



STRATA MANAGEMENT AGREEMENT

FOR USE BY MEMBERS OF THE STRATA TITLES INSTITUTE OF WESTERN AUSTRALIA (INC.) ONLY

Date of Agreement		
Strata Company		
Name	The Owners of /Strata Plan No. ABN	
Address	6 Punite Cres, Maylands	
Strata Manager		
Name	Lisbet Bruel	STIWA Membership No. 505
ABN	36 782 264 507	Phone 08 9385 2817
Business Name	Bruel Strata Management	Fax 08 9385 2827
Postal Address	83 Strickland St Swanbourne 6010	Email lisbet@bruelstrata.com
Contact Person	Lisbet Bruel	Mobile phone: 0419 915752
Particulars		
Item 1	Term	Years
Item 2	Commencement Date Expiry Date	
Item 3	First Review Date Second Review Date	
Item 4	Percentage Increase	4.5 %
Item 5	Agreed Services Fee	\$ per annum, including GST
Item 6	Fee Payment Method	paid monthly in arrears
Item 7	Strata Company Representative	Lisbet Bruel Bruel Strata Management Ph 9385 2817
Item 8	Manner and frequency of financial reporting	Finanacial Statement to Council owners 6 (six) monthly

Notice: The fees and charges referred to in this agreement are not fixed by law and are to be agreed between the Strata Company and the Strata Manager

Signatures of Parties to Agreement	
Strata Company	
<p>The common seal of The Owners of Survey-Strata/ Strata Plan No was affixed to this Agreement on the ----- day of ----- 2007 in the presence of</p>	
Signature of Councillor	Signature of Councillor
Name of Councillor	Name of Councillor
Strata Manager	
<p>Signed by or on behalf of Bruel Strata Managment in the presence of</p>	
Witness Signature	Name of Signatory Lisbet Bruel
Witness Name	

AGREEMENT

1. Appointment of and delegation to Strata Manager

- 1.1. The Strata Company:
 - (a) appoints the Strata Manager as the strata manager for the Strata Company;
 - (b) subject to clause 1.4, delegates the Agreed Services to the Strata Manager;
 - (c) requests that the Strata Manager perform the Agreed Services; andthe Strata Manager accepts that appointment and delegation and agrees to undertake the Agreed Services for the Term and any Successive Term for the Agreed Services Fee, unless and until terminated in accordance with clause 4.
- 1.2. At any time during the Term or any Successive Term, the Strata Company may request that the Strata Manager accept a delegation of and perform any or all of the Additional Services for the Additional Services Fees.
- 1.3. The Strata Manager, at its absolute discretion, may elect not to accept a delegation of the requested Additional Services.
- 1.4. The parties acknowledge that the delegations to the Strata Manager in clauses 1.1(b) and clause 1.2 do not:
 - (a) constitute a delegation by the Strata Company of its power to make:
 - (i) a delegation under the Act or the By-laws; or
 - (ii) a decision on a matter required by the Act or the By-laws to be decided by the Strata Company or the Council; or
 - (iii) a determination relating to the levying or payment of contributions;or
 - (b) prevent the Strata Company or the Council from exercising all or any of the Agreed Services or Additional Services.

2. Fees and charges

- 2.1. The Strata Company shall pay the Strata Manager:
 - (a) the Agreed Services Fee;
 - (b) the Additional Services Fees for any Additional Services performed by the Strata Manager; and
 - (c) the Charges associated with the performance of the Agreed Services and any Additional Services; andin accordance with the Fee Payment Method.
- 2.2. The Strata Manager must account to the Strata Company for money received and payments made by the Strata Manager on behalf of the Strata Company in the manner and at the frequency set out in Item 8.
- 2.3. The Strata Company acknowledges that the Strata Manager may be offered rebates, discounts and commissions in the course of providing the Agreed Services and the Additional Services.
- 2.4. The Strata Manager may retain rebates, discounts and commissions paid to it by providers of goods and services to the Strata Company described in Schedule E or as later consented to in writing (which consent shall not be unreasonably withheld) by the Strata Company, provided the full nature and extent of the rebates, discounts and commissions are disclosed.

