

Notes For The Interpretation of the SSKB Administration Agreement

Application of CPI Mechanism for increases

Where the term is greater than one (1) year on the anniversary of the Agreement the fees in the Agreement will increase by 5% or CPI (all groups Sydney) whichever is the greatest.

The CPI Index increase mechanism is calculated using the following formula:

$$\frac{A \times B}{C}$$

Where: A is the fee payable for the year immediately prior to the Review Date;

B is the CPI/WPI Index determined for the quarter ending immediately prior to the Review Date;

C is the CPI/WPI Index determined for the quarter ending immediately prior to commencement of the year last concluded.

Insurance

The Owners Corporation specifically authorises the Agent to obtain quotations for insurance cover for the scheme as required under the Act and Regulations, including any other policies that may be specified by the Owners Corporation. The Owners Corporation also authorise the Agent to pay insurance premiums from the Owners Corporation funds

Where the Owners Corporation has not placed the insurance through SSKB's nominated insurer, insurance claims management and processing forms part of the Fee for Service

An insurance claim form and information on submitting claims is available on the SSKB website:

<http://sskb.com.au/what-we-can-do-for-you/insurance/>

Termination Provisions

Either party may terminate the Agreement in accordance with the Act and Regulations.

The Agent may terminate the Agreement at any time and for any reason by giving 30 days written notice to the Owners Corporation.

For instance, if the Owners Corporation fails to pay the Agent any amount owing to it under the Agreement and the failure continues for a period of 14 days after notice of the failure is given to the Owners Corporation by the Agent, then the Agent may terminate the Agreement by giving 30 days written notice to the Owners Corporation; and the Owners Corporation will reimburse the Agent for the Agent's costs of recovering that amount from the Owners Corporation, including any legal costs on an indemnity basis.

Assignment Provisions

This Agreement, in accordance with the Act and , may be transferred by the Agent following approval of the Owners Corporation committee (unless it is a restricted issue for the committee).

Handover Procedure

On expiry or earlier termination of the Agreement, the Agent must deliver to the Owners Corporation its seal and the records and other documents within 7 days after the expiry or termination in accordance with the Act and Regulations. The SSKB Handover Process is located on the SSKB website :

<http://sskb.com.au/wp-content/uploads/2015/05/Handover-of-Records-Process-May-2015.pdf>

Fee for Service

The following items are not services included in the standard fee, but they may be services required from time to time by the Owners Corporation and if performed they will be provided at the rates specified below. Where there is no rate specified then the charge will be calculated at the hourly rates, which are also set out under fee for service charges:

Examples of Fee-for-Service

Meetings

- Anything to do with any extraordinary general meetings
- Including more than the statutory motions and attachments, including the SSKB agreement in the annual general meeting notice. Each additional page would be subject to photocopy charges and the meeting notice would be subject to additional postage charges to distribute
- Attending meetings that exceed the agreed duration in the agreement (which is generally 2 hours)
- Prepare and review non-statutory motions, including secret ballots and secret motions
- Anything to do with transfer of management rights.
- Anything to do with any committee meeting over and above the agreed number of meetings
- Attending meetings or any other services required outside of business hours

Financial

- Preparation of Business Activity Statements/Income Activity Statements
- Preparation of Audit Packs and resolution of audit queries
- Annual reconciliation of payroll, superannuation and employee expenses for Owners Corporation employees
- Annual CPI Calculation of Building Manager Fees
- Preparation of additional accrued accounts
- Bulk utility accruals
- Government Tax Audits
- Investment of funds on the instruction of the committee
- Authorising and coding of invoices where a committee member or building manager has not undertaken this task on the Invoice Hub Portal
- Recoding and on-charging of expenses including on charging to non lot owners
- Owners Corporation set up fees including TFN/ABN/GST registration
- Opening and closing bank accounts including travel to branches

- Distribute levy notices other than the nominated notices (e.g. utility on-charging and special levy notices)

Secretarial and Administrative

- International postage where an owner has not supplied an Australian address for Owners Corporation mail.
- Any time any service is required by the Owners Corporation to be done in non-standard business hours
- Dealing with individual owners on Owners Corporation matters
- Attending to non-routine correspondence outside of a committee meeting or general meeting
- Archiving, storage, retrieval and destruction of records
- Lodgement of documents with any Government or Statutory Authority such as Office of Fair Trading
- Liaison with lawyers or other professionals or government departments
- Liaison with independent contractors and obtaining reports/quotations
- Repairs and maintenance co-ordination
- Any matters to do with building management statements and architectural review committees
- Call for nominations for the positions of executive and ordinary members of the committee and call for submission of motions for the annual general meeting
- Any matter related to the collecting of unpaid contributions and second debtor accounts
- Managing Payment Plans
- Managing new owner details. Reconciliation of account and forwarding new owner information
- Upload of requested documents to the Portal other than minutes & agendas
- Assisting the Owners Corporation in the application of the by-laws
- Insurance renewals, management of premium funding and claim processing if business placed outside SSKB's nominated broker
- Attending to workers compensation returns and register of plant annual returns
- Travel to and from meetings
- Re-subdivisions/lot entitlement changes – system update and consultancy

