

**BODY CORPORATE NO. 542441 (CANTERBURY LAND REGISTRY)
WORCESTER TERRACES, 198 GLOUCESTER STREET, CHRISTCHURCH CENTRAL, CHRISTCHURCH**

Memorandum dated the 9 August 2021 for the purpose of becoming Resolutions of the Unit Owners of all of the Units of the Body Corporate as provided for by Regulation 16 of the Unit Titles Regulations 2011. [Please note that the resolutions are to be passed without a General Meeting of the Body Corporate].

APPOINTMENT OF BODY CORPORATE MANAGER

"THAT, PBCS having agreed hereto, a service contract pursuant to Section 5 (1) of the Unit Titles Act 2010 and Regulation 17 (1) of the Unit Titles Regulations 2011 be entered into by the BC with PBCS as follows:

- (a) PBCS is hereby appointed as the Manager of the BC until the end of the next AGM.
- (b) The annual fee to be paid to PBCS is to be \$20,060.00 (plus GST).
- (c) The annual charge for standard disbursements (i.e. bank charges, postages, stationery, photocopying) is to be \$1,530.00 (plus GST).
- (d) PBCS is to carry out the functions as set out in the Schedule of Duties attached to this Memorandum.
- (e) PBCS is to carry out any and all other financial, managerial and statutory functions as may be appropriate (in its opinion) if by so acting the inconvenience and cost of holding an EGM somewhat unnecessarily can be avoided.
- (f) PBCS is to use all reasonable endeavours to act in good faith in carrying out its functions. Where PBCS acts reasonably to the required standard and in good faith in carrying out its functions it shall in no way be liable to the BC for any loss or damage (whether actual or prospective) suffered by the BC in respect of its business or affairs provided that loss or damage does not arise from negligence, wilful default or wilful omission of PBCS, its employees or agents.
- (g) PBCS is authorised at all times to act solely as the agent for the BC in carrying out its functions. Accordingly, the BC indemnifies PBCS in respect of all costs, damages, losses and expenses suffered by PBCS as a result of carrying out its functions unless such costs, damages, losses or expenses arise from gross misconduct or negligence by PBCS.
- (h) PBCS is authorised to operate an account designated specifically for this BC within the banking account of the "Pitcaithly Body Corporate Services Ltd Trust Account" held with Westpac New Zealand Limited for the purpose of the receiving and disbursing of all of the monies belonging to the BC.
- (i) PBCS is authorised to deduct amounts from time to time from the funds of the BC and pay the same to PBCS in respect of previously authorised managerial fees and disbursements charges
- (j) PBCS will be entitled, should its appointment be terminated prior to the next AGM in respect of any financial year, to deduct from the funds of the BC and pay the same to PBCS in respect of the previously authorised secretarial fee and disbursements charge relating to that financial year, the lesser of half of the totals thereof or the remaining amounts of them not already deducted and paid as at the date of PBCS being notified of the termination.

AND THAT this resolution including any amendments (when passed) is to be regarded for all purposes as the only written form of the contract which is the subject of this resolution."

ANNUAL BALANCE DATE

"THAT the annual balance date of this Body Corporate be the last day of November in each year commencing with 30 November 2021."

ADDRESS FOR SERVICE

"THAT the address for service of the Body Corporate be changed to:
C/o Pitcaithly Body Corporate Services Limited, 76 Moorhouse Avenue, Addington, Christchurch

AND THAT the Body Corporate Manager be and is hereby instructed to notify the District Land Registrar accordingly in the required form, forthwith."

BUDGETS FOR BODY CORPORATE EXPENDITURE

"THAT the attached anticipated and estimated GST inclusive payments and provisions to be made and allowed for be and are hereby approved."

FIRST YEAR INSURANCE FUND LEVY FOR THE YEAR COMMENCING 9 AUGUST 2021

"THAT a First Year Insurance Fund Levy totalling \$63,410.00 (i.e. \$22,711.56 for Stage 1) be and is hereby made upon the Unit Owners of the Body Corporate in respect of all of the units covering the year commencing 9 August 2021 AND THAT payment of the said levy be required to be made at the office of the Body Corporate Manager on or before 17 August 2021."

