

RULES OF PACIFIC HARBOUR RESIDENTIAL
COMMUNITY ASSOCIATION INCORPORATED

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WORDS AND EXPRESSIONS TO HAVE MEANING IN THE ACT

RULE 1 A word or expression that is not defined in these rules, but is defined in the *Associations Incorporation Act 1981* has, if the context permits, the meaning given by the Act.

Defined terms are set out in Annexure 1 to these rules.

NAME

RULE 2 The name of the incorporated Association shall be:

“Pacific Harbour Residential Community Association Incorporated”

(in these rules called “*the Association*”).

OBJECTS

RULE 3 The objects of the Association are:

- (1) to maintain, repair, water, tend, beautify and/or improve (“Maintain”) the Managed Property within the Precinct with the aim of providing better maintained and better quality Managed Property for the use of and/or enjoyment of and/or amenity of the members of the Association;
- (2) to appoint and/or engage such appropriately qualified and professional persons including but not limited to a Professional Manager and/or Community Development Manager as the Association deems fit to:
 - (a) Maintain the Managed Property from time to time including but not limited to the appointment and/or engagement of persons (or companies) associated with or owned by the Developer Members, as the case may be; and
 - (b) manage the administration and business of Maintaining the Managed Property from time to time including but not limited to the appointment and/or engagement of persons (or companies) associated with or owned by the Developer Members, as the case may be.
- (3) to foster and promote the availability of (which may or may not be exclusive use) and quality of the Managed Property and/or the sense of community within the Precinct so far as to provide a better living environment for the members of the Association;
- (4) to do all acts and things necessary including the entry of any necessary agreements and/or arrangements with any person including any governmental body or entity or Developer Members with a view to securing the right to use (which may or may not be ownership or exclusive use) and/or Maintain any area of land or water within the Precinct which could, in furtherance of the objects, become Managed Property;
- (5) to at all times act consistent with the law and to do all acts and things including the securing of any necessary licences or authorities to allow compliance with the law;
- (6) to determine from time to time, the property which ought comprise Managed Property and to alter, add to or dispose of (which may include the return of) the Managed Property from

time to time, providing the Association must at all time meet its existing contractual obligations or arrangements;

- (7) to formulate project plans and to prioritise, consistent with its budgets and financial resources from time to time, its plans to Maintain different parts of the Managed Property, including but not limited to the earmarking or allocation of funds to be retained by the Association from year to year and spent on major improvements or projects of the Managed Property at a future date;
- (8) To liaise with the Developer Members regarding enforcement of covenants and standards by the Developer whilst the Developer Members own Lots.

POWERS

RULE 4

- (1) The Association has the powers of an individual.
- (2) The Association may, for example:
 - (a) enter into contracts; and
 - (b) manage and/or Maintain Managed Property including freehold or leasehold property or property the tenure in which is held by another party whether government the Developer or otherwise; and
 - (c) make charges for services and facilities it supplies; and
 - (d) borrow or raise amounts (on any terms and conditions including the payment of interest) in a way the Association decides (including from its members or any one or more of them) except that the issue of secured notes, debentures and/or debenture stock of the Association requires a special resolution to be passed by the Association;
 - (e) to offer security for borrowings or amounts raised by mortgage or charge of its property or part thereof;
 - (f) to purchase, redeem or pay off any securities issued;
 - (g) to invest in a way the Association may time to time determine;
 - (h) to secure the payment or performance of any debt, liability, contract, guarantee or other engagement incurred or entered into by the Association in any way deemed fit including by the granting of a mortgage or charge of its property. The issue of secured notes, debentures and/or debenture stock of the Association requires a special resolution to be passed by the Association;
 - (i) do other things necessary or convenient to be done in carrying out its affairs and of and incidental to the furtherance of its objects; and
 - (j) by special resolution acquire, hold, deal with and dispose of any Managed Property including freehold or leasehold property or property the tenure in which is held by another party whether government, the Developer or otherwise.
- (3) For sub-rule 2(d):-
 - (a) the rate of interest must not be more than the current rate being charged for the overdrawn accounts on money lent (regardless of the term of the loan) by
 - (i) the financial institution for the Association; or
 - (ii) if there is more than 1 financial institution for the Association – the financial institution nominated by the Association; and

- (b) the Association may, in order to fund a shortfall of moneys required to meet budgeted or actual expenditures, borrow money from a Developer Member on such terms and conditions as the Association deems fit.

Without limiting the generality of the above, the Association may borrow moneys from a Developer Member on the basis that repayment of the loan is sub-ordinated and not repayable except from Surplus Assets held by the Association after payment of all other debts and liabilities of the Association (other than the loan) and before payment of the costs, charges and expenses of the winding up of the Association from the Surplus Assets.

- () The Association may make donations for community purposes where the donation is in furtherance of the objects.
- (5) The Association may do all such other things as are incidental or conducive to the attainment of the objects and the exercise of the powers of the Association.
- (6) The Association may enter in to contracts or arrangements with members or persons with whom a member is interested provided always the interested members will be indentified to the Association before the contract or arrangement is entered into.

CLASSES OF MEMBERS

- RULE 5**
- (1) The membership of the Association shall consist of the following classes of members:
- (a) Residential Lot Members; and
- (b) Developer Members.
- (2) The number of members shall be limited to those holding the relevant qualification to the class of the membership.

MEMBERSHIP

- RULE 6**
- (1) An application for membership shall be:
- (a) in writing; and
- (b) signed by or for and behalf of the applicant; and
- (c) in the form decided by the management committee.
- (2) Residential Lot Members are to be admitted to membership, notwithstanding the date of receipt of their application, from the later of the date of settlement of the purchase or transfer (to them) of their Residential Lot or the date of incorporation of the Association or such other date notified by the Association. As and from the date of settlement and where applicable the Developer Member ceases to be a member in respect of such Residential Lot.

Developer Members are to be admitted to membership as and from the date of incorporation of the Association or such other date notified by the Association.

- (3) Where a Residential Lot is owned by a person other than one individual (e.g., by 2 or more persons, by a corporation or trustee) then the Residential Lot Member is to be recorded as the owner of the Residential Lot and the Residential Lot Member is to nominate one individual as the Residential Lot Member's nominee and absent any proxy appointment

(for attendance at a general meeting), it is only the nominee who is entitled to represent the Residential Lot Member:-

- (a) at any meeting of the Association; and
- (b) on the management committee – in the event the nominee is appointed to the management committee in accordance with these rules.

