

South Stradbroke Utilities – Exemption Application
Submission from Couran Cove Community Plan GTP 106751

The Couran Cove Community Plan (“CBC”) at Couran Cove is a party to a tripartite agreement between the Gold Coast City Council, Interpacific Resorts (Australia) Pt Ltd and its successors called the *Mixed Use Development Scheme*.

In this agreement, which is attached marked **Annexure A**, essential services are owned by Interpacific Resorts (Australia Pty Ltd) (and now its successor) and operated by the successor to Interpacific Resorts (Australia Pty Ltd), Island Resorts (Infrastructure) Pty Ltd (the “Operator”).

Couran Cove is located on South Stradbroke Island and receives no services from any party, relying on diesel generators and its own water and sewer plants.

The CBC has leased certain property (see **Annexures B-E**) to Island Resorts (Infrastructure) Pty Ltd. In these leases it is made clear the Island Resorts (Infrastructure) Pty Ltd owns and operates the infrastructure assets until 2048. Clause 3.1 of the lease of the land known as lease HB on SP116667 gives the lessee the power to charge individual owners a fee for electricity services and spells out terms on which this should occur.

In 2012 the CBC entered into an agreement known as the *Infrastructure Services Agreement* with the operator (since assigned to Island Resorts (Infrastructure) Pty Ltd) to provide essential services to the CBC, which would then bill essential services through body corporate levies. This agreement is attached marked **Annexure F**. Under this agreement, electricity is charged to owners based on lot entitlements. Under the body corporate structure at Couran Cove, vacant land has lot entitlements as if it has houses on it. Vacant land makes up over 40% of all lot entitlements and hence vacant land is charged as if it has 210 houses on its land.

This situation has led to the insolvency of the owners of the vacant land, meaning a large portion of the levies for essential services are not being paid and has led to litigation from the land owners which claims that charging for services that are not and cannot be provided is unlawful.

This court case is being heard in the Supreme Court in October 2020 and, if it is successful, the current method of billing for electricity at Couran Cove would be deemed unlawful and the Operator and CBC would have no way of billing owners for essential services, leaving the resort at risk of closure. We have approximately 100 permanent residents who would be adversely affected.

The Operator is also claiming in court significant arrears of over \$5,000,000 for services delivered but unpaid. There are four subsidiary body corporates, being Couran Cove Resort Marine Apartments GTP 106784 (“Marine BC”), Couran Cove Broadwater Villas GTP 106807 (“Broadwater BC”), Couran Cove Resort Eco Lodges GTP 106783 (“Eco BC”) and Couran Cove Resort Lagoon Lodges GTP 106808 (Lagoon BC”). Couran Cove functions as follows:

The Operator supplies the CBC under the Infrastructure Services Agreement.

The CBC levies the subsidiary body corporates.

The subsidiary body corporates levy individual owners.

Individual owners pay the their subsidiary body corporate.

Subsidiary body corporates are meant to pay the CBC.

CBC is meant to pay the Operator.

It is extremely cumbersome and the CBC currently faces a situation where Broadwater BC, Eco BC and Lagoon BC have collected money from their owners and have failed to pay the CBC. This has led to a situation where, due to the actions of a small number of committee members, the CBC has been unable to pay the Operator, hence putting supply to all owners, whether they have paid or not, in jeopardy.

This process has been recognised as extremely costly and, taking into account vacant blocks of land being charged for services and not used, and committees ignoring their obligations to pay, means Couran Cove has no certainty of being able to supply essential services to owners under its current contractual arrangements.

The CBC, at its annual general meeting last year (notice and minutes attached marked **Annexures G-H**), voted to move to terminate the Infrastructure Services Agreement on the basis that the resort needed to move to individual billing for essential services.

Under the current agreement, failure of services is certain. Individual billing is an absolute must for owners to have any possibility of receiving services. The CBC by-laws since 1998 have embodied a method of billing that the CBC sees as appropriate. These by-laws are attached marked **Annexure I**. The CBC would be satisfied if the operator charged generally in accordance with these by-laws.

The current issues have led not only to litigation but steeply falling property prices due to worries about supply.

The CBC committee submits that South Stradbroke Utilities Pty Ltd should be granted the right to operate an embedded network on an urgent basis so that individual agreements can be entered into with owners and supply guaranteed without risk of loss of service due to the actions of misguided committee members or the insolvency of another owner.

The Body Corporate Committee
Couran Cove Community Plan GTP 106751

ENDNOTES

1. Made by the Governor in Council on 18 July 1996.
2. Published in the Gazette on 19 July 1996.
3. Not required to be laid before the Legislative Assembly.
4. The administering agency is the Department of Local Government and Planning.

*Mixed Use Development Act 1993***COURAN COVE (APPROVAL OF MIXED USE DEVELOPMENT SCHEME)
NOTICE (NO. 1) 1996****Short Title**

1. This notice may be cited as *Couran Cove (Approval Of Mixed Use Development Scheme) Notice (No. 1) 1996*.

Commencement

2. This notice commences on 19 July 1996.

Approval

3. Pursuant to Section 33(1) of the *Mixed Use Development Act 1993*, the **Couran Cove Mixed Use Development Scheme** has been approved by the Governor in Council and Provisional Approval of the Future Development Area has been granted.

Inspection

4. A copy of the approved scheme is available for inspection at the office of the Gold Coast City Council, Nerang Southport Road, Nerang and at the Department of Local Government and Planning, 111 George Street, Brisbane.

SCHEDULE**Conditions Attaching to the Scheme**

- a) **Environment**
An Environmental Management Plan be prepared to the satisfaction of the Department of Environment and the Gold Coast City Council prior to the commencement of site works.
- b) **Subdivision**
The proposal shall observe and comply with the provisions of Section 86 (5a) of the Harbours Act 1955.

ENDNOTES

1. Made by the Chief Executive on 18 July 1996.
2. Notified in the Government Gazette on 19 July 1996.
3. Not required to be laid before the Legislative Assembly.
4. The administrative agency is the Department of Local Government and Planning.

**COURAN COVE MIXED USE DEVELOPMENT
SCHEME SOUTH STRADBROKE ISLAND**

(A)

Schedule 1 of this instrument applies to the Couran Cove Mixed Use Development Scheme which has been approved by the Governor in Council under the Mixed Use Development Act 1993.

Schedule 2 of this instrument applied to the Couran Cove future development area which has been provisionally approved by the Governor in Council under the Mixed Use Development Act 1993.