OPERATING ACCOUNT AND LONG TERM MAINTENANCE FUND LEVIES FOR THE 144 DAYS ENDING 30 NOVEMBER 2021

"THAT an Operating Account levy of \$0.297149 per ownership interest totalling \$29,714.89 (i.e. \$10,642.98 for Stage 1) plus a Long Term Maintenance Fund levy of \$0.134137 per unit entitlement totalling \$13,413.70 (i.e. \$4,804.38 for Stage 1) respectively, be made upon each of the Unit Owners of the Body Corporate in respect of all of the units covering the 144 days ending 30 November 2021 such levies:

- (a) to provide sufficient funds to enable the budgeted expenditure to be met
- (b) to be payable in one instalment as follows:

1 instalment for 2021 (period 09/08/2021 to 30/11/2021) last date for payment 17/08/2021
- (c) to be payable at the office of the Body Corporate Manager by Owners' cheques made payable to Pitcaithly Body Corporate Services Ltd Trust Account or by such other means of payment as may be notified."

OPERATING ACCOUNT AND LONG TERM MAINTENANCE FUND LEVIES FOR THE 6 MONTHS ENDING 31 MAY 2022

"THAT an Operating Account Levy at the rate of \$0.725350 per ownership interest totalling \$72,535.00 plus a Long Term Maintenance Fund Levy at the rate of \$0.170000 per ownership interest totalling \$17,000.00 respectively, be made on or about 1 December 2021 upon each of the Unit Owners of the Body Corporate in respect of all of the Units covering the 6 month period ending 31 May 2022 such Levies:

- (a) to provide sufficient funds to enable the budgeted expenditure to be met
- (b) to be payable in one instalment as follows:

1st instalment for 2021/2022 (period 01/12/2021 to 31/05/2022) last date for payment 31/12/2021
- (c) to be subject to interest of ten per cent (10%) per annum (calculated on a daily basis) if not paid by the stated last date for payment
- (d) to be payable at the office of the Body Corporate Manager by Owners' cheques made payable to Pitcaithly Body Corporate Services Ltd Trust Account or by such other means of payment as may be notified."

INTEREST RATE - SECTION 128 (2) (UNIT TITLES ACT, 2010)

NO AUDIT

ADOPTION OF CHANGES TO OPERATIONAL RULES

AUTHORITY TO APPLY TO THE TENANCY TRIBUNAL TO RECOVER BODY CORPORATE LEVIES

Signed this day of 2021 by or on behalf of Fletcher Residential Limited the Owners of
all of the Units by its Authorised Signatory:

(Signature) _____ (Date)

DETAILS OF DUTIES OF THE BODY CORPORATE MANAGER

BODY CORPORATE NO. 542441 – WORCESTER TERRACES, 198 GLOUCESTER STREET, CHRISTCHURCH CENTRAL, CHRISTCHURCH (AS AT 9 AUGUST 2021)

Within Two Months Before an Insurance Due Date or Within Two Months After an Annual General Meeting (AGM) whichever applies

These Duties will comprise:

- Issuing annual instructions to a Registered Valuer to prepare a Buildings Valuation Report for Insurance renewal purposes.
- Arranging quotations for Replacement Insurance for the Buildings and other appurtenances on the best possible terms through reputable Insurance Brokers together with cover for Public Liability and, if required by the Unit Owners, for Statutory Liabilities, Employers Liability and Fines and Penalties and any other requested by the Unit Owners and ensuring that all Insurance Policies are renewed, paid up and kept current.
- Preparing the Annual Financial Accounts and Notes thereto and attesting to their truth and fairness.
- Preparing the detailed Budgets for the ensuing financial year for submission to the AGM for approval.
- Preparing and dispatching the AGM package to all Unit Owners (comprising a Notice of Meeting including a detailed Agenda with full text of Proposed Resolutions, detailed Annual Financial Accounts for the year plus Budgets for the ensuing year covering the Operating Account and the Long Term Maintenance Fund and/or any other applicable Funds).
- Attending the AGM.
- Preparing the Minutes of AGMs and dispatching them to every Unit Owner.