The member must notify to the secretary as soon as it becomes aware of a change in the following information:-

- (a) the current address and name details and updates if there is any change in such information; and
 - (b) any proposed change of ownership and the address and name details of the proposed new owner of the Residential Lot.
- (4) Subject to rule 5(3)(a), the Developer Members are to nominate 4 individuals each as the Developer Member's nominees and absent any proxy appointment (for attendance at a general meeting) it is only the nominees who are entitled to represent the Developer Member:-
- (a) at any meeting of the Association; and
 - (b) on the management committee.
- (5) Nominees of members may only be appointed as provided for in this rule 6.
- (6) Some or all Residential Lot Members may attend general meetings but only the Residential Lot Member's nominee may take part in the meeting as an active participant.
- (7) All nominees of a Developer Member may attend general meetings but only one may vote on behalf of the Developer Member. All nominees may however take part in the meeting as an active participant.

MEMBERSHIP FEES

- RULE 7**
- (1) The membership fee for a Residential Lot Member will:
- (a) be the amount set out in Annexure 2 to these rules until otherwise decided by special resolution of the members at a general meeting; and
 - (b) become due and payable from the later of the date of settlement of the purchase or transfer (to them) of their Residential Lot or the date of incorporation of the Association; and
 - (c) be payable when, and in the way, the management committee decides from time to time and in the absence of any contrary decision, ½ yearly in advance.
- (2) If at the beginning of a ½ year, the Developer Member owns Lot(s) which have been created for at least 30 days, then the membership fee payable by the Developer Member will be the amount calculated as set out in Annexure 2 to these rules until otherwise decided by special resolution of the members at a general meeting. The membership fee is due and payable 1/2 yearly in advance or otherwise decided from time to time by the management committee.
- (3) If at the beginning of a ½ year, the Developer Member does not own Lot(s) which have been created for at least 30 days, then the membership fee payable for the relevant 1/2 year by the Developer Member will be twenty-five dollars per 1/2 year. The membership fee is due and payable 1/2 yearly in advance or as otherwise decided from time to time by the management committee.

- (4) Membership fees for the Developer Members cease to become payable on and from the settlement of a sale or transfer by the Developer Member of a Lot(s). To the extent the Developer Member has paid membership fees for a Lot beyond the date of settlement of a sale or transfer, such advance payment is to be credited against the membership fee otherwise payable by the Residential Lot Member for that lot.
- (5) Upon request of a member or a person authorised in writing by a member, the Association will provide a certificate evidencing the date to which membership fees are paid.
- (6) The management committee may, to the extent that the efficiency of the administration of the Association is involved or if required to do so in order to satisfy auditing requirements of the Association, decide that quarterly membership fees (or membership fees referable to some other period as decided by the management committee) are to commence on a particular date and may also direct members to make proportional payments to bring their payments of the membership fee in line with this decision.
- (7) If membership fees are not paid within 14 days of the due date, the Association is entitled to:
 - (i) charge interest on late membership payments at the Westpac Banking Corporation Indicator Lending Rate plus 5% per annum (or such other interest rate as the management committee may from time to time determine);
 - (ii) recover the cost of collecting overdue membership fees including but not limited to legal and debt collecting costs.

ADMISSION AND REJECTION OF MEMBERS

- RULE 8**
- (1) The management committee shall consider an application for membership at the next meeting of the committee held after it receives:
 - (a) the application; and
 - (b) the appropriate application fee for the application (if any).
 - (2) The management committee must decide at the meeting whether to accept or reject the application.
 - (3) If a majority of the management committee members present at the meeting vote to accept the applicant as a member, the applicant must be accepted as a member to the class of membership applied for and appropriate to the qualification held by the applicant.
 - (4) The secretary of the Association must, as soon as practicable after the management committee decides to accept or reject an application, give the applicant a written notice of the decision and state the date from which membership is effective (see rule 6(2)).

WHEN MEMBERSHIP ENDS OR IS SUSPENDED

- RULE 9**
- (1) A member may resign from the Association by giving a written notice of resignation to the secretary provided:
 - (a) Residential Lot Members may only resign:-
 - (i) by written notice of resignation given after sale of their Residential Lot; and

- (ii) if the membership fees are paid by the Residential Lot Member up to and including the date they are levied as at the time of delivery of the written notice of resignation; and
 - (iii) if at the time of delivery of the written resignation there is delivery of a written application in the approved form from the person or party to whom the Residential Lot Member sold or transferred their Residential Lot. Residential Lot Members must, on transfer or sale of their Residential Lot, cause their transferee or purchaser to sign and lodge with the Association a written application for membership in the approved form.
- (b) Developer Lot Members may only resign and must resign:
 - (i) by written notice of resignation given after the sale or transfer (to a person or party other than the Developer) of the last Lot owned by the Developer (for this purpose the Developer will be deemed not to have sold the last Lot if the Developer has land within the Precinct which it intends, in the future to subdivide to create a Lot) within the Precinct; and
 - (ii) once the membership fees payable by the Developer are paid by the Developer up to and including the date of resignation.
- (2) Subject to rule 9(1), the resignation takes effect on:
 - (a) the day and at the time the notice is received by the secretary; or
 - (b) the first later date on which the conditions in rule 9(1) are all satisfied.
- (3) The management committee may, but is not obliged to, either terminate or Suspend a Residential Lot Member's membership if the member:
 - (a) is convicted of an indictable offence; or
 - (b) fails to comply with any of the provisions of these rules; or
 - (c) has membership fees overdue for a period of 3 months or more; or
 - (d) conducts himself or herself in a manner considered to be injurious or prejudicial to the character or interests of the Association.
- (4) Before the management committee terminates or Suspends, as the case may be, a Residential Lot Member's membership, the committee must give the member a full and fair opportunity to show why the membership should not be terminated or suspended, as the case may be (and the provision of notice to the member at the address of the member in the register of members is sufficient notice of the date, time and place at which such opportunity will be afforded).
- (5) If, after considering all representations made by the Residential Lot Member, the management committee decides to terminate or Suspend, as the case may be, the membership, the secretary of the committee must give the member a written notice of the decision.
- (6) The management committee must promptly reinstate the membership of the suspended Residential Lot Member if the Residential Lot Member rectifies such of the matters referred to in sub-rule 3(a), (b), (c) and (d) which resulted in that suspended Residential Lot Member's being suspended. In the event that a suspended Residential Lot Member is entitled to be reinstated as a member, the secretary has the power to reinstate the Residential Lot Member and must reinstate the Residential Lot Member within 1 month of such entitlement arising.
- (7) The membership fee continues to be payable in the usual manner during any period of suspension. If the management committee terminates the member's membership for overdue membership fees in circumstances where the member has sold or transferred their

Residential Lot and has not resigned in accordance with rule 9(1) (including the causing of the person or party to whom the Residential Lot Member sold or transferred their Residential Lot to sign and lodge with the Association an application for membership in the approved form) then the member whose membership is terminated is, notwithstanding such termination, liable to pay the Association, on written demand, a liquidated amount of:-

- (a) \$4000 if the Member's former Residential Lot was a Dry Lot; or
- (b) \$4000 if the Member's former Residential Lot was a Wet Lot;

in compensation to the Association (being a pre estimate of loss to be suffered as a consequence of the owner of such Residential Lot not being part of the pool of members of the Association).

