raises over $75,000.00 in levies)	✖ $1,100 PA (Managed by a certified accounting firm)
Lodgment of non-lodgment advice with the ATO (Only applicable when there is no non-mutual income)	✖ $80 PA (Managed by a certified accounting firm)
Lodgment of Annual tax return (Only applicable when there is non-mutual income from e.g. Term deposits, investments & lease fees)	✖ $275 PA (Managed by a certified accounting firm)
Insurance: should the Body Corporate choose to take a '**Fee for Service**' Option (*only if offered by TCC and agreed to by both parties*), the rate will be as follows - for all insurance-related matters from IVR's, Procurement process, enquiries, claims process etc.	✖ BCM hourly rate + Disbursements

Hourly Rates for exclusions charged at an hourly rate and disbursements means:

- $375.00 incl GST per hour for a Director;
- $275.00 incl GST per hour for a Body Corporate Manager;
- $200.00 incl GST per hour for an Accountant; and
- $175.00 incl GST per hour for Administrative Staff;
- $300.00 incl GST per hour on weekends.

Disbursements for exclusions (copying):

- 15c per page (black and white)
- 30c per page (colour)

SIGNED by **THE COMMUNITY CO. PTY LTD ABN 95 602 223 825** in accordance with section 127 of the *Corporations Act 2001:*

.....	.....
Company Secretary	**Director**
George Salloum	Pedzi Mawande
Name of Company Secretary / Director	**Name of Director**
.....	.....
Dated	Dated

SIGNED by **BODY CORPORATE FOR PARADISE CREST CTS 23698**

.....	.....
Chairperson / Committee Member	**Secretary / Committee Member**
.....	.....
Name of Chairperson / Committee Member	**Name of Secretary / Committee Member**
.....	.....
Dated	Dated