SCHEDULE 1

The scheme of mixed use development is divided into the following parts:-

A. Precincts:

1. Community Property
2. Hotel
3. Commercial/ Services
4. Lagoon Lodge
5. Residential House

B. Management:

C. Voting Entitlements of Members of the Body Corporate:

D. Definitions

E. Conditions

A. PRECINCTS

The Scheme of Development identifies five (5) Precincts within which certain uses are permitted.

Any land, building or other structure may be used for any, some or all of the uses permitted within the precinct as provided for in this scheme of development. A use which is not permitted within a precinct is prohibited in that precinct.

1. Community Property

Intended Development

The primary development within this precinct will be associated with the provision of community facilities and services.

Permitted Uses

Barge and Boat Ramp

Caretakers Residence
Estate Sales Office
Ancillary Fuel Depot
Helicopter Landing Pad
Light Industry (Workshop)
Navigation Aids
Park (Children's Playground)
Park (Flora or Fauna Sanctuaries, Picnic Areas)
Place of Worship (Chapel)
Public Recreation (Archery, Art Gallery, Basketball, Boating, Bowling, Golf, Netball, Sporting Arena or Track, Swimming Pool, Tennis or Squash Courts, Water Sports et al)
Public Utilities (Water Supply, Electricity Generation, Sewage Treatment, Solid Waste Removal)
Waterfront Industry (Marina - Maximum 29 Berth)

2. Hotel

Intended Development

The primary development within this precinct will be accommodation buildings and reception.

Permitted Uses

Accommodation Units
Display Unit

3. Commercial/ Services

Intended Development

The primary development within this precinct will be commercial premises.

Permitted Uses

Catering Business (Cafe, Restaurant)
Convention Centre
Child Care Centre
General Store
Hotel
Medical Centre
Passenger Terminal
Public Recreation (Gymnasium)
Service Industry (Film Developing, and Printing, Hairdressing, Laundering)
Shop
Stall

4. Lagoon Lodge

Intended Development

The primary development within this precinct will be for accommodation buildings.

Permitted Uses

Accommodation Units
Display Home

5. Residential House

Intended Development

The primary development within this precinct will be for accommodation buildings.

Permitted Uses

Display Home
Duplex Dwelling

B. MANAGEMENT:

Interpacific Resorts Pty Ltd intends to have a long term participation in the Resort and to maintain a major financial interest in the Resort. It will put in place management agreements which will ensure that its development concept of an environmentally sensitive resort is achieved and maintained.

C. VOTING ENTITLEMENTS OF MEMBERS OF THE BODY CORPORATE:

Estimations of the voting entitlements of proprietors of land within the Precincts include:

• Hotel	768
• Commercial/Services	
• Hotel Reception	20
• Commercial	<u>50</u> <u>70</u>
• Lagoon Lodges	300
• Residential Houses	192
Total	1330

D. DEFINITIONS:

For the purposes of this mixed use development scheme, all uses shall have the definitions ascribed to them by the Albert Shire Planning Scheme (Gold Coast City Council), or have the meanings defined by normal common usage.

E. CONDITIONS

Conditions Attaching to the Scheme

a) Environment

An Environmental Management Plan be prepared to the satisfaction of the Department of Environment and the Gold Coast City Council prior to the commencement of site works.

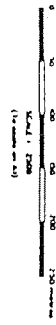
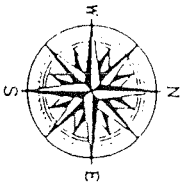
b) Subdivision

The proposal shall observe and comply with the provisions of Section 86 (5a) of the Harbours Act 1955.

SCHEDULE 2

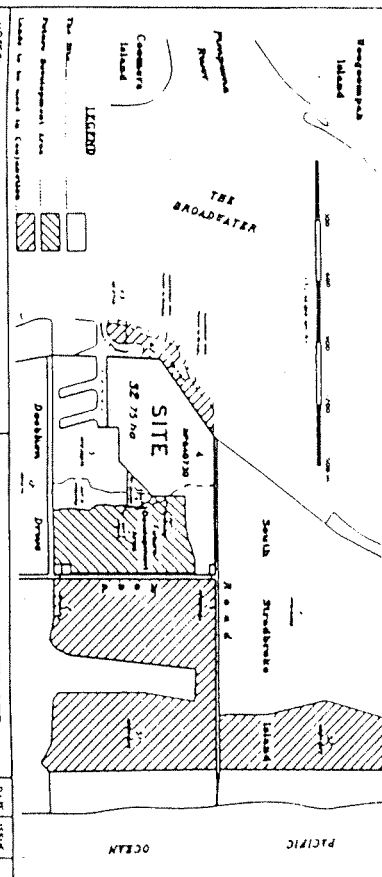
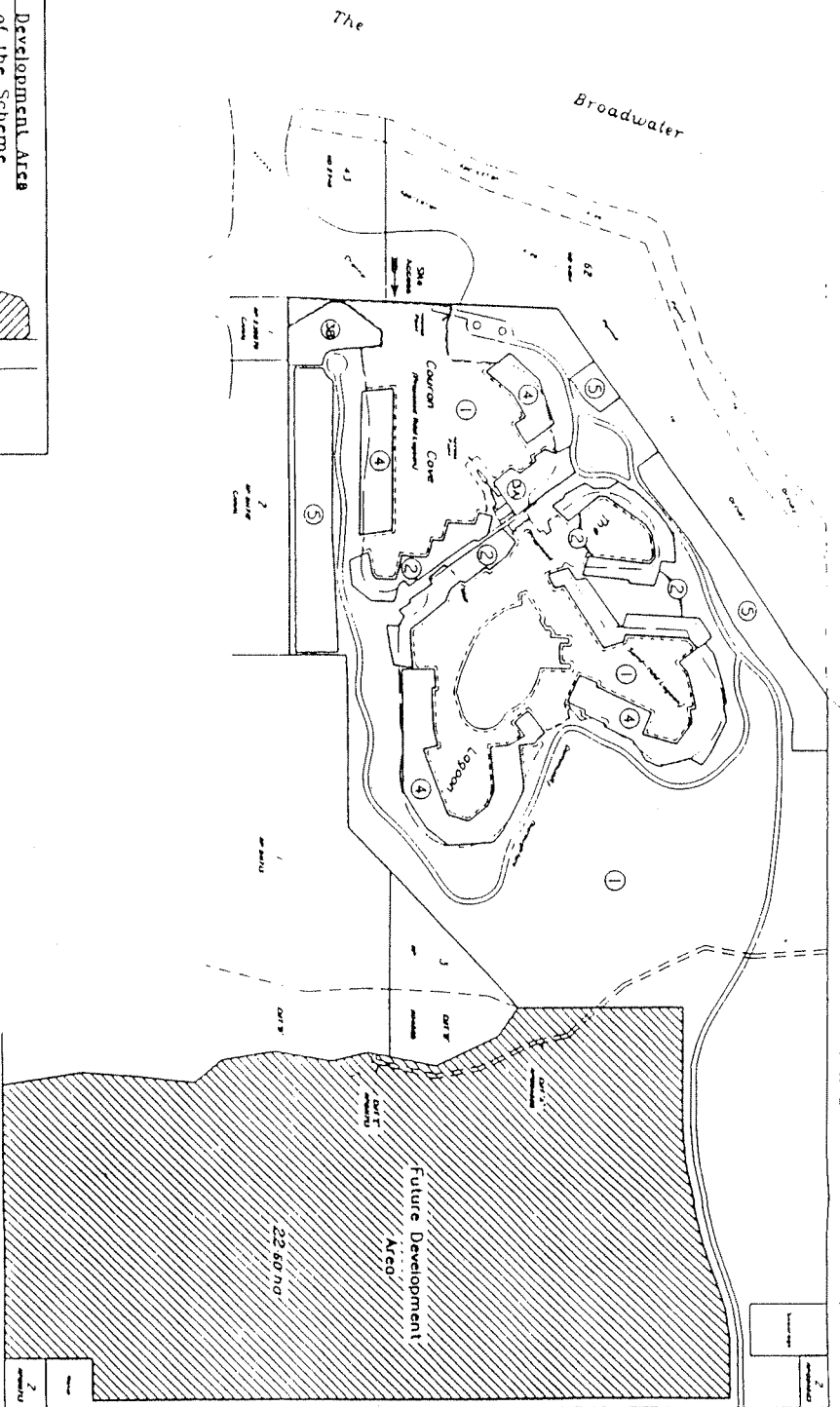
COURAN COVE FUTURE DEVELOPMENT AREA