APPEAL AGAINST REJECTION, TERMINATION OR SUSPENSION OF MEMBERSHIP

- RULE 10**
- (1) A person whose application for membership has been rejected, or whose membership has been terminated or whose membership has been suspended, may give the secretary written notice of the person's intention to appeal against the decision.
 - (2) A notice of intention to appeal must be given to the secretary within 1 month after the person receives written notice of the decision.
 - (3) If the secretary receives a notice of intention to appeal, the secretary must, within 3 months after the day of receipt, call a general meeting to decide the appeal.
 - (4) At the meeting the applicant shall be given a full and fair opportunity to show why the application should not be rejected or the membership should not be terminated or the membership should not be suspended.
 - (5) Also, the management committee and the committee members who rejected the application or terminated the membership or suspended the membership must be given an opportunity to show why the application should be rejected or the membership should be terminated or the membership suspended.
 - (6) An appeal shall be decided by a vote of the members present at the meeting. The decision of the vote of members is final.
 - (7) If a person whose application is rejected does not appeal against the decision within 1 month after receiving written notice of the decision, or the person appeals but the appeal is unsuccessful, the secretary shall, as soon as practicable, refund any application fee paid by the person.

REGISTER OF MEMBERS

- RULE 11**
- (1) The management committee must keep a register of members.
 - (2) The register of members must include the following particulars for each member:
 - (a) the full name and residential address of the member;
 - (b) the date of admission of the member;
 - (c) the date of resignation of the member;
 - (d) details about the termination or reinstatement of membership;
 - (e) where the member is a Residential Lot Member:-
 - (i) this fact; and

- (ii) the Residential Lot in respect of which the member is a member and whether it is a Dry Lot or a Wet Lot;
 - (iii) as applicable to the Residential Lot Member's nominee;
- (f) where the member is a Developer Member:-
- (i) this fact; and
 - (ii) the Developer Member's nominees; and
- (g) any other particulars the management committee or the members at a general meeting decide.
- (3) A person wishing to inspect the register must make a written request to the secretary who must respond to the written request within 7 days of receipt of the request. Subject to the requirements of the National Privacy Legislation and this subclause, the register must be open for inspection by the authorised persons (members and proposed members) at all reasonable times.
- (4) The register and any records, books or other documents of the Association may be kept on or about land in the Precinct or elsewhere as directed by the management committee. The means of access to the records, books or other documents is to be as decided by the Association and may include by telephone, internet or any other means agreed to by the Association.
- (5) Unless otherwise provided in these rules, the address of the member in the register of members is the address for the giving of notices or correspondence to the member. Pre-paid post to such address is deemed given three days after the date of posting.

SECRETARY

RULE 12

- (1) If the Association has not elected an interim officer as secretary for the Association before its incorporation, the members of the management committee must ensure a secretary is appointed or elected for the Association within 1 month after incorporation.
- (2) If a vacancy happens in the office of secretary, the members of the management committee must ensure a secretary is appointed or elected for the Association within 1 month after the vacancy happens or the Association must call a general meeting for the purpose of winding up the Association.
- (3) The position of secretary must be filled by the Professional Manager or its officers or employees as soon as practicable following appointment of the Professional Manager. This rule 12(3) cannot be amended unless by special resolution.
- (4) In addition to the requirement in rule 12(3), the secretary must be an individual residing in Queensland, or in another State but not more than 65km from the Queensland border, who is:
- (a) a member of the Association elected by the Association as secretary; or
 - (b) a member of the incorporated Association's management committee appointed by the committee as secretary; or
 - (c) appointed by the management committee as secretary (whether or not the individual is a member of the incorporated Association),

providing that for so long as a Developer Member is a member of the Association, the Developer Member may, by notice in writing, require the secretary to be the Developer Member's nominee set out in the written notice given by all the Developer Members

(being in all cases following the appointment of the Professional Manager, the Professional Manager or its employees or officers).

- (5) Subject to rule 12(4) and despite rule 12(3), the management committee may appoint and remove the Association's secretary at any time.
- (6) The secretary is to keep the register of members for the management committee.

MEMBERSHIP OF MANAGEMENT COMMITTEE

RULE 13

- (1) The Management Committee of the Association shall consist of a president, secretary, treasurer and may have a vice-president each of whom shall be a member or a nominee of a member of the Association (except for the secretary who may not be a member of the Association), and such number of other members or member's nominees as the members of the Association at any general meeting may from time to time elect but shall not exceed 9 in total and shall not be less than 3.
- (2) Subject to rule 13(1) a member of the management committee must be a member or nominee of a member of the Association.
- (3) At each annual general meeting of the Association, the members of the management committee must retire from office, but are eligible, on nomination, for re-election.
- (4) The Developer Members are at all times whilst they are members entitled to fill all the positions on the management committee except when rule 12(3) applies the secretary's position shall be filled by the Professional Manager or its officers or employees.
- (5) The president must be an individual residing in Queensland or in another State but not more than 65km from the Queensland border who is a member of the Association's management committee.

ELECTING THE MANAGEMENT COMMITTEE

RULE 14

- (1) Members of the management committee are to be elected as follows:-
 - (a) in the case of nominees of Developer Members, all of the Developer Members are entitled to nominate to the secretary (at least 14 days before the annual general meeting) a sufficient number of their nominees as will fill all the available committee positions except when rule 12(3) applies the secretary's position shall be filled by the Professional Manager or its officers or employees;
 - (b) all of the Developer Members are to nominate in such written notice the nominee for the position of president and the nominee for the position of secretary and treasurer (except for so long as rule 12(3) applies, the position of secretary is to be filled by the Professional Manager or its officers or employees);
 - (c) in the case of Residential Lot Members any member or nominee of a member may (as and when any management committee positions are available to be filled by election of Residential Lot Members or a nominee of a member) nominate another member to serve as a member of the management committee;
 - (d) the nomination in the case of Residential Lot Members is to be:-
 - (i) in writing; and

- (ii) signed by the candidate and the member or nominee of the member nominating him/her;
 - (iii) given to the secretary at least 14 days before the annual general meeting at which the election is to be held;
- (e) the Developer Member's candidates will be elected at the annual general meeting without contest, including to the positions of president, secretary and treasurer as appropriate;
 - (f) the Residential Lot Member candidates will (as and when any management committee positions are available to be filled by election of Residential Lot Members or a nominee of a member) be elected by vote at the annual general meeting. If there are less positions on the management committee for Residential Lot Members than candidates then the vote will be effected amongst the Residential Lot Members to select the successful candidates. If there are equal candidates to available positions the election will be confirmed by vote. If there are not enough candidates, nominations may be taken from the floor of the meeting and a vote then taken to fill the available positions.

