EDGEWATER SERVICE LIMITED

PROPERTY AT 12 MARINE PARADE, ST KILDA

MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS HELD ON TUESDAY 16TH NOVEMBER 2003 AT 7.30PM AT THE BRIGHTON ROOM OF THE NOVOTEL, 16 THE ESPLANADE, ST. KILDA

PRESENT:	Mr. C. Sheahan Mr. G. Dunne Mrs. B. & Mr. L. Nash Mr. J. Platts Mr. B. Murphy Mr. R. Swan Ms. H. James Mrs. J. Hutchens Ms. T. Hutchinson Ms. C. Kelso Ms. R. Helfan Mr. S. Stella Mrs. S. Sheahan Mr. D. Milner Mr. D. Price Mr. C. Richards Mrs. B. Reidy	Mr. S. O'Connor Mr. A. Evans Mr. B. Reidy Ms. J. Bowden Mr. C. Nobbs Dr. N. Edwards Ms. L. Rose Ms. A. Singer Mr. M. McDonald Ms. A. Zavod Mr. & Mrs. King Mr. V. Tsivili Ms. E. Van Langenberg Ms. P. Eade Ms. J. Podgorlec Mr. A. Johnson
	-	Turnbull Cook Body Corporate Management.
PROXIES:	Proxy Forms were received fro B. Nash in favour of L. Nash A. Black in favour of J. Vogt in favour of A. Zavod M. David in favour of A. Zavo S. Chevalier in favour of A. Zavo O. Webb in favour of A. Zavo N. Barclay in favour of A. Zavo L. Evans in favour of A. Zavo T. Dickstein in favour of R. Sw J. Curtain in favour of S. Singe	id avod 1 rod 1 van er
CHAIR:	It was resolved that Mr Chris Sheahan chair the meeting.	
<u>MINUTES:</u>	<u>MOVED</u> : L. Nash That The Minutes of the previo November 2003 be accepted.	<u>SECONDED</u> : J.Hutchens ous Annual General Meeting held on 19 th Motion Carried
FINANCIAL STATEMENTS:	<u>MOVED</u> : L. Nash That the Financial Statements and it was resolved that they be	SECONDED: A. Singer for the Year Ended 30 th June 2004 were discussed e adopted.

Motion Carried

ELECTION OF DIRECTORS:	Mr. A. Evans, Mr. S. O'Connor and Mr. M. Van Lieshout were nominated unopposed and join Mr. G. Dunne and Mr. C. Shehan on the Board.	
AUDITOR:	<u>MOVED</u> : S. Singer <u>SECONDED</u> : N. Edwards That Peter D'Ambrosio and Associates be retained as auditors for Edgewater Services Ltd.	
	Motion Carried	
FIRE COMMITTEE	 Mr. S. O'Connor addressed the shareholders regarding the history of the efforts of the Service Company to comply with the contents of a draft notice of intent held by the City of Port Phillip. At the Extraordinary Meeting of 2nd September 2004 shareholders passed four motions accepting the proposals for selecting a competent contractor to supply and install a sprinkler system throughout the building. Funding was resolved to be by a \$4,000 levy payable in two installments on 1st November 2004 and 1st February 2005. 	
	As a result of concerns raised by shareholders over previous contractual agreements of this scope, legal advice was sought through Abbott, Stillman and Wilson. They reviewed all documents (building works specifications and the works contract) to ensure the best interests of shareholders were met.	
	Amendments to the contract were received and passed to the selected contractors for acceptance as part of the contract. This action by Edgewater Service Ltd and time for the contractors to review has delayed the anticipated starting and completion dates (December 2004 to May 2005), however, no financial penalty has occurred as a result.	
	In reviewing the contract and funding, the issue of trading whilst insolvent was raised as a concern for all shareholders. The striking of a levy goes some way towards resolving this issue.	
	Due to the declared intent of some shareholders to adhere to the registered service fee and further raising questions to the validity of the levy process undertaken, legal advice was sought on the procedure for the Service Company to raise funds by service fees and levies.	
	This advice noted the present Service Agreement was inadequate and inconsistent, making it subject to misinterpretation.	
	As the risks are real for the Directors to act in accordance with the Companies Act and the Service Agreement, they are reluctant to proceed to sign the works contract under these conditions.	
AMENDMENTS TO THE SERVICE AGREEMENT:	The amendments sought are required to be distributed to all shareholders. The Directors are required to take appropriate action to locate and obtain The approval of these changes by way of all members signing the issued document (amended Service Agreement).	