3. **Review of fees and charges**

- 3.1. The Agreed Services Fee, Additional Services Fees and Charges will be increased on each of the Review Dates by an amount agreed in writing between the parties, not being less than the amounts payable at each Review Date.
- 3.2. If the parties cannot agree on this before each of the Review Dates, the Agreed Services Fee, Additional Services Fees and Charges payable on and from the relevant Review Date will be increased by the Percentage Increase.

4. **Insurance**

The Strata Company acknowledges that:

- (a) the Strata Manager is only qualified to give general information and advice about insurance to the Strata Company;
- (b) the Strata Manager is not qualified to give personal advice about insurance to the Strata Company;
- (c) if the Strata Company requires specialist insurance advice, the Strata Manager can refer the Strata Company to an insurance advisor;
- (d) if the Strata Manager recommends that the insurance for the Strata Company should be placed with an insurer, that recommendation is general advice only, not personal advice; and
- (e) all proprietors should read the relevant product disclosure statement before deciding to buy any insurance.

5. **Termination of this Agreement**

- 5.1. This Agreement may be terminated without penalty at any time by mutual consent.
- 5.2. This Agreement will terminate on the Expiry Date if a party gives to the other party not less than 2 months written notice of termination before the Expiry Date.
- 5.3. If this Agreement does not terminate on the Expiry Date or is not otherwise terminated during the Term, this Agreement will automatically continue for Successive Terms unless and until terminated:
 - (a) without penalty, by the Strata Company giving to the Strata Manager or the Strata Manager giving to the Strata Company at least 2 months written notice of that termination at any time during the Successive Term;
 - (b) under clause 5.1; or
 - (c) under clause 5.4.
- 5.4. Despite clauses 5.1, 5.2 and 5.3, this Agreement may be terminated without notice:
 - (a) by the Strata Company:
 - (i) if the Strata Manager is in breach of this Agreement, the Act or any other statute and fails to remedy that breach (if capable of remedy) within 14 days after the Strata Company serves a written notice on the Strata Manager providing particulars of the breach; or
 - (ii) if the Strata Manager commits an act of bankruptcy or is placed under external administration;

and
 - (b) by the Strata Manager if:
 - (i) the Strata Company fails to pay any money owing to the Strata Manager under this Agreement within 14 days after the Strata Manager serves a written notice on the Strata Company providing details of the unpaid amount; or
 - (ii) the Strata Company acts or fails to act so as to prevent the Strata Manager from properly and lawfully carrying out its obligations under this Agreement.

- 5.5. If this Agreement is terminated, the Strata Manager must make available at the Strata Manager's office for collection by the Strata Company all records and other property of the Strata Company in its possession, within 7 days after the Strata Company pays all money owing to the Strata Manager.

6. Liability of the Strata Manager and Indemnity by Strata Company

- 6.1. The Strata Company acknowledges that:
- (a) the Act confers responsibility on the Strata Company for the management, control, maintenance, repair, renewal and replacement of Common Property; and
 - (b) if, as part of the Agreed Services or Additional Services, the Strata Manager is required to carry out a function of the Strata Company relating to the management, control, maintenance, repair, renewal or replacement of Common Property:
 - (i) the responsibility of the Strata Manager is limited to those specifically identified services the Strata Company requests the Strata Manager to carry out in respect of that specific property; and
 - (ii) the Strata Manager has no liability for any Loss from any inherent defect or danger in Common Property or any disrepair, defect or danger in Common Property that is not the subject of a request under clause 6.1(b)(i).
- 6.2. The Strata Manager is not liable to the Strata Company if the Strata Manager fails to do any act it is obliged to do under this Agreement if the Strata Company fails to make the appropriate decision in relation to such act or to make sufficient money available to the Strata Manager to enable the Strata Manager to carry out its obligations.
- 6.3. The Strata Company indemnifies the Strata Manager against all Loss relating to or arising from the performance by the Strata Manager of its obligations, unless the Loss is caused by the Strata Manager's negligence or default under this Agreement.
- 6.4. This clause does not exclude or limit the application of any statutory provision where to do so would contravene that statute or cause any part of this Agreement to be void.