RESIGNATION OR REMOVAL FROM OFFICE OF MANAGEMENT COMMITTEE MEMBER

- RULE 15**
- (1) Any member of the management committee may resign from membership of the management committee at any time by giving notice in writing to the secretary.
 - (2) The resignation takes effect on:
 - (a) the day and at the time the notice is received by the secretary; or
 - (b) if a later day is stated in the notice – the later day.
 - (3) A member or nominee of a member may be removed from office at a general meeting of the Association if a majority of the members present at the meeting vote in favour of removing the member provided always a Developer Member or nominee of a Developer Member may only be removed if the consent of the Developer Member is also secured.
 - (4) Before a vote of members is taken about removing the member from office, the member must be given a full and fair opportunity to show cause why he or she should not be removed from office.
 - (5) A member has no right of appeal against the member's removal from office under this rule. The decision of the members is final.

VACANCIES ON MANAGEMENT COMMITTEE

- RULE 16**
- (1) If a casual vacancy happens on the management committee, the continuing members of the committee may appoint another member of the Association to fill the vacancy until the next annual general meeting. If the vacancy is a Developer Member's nominee then the vacancy will be filled by another Developer Member's nominee. If the vacancy is a Residential Lot Member's position then the vacancy will be filled by a Residential Lot Member or a nominee of such member.
 - (2) The continuing members of the management committee may act despite a casual vacancy on the management committee.

- (3) However, if the number of committee members is less than the number fixed under these rules as a quorum of the management committee, the continuing member or members may act only to:
- (a) increase the number of committee members to the number required for a quorum; or
 - (b) call a general meeting of the Association.

FUNCTIONS OF THE MANAGEMENT COMMITTEE

- RULE 17** (1) Subject to these rules or a resolution of the Association members carried at a general meeting the management committee:
- (a) has the general control and management of the administration of the affairs, property and funds of the Association; and
 - (b) has authority to interpret the meaning of these rules and any matter relating to the Association on which these rules are silent.

The management committee is authorised to exercise the powers of the Association except that where a special resolution is required then the Association must first resolve by special resolution that the act, matter or thing be done.

MEETINGS OF MANAGEMENT COMMITTEE

- RULE 18** (1) Subject to subsections (2) to (16), the management committee may meet and conduct its proceedings as it considers appropriate.
- (2) Regular meetings of the management committee shall be held once every 3 months (or more regularly if the committee shall determine) at such time and place as the committee shall determine.
- (3) The committee must decide how a meeting is to be called.
- (4) Notice of a meeting is to be given in the way decided by the committee.
- (5) If the secretary receives a written request signed by at least 33% of the management committee, the secretary must call a special meeting of the committee.
- (6) A request for a special meeting must state –
- (a) why the special meeting is being called; and
 - (b) the business to be conducted at the meeting.
- (7) At every meeting of the management committee a simple majority of a number equal to the number of members elected and appointed to the management committee as at the close of the last general meeting of the members. shall constitute a quorum.

- (8) A question arising at a meeting of the management committee shall be decided by a majority of votes and, in the case of equality of votes, the question shall be deemed to be decided in the negative. A committee member may vote more than one vote if he/she holds a proxy of another committee member or committee members. The committee member may vote his/her own vote plus all of the votes of the committee members from whom he/she holds a proxy.
- (9) A member or nominee of a member on the management committee may vote in respect of any contract or proposed contract with the Association in which the member is interested provided always the member or nominee of the management committee has prior to the vote being taken disclosed the nature of the interest held by the member.
- (10) Not less than 14 days notice shall be given by the secretary to members of the management committee of any meeting of the management committee.
- (11) A notice of meeting must state:
- (a) the day, time and place of the meeting; and
 - (b) the business to be conducted at the meeting.
- (12) The president shall preside as chairperson at every meeting of the management committee, or if there is no president, or if at any meeting the president is not present within 10 minutes after the time appointed for holding the meeting, the vice-president shall be chairperson.
- (13) If the president and the vice-president are absent from the meeting then the members may choose one of their number to be chairperson of the meeting.
- (14) If a quorum is not present within 30 minutes after the time fixed for a management committee meeting called on the request of committee members, the meeting lapses.
- (15) If a quorum is not present within 30 minutes after the time fixed for a management committee meeting called other than on the request of committee members, the meeting is to be adjourned to:
- (a) the same day, time and place in the next week; or
 - (b) a day, time and place decided by the management committee.
- (16) If, at the adjourned meeting mentioned in sub-rule (15), a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall lapse.
- (17) Subject to Rules 39(8) and 40(8), attendance at management committee meetings is restricted to management committee members and invitees of the management committee only.

DELEGATION OF MANAGEMENT COMMITTEE POWERS

- RULE 19**
- (1) The management committee may delegate any of its powers to a subcommittee consisting of such members of the Association as the management committee thinks fit.
 - (2) A subcommittee may only exercise delegated powers in the way the management committee decides.

- (3) A subcommittee may elect a chairperson of its meetings.
- (4) If no such chairperson is elected, or if at any meeting the chairperson is not present within 10 minutes after the time appointed for holding the meeting, the members present may choose 1 of their number to be chairperson of the meetings.
- (5) A subcommittee may meet and adjourn as it considers appropriate.
- (6) A question arising at a subcommittee meeting is to be determined by a majority vote of the members present at the meeting and, if the votes are equal, the question is decided in the negative.
- (7) All decisions of a subcommittee must be ratified by the management committee prior to the implementation of any action related to the decision.

ACTS NOT AFFECTED BY DEFECTS OR DISQUALIFICATIONS

- RULE 20**
- (1) An act performed by any meeting of the management committee or of a subcommittee or a person acting as a member of the management committee is taken to have been validly performed.
 - (2) Sub-rule (1) applies even if the act was performed when:
 - (a) there was a defect in the appointment of a member of the management committee; subcommittee, or person acting as a member of the management committee; or
 - (b) a management committee member, subcommittee member or person acting as a member of the management committee was disqualified from being a member.

RESOLUTIONS OF MANAGEMENT COMMITTEE WITHOUT MEETING

- RULE 21**
- (1) A written resolution signed by each member of the management committee for the time being entitled to receive notice of a meeting of the management committee is as valid and effectual as if it had been passed at a meeting of the management committee that was properly called and held.
 - (2) A resolution mentioned in sub-rule(1) may consist of several documents in like form, each signed by 1 or more members of the management committee. A facsimile copy of a signature is a signature for this purpose.