1. The Couran Cove Future Development Area in respect of which a provisional approval has been granted by the Governor in Council is shown on the Couran Cove Mixed Use Development Plan. This area will be the subject of future applications under the Act.
-



LEGEND
 SITE BOUNDARY
 H A I LINE
 QUAY LINE

Plan showing the Site, Future Development Area & lands to be used as part of the Scheme.



1. The site is shown as a...
 2. The site is shown as a...
 3. The site is shown as a...

DARYL JACKSON PTY LTD
 ARCHITECTS
 SINCLAIR KNIGHT MERZ PTY LTD
 CONSULTING ENGINEERS
 WEATHERED HOME PTY LTD
 TOWN PLANNING SERVICES

DATE	ISSUE	REVISION
15/11/00	1	Initial Issue
15/11/00	2	Revised Issue
15/11/00	3	Revised Issue

PRECINCT	COMMUNITY PROPERTY	HOTEL	COMMERCIAL/ SERVICES	LAGOON LODGE	RESIDENTIAL HOUSE	FUTURE DEVELOPMENT AREA
Number	(1)	(2)	(3)	(4)	(5)	
AREA	26.6 ha	1.40 ha	6000 m ²	1.8 ha	2.3 ha	22.6 ha
No. of Units	N/A	192	2 Lots	50	24	
Entitlements	N/A	192 x 4 = 768	3A/20, 3B/50	50 x 6 = 300	24 x 8 = 192	

SCHEDULE OF DEVELOPMENT

PLAN OF DEVELOPMENT
 Mixed Use Development Scheme, Cowan Cove Resort
 South Sardinian Island
 Interpacific Resort - Daryl Pty Ltd

BENNETT & BENNETT
 CONSULTING SURVEYORS
 98 Union Street, Darwin
 P.O. Box 20210, Darwin NT
 Ph: (011) 53 740233
 Fax: (011) 53 740202

DATE	ISSUE	REVISION
15/11/00	1	Initial Issue
15/11/00	2	Revised Issue
15/11/00	3	Revised Issue

ENDNOTES

1. Made by the Governor in Council on 12 June 1997.
2. Published in the Gazette on 13 June 1997.
3. Not required to be laid before the Legislative Assembly.
4. The administering agency is the Department of Local Government and Planning.

*Local Government (Planning & Environment) Act
1990*

**PLANNING SCHEMES (APPROVAL OF
AMENDMENTS)
AMENDMENT ORDER (NO. 57) 1997**

Short Title

1. This Order in Council may be cited as the *Planning Schemes (Approval of Amendments) Amendment Order (No. 57) 1997*.

Commencement

2. This Order in Council commences on 13 June 1997.

Amendment of Previous Order

3. The Planning Scheme (Approval of Amendments) Order (No. 67) 1997 amending the Planning Scheme for the Whole of the Area of the City of Maryborough, made on 15 May 1997 and published in the Gazette on 16 May 1997 at Page 195 is amended by:-

Deleting 'Amendment No. 2'

Inserting 'Amendment No. 3'

ENDNOTES

1. Made by the Governor in Council on 12 June 1997.
2. Published in the Gazette on 13 June 1997.
3. Not required to be laid before the Legislative Assembly.
4. The administering agency is the Department of Local Government and Planning.

Mixed Use Development Act 1993

**COURAN COVE MIXED USE
DEVELOPMENT SCHEME
(APPROVAL OF AMENDMENT)
NOTICE (NO. 2) 1997**

Short Title

1. This notice may be cited as *Couran Cove Mixed Use Development Scheme (Approval of Amendment) Notice (No. 2) 1997*.

Commencement

2. This notice commences on 13 June 1997.

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Definition

3. In this notice, **Couran Cove Mixed Use Development Scheme** means the approved scheme as notified by Order in Council published in the gazette on 19 July 1996.

Approval

4. Pursuant to section 49(1) of the *Mixed Use Development Act 1993* the Governor in Council approved amendments to the Couran Cove Mixed Use Development Scheme as detailed in Schedule 1 subject to the conditions set out in Schedule 2.

Inspection

5. A copy of the approved scheme is available for inspection at the office of the Gold Coast City Council, Nerang Southport Road, Nerang and the Department of Local Government and Planning, 111 George Street, Brisbane.

