

Edgewater Service Ltd

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EDGEWATER SERVICE LIMITED 12 MARINE PARADE, ST KILDA

MINUTES OF THE EXTRODINARY GENERAL MEETING OF THE MEMBERS OF EDGEWATER SERVICE LIMITED

HELD AT THE ST KILDA SOLDIERS' AND SAILORS' MEMORIAL HALL BUILDING

1st FLOOR, 88-90A ACLAND STREET, ST KILDA SUNDAY 28 JULY 2019 AT 6:00 PM

Unit	Title name	Vote / Proxy
GA	Peter James Stirling	YES - Kimberley Kane
GF	Ty Justyn Brierley	YES – in person
1A	Rosajeon Pty Ltd	YES - Chairperson
1B	Rosajeon Pty Ltd	YES - Chairperson
1D	Adam Thomas Porter & Andrea Catling	YES - Chairperson
1E	Stephen Alan John Graham	YES - Chairperson
2A	John Van Der Laan	YES - Sym Kohn 9G
2C	George Smyth	NO - Paul Smyth
2D	Linda Elias	YES – in person
2E	Adela Jana McMurray	YES – in person
2G	Donald Shaw	YES – in person
3E	Daniel Lennox & Ana Mikulic	YES – in person
3F	Christine Maree Pearce	YES - Chairperson
4A	Lyndsay Robin King & Karin Gabriela Bastarrachea Garcia	YES - Chairperson
4B	Kristine Slodyczka	YES – in person
4G	Mark Brickles & Gina Tonelly	YES – in person
5C	Ebbele Van Der Kooi	YES – in person
5D	Diane Kilsby	YES - Judy Curtain 6D
5F	Andrew Delahunt	Apology - Jennifer Delahunt
5G	Jane Elizabeth Kyle Reid	YES – in person
5H	Kim Jane Douglass	YES - Chairperson
6C	Heath Taylor	YES - Chairperson
6D	Judith Mary Curtain	YES – in person
6F	Roger Arthur Hackworth	YES – in person
6G	Don Townsend	YES - Judy Curtain 6D
7G	Noel Christopher Buckley & Brenda Bilsland	YES – in person
7H	Damian Price & Judy Podgorlec	YES - Noel Buckley 7G
8B	Humesro Pty Ltd	YES - Chairperson
8C	Alan & Margaret Harvey	YES - Chairperson

8E	Vera Mikulic	YES - Chairperson
8F	Svetlana Khoruzhiy	YES - Patrick Petru
8G	John Vogt	YES - Chairperson
9B	Patricia Lever	YES – in person
9H	Susan & Sym Kohn	YES – in person
10A	Colin John Trewern	YES - Chairperson
10B	Annie Zavod & Hyam Zavod	NO – in person
10F	Jonathan Bebe, Mark Brickles & Gina Tonnely	YES – in person
10H	Dana Marja Morfett	YES – in person
12A	Sharron Scott	YES – in person
12B	Christie Kelso	YES - Grant Padula
12C	Richard Hugo Charles Leschen	YES – in person
12E	Amin Sadruddin	NO – in person
12F	Ann Black	NO - Proxy Anne Zavod 12F
12G	Christopher Dixon, James Dixon & Irene Condos	YES - Chairperson
12H	Nancye Eunice Edwards	YES - Chairperson

DISCUSSION

Chairperson	Ty Brierley, Chairperson and Managing Director, appointed by the board is appointed Chairperson of the Meeting.
Introduction	<p>The Chairperson provided an overview of the information pack and welcomed all in attendance. Stated that a vote would be called by a show of hands and after a discussion from the floor, all yes and no votes would be recorded against the owners name.</p> <p>An apartment with two owners will only count for one vote and based on first on title. Votes will otherwise be in accordance with share entitlement.</p> <p>Proxies were handed up at the commencement of the meeting to facilitate valid questions from the floor. Proxies for the chairperson will be cast in favour of the resolution.</p>
Process	<p>A question as raised as to the process, timeline and the consequences of the vote this evening.</p> <p>The Chairperson explained that the vote tonight is purely to proceed with the administrative aspect of the conversion to ascertain the exact yes and no votes and the reasons. Without that the board has no way of knowing the actual barriers and must spend the time and money to work that out. The board is in new territory having never been this far following the Information Pack. A 'NO' vote tonight means we do not proceed any further. A 'YES' vote means moving towards the final, 100% vote.</p>
Car Parks	<p>A query was raised as to what would happen to the car parks as part of the conversion.</p> <p>The Chairperson stated the status quo would remain, those who</p>