FIRST GENERAL MEETING

- RULE 22**
- (1) The first general meeting must be held not less than 1 month, and not more than 3 months, after the day the Association is incorporated.
 - (2) The management committee must decide where the meeting is to be held.
 - (3) The business to be conducted at the first general meeting must include the appointment of an auditor.

FIRST ANNUAL GENERAL MEETING

- RULE 23** The first annual general meeting must be held within 18 months after the day the Association is incorporated.

SUBSEQUENT ANNUAL GENERAL MEETINGS

- RULE 24** Each subsequent annual general meeting must be held:
- (a) at least once each year; and
 - (b) within 6 months after the end of the Association's previous financial year.

BUSINESS TO BE CONDUCTED AT ANNUAL GENERAL MEETING

- RULE 25** The following business must be conducted at each annual general meeting:
- (a) receiving the statement of income and expenditure, assets, liabilities and mortgages, charges and securities affecting the property of the Association for the last financial year;
 - (b) receiving the auditor's report on the financial affairs of the Association for the last financial year;
 - (c) presenting the audited statement to the meeting for adoption;
 - (d) electing members of the management committee;
 - (e) appointing an auditor.

SPECIAL GENERAL MEETING

- RULE 26**
- (1) The secretary may only call a special general meeting by giving each member notice of the meeting within 14 days after:
 - (a) being directed to call the meeting by the management committee; or
 - (b) being given a written request signed by:
 - (i) at least 50% of the members of the Association presently represented on the management committee; or
 - (ii) at least 50% of Residential Lot Members of the Association; or
 - (i) all of the Developer Members; or
 - (c) being given a written notice of an intention to appeal against the decision of the management committee:
 - (i) to reject an application for membership; or
 - (ii) to terminate a person's membership.
 - (2) A written request mentioned in sub-rule 26(1)(b) shall state:
 - (a) why the special general meeting is being called; and
 - (b) the business to be conducted at the meeting.

NOTICE OF GENERAL MEETING

- RULE 27**
- (1) The secretary may call a general meeting of the Association.
 - (2) The secretary must give at least 14 days notice of the meeting to each Association member.
 - (3) The management committee may decide the way in which the notice must be given.
 - (4) However, notice of the following meetings must be given in writing:
 - (a) a meeting called to hear and decide the appeal of a member against the rejection or termination of the member's membership by the management committee; or
 - (b) a meeting called to hear and decide a proposed special resolution of the Association.
 - (5) A notice of a general meeting must state the business to be conducted at the meeting.
 - (6) A notice of general meeting is, unless otherwise determined by the management committee, sufficiently given if sent by pre-paid post to the address of the member in the register of members.

QUORUM FOR, AND ADJOURNMENT OF, GENERAL MEETING

- RULE 28**
- (1) A voter is taken to be present at a general meeting if the voter is present at the meeting personally, by proxy or by written voting paper.
 - (2) A quorum at a general meeting is formed when the voters present are equal to or greater than double the maximum number of Committee members plus 1 member. Where applicable, at least one Developer Member must be present to constitute a quorum.
 - (3) No business shall be conducted at any general meeting unless a quorum of members is present when the meeting proceeds to business.
 - (4) If a quorum is not present within 30 minutes after the time fixed for a general meeting called on the request of members of the management committee or the Association, the meeting lapses.
 - (5) If a quorum is not present within 30 minutes after the time fixed for a general meeting called other than on the request of members of the management committee or the Association, the meeting is to be adjourned to:
 - (a) the same day, time and place in the next week; or
 - (b) a day, time and place decided by the management committee.
 - (6) If at an adjourned meeting, a quorum under sub-rule (2) is not present within 30 minutes after the time fixed for the meeting, the members present form a quorum providing that where applicable, one member present must be a Developer Member.
 - (7) The chairperson may, with the consent of any meeting at which a quorum is present, and shall if so directed by the meeting, adjourn the meeting from time to time and from place to place.

- (8) If a meeting is adjourned under sub-rule (7), only the business left unfinished at the meeting from which the adjournment took place may be conducted at the adjourned meeting.
- (9) The secretary is not required to give the members notice of an adjournment or of the business to be conducted at an adjourned meeting unless a meeting is adjourned for at least 30 days.
- (10) If a meeting is adjourned for at least 30 days, notice of the adjourned meeting shall be given in the same way notice is given for an original meeting.

PROCEDURE AT GENERAL MEETING

RULE 29

- (1) Subject to these rules, at each general meeting:
- (a) the president or, if there is no president, or if the president is not present within 15 minutes after the time fixed for the meeting or is unwilling to act, the vice-president is to preside as chairperson; and
- (b) if the vice-president is absent or is unwilling to act as chairperson, the members present shall elect 1 of their number to be chairperson of the meeting; and
- (c) the chairperson shall conduct the meeting in a proper and orderly way; and
- (d) each question, matter or resolution shall be decided by a majority of votes of the members present in person or by proxy; and
- (e) (i) if there are no Developer Members, each member present and entitled to vote is entitled to 1 vote for each Dry Lot and 1 vote for each Wet Lot owned and, if the votes are equal, the Chairperson shall have a casting vote; and
- (ii) if there are Developer Members, voting entitlements at general meetings are as follows:
- (A) Developer Members – 51%.
- Only one Developer Member is entitled to vote at each meeting and it is the responsibility of the Developer Members to decide which Developer Member's nominee will represent the Developer Members at each meeting.
- (B) total Residential Lot Members entitlement – 49%
- Each individual Residential Lot Member is entitled to a Residential Member's percentage of 49%. The Residential Member's percentage is calculated as follows:
- $$\frac{[a] \times [49]}{[x] \times [100]} \times \frac{[100]}{[1]}$$
- Where a = 1 where the Residential Lot Member's lot is either a Dry Lot or a Wet Lot.
- Where x = [the number of Dry Lots plus the number of Wet Lots owned by all Residential Lot Members as at the date of a general meeting].
- (f) a member shall be entitled to vote at any general meeting if the member's annual subscription is not more than 1 month overdue at the date of the meeting; and