SCHEDULE 1

The Couran Cove Mixed Use Development Scheme is amended by-

1. **Amendment of the Name of the Scheme**
The name of the Scheme will be known as the Couran Cove Resort Mixed Use Development Scheme.
2. **Amended Plan of Development**
The amendments to the Couran Cove Resort Mixed Use Development Scheme and application for a subsequent stage are detailed on the Plan of Development as shown on Bennett and Bennett - Job No. 96.005.A395 - Plan 4 - Sheet 1, dated 31 October 1996, Sheet 2, dated 27 November 1996, Sheet 3, dated 26 November 1996 and Sheet 4, dated 20 November 1996.
3. **Subsequent Stage**
The Future Development Area referred to in Schedule 2 of the Scheme will be known as Precinct 6.

Intended Development

The primary development within this precinct will be associated with the provision of tourist accommodation and community property.

Permitted Uses

Accommodation Units
Display Home
Duplex Dwelling
Dwelling Houses
Estate sales office
Community Property

Voting Entitlements

Summary of Entitlements	Number	Ent	Total
Eco-lodges	300	4 - 5	1400

SCHEDULE 2**Conditions attaching to the amendments**

The amendments to the Couran Cove Resort Mixed Use Development Scheme and application for a subsequent stage as detailed on the plan of development described in Schedule 1 be approved subject to:

- (a) the Gold Coast City Council conditions of approval dated 20 May 1996, previously notified to the applicant (Council Minute No. N96.0507.018) and as amended by the Gold Coast City Council conditions of approval dated 17 February 1997, previously notified to the applicant (Council Minute No. 97.0204.031); and
- (b) the necessary subsequent approvals required pursuant to Section 86 (5a) of the *Harbours Act 1955* and any licence pursuant to the *Environmental Protection Act 1994* and its regulations being issued.

Schedule Ends**ENDNOTES**

1. Made by the Governor in Council on 12 June 1997.
2. Published in the Gazette on 13 June 1997.
3. Not required to be laid before the Legislative Assembly.
4. The administering agency is the Department of Local Government and Planning.

Local Government Act 1993

**HERVEY BAY CITY COUNCIL
(MAKING OF LOCAL LAW)
NOTICE (No. 1) 1997**

Short Title

1. This notice may be cited as the *Hervey Bay City Council (Making of Local Law) Notice (No. 1) 1997*.

Commencement

2. This notice commences on the date it is published in the Gazette.

Making of Local Law

3. Pursuant to the provisions of the *Local Government Act 1993*, the Hervey Bay City Council made Local Law No. 6 (Keeping and Control of Animals) on 28 May, 1997, which repeals pre-existing Local Law No. 6—Animals and Birds. *The local law so adopted will be referred to as Local Law No. 6 (Keeping and Control of Animals), of the Council's local laws.*

Purpose of Local Law

4. The purpose of this local law is to regulate the keeping of animals:—
 - (a) to protect the community against risk of injury and damage;
 - (b) to ensure that animals do not create a nuisance, or a hazard to health or safety;
 - (c) to prevent pollution and other environmental damage resulting from the keeping of animals and to protect the amenity of the local environment; and;
 - (d) to ensure that animals are kept and used in a way that is consistent with the rights and expectations of the local community.

Inspection

5. A certified copy of the local law is open to inspection at the Local Government's public office and at the Department's State office.

ENDNOTES

1. Published in the Gazette on 13 June 1997.
2. Not required to be laid before the Legislative Assembly.
3. The administering agency is the Queensland Department of Local Government and Planning.

Mixed Use Development Act 1993

COURAN COVE MIXED USE DEVELOPMENT SCHEME (APPROVAL OF AMENDMENT) NOTICE (NO. 2) 2001

Short Title

- 1. This notice may be cited as Couran Cove Mixed Use Development Scheme (Approval of Amendment) Notice (No.2) 2001

Commencement

- 2. This notice commences on 15 June 2001.

Definition

- 3. In this notice, Couran Cove Mixed Use Development Scheme means the approved scheme as notified by Order in Council published in the Gazette on 19 July 1996.

Approval

- 4. Under section 49(1) of the Mixed Use Development Act 1993 the Governor in Council approved amendments to the Couran Cove Mixed Use Development Scheme on 14 June 2001.

Inspection

- 4. A copy of the amended approved scheme is available for inspection and purchase at the office of the Gold Coast City Council and at the office of the Queensland Department of Local Government and Planning Floor 25, Mineral House, 41 George Street, Brisbane.

SCHEDULE

AMENDMENTS TO COURAN COVE RESORT MIXED USE DEVELOPMENT SCHEME

Section A. PRECINCT 1 – Community Property,

After permitted uses

omit, insert –

Light Industry (Workshop, bulk food storage and preparation, cycle repairing, recycling depot)

Public Recreation (archery, art gallery, basketball, gymnasium, children’s activity centre, boating, bowling, golf, netball, sporting arena or track, swimming pool, tennis or squash courts, water sports et al)

Insert –

First Aid Centre
Grounds Maintenance and Plant - Nursery
Conference Centre (Limited to part of Lease Area ‘HD’ on SP 116667 – refer Plan 124 – Sheet 8, and to be generally in accordance with the Location Plan)

Section A. PRECINCT 3 – Commercial/ Services,

After permitted uses

Omit, insert-

Convention Centre (Limited to Area 3A only)

Section A. PRECINCT 4 – Lagoon Lodges,

After permitted uses,

Insert –

Hairdressing (Limited – see Sheet 2)
Health and Beauty Therapies (Limited – see Sheet 2)
Public Recreation (Activity Centre) (Limited - see Sheet 2)

Section A. PRECINCT 5 – Broadwater Villas,

After permitted uses,

Insert –

Resort Store (Limited – see Sheet 3)

Section A. ‘PRECINCT 6’ – Eco Lodges,

After permitted uses

Insert –

General Store (Limited – See Sheet 4)
Public Recreation (Art Gallery and Studio, Meeting Rooms, Nature and Cultural Interpretive Centre) (Limited – See Sheet 4)

MAP AMENDMENTS

The previously approved Plan of Development – Plan No. 4A (Sheets 1-4) is superseded by Plan of Development – Plan No. 124 (Sheets 1A-8).

These amendments are subject to prior conditions imposed by Gold Coast City Council.

CONDITIONS

(SCHEDULE ENDS)

ENDNOTES

1. Made by the Governor in Council on 14 June 2001
2. Notified in the Gazette on 15 June 2001
3. Not required to be laid before the Legislative Assembly
4. The administering agency is the Department of Local Government and Planning

Local Government Act 1993

**LAIDLEY SHIRE COUNCIL
(MAKING OF LOCAL LAW)
NOTICE (No. 1) 2001**

Title

1. This notice may be cited as the *Laidley Shire Council (Making of Local Law) Notice (No. 1) 2001*.

Commencement

2. This notice commences on the date it is published in the Gazette.

Making of Local Law

3. Pursuant to the provisions of the *Local Government Act 1993*, the Laidley Shire Council made Local Law No. 2 (Administration) 2001 by resolution on 13 June 2001, which repeals Local Law No. 2—Administration.