7. Strata Company Representative

- 7.1. The Strata Company warrants and acknowledges that:
- (a) the Strata Company Representative is validly nominated by the Strata Company to communicate with the Strata Manager on behalf of the Strata Company;
 - (b) the Strata Manager may accept and act on instructions communicated to the Strata Manager by the Strata Company Representative; and
 - (c) any communication by the Strata Manager to the Strata Company Representative is deemed to be a communication to the Strata Company.
- 7.2. The Strata Company Representative must be a member of the Council, or in the case of a corporate member of Council, the person nominated by that member of the Council to act for it.
- 7.3. The Strata Company may nominate a new Strata Company Representative at any time by written notice to the Strata Manager.
- 7.4. The appointment of the Strata Company Representative does not preclude the Strata Company from otherwise providing instructions to and communicating with the Strata Manager. If there is any discrepancy between instructions provided to the Strata Manager by the Strata Company and those provided by the Strata Company Representative, the instructions provided by the Strata Company shall prevail.

8. Assignment of this Agreement

- 8.1. The Strata Manager may assign this Agreement with the consent of the Strata Company. That consent shall not be unreasonably withheld if the Strata Manager satisfies the Strata Company that the proposed assignee has the qualifications, competence and experience to perform the Agreed Services and Additional Services.
- 8.2. The Strata Company must advise the Strata Manager of its decision whether to approve a proposed assignment within 28 days of receiving the information reasonably necessary to make that decision.
- 8.3. The Strata Company must not require or receive a fee or other consideration for approving the assignment (other than reimbursement for reasonable legal or accounting expenses incurred by the Strata Company in considering the proposed assignment).

9. Service of Notices

Any notice to be served under this Agreement must be served in writing by post, fax, e-mail or personally using the contact details provided on the front page of this Agreement or other contact details subsequently notified in writing by a party to the other party.

10. GST

- 10.1. Words or expressions used in this Agreement that are defined in the *GST Act* have the same meaning in this Agreement.
- 10.2. The parties acknowledge that:
 - (a) the Agreed Services Fee, Additional Services Fees and Charges include GST and are based on a GST rate of 10%; and
 - (b) if the rate of GST increases or decreases, the Agreed Services Fee, Additional Services Fees and Charges will simultaneously increase or decrease so that the Strata Manager receives the same GST-exclusive payment as it received before the change in the rate of GST.

11. Governing Law

This Agreement is governed by the law of Western Australia.

12. Interpretation

In this Agreement, unless the contrary intention appears:

- (a) a reference to :
 - (i) a thing includes the whole or each part of it;
 - (ii) a document includes any variation or replacement of it;
 - (iii) a statute includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them; and
 - (iv) a person includes that person's executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (b) the singular includes the plural and vice versa; and
- (c) headings do not affect interpretation.

13. Definitions

The following words have these meanings in this Agreement:

Act	<i>Strata Titles Act 1985</i>
Additional Services	the services set out in Schedule B
Additional Services Fees	the fees for the supply of the Additional Services calculated according to the rates set out in Schedule C, as may be varied
Agreed Services	the services set out in Schedule A
Agreed Services Fee	the fee set out in Item 5 for the supply of the Agreed Services, as may be varied
Agreement	this agreement including the Particulars and Schedules
By-laws	the by-laws of the Strata Company
Charges	the costs and fees set out in Schedule D, as may be varied
Commencement Date	the earlier date set out in Item 2
Common Property	the property for which the Strata Company is responsible under the Act
Council	the council of the Strata Company
Expiry Date	the later date set out in Item 2
Fee Payment Method	the method set out in Item 6 for paying the Agreed Services Fee, Additional Services Fees and the Charges
GST Act	<i>A New Tax System (Goods and Services Tax) Act 1999</i>
Item	an item in the Particulars
Loss	actions, claims, demands, costs, damages, expenses and liabilities (including legal costs on a solicitor/own client basis)
Percentage Increase	the percentage rate set out in Item 4
Review Dates	the dates set out in Item 3
STIWA	the Strata Titles Institute of Western Australia (Inc.)
Strata Company	the strata company described on the front page of this Agreement, including the Council and employees, agents (other than the Strata Manager) and contractors of the Strata Company
Strata Company Representative	the natural person named in Item 7
Strata Manager	the strata manager described on the front page of this Agreement, including any employees and contractors
Successive Term	a period of the same length as the Term, starting on the day after the expiry of the Term or the preceding Successive Term, as the case may be
Term	the period set out in Item 1 commencing on the Commencement Date and expiring on the Expiry Date

SCHEDULE A

AGREED SERVICES

Accounting Services

1. Establish and maintain the required bank account(s)
2. Issue contribution notices
3. Pay creditors invoices on behalf of the Strata Company
4. Pay disbursements and expenses incurred in connection with the Strata Manager's management.
5. Provide financial reports as agreed
6. Provide statutory reconciled accounts including balance sheet, statement of income and expenditure and contribution status report
7. Assist auditor in providing accounts and records for audit
8. Assist with preparation of administrative fund budget
9. Assist with preparation of sinking fund budget
10. Record money received and deposit to the credit of the Strata Company

Insurance

1. Prepare and lodge routine insurance claims (max 15 mins per claim)
2. Arrange insurance valuation as required
3. Obtain quotes for insurance renewal
4. Submit quotes to Council and renew insurances as instructed

Secretarial

1. Maintain strata roll and minute book
2. Maintain correspondence file
3. Record and retain notices required under the Act
4. Maintain custody of common seal
5. Attend to routine communication
6. Refer to Council correspondence, inquiries, complaints and requests for information from proprietors, residents and others who may have dealings with the Strata Company

Meetings

1. Prepare and distribute notices of Annual General Meetings
2. Attend Annual General Meetings
3. Prepare and distribute minutes of Annual General Meetings
4. Arrange for venue for meetings (cost of venue to be borne by Strata Company)

By-laws

1. Answer queries from the Council about By-laws

Other

1. Provision for after hours emergency telephone service
2. Obtain quotes for and arrange for routine maintenance and repairs to common property

SCHEDULE B

ADDITIONAL SERVICES

Council Meetings

1. Prepare and distribute notices and minutes of Council meetings
2. Attend Council meetings held during office hours
3. Attend Council meetings held outside office hours

Extraordinary General Meetings

1. Prepare and distribute notices and minutes of Extraordinary General Meetings
2. Attend Extraordinary General Meetings held during office hours
3. Attend Extraordinary General Meetings held outside office hours

Repairs and Maintenance

1. Arrange building inspections and reports on non-routine repairs
2. Obtain quotes and liaise with suppliers re non-routine repair, maintenance, renewal or replacement of common property

Insurance

1. Prepare and lodge non-routine insurance claims
2. Administer claims and other activities involved in minimisation of loss, liaison with loss adjustors and other related activities after first 15 min per claim

Accounting

1. Prepare additional financial reports or reports to specific requirements
2. Monitor and arrange for recovery of contribution arrears