- (g) voting is counted with the votes cast for and against determined by application of the number of votes applicable as per rule 29(1)(e). If there are Developer Members, given the nature of the calculation of voting entitlements the Secretary is responsible for:-
- (i) calculating and verifying with the members present the voting entitlements for each member casting a vote; and
 - (ii) counting of the votes cast; and
- (h) if a secret ballot is demanded in lieu of a show of hands then, the chairperson must appoint 2 members to conduct the secret ballot in the way the chairperson decides with the proviso that for as long as there are Developer Members the procedure for counting votes set out in rule 29(1)(g) is to be followed; and
- (i) the result of a secret ballot as declared by the chairperson is taken to be a resolution of the meeting at which the ballot was held; and
- (j) a member may vote in person or by its nominee (where applicable) or alternatively by proxy; and
- (k) an instrument appointing a proxy shall be in writing; and
- (i) if the member is an individual – signed by the member or the member’s attorney properly authorised in writing; or
 - (ii) if the member is a corporation – either under seal or signed by a properly authorised officer or attorney of the corporation; and
- (l) a proxy holder may be a member of the Association or another person; and
- (m) the instrument appointing a proxy is taken to confer authority to demand or join in demanding a secret ballot; and
- (n) if a member wants the proxy to vote for or against a resolution, the instrument appointing a proxy shall be in the following form or like form:

.ASSOCIATION:

*I, of
being a member of the Association, appoint
of
as my proxy to vote for me on my behalf at the (annual) general meeting of the
Association, to be held on the day of 20 , and at any adjournment of the
meeting.*

Signed this day of , 20

Signature

This form is to be used **in favour of* *the resolution.*
**against*

**Strike out whichever is not wanted. (Unless otherwise instructed, the proxy may vote as the proxy considers appropriate); and*

- (o) each instrument appointing a proxy shall be given to the secretary before the start of the meeting or adjourned meeting at which the person named in the instrument proposes to vote and upon such delivery neither the member or the member’s nominee may vote; and
- (p) the secretary shall ensure full and accurate minutes of all questions, matters, resolutions and other proceedings of each general meeting or management committee meeting are entered in a minute book; and
- (q) the secretary must ensure the minute book for each meeting is open for inspection at all reasonable times by any financial member who applies to the secretary for the inspection.

- (2) To ensure the accuracy of the minutes recorded under sub-rule (1)(p):
 - (a) the minutes of every management committee meeting shall be signed by the chairperson of that meeting or the chairperson of the next succeeding management committee meeting verifying their accuracy;
 - (b) the minutes of each annual general meeting and general meeting shall be signed by the chairperson of the meeting, or the chairperson of the next meeting of the Association that is a general meeting or annual general meeting, verifying their accuracy.

BY LAWS

- RULE 30**
- (1) The management committee may make, amend or repeal By-Laws, not inconsistent with these rules, for the internal management of the Association.
 - (2) A By-Law may be set aside by a vote of members at a general meeting of the Association.

ALTERATION OF RULES

- RULE 31**
- (1) Subject to the *Associations Incorporation Act 1981*, these rules may be amended, repealed or added to by a special resolution carried at any general meeting.
 - (2) However, an amendment, repeal or addition is valid only if it is registered by the Chief Executive of the Department administering the Act.

COMMON SEAL

- RULE 32**
- (1) The management committee must ensure the Association has a common seal.
 - (2) The common seal must be:
 - (a) kept securely by the management committee; and
 - (b) used only under the authority of the management committee or the Association in general meeting.
 - (3) Each instrument to which the seal is affixed shall be signed by the president of the management committee and shall be countersigned by:
 - (a) the secretary; or
 - (b) another member of the management committee; or
 - (c) someone appointed by the management committee.

FUNDS AND ACCOUNTS

- RULE 33**
- (1) The funds of the Association must be kept in the name of the Association in a financial institution decided by the management committee.
 - (2) Records and accounts shall be kept in the English language showing correctly the financial affairs of the Association and the particulars usually shown in books of a like nature.

- (3) All amounts shall be deposited in the financial institution account as soon as practicable after receipt.
- (4) If an amount of \$100 or more is paid by cheque, the cheque must be signed by any 2 of the following:
 - (a) the president;
 - (b) the secretary;
 - (c) the treasurer or another member authorised by the management committee for the purpose.
- (5) Cheques, other than those for wages, allowances or petty cash recoupment, must be crossed "not negotiable".
- (6) A petty cash account must be kept on the imprest system, and the management committee shall determine the amount of petty cash to be kept in the account.
- (7) All expenditure shall be approved or ratified at a management committee meeting.
- (8) The treasurer must, as soon as practicable after the end of each financial year, ensure a statement is prepared containing the following particulars:
 - (a) the income and expenditure for the financial year just ended;
 - (b) the Association's assets and liabilities at the close of the year;
 - (c) the mortgages, charges and securities affecting the property of the Association at the close of the year.
- (9) If the Association is incorporated within 3 months before the end of the Association's financial year, subsection (8) does not apply for the financial year in which the Association is incorporated.
- (10) The auditor must examine the statement prepared under subsection (8) and present a report about it to the secretary before the next annual general meeting following the financial year for which the audit was made.
- (11) The income and property of the Association must be used solely in promoting the Association's objects and exercising the Association's powers.

DOCUMENTS

- RULE 34** The management committee must ensure the safe custody of books, documents, instruments of title and securities of the Association.

FINANCIAL YEAR

- RULE 35** The financial year of the Association shall close on 30 June in each year.

DISTRIBUTION OF SURPLUS ASSETS TO ANOTHER ENTITY

- RULE 36**
- (1) This section applies if the Association:
 - (a) is wound-up under part 10 of the Act; and
 - (b) it has Surplus Assets.
 - (2) Where, upon the winding-up of the Association a special resolution relating to the distribution of Surplus Assets of the incorporated Association has been passed by its members in accordance with its rules, all Surplus Assets shall, subject to any trust affecting the same, be disposed of in the manner so resolved.
 - (3) Where no such resolution has been passed, the Surplus Assets must not be distributed among the Association members and will be distributed in accordance with Rule 36(4).
 - (4) The Surplus Assets must be given to the Australian Red Cross.

NON-PROFIT

- RULE 37** The assets and income of the Association shall be applied solely in furtherance of its objects and no portion shall be distributed directly or indirectly to the members of the Association except as bona fide compensation for services rendered or expenses incurred on behalf of the Association.

DEVELOPER

- RULE 38**
- (1) Whilst the Developer is a Developer Member, the Association must not hinder or restrict the Developer in relation to its development of the Precinct.
 - (2) In particular, the Association agrees to do the following:-
 - (a) allow the Developer access to the Managed Property;
 - (b) agree to any reasonable request from the Developer to allow the Developer the free use of the Managed Property (e.g. short term access for parking, underground usage for permanent and temporary pipes, conduits and infrastructure).
 - (c) allow the Developer free use and enjoyment of such parts of the Managed Property as may be required from time to time for development of the Managed Property or other parts of the Precinct;
 - (d) allow the Developer free use of the Managed Property for sales and marketing activities including signage and any auctions.