	<p>have a car space now would be provided with a 199 year licence as part of the conversion, with a view to converting the car parks at a later stage as it can be a separate process. The Chairperson also raised the issue of those without car parks but claimed an entitlement to one, should agitate their issue through the Court independent of the conversion.</p>
Roof Access	<p>The roof access petition was raised and the questioner stated she had difficulty sleeping and therefore this is a barrier to her in agreeing to the conversion. It was stated that multiple complaints had been made but unresolved.</p> <p>The Chairperson stated that the petition as not valid due to the requirement of 5% of owners was required and that it could be reformatted to comply. Irrespective a discussion ensued in the interest of all present.</p> <p>The Chairperson stated that board believed all known complaints had been reported and dealt with and the board would support any breaches of the rules with restriction of access. However, the onus is upon the resident to report the behavior.</p> <p>The board is not aware of any unresolved complaints.</p>
Banks	<p>A question from the floor was raised regarding providing a letter to provide to a bank.</p> <p>The Chairperson stated that a letter would not be provided as it would create a possibility to confuse the banks. If an owner went to their bank and started talking about conversion, that could be the trigger for a bank to look at their mortgage.</p> <p>A further question was raised that indicated this position was different to previously discussed. The questioner stated that his belief was that the conversion would not proceed at all if any owner could suffer hardship.</p> <p>The Chairperson stated the position is consistent, the process is purely administrative, any pre-existing issues cannot be known or qualified by the board, nor should the conversion be stopped simply because someone is unable to ensure their affairs are satisfactory to their lender.</p> <p>Sentiments from the floor stated that if owners have current issues or red flags then that is upon them to ensure are resolved and no one could be expected to know what an individual's circumstance is.</p> <p>The Chairperson confirmed the conversion was stripped back to the bare essentials to ensure no impediment upon loans but could not offer any guarantees.</p>
Projects	<p>A question was raised seeking clarification of whether the board was a temporary board pending the conversion and would any significant projects be undertaken.</p>

	<p>The Chairperson explained that the board is continuing ‘business as usual’ and the conversion has no impact on how the board is being run. If the AGM is held before the conversion then it will set the budget, otherwise the first AGM of the new OC would set it.</p> <p>Existing major projects have been started at the previous AGM;S (lifts and building beautification) and in conjunction with the conversion ensured the board has enough to deal with in the coming months.</p>
Costs	<p>A question was asked regarding costs to date, costs of a ‘YES’ and costs of a ‘NO’.</p> <p>The Chairperson explained costs were based on \$100k budget, subject to revision as time increases the costs.</p> <p>\$35k has been spent to date and a ‘NO’ vote tonight would end costs there. A ‘YES’ vote would mean up to \$80k spent, with the remainder of the budget spent following a successful ‘YES’ to the 100% vote.</p> <p>A ‘YES’ vote tonight and a subsequent failure to obtain all consents will mean court costs of \$50/\$100k and no guarantee could be provided that those costs would be recoverable. Costs should be awarded to a successful party but no guarantee is provided.</p> <p>The Chairperson confirmed BST Legal has been appointed by the board to keep fees within budget as other quotes would mean a \$20k to \$40k cost escalation based on current quotes.</p>
Fees	<p>A question was raised regarding clarification of the fees. The questioner referred to past board conduct in increasing fees and this is important to her as she is a pensioner. A further question sought to clarify lot liability and entitlement.</p> <p>The Chairperson stated that fees on average have come down in the past few years and is a positive sign as to where the board is taking the fee direction. The Chairperson expressed a view that fees should reduce once major projects have been completed but that is outside the conversion scope. The conversion has been budgeted for. Regarding lot liability and entitlement, unequivocally the board is not pursuing a change as part of the conversion, that has been confirmed multiple times.</p>
Parking	<p>A question was raised why the car parks changed historically.</p> <p>The Chairperson stated was before his time and in any event irrelevant to the proceedings. The Chairperson reiterated that the board has the power to allocate.</p> <p>A comment from the floor stated that approximately 6 or 7 years ago the board reinstated the status quo from the 70’s.</p> <p>A further comment from the floor stated that the conversion will remove the board’s ability to allocate at will and should be welcomed by all.</p>

	<p>The Chairperson confirmed that part 2 of the conversion will likely be successful after initial conversations with council confirmed that it would support individual titles provided there are no changes to the parking allocations. The Chairperson stated categorically from this date no changes will be made to the car parks.</p>
Resolution	<p>The resolution was read in full:</p> <p>That the board proceed with Option 1 as outlined in the Conversion Information Pack dated 26 February 2019 with the following amendments:</p> <ol style="list-style-type: none"> 1. 199-year licences will be provided to all owners that have an existing parking allocation; and 2. The Special Rules will be adopted providing for no time restrictions to the rooftop and neutral coloured window furnishings (instead of white); and 3. The bike room will be converted to common property.
Intervention	<p>A question from the floor was raised as to whether voting 'yes' would mean supporting the roof access as 24/7.</p> <p>The Chairperson stated that after feedback from all owners and residents, the rooftop rules had already been confirmed 24/7 access. This follows the non-enforcement of closing the roof at dark since the rooftop was opened.</p> <p>The Chairperson said that the Special Rules for the conversion simply adopted the status quo and would mean a continuation of the existing 24/7 access.</p> <p>The questioner raised that she could not sleep and could not support the conversion. A number of comments from the floor followed before it generally being accepted that the proper forum for the rooftop rules would be a properly constituted EGM and a number of people from the floor agreed to provide consent to reach the 5% threshold.</p>
Resolution	<p>A call for hands was again asked and after recording the votes, the resolution was declared as passed.</p>

THERE BEING NO FURTHER BUSINESS THE MEETING WAS DECLARED CLOSED AT 7.15 PM

SIGNED and DATED as a correct record



Ty Brierley – ESL Managing Director and Chairman