By-laws and Legal

1. Serve notices to comply with By-laws
2. Attend the scheme for By-law enforcement
3. Prepare and issue notices for breaches of By-laws
4. Represent the Strata Company in tribunal or court proceedings
5. Prepare and lodge applications for tribunal orders, briefing lawyers and/or relevant attendances
6. Arrange drafting of By-laws, amendments to By-laws and By-law reviews
7. Liaise with solicitors and give instructions in accordance with resolutions of the Strata Company
8. Arrange for registration of By-laws
9. Provide copies of By-laws to Councillors, proprietors, tenants and/or letting agents

Other Services

1. Arrange security and concierge services
2. Arrange building services
3. Arrange access for contractors
4. Manage a greater volume of inquiries from proprietors than is reasonable
5. Review essential services such as fire safety and health
6. Solicit building condition surveys and scheduled maintenance programs
7. Arrange and supply archiving facility
8. Any other services (that are not Agreed Services) that can be provided by the Strata Manager including, but not limited to, hiring and management of Strata Company employees

SCHEDULE C

ADDITIONAL SERVICES FEES

Professional Services Fees

Item	Charge \$	Unit
Adjourned Strata Company and Council meeting charge	\$100	per hour (minimum 1 hour)
Attending Scheme weekends/public holidays	\$100	per hour
Attending meetings at a venue other than Strata Manager's office within office hours	300	For an AGM
Attending meetings outside office hours (weekdays)	No Charge	per hour
Attending meetings outside office hours (weekends or public holidays)	\$100	per hour
Hourly rate for accounting staff	Included	per hour
Hourly rate for administrative staff	Included	per hour
Hourly rate for Principal or Director	Included	per hour
Hourly rate for Senior Strata Manager	Included	per hour
Hourly rate for Strata Manager	Included	per hour

Administration and Statutory Compliance Fees

Item	Charge \$	Unit
ABN registration	\$60	per registration
Creditor payment approval system by Council	Included	per month
Inspecting records	Included	per hour
Payroll attendance fee	Included	per month per employee
Compiling records to enable preparation of tax return	Included	per hour
Lodging tax return prepared by registered tax agent	At Cost + 10%	per hour
Processing stop payments and dishonoured cheques for contribution payments	\$10	per transaction
Producing cheque summary notice	Included	per notice
Providing additional financial report	\$20	per report
Providing address label	Included	per label
Providing copy of By-laws	\$5	per copy
Providing copy of management documents	Included	per copy
Providing copy of minutes of meeting	\$5	per copy
Providing insurance confirmation letter	\$1.5	per letter
Providing title or other searches	At cost	per search
Providing security keys to proprietor	\$8	per key
Providing client payment history	Included	per proprietor
Providing copy of Roll of Strata Company (other than to the Council)	\$5.00	per Roll
Word processing	Included	per hour (minimum 1 hr)
Preparing and issuing Section 43 certificate	\$10	per certificate (plus statutory fee)
Other	##	per ##

SCHEDULE D**CHARGES**

Item	Charge \$	Unit
Archive Retrieval	Included	per box
Archive storage and administration	Included	per month per box
Courier	As per charge	per item
Laminating	\$1.5	per A4 page
Paying creditors	\$1.0	per cheque
Photocopying	20Cents	per copy
Postage	\$0.50	per item, plus Australia Post charge
Printing and posting contribution notice	\$1.50	per notice, plus Australia Post charge
Printing and posting notice of overdue contribution (demand letter)	\$1.00	per notice, plus Australia Post charge
Producing cheque	Included	per cheque
Buying common seal	\$45	per seal
Receiving fax	Included	per page
Sending fax locally	Included	per page
Sending fax long distance	Included	per page
Sending e-mail	Included	per e-mail
Telephone call	Pro rata	per call
Other		per ##

SCHEDULE E**DISCLOSURE SCHEDULE**

The following providers pay a rebate, discount or commission to the Strata Manager

Name of company/person	Nature of rebate, discount or commission	Amount/percentage of rebate, discount or commission
CHU Insurance	Commision on Insurance	5%

The Strata Manager is an authorised representative of CHU Insurance and an agent of the insurers QBE Insurance.