APPOINTMENT OF A PROFESSIONAL MANAGER

- RULE 39**
- (1) The Association must engage person(s) to act as Professional Manager provided the engagement of the Professional Manager complies with the requirements stated in Rule 39(2).
 - (2) The engagement(s) must —

- (a) be in writing; and
 - (b) state the term of the engagement (including when the term begins and when it ends); and
 - (c) state the functions the Professional Manager is required or authorised to carry out and must include the duties set out in paragraph (a) to (g) of the definition of "Professional Manager"; and
 - (d) state the basis on which payment for the Professional Manager services is to be worked out; and
 - (e) state the grounds on which the engagement can be terminated.
- (3) The persons engaged as Professional Manager must strictly comply with the terms of the engagement.
- (4) The term of the engagement of person(s) as a Professional Manager must not exceed 3 years (including options).
- (5) If the Association passes a resolution approving the engagement of a person as a Professional Manager, the resolution is of no effect if the term of the engagement or authorisation does not start within 90 days after the passing of the resolution.
- (6) A persons' rights under an engagement as Professional Manager may be transferred only if the Association approves the transfer, such approval to be in writing.
- (7) The Association may terminate the engagement of a Professional Manager if the Professional Manager:
- (a) is convicted of an indictable offence;
 - (b) fails to comply with any of the provisions of these rules;
 - (c) acts otherwise than in accordance with the provisions of these rules;
 - (d) fails to obey any orders or carry out any reasonable directions of the Association; or
 - (e) conducts himself or herself in a manner injurious or prejudicial to the character or interests of the Association.
- (8) The Professional Manager must attend meetings of the Association (including the management committee meetings) to provide reports on their activities and to make observations in relation to any other matters falling within the scope of their engagement. The Professional Manager must take and distribute minutes of all meetings.
- (9) If a vacancy happens in the office of the Professional Manager, the members of the management committee must ensure a Professional Manager is appointed for the Association within 45 days after the vacancy happens or the Association must call a general meeting for the purpose of winding up the Association.

APPOINTMENT OF A COMMUNITY DEVELOPMENT MANAGER

RULE 40

- (1) The Association may engage person(s) to act as a Community Development Manager provided the engagement of the Community Development Manager complies with the requirements stated in Rule 40(2).
- (2) The engagement(s) must—
- (a) be in writing; and
 - (b) state the term of the engagement (including when the term begins and when it ends); and
 - (c) state the functions of the Community Development Manager is required or authorised to carry out; and

- (d) state the basis on which payment for the Community Development Manager services is to be worked out; and
 - (e) state the grounds on which the engagement can be terminated.
- (3) The persons engaged as Community Development Manager must strictly comply with the terms of engagement.
 - (4) The term of the engagement of person(s) as a Community Development Manager must not exceed 3 years (including options).
 - (5) If the Association passes a resolution approving the engagement of a person as a Community Development Manager, the resolution is of no effect if the term of the engagement or authorisation does not start within 90 days after the passing of the resolution.
 - (6) A persons' rights under an engagement as Community Development Manager may be transferred only if the Association approves the transfer, such approval to be in writing.
 - (7) The Association may terminate the engagement of a Community Development Manager if the Community Development Manager:
 - (a) is convicted of an indictable offence;
 - (b) fails to comply with any of the provisions of these rules;
 - (c) acts otherwise than in accordance with the provisions of these rules;
 - (d) fails to obey any orders or carry out any reasonable directions of the Association; or
 - (e) conducts himself or herself in a manner injurious or prejudicial to the character or interests of the Association.
 - (8) The Community Development Manager has the right to attend meetings of the Association (including the management committee meetings) to provide reports on their activities and to make observations in relation to any other matters falling within the scope of their engagement. The Community Development Manager must, if requested to do so by the Association attend meetings.

APPEARANCE OF RESIDENTIAL LOTS

- RULE 41**
- (1) Residential Lot Members must ensure their Residential Lot (including gardens and grounds) is kept in a neat, tidy and well kept condition free of debris (eg. car-bodies, rubbish or any material piled or removed).
 - (2) Without limiting the obligation of Residential Lot Members under sub-rule (1), the Association may ask Residential Lot Members who are in breach of such sub-rule to take such action as the Association (or the management committee) deems reasonable for the purpose of remedying any failure to observe such sub-rule.

If the Residential Lot Member does not take such action, then without limiting the Association's other remedies available the Association may recover from the Residential Lot Member all costs (including legal costs on a full indemnity basis) incurred by the Association (and/or the management committee) in taking enforcement action.

ANNEXURE 1 TO RULES DEFINITIONS

“Community Development Manager” means a person engaged by the Association to provide operational day to day assistance in and around the Precinct including but not limited to the inspection of the Managed Property and reporting to the management committee and for example to do one or more of the following:

- (a) be aware of the general condition of the Managed Property so that the Community Development Manager is able to keep the Association informed of its condition; and
- (b) so far as the Community Development Manager is reasonably able and lawfully capable of doing so, carry out regular inspections of the Managed Property, ensure compliance with the standards for the Managed Property set by the Association; and
- (c) so far as the Community Development Manager is reasonably able and lawfully capable of doing so generally police the use of the Managed Property and report any disturbances, damage or nuisance being effected or created; and
- (d) report promptly to the Association on all things requiring repair, on all matters creating a hazard or danger or anything else that may be of interest to the Association and take remedial action in emergencies where practical; and
- (e) if authorised by the Association to supervise contracts with the Association’s external contractors, experts and consultants as required and monitor the works carried out by such persons and for that purpose maintain a schedule of contracts detailing the due dates for service calls and dates of attendance which will be made available to the management committee on request; and
- (f) carry out all works and do all things incidental to or reasonably necessary and proper in the discharge of its duties; and
- (g) carry out the written directions of the Association regarding specific matters or regarding permanent policies or procedures to be observed; and
- (h) clear the Associations letterbox at least once a week and forward correspondence to the relevant person; and
- (i) account promptly to the Association for any money or other property held on behalf of the Association.

“Developer” means either of Vercorp Pty Ltd ACN 010 198 268 or Hegira Limited ACN 008 610 357 and includes any successor or assign of those corporations and/or any purchaser or transferee of land (located within the Precinct) other than the purchaser or transferee of a Lot.

“Developer Member” means as at the date of incorporation Vercorp Pty Ltd and Hegira Limited and includes any party who is a Developer in accordance with these rules from time to time.

“Dry Lot” means any lot which is not bounded or will not, once developed be bounded on any side or part of side by water.

“Lot” means a lot on a registered survey plan located in the Precinct intended for residential use and designed for a single dwelling house (now or in the future) owned by a Developer Member or a Residential Lot Member.