	The amendments deal solely with the process required by the Service Agreement to raise levies and alter service fees by way of a vote or ballot at an Annual General Meeting or Extraordinary General Meeting.	
	The Directors believe there is no alternative but to take this action to provide a clear process that enables the shareholders to raise funds by service fees or levies without undue interference or jeopardize necessary building works.	
	This action was supported by a majority present, however, contact with shareholders absent at the time of distribution of this document was raised. A query on power of attorney or proxies was raised and will be investigated.	
	In order to avoid further delays to the schedule of works, the amendments to the Service Agreement will be obtained in the shortest possible time and issued in December 2004.	
	It is emphasized that the changes of the Service Agreement are only where it affects the ability to raise funds.	
	Current levies and service fees remain as due.	
OTHER BUSINESS:	It was requested by shareholders that a pro forma for motions be issued prior to future meetings. Motions issued prior to the meeting:	
	Motion : To find an architectural firm that specializes in this period of building, to properly access the damage and to work on a long term plan to upgrade, improve and repair Edgewater Towers.	
	MOVED: S & M Vanlieshout SECONDED: Failed to Receive The subject was discussed and general agreement was reached. A notice was tabled by C. Richards for distribution to all residents and shareholders inviting interested parties to meet and discuss the skills available amongst shareholders. C. Richards to lead and proceed with managing the ideas put forward.	
	Motion: To install remote control gates for the car park. <u>MOVED</u> : S. Vanlikeshout <u>SECONDED</u> : C. NobbsThe motion was discussed and amended to read "when funds become available".	
	Voting proceeded with 15 in favour 21 against. The motion was not passed.	
	Motion : To re-paint and re-carpet common areas: The motion lapsed due to a failure to be seconded.	
	Motion : That the misleading signs at the front and back doors which say "Dogs and Cats are not allowed in the building" be removed. The motion was discussed and amended, the existing signs to be replaced and signs advising "Cats, dogs and other animals are not allowed in the building without prior written consent from the Board of Directors". The motion was passed by a majority and seconded.	
	Motion: Amended to read "Due to the poor guidance given to shareholders at the last Annual General Meeting with regard to the court case, we terminate the services of Turnbull Cook BCM Pty Ltd an seek a new manager.MOVED: R. SwanSECONDED: C. Nobbs	

The motion was not carried following voting by shareholders present.

Motion: Amended to read "That a level of service be drawn up by the Board to ensure shareholders are:

- 1. Fairly treated in a dispute.
- 2. The management company Turnbull Cook be given directions to reply within a fair time to appropriate enquiries".

The first part of the amendment failed to be carried.

The second part of the amendment was carried by a majority.

Motion: Amended to read "That a long term vision be drawn up by a committeeappointed for the purpose to bring Edgewater to a proper standard".<u>MOVED</u>: R. Swan<u>SECONDED</u>: C. RichardsMotion carried.

Motion: Regarding inadequate notice prior to meetings was withdrawn. Correspondence received from Mr. L. Nash was tabled and drew attention to problems with maintenance issues concerning the common areas and structure of the building. The items contained will be addressed in the New Year.

A vote of thanks was given to the Directors for their time and effort throughout the year. Mr. Sheahan was also thanked for chairing the Board throughout the year and for his chairing of the AGM.

THERE BEING NO FURTHER BUSINESS, THE MEETING THEN CLOSED.

CHAIRPERSON