Inspection

4. A certified copy of the local law is open to inspection at the Local Government's public office and at the Department's State office.

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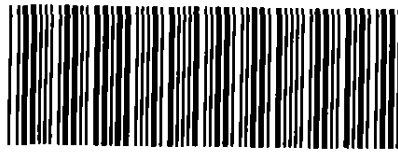
Printed and Published by G. A. Nicholson, Acting Government Printer,
Vulture Street, Woolloongabba
15 June, 2001

ENDNOTES

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1. Published in the Gazette on 15 June, 2001.
2. Not required to be laid before the Legislative Assembly.
3. The administering agency is the Queensland Department of Local Government and Planning.

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\$87.00

19/08/1999 11:43

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QLD STAMP DUTY - BNE

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22/07/98 16:19:16

\$0.35 LEAS

1. Lessor

COURAN COVE RESORT COMMUNITY BODY CORPORATE

Lodger Name, address & phone number Lodger Code
Hopgood and Ganim
Solicitors 187
Level 3, 141 Queen Street
BRISBANE QLD 4000
Telephone: 3234 7777

2. Description of Lot

CP Lot 7 on MCP 106751

County

Ward

Parish

Currigee

Title Reference

50209821

3. Lessee

Given names

Surname/Company name and number

(include tenancy if more than one)

INTERPACIFIC RESORTS (AUSTRALIA)
PTY LTD A.C.N. 010 976 422

4. Interest being leased

Fee Simple

INTERIM ASSESSMENT
Estimated Total Rent \$ *50*

5. Description of premises being leased

Lease HB on SP11667
Part of the lot shown hatched in black on the Sketch Plan contained in Appendix A of this Lease.

6. Term of lease

Fifty (50) years
Commencement date: 11 June, 1998
*Expiry date: 10 June, 2048
*not required for leases in a retirement village

7. Rental/Consideration

See attached Schedule

8. Grant/Execution

The Lessor leases the premises described in item 5 to the lessee for the term stated in item 6 subject to the covenants and conditions contained in the attached schedule

Witnessing Officer

Tracey L Rundle signature
TRACEY LEIGH RUNDLE full name
SOLICITOR qualification

Execution Date

11/6/98

Lessor's Signature

as per Schedule 1 of Land Title Act 1994 (eg Legal Practitioner, JP, C.Dec)

9. Acceptance

The lessee accepts the lease and acknowledges the amount payable or other considerations for the lease.

Witnessing Officer

..... signature
..... full name
..... qualification

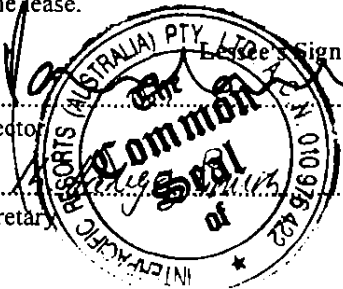
Execution Date

11/6/98

Lessee's Signature

as per Schedule 1 of Land Title Act 1994 (eg Legal Practitioner, JP, C.Dec)

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Title Reference 50209821

This is the Schedule referred to in the Lease dated 11 day of June, 1998

SECTION 1: DEFINITIONS AND INTERPRETATION

1.1 Expressions

In this Lease, unless the contrary intention appears:-

"**Business Day**" means a day on which banks lawfully carry on business in Brisbane and are open to the public at large.

"**By-laws**" means the by-laws in force of the Community Body Corporate as a consequence of the operation and provisions of the MUD Act.

"**Commencement Date**" means 11 June, 1998.

"**Community Body Corporate**" means the Lessor.

"**Community Property**" means that land specified in Item 2 of the Form 7.

"**Demised Premises**" shall mean that land described in Item 5 of the Form 7 but shall exclude all improvements, fixtures, fittings, facilities and appurtenances contained thereon, all of such excluded items being the property of the Lessee.

"**Form 7**" means the Form 7 which forms part of this Lease.

"**Governmental Agency**" means any governmental or semi-governmental, administrative, fiscal or judicial department, commission, authority, tribunal, agency or entity.

"**Lessor**" means the lessor named in Item 1 of the Form 7 and includes its administrators, successors and assigns, and any other authorised person of the lessor.

"**Lessor's Outgoings**" means taxes, assessments, charges, duties and fees imposed by any Governmental Agency and the levies (if any) imposed by the Community Body Corporate in respect of the Demised Premises together with any interest, fines and penalties in respect of any of them but excluding rates and other charges payable to the City of the Council of Gold Coast and land tax (if any).

"**Lease**" means the lease of which this schedule forms part and includes, without limitation, the Form 7.

"**Lessee**" means the lessee specified in Item 3 of the Form 7 and includes its administrators, successors and assigns, tenants, servants, agents, employees, workmen, contractors, sub-contractors, invitees, licencees, guests, visitors and any other authorised person of the lessee.

"**Lessee's Outgoings**" means all sewerage, water, electricity, gas, telephone or other telecommunication charges incurred with respect to the Demised Premises.

"**MUD Act**" means the Mixed Use Development Act 1993.

"**Permitted Use**" means such use of the Demised Premises as the Lessee in its sole discretion shall deem fit and appropriate PROVIDED ALWAYS HOWEVER that the Lessee shall not exercise its discretion as aforesaid to the extent that the ultimate use is inconsistent with or prejudicial to the reasonable use of the Demised Premises having regard to the improvements, fixtures, fittings, facilities and appurtenances contained or to be contained thereon.

"**Rent**" means the rent specified in Clause 2.1.

"**Resort**" means the "Couran Cove Resort", Couran, South Stradbroke Island (or such other name as may be selected by the Lessee from time to time) operated by the Lessee or the Resort Operator.

"**Resort Operator**" means the Lessee or such other person the Lessee may appoint to operate and manage the Resort from time to time.

Title Reference 50209821

"Term" means the term of this Lease commencing on the Commencement Date and continuing for the duration set out in Item 6 of the Form 7.