Throughout the Financial Year

These Duties will comprise:

- Periodically inspecting the Body Corporate's property to ensure that everything is tidy and running smoothly and that all contractors are performing.
- Liaising with the Unit Owners and Unit Occupiers on all necessary matters.
- Preparing and dispatching the periodic Body Corporate levy accounts to the Unit Owners for payment.
- Receiving and banking the periodic levies to the credit of the Body Corporate's account in the Manager's Trust Bank Account and ensuring these are received by the respective due dates. The Manager is authorised to use its discretion to remove interest penalties on late payments in appropriate circumstances.
- Paying all of the Body Corporate's accounts for payment through the Body Corporate's account in the Manager's Trust Bank Account.
- Where they are recoverable in terms of the Unit Titles Act, recovering amounts paid out from time to time on behalf of Unit Owners and, if required, initiating legal recovery action in respect of such amounts and also in respect of any overdue Body Corporate levies.
- Maintaining the Books of Account of the Body Corporate and supplying to authorised persons any information contained therein to which they are entitled.
- Maintaining the Body Corporates Register of Unit Owners and Mortgagees and advising details of changes therein to Insurers as required by the Unit Titles Act and supplying copies to authorised persons upon request.
- Initiating appropriate changes to the Body Corporate's Rules as required and maintaining an updated copy of same.
- Advising the Registrar of Land of any changes to the Body Corporate's Rules or to its Address for Service and lodging any other document as required by the Unit Titles Act and supplying copies of the Rules to Unit Owners and prospective Unit Purchasers upon request.
- Ensuring that renewal of the Building Warrant of Fitness has been issued if required.
- Preparing and filing Income Tax and Goods and Services Tax Returns if required.
- Attending to sundry correspondence and to all other miscellaneous matters that arise.

NOTES AND DISCLOSURES

1. In addition to the foregoing duties, the Manager (if requested to do so by a seller of a Unit or a Solicitor acting for a seller of a Unit) is to issue all or any of the Disclosure Statements required under Sections 146 to 148 of the Unit Titles Act 2010. In respect of each of these Statements, the Manager may charge separate fees not exceeding \$500 (plus GST) in addition to the Annual Managerial Fee. These fees will be charged to the seller or the seller's Solicitor whichever of them made the request/s therefor or to the Purchaser in the case of an Additional Disclosure Statement.
2. Time involved in preparing for, calling, attending and dispatching minutes of Extraordinary General Meetings or in attending Body Corporate Committee Meetings (if any) or in attending to any other matters involving a significant allocation of time (including hosting and/or assisting with an audit or an external review of the Body Corporate's Financial Accounts pursuant to s.132 of the Unit Titles Act 2010 and preparing Form 13 Notices of Resolutions to be decided without a general meeting and debt recovery) may be charged for by the Manager, in addition to the Annual Managerial Fee, at a rate not exceeding \$200 per hour (plus GST).
3. In some instances the Manager may receive commissions from Insurance Brokers on insurance business placed and/or interest credited on nominal monies carried in its Westpac Trust Bank Account. These receipts are used to defray the costs of our computer operations and upgrades and its other operating costs. Surplus funds (i.e. over \$10,000) carried in its Westpac Trust Bank Account belonging to a Body Corporate will be invested on Term Deposit with a Bank (in multiples of \$10,000) in the name of the Body Corporate. The resultant interest earnings may cause the need for an Income Tax Return to be prepared and lodged (at no additional charge) on behalf of the Body Corporate. No commissions from the tradesmen that are engaged to perform services are received or accepted by the Manager.
4. In some instances we pay our Body Corporate's monthly telephone and power bills at their fully discounted amounts on their due dates by pre-arranged direct debits to our company's credit card account. There is usually a small percentage credit card fee added to the amount payable. The advantage of this procedure is elimination of the need to manually pay large numbers of invoices that would otherwise each be separately payable by making direct credits to each of the various suppliers' bank accounts every month.
5. Unit Owners must make their own arrangements for the insurance cover on contents owned by them and located in their Units.