Secretarial and Financial Fee-for-Service	Hourly Rate (Incl GST)
Consultants per hour	\$275
Community Managers (CM) per hour	\$275
Accountant per hour	\$203.50
Assistant Accountant/Assistant Community Manager per hour	\$137.50
Administrative Staff per hour	\$104.50
Arrears Staff per hour	\$137.50
Travel for meetings plus disbursement fees	\$66

Financial Services Fee-for-Service (Incl GST)	
Audit Pack Preparation fee (the greater of)	\$11 per lot or \$550
Business Activity Statement (BAS)	\$330.00 return
Instalment Activity Statement Returns	\$165/return
Annual CPI calculation / Managers Fees	\$82.50
Additional accrued periodic financial statements	\$440 per report
Attending to Payroll Processing	\$16.50 per employee per period
Issuing notices and attending to queries re second debtor non payments.	\$33/1 st Notice \$198/L.O.D

On-Charging Fee-for-Service (Incl GST)	
Recharges including on-charging to lot owners and related bodies corporate	\$10.45/notice

Owners Corporation Set Up Fees Fee-for-Service (Incl GST)	
New Schemes	\$550-\$1,100
Existing Schemes over 30 lots	\$495 or by negotiation
Re-subdivisions/lot entitlement changes – system update and consultancy	Asst. Acct/Consult/ hourly rate
Changing Banks operating account (opening and closing accounts)	\$110

Administrative Fee-for-Service (Incl GST)	
Nomination Fee incl disbursements	\$4.29 notice
Change of ownership (welcome packs) incl disbursement fees	\$16.50 ea
Attend to workers comp returns & Register of Plant Annual Returns	\$66/per return

Administration Fees for Arrears Management - (Non Payment of Contribution on-charged to the lot owner) (Incl GST)	
Preparation and issue of Reminder Notice	\$33/notice
Preparation and issue of Overdue Notice	\$66/notice
Preparation and issue of Letter of Demand (plus out of pocket expenses).	\$198/letter
Standard search fee	\$37.50
Additional Statements	\$11
Managing payment plans	Arrears staff rate

Note : The fees-for-service applicable will be as listed on the SSKB website at the time the service is rendered:

<http://sskb.com.au/client-resources/our-fees/>

Request for Services by Lot Owners (on-charged to the owner – Incl GST)	
On request Owner's Statement	\$33/statement
Restore copies of Contribution Notice for tax purposes	\$33/ per financial year
Onrequest copy of Contribution Notice	\$6.05/notice
On request Copies of records.	Admin Staff hourly rate
Insurance Certificate of Currency	\$30
Application for Discount (for processing approved application)	\$55
Dishonoured Cheque	\$38.50 (incl bank charges)
Refund of overpayments	\$35
Re-allocation of funds between schemes	\$35

Fee-for-Service Disbursements(incl GST)	
Telephone calls	Telstra Cost + 30%
EFT Remittance Transmission	\$0.55
Cheques incl envelope & postage	\$1.76
SMS	Cost + 30%

Photocopying :	
A4 Black and White	47c per print
A3 Black and White	77c per print
A4 In Colour	79c per print
A3 In Colour	\$1.89 per print

Special Levy /Additional levy Forms	55c per Form
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Envelopes Incl Labels:	
Envelopes Small	\$0.35 ea
Envelopes Large	\$0.55 ea
Secret Ballot/Secret motion /incl coloured paper	\$1.65 ea
Returning Officer Envelope	\$1.10 + postage

Postage:	
Domestic	AusPost charges + 30%
International	AusPost charges + 30%

Document Storage:	Electronic and Hard Copy
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Physical storage	
Archive Box	\$6.6 0 each
Storage per box per week	\$6.80 Per Week 1 st box (additional boxes 50c)
Permanent removal (storage facility charge)	\$4.40 Per Box
Retrieval and Refile from storage	\$10.78 Box

Electronic Storage	
(Note: a box requires approx 100 MB of storage)	\$6.60 per 100 MB

Recovered Costs which include but are not limited to:

Sundry :-	
Eg. Catering	Cost + 30%
Courier Fees	Cost + 30%

Travel & Meetings:-	
Travel expenses, teleconferences	Provider Cost + 30%
	ATO Car Rates + 30%
	& Airfares at cost + 15%

PP & S Costs:-	
Additional stationery & equipment	Cost + 30%

OTHER	
Tax Return Fee as negotiated with service provider	\$412.50 ,100 lots \$522.50 > 100 lots
Software Licence Fee	As per service provider
Other unspecified items or duties performed from time to time by SSKB	At cost nominated by SSKB