1.2 Interpretation

In this Lease, unless the contrary intention appears:-

- 1.2.1 a reference to this Lease includes any variation or replacement of it;
- 1.2.2 a reference to any statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements or any of them occurring at any time before or after the date of this Lease;
- 1.2.3 words importing the singular include the plural and vice versa;
- 1.2.4 words importing a gender include any gender;
- 1.2.5 an expression importing a natural person includes any company, partnership, joint venture, association, corporation or other body corporate;
- 1.2.6 a reference to a person includes a reference to the person's executors, administrators, successors, substitutes and assigns;
- 1.2.7 an agreement on the part of two (2) or more persons binds them jointly and severally;
- 1.2.8 a reference to any property, land or thing includes a part of that property, land or thing;
- 1.2.9 a reference to a body or authority which ceases to exist includes the body or authority established in place of *the body or authority to serve substantially the same purposes*;
- 1.2.10 a reference to the president of a body or authority is a reference, if there is no such person, to the senior officer of the body or authority or to the person who fulfils the duties of president; and
- 1.2.11 headings are inserted for convenience only and do not affect the interpretation of this Lease.

1.3 Exclusion of Implied covenants and powers

The covenants, obligations, powers and provisions on the part of the Lessee implied under the Land Title Act 1994 (Q) and the Property Law Act 1974 (Q) are not negated but shall be deemed to have been modified to the extent of any inconsistency with this Lease. Otherwise, the obligations and powers implied in every lease of land under Sections 105 and 107 of the Property Law Act 1974 (Q) are negated.

1.4 Severability

If any provision of this Lease shall be or become invalid, illegal or unenforceable, such provision shall so far as possible be read down to give it a valid operation of a partial character, or, if not so possible, shall be severed from the remaining provisions of this Lease and such remaining provisions shall not in any way be affected or impaired by the same.

SECTION 2: RENT AND OUTGOINGS

2.1 Rent

The Rent payable by the Lessee to the Lessor during each year of the Term shall be one dollar (\$1.00) (if demanded by the Lessor). The Lessee shall pay to the Lessor the Rent on and from the Commencement Date. The Lessee shall pay the Rent by *annual instalments on the first day of each year during the Term. The first year of the Term shall commence on the Commencement Date and each subsequent year shall commence on the corresponding day of each succeeding year.*

Title Reference 50209821

2.2 Lessor's Outgoings

The Lessee shall pay to the Lessor as and when they fall due the Lessor's Outgoings upon notice of the same from the Lessor.

2.3 Lessee's Outgoings

The Lessee shall pay the Lessee's Outgoings when due and payable.

SECTION 3: USE AND MAINTENANCE OF THE DEMISED PREMISES

3.1 Permitted Use

The Lessee shall use the Demised Premises for the Permitted Use.

3.2 Compliance with Statutes and By-laws

The Lessee shall comply with and observe at its cost all requirements of any statute in relation to or affecting the Lessee's use and occupation of the Demised Premises. The Lessee shall effect (at its cost) any repairs, maintenance, alterations or additions to the Demised Premises required by law. The Lessee shall comply with and shall not breach the By-laws.

3.3 Lessee's Right to Charge Admission or Fee for Services

The Lessor agrees that the Lessee shall be entitled to require the payment of an admission fee, charge, service fee, or such other fee which the Lessee in its discretion considers fit and reasonable having regard to the nature of the improvements, fixtures, fittings, facilities and appurtenances contained within the Demised Premises and/or the services generated therefrom and/or the enjoyment or use by persons of the same, without objection by the Lessor, to the extent that if a person refuses to pay such admission fee, charge, service fee or other fee, the Lessee shall in its discretion be entitled to elect not to provide or make available the relevant service or facility to such person (whether by refusal of entry on to the Demised Premises or by way of a discontinuance or disconnection of the relevant service). All admission fees, charges, service fees or other fees shall belong to and shall become the property of the Lessee. In pursuance of the aforesaid the Lessor agrees that the Lessee shall be entitled to formulate such rules and regulations as the Lessee in its discretion shall think fit and proper relative to the management, operation and functioning of the Demised Premises and/or the services and facilities supplied therein or therefrom PROVIDED THAT the same are not inconsistent with the By-Laws.

3.4 Duties of the Lessee

The Lessee must use all reasonable endeavours to:-

- 3.4.1 subject to the terms of Clause 3.3, make available the Demised Premises or the services and facilities therein or emanating therefrom to persons during such times as the Lessee shall consider fit and proper PROVIDED ALWAYS HOWEVER that the Lessee shall make available the Demised Premises and/or the services and facilities emanating therefrom for such periods as would ordinarily be necessary for the proper operation and functioning of the same within a resort of a similar nature and standard to the Resort;
- 3.4.2 operate and manage the Demised Premises in a proper and business like manner consistent with the management, operation and functioning that would ordinarily be applicable for a resort of a similar nature and standard to the Resort; and
- 3.4.3 provide such personnel as may be necessary to ensure the proper operation and functioning of the Demised Premises.

3.5 Lessee to Repair and Maintain and may Develop

The Lessee shall maintain and repair the Demised Premises in good and efficient repair, order and condition as at the Commencement Date, subject to fair, wear and tear and damage by fire, storm, flood, lightning, earthquake, tempest, act of God, riot, strike civil commotion, impact by aircraft or act of war excepted. Subject to any requirements imposed by the By-laws, the Lessee may, without the consent of the Lessor, effect improvements, alterations or additions to the Demised Premises (whether structural or otherwise).

Title Reference 50209821

3.6 Notice of Damage

The Lessee shall give the Lessor written notice of any damage sustained to the Demised Premises.

3.7 Abatement

If the Resort or the Demised Premises or any part of the same shall at any time during the Term be damaged or destroyed by fire, lightning, storm, flood, tempest, earthquake, riot, strike, civil commotion, act of God, impact by aircraft or act of war so as to render the Demised Premises or any part of the same wholly or substantially unfit for the use and occupation of the Lessee or (having regard to the nature and location of the Demised Premises and the normal means of access to the same) substantially inaccessible, then a proportionate part of the Rent and contributions to the Lessor's Outgoings payable under this Lease and the covenants (if any) by the Lessee to repair the Demised Premises according to the nature and extent of the damage or destruction sustained shall, after such damage or destruction, abate until the Demised Premises has been restored by the Lessor or made fit for the use and occupation of the Lessee or accessible to the Lessee, as the case may be. The Lessor shall apply its insurance proceeds to such restoration and make up any deficiency out of its own money.

If the Lessor does not within a reasonable time after the occurrence of any such damage or destruction restore the Demised Premises or make the same fit for the use and occupation of or render them accessible to the Lessee as the case may be, the Lessee may without prejudice to any other rights terminate this Lease by giving not less than one (1) month's notice in writing to the Lessor.

Any dispute as to the nature and extent of any such damage or destruction arising under this clause shall be determined by a loss assessor being a member of the Queensland Division of the Insurance Council of Australia Ltd or its successor appointed by the President or acting President from time to time of that Council or his nominee on the application of either the Lessor or the Lessee. The person so appointed shall be an assessor having substantial experience in assessing buildings or facilities of a similar type in the locality of the Demised Premises or other comparable locality. In making a determination such loss assessor shall act as an expert and not as an arbitrator and a determination by the loss assessor shall be final and binding on all parties. The costs of any such determination shall be borne by either or both of the Lessor and the Lessee (and if by both, in the proportion between them) as the person making the determination shall decide.

3.8 Lessee's Obligations on Expiration of Term

The Lessee shall on the expiration or sooner determination of the Term deliver up the Demised Premises to the Lessor. Notwithstanding anything to the contrary contained in or implied under this Lease, upon the expiration or sooner determination of the Term, all improvements, fixtures, fittings, facilities and appurtenances constructed, erected or situated on the Demised Premises shall be deemed to be fixtures and ownership thereof shall become vested in the Lessor and the Lessee shall not remove any of the same from the Demised Premises.

SECTION 4: UNDISTURBED OCCUPATION OF DEMISED PREMISES

4.1 Quiet Enjoyment

The Lessee will, subject to clause 4.2, peaceably possess and enjoy the Demised Premises without disturbance from the Lessor or any person lawfully claiming through the Lessor.

4.2 Lessor's Right of Entry

The Lessor may at any time on giving the Lessee reasonable written notice and subject to the Lessee's reasonable directions enter the Demised Premises for the purpose of:

- 4.2.1 inspecting the Demised Premises; and
- 4.2.2 exercising the Lessor's rights under this Lease.

Title Reference 50209821

SECTION 5: LESSEE'S INSURANCES AND INDEMNITIES

5.1 Insurance

The Lessee shall at all times during the Term at its cost effect a policy of public risk liability insurance in the joint names of the Lessor and the Lessee, applying to all operations of the Lessee in the Demised Premises. The public risk liability insurance shall be effected with a limit of not less than five million dollars (\$5,000,000.00) per occurrence. In addition, the Lessee shall at all times during the Term at its cost effect a policy of insurance in respect of all improvements, fixtures, fittings, facilities and appurtenances constructed, erected or situated on the Demised Premises for their full insurable value (as determined by the Lessee). The Lessor agrees and accepts that the inclusion of the Demised Premises in a global or blanket insurance policy effected by the Lessee shall be sufficient compliance with the Lessee's obligations under this clause.

5.2 Lessee to Occupy Demised Premises at its Risk

Save to the extent of any act, omission or negligence on the part of the Lessor, its employees, agents or contractors and save to the extent that the Lessor may receive indemnity pursuant to any policy of insurance effected by the Lessor, the Lessee shall occupy the Demised Premises at its own risk.

5.3 Lessee to Indemnify Lessor

The Lessee indemnifies the Lessor against all loss and damage incurred by the Lessor during the Term in respect of:-

- 5.3.1 any loss, damage, death or injury suffered by any person or caused to the Demised Premises of any description at any time in the Demised Premises occasioned by the use and occupation of the Demised Premises by the Lessee; and
- 5.3.2 any negligent or careless use or neglect by the Lessee of any sewerage, water, gas, electricity or other supply apparatus in the Demised Premises;

save to the extent of any act, omission or negligence of the Lessor, its employees, agents or contractors and save to the extent that the Lessor may receive indemnity pursuant to any policy of insurance effected by the Lessor.

5.4 Release of Lessee

The Lessee will not be responsible or held liable for any damage or loss caused through a breach of the By-laws by any occupier, tenant, visitor, invitee or licensee or any independent contractor in or about the Demised Premises. The Lessor acknowledges and agrees that the Lessee is not the insurer or guarantor of the security or safety of the Lessor or any person or property within the Demised Premises.

SECTION 6: LESSOR'S COVENANTS

6.1 No Interference to Permitted Use, Land Tax, By-Laws and Notices

The Lessor covenants and agrees as follows:-

- 6.1.1 not to enter into any arrangement which would in any way detrimentally affect or interfere with the exercise by the Lessee of the Permitted Use;
- 6.1.2 pay as and when same fall due any outgoing or expense with respect to the Demised Premises not otherwise payable hereunder by the Lessee;
- 6.1.3 comply with the provisions of the MUD Act and the By-laws; and
- 6.1.4 comply with the provisions of all laws relating to the Demised Premises including without limitation any requirements, notices and orders of any Governmental Agency other than those that are the responsibility of the Lessee under this Lease.

Title Reference 50209821

6.2 Liquor Licence

To the extent that any licence under the Liquor Act 1992 has issued or will issue with respect to the Resort, the Lessor, acknowledging and accepting that the Demised Premises may form part of licensed premises, covenants and agrees that the relevant licensee shall have the full free and unfettered control of the conduct of any business associated with such licence and shall not accept nor demand from such licensee any payment by way of commission or allowance from or upon the receipts of the business associated with such licence or liquor sold or supplied, so that, at all times, the licensee is able to fulfil the obligations upon it under the Liquor Act 1992. The Lessor hereby consents to the issue of any liquor licence under the Liquor Act 1992 and any amendments to the same.

6.3 Structure of Demised Premises

The Lessor shall at all times at its cost keep the Community Property in good repair and condition and shall use its best endeavours to maintain all sewerage, water, electricity, gas, water and other services to the Demised Premises.

SECTION 7: ASSIGNMENT SUB LETTING AND MORTGAGES

7.1 Assignment

The Lessee may assign or transfer its estate or interest in this Lease or sublet or otherwise part with possession of the Demised Premises without the consent of the Lessor and the Lessor shall produce and sign all documents reasonably necessary to facilitate any such dealings. Without limiting the generality of the aforesaid, the Lessee may appoint a Resort Operator to manage and operate the Demised Premises without the consent of the Lessor.

7.2 Mortgaging

The Lessee may mortgage, charge or otherwise encumber the Lessee's estate or interest in this Lease without the consent of the Lessor and the Lessor shall produce and sign all documents reasonably necessary to facilitate any such dealings.

SECTION 8: DEFAULT BY LESSEE AND REMEDIES

8.1 Events of Default

If any one or more or all of the following circumstances at any time occur, that is:

- 8.1.1 any rent or other moneys payable by the Lessee under this Lease shall be unpaid for a period of thirty (30) days after becoming payable whether formally demanded or not; or
- 8.1.2 the Lessee fails to perform or observe in a timely manner any of its other covenants under this Lease that ought to be performed or observed by the Lessee;

THEN the Lessee shall be deemed to have made default.

8.2 Forfeiture of Lease

If the Lessee has made any such default, the Lessor may, provided the Lessor has first given to the Lessee a notice to remedy breach of covenant required by statute specifying a period of thirty (30) days to remedy the relevant breach or default and the Lessee has failed to remedy such breach or default to the reasonable satisfaction of the Lessor within a reasonable time, re-enter into and take possession of the Demised Premises or any part of the same and terminate this Lease, without prejudice to any other rights of the Lessor in respect of the relevant breach or default.

SECTION 9: GENERAL

9.1 Notice

- 9.1.1 Any notice, demand, action, writ, court proceeding or other communication (a "Notice") from the Lessor to the Lessee shall be deemed duly given and served on the Lessee if delivered or posted to the Lessee at the Lessee's last known address or at such other address as the Lessee may have last designated by written notice to the Lessor for that purpose, or in such other manner as may be permitted at law.

Title Reference 50209821

9.1.2 Any Notice from the Lessee to the Lessor shall be deemed duly given and served if delivered or posted to the Lessor at the address (if any) of the Lessor specified herein or at such other address as the Lessor may have last designated by written notice to the Lessee for that purpose, or in such other manner as may be permitted at law.

9.1.3 A Notice that is posted shall be deemed to be served on the Business Day next following the date of posting. Any Notice given by any party to another shall be signed by the relevant party giving the Notice or by the solicitors for such party. In the case of a corporation, any Notice may be signed by any director, manager, secretary or other authorised officer of such corporation.

9.2 Overholding After Expiration of Lease Term

9.2.1 If the Lessee with the consent of the Lessor remains in occupation of the Demised Premises after the expiration of the Term (other than pursuant to the grant of the Further Lease) then the Lessee shall be a monthly tenant of the Demised Premises from the Lessor on the terms of this Lease so far as the same are applicable to a monthly tenancy.

9.2.2 The Rent payable by the Lessee under such monthly tenancy shall be the amount of rent payable monthly under this Lease immediately before such expiration and shall be payable monthly in arrears at the times and in the manner referred to in this Lease.

9.3 Governing Law

Notwithstanding the domicile or residence of any party, this Lease shall be governed in all respects by the laws of the State of Queensland. The parties to this Lease submit to the non-exclusive jurisdiction of the Courts of the State of Queensland (including the High Court of Australia) with respect to any legal proceedings relating to this Lease.

9.4 Costs and Expenses

The Lessee shall pay all expenses reasonably and properly incurred by the Lessor in respect of any application for the consent or approval of the Lessor under this Lease, any breach of the Lessee's obligations hereunder or the exercise of any right of the Lessor under this Lease but not including the Lessor's costs of entering into this Lease or the Lessor's costs of and incidental to entering into the Further Lease.

9.5 Exclusion of Laws

Unless its application is mandatory by law any present or future law which varies:-

9.5.1 the Lessee's obligations hereunder; or

9.5.2 the Lessor's obligations hereunder,

resulting in the Lessor's rights being adversely affected is excluded.

9.6 Stamp Duty

The Lessee shall be responsible for all stamp duty assessed or payable in respect of this Lease.

9.7 Authority to Complete Blanks

The Lessor hereby authorises the Lessee and the solicitors for the Lessee to do all or any of the following things:-

9.7.1 to date or to complete any blank spaces in this Lease; or

9.7.2 to complete and sign any document or paperwriting as is necessary to stamp or register this Lease.

Title Reference 50209821

9.8 Registration of Lease

If the Lessor sells or otherwise disposes of the reversion of this Lease, the Lessor shall at its cost procure from such purchaser or disponent a covenant with the Lessee that such purchaser or disponent shall observe and be bound by this Lease and any options contained in this clause. However, the obligation of the Lessor to obtain that covenant shall cease upon registration of this Lease. The Lessor shall use its best endeavours to facilitate the registration of this Lease as soon as possible including obtaining the consent of any mortgagee to such registration.

9.9 Further Assurance

The Lessor shall and shall procure every other person as required to sign and execute all such further documents and otherwise do all such acts, matters and things as shall be necessary or desirable to give full force and effect to the provisions of this Lease and to facilitate the stamping and registration of this Lease.

Title Reference 50209821

~~APPENDIX A~~

~~Plan of the Demised Premises (Attached)~~

1. Description of Lot	County	Parish	Title Reference
CP Lot 7 on MCP 106751	Ward	Currigee	50209821

2. Instrument being consented to

Instrument type Lease - Area HB on SP 116667
 Dated 11 June, 1998
 Names of parties Couran Cove Resort Community Body Corporate as Lessor and Interpacific Resorts (Australia) Pty Ltd ACN 010 976 422 as Lessee

3. Instrument under which consent required

Dealing Type
 Dealing No.
 Name of consenting party Gold Coast City Council

4. Execution by consenting party

The party identified in item 3 consents to the registration of the instrument identified in item 2.

Witnessing Officer

Execution Date

..... signature

28/7/1999

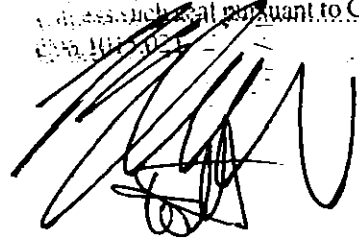
..... full name

..... qualification

as per Schedule 1 of Land Title Act 1994 (eg Legal Practitioner, JP, C.Dec)

Consenting Party's Signature

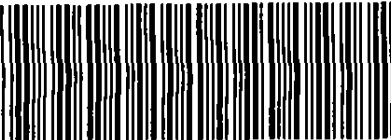
GIVEN under the Corporate Seal of the
 COUNCIL of the CITY OF GOLD COAST
 signed by IAN ALLAN D'ESPIE GLEW
 the Manager Statutory Planning and COLIN
 DUTTON the Co-ordinator Subdivision Services
 they being the authorised officers to sign, at
 a meeting of the Council pursuant to Council Minute Number
 125/1999



10

\$0.35

Dealing No. **702961528**



\$112.00
20/10/1998 09:16

BE 500

OLD STAMP DUTY - BNE
1160007013-7

22/07/98 16:21:06
\$0.35 LEAS

1. Lessor
COURAN COVE RESORT COMMUNITY BODY CORPORATE

Lodger