“Managed Property” means the property within or adjacent or neighbouring the Precinct which is at any time owned, leased, under licence to or under the maintenance and/or care (by agreement and arrangement with any government, the Developer or otherwise) of the Association as and by way of furtherance of the objects of the Association.

“Professional Manager” means a person engaged by the Association to supply administrative services to the Association, to act as the secretary and to provide all required assistance to the treasurer to discharge (in the case of the secretary) or allow the discharge (in the case of the treasurer) of the duties allocated to them, including but not limited to reporting to the management committee or the treasurer (in regard to the treasurer’s duties) and to do all of the following:

- (a) comply with and carry out all reasonable directions from time to time given by the Association regarding the administration and management of the Managed Property and the performance by the Association of its lawful obligations and duties;
- (b) keeping the Association properly informed of any matters within its actual knowledge relevant to the Professional Manager's duties (including attendance at meetings);
- (c) at the request of the Association, arrange maintenance contracts as required by the Association and ensuring that any such contracts in force are carried out in accordance with their terms;
- (d) keep records of the performance of maintenance contracts it is responsible for;
- (e) prepare reports (at the times required by the Association) summarising the activity of the Professional Manager and any problems or concerns that the Professional Manager has in respect of the Managed Property;
- (f) organising and establishing systems and procedures (in accordance with the rules of the Association) and at the direction of the Association and, where applicable, the treasurer in relation to the collecting of fees, establishing accounting and reporting procedures (including audit procedures) and maintaining books of accounts; and
- (g) to enforce the by-laws of the Association and implement decisions of the Association.

"Person" includes any individual, body politic, a corporation and a statutory or other body or Association (incorporated or unincorporated).

"Precinct" means the development known as Pacific Harbour as depicted on the plan annexed to these rules.

"Residential Lot" means a Lot within the Precinct which is intended for residential use and designed for a single dwelling house which is not owned by a Developer Member.

"Residential Lot Member" means those owners of Residential Lots within the Precinct who are admitted the membership in accordance with these rules.

"Surplus Assets" has the meaning given by section 92(3) of the Act.

"Suspend" means that the Residential Lot Member:

- (a) cannot be a member of the management committee or if a member of the management committee, must resign immediately;
- (b) cannot nominate a member of the management committee; and
- (c) cannot vote at either the general meeting, or Annual General Meeting or management committee meeting.

"Wet Lot" means any lot which is bounded or will, once developed, be bounded on any side or part of a side by water or any Lot which have previously been sold by a Developer Member to a Person as a wet lot.

ANNEXURE 2 TO RULES
FEES

- (a) Subject to these rules, the Membership Fees payable by each member shall be:
- For each Dry Lot, \$8.00 per week, provided that if payment is made before the date 30 days from issuance of the fee notice, \$7.00 per week;
- For each Wet Lot, \$8.00 per week. Provided that if payment is made before the date 30 days from issuance of the fee notice, \$7.00 per week;
- (b) The amounts in paragraph (a) shall be adjusted each anniversary by the following formula:
- $$NF = CF \times \frac{NPI}{EPI}$$
- Where:
- NF is the adjusted membership fee
- CF is the current membership fee
- NPI is the CPI last published for the quarter ending before the commencement of the year under review.
- EPI is the CPI last published for the quarter ending before the commencement of the year before the year under review.
- CPI is the Consumer Price Index All Groups for the City of Brisbane ("Index") as published by the Australian Bureau of Statistics or its successors. However, if the Index ceases to be published then the management committee may substitute for the Index any other relevant index published by the Australian Bureau of Statistics or its successors.
- (c) Where The Association incurs or reasonably expects to incur a cost which would clearly benefit one class of Lot Member (i.e. Wet or Dry Lot owner), significantly more than the other class of Lot Member (i.e. West or Dry Lot owner), then the Association shall charge a special levy against the two classes of Lot Members in proportion to the benefit so provided or to be provided.

ATTACHMENT A

The Rules of The Association are amended as follows:

ANNEXURE 2 TO RULES

- (a) Subject to these rules, the membership fees payable by each Member shall be:

For each Dry Lot, \$8.00 per week, provided that if payment is made before the date 30 days from issuance of the fee notice, \$7.00 per week,

For each Wet Lot, \$8.00 per week. Provided that if payment is made before the date 30 days from issuance of the fee notice, \$7.00 per week;

- (b) The amounts in paragraph (a) may be adjusted each anniversary by the following formula:

$$NF = CF \times \frac{NPI}{EPI}$$

Where: NF is the adjusted membership fee

CF is the current membership fee

NPI is the CPI last published for the quarter ending before the commencement of the year under review.

EPI is the CPI last published for the quarter ending before the commencement of the year before the year under review.

CPI is the Consumer Price Index All Groups for the City of Brisbane ("Index") as published by the Australian Bureau of Statistics or its successors. However, if the Index ceases to be published then the management committee may substitute for the Index any other relevant index published by the Australian Bureau of Statistics or its successors.

- (c) Where The Association incurs or reasonably expects to incur a cost which would clearly benefit one class of Lot Member (i.e. Wet or Dry Lot owner), significantly more than the other class of Lot Member (i.e. Wet or Dry Lot owner), then the Association shall charge a special levy against the two classes of Lot Members in proportion to the benefit so provided or to be provided.

RULE 9(7)

(Replace current sub-clauses (a) and (b) with:)

- (a) \$4,000 if the Member's former Residential Lot was a Dry Lot; or
(b) \$4,000 if the Member's former Residential Lot was a Wet Lot;

RULE 29(1)

- (e)(i) If there are no Developer Members, each member present and entitled to vote is entitled to 1 vote for each Dry Lot and 1 vote for each Wet Lot owned and, if the votes are equal, the Chairperson shall have a casting vote; and
(e)(ii) (B) total Residential Lot Members entitlement — 49%.

Each individual Residential Lot Member is entitled to a Residential Member's percentage of 49%. The Residential Member's percentage is calculated as follows:

$$\frac{[a]}{[x]} \times \frac{[49]}{[100]} \times \frac{[100]}{[1]}$$

Where a = 1 where the Residential Lot Member's lot is either a Dry Lot or a Wet Lot.

Where x = [the number of Dry Lots plus the number of Wet Lots owned by all Residential Lot Members as at the date of a general meeting].

(Note: Rules and sub-clauses of Rules not specifically mentioned above remain unchanged).

ATTACHMENT B

RULE 13(1)

The Management Committee of the Association shall consist of a president, secretary, treasurer and may have a vice-president each of whom shall be a member or a nominee of a member of the Association (except for the secretary who may not be a member of the Association), and such number of other members or member's nominees as the members of the Association at any general meeting may from time to time elect but shall not exceed 9 in total and shall not be less than 3.

(Note: Rules and sub-clauses of Rules not specifically mentioned above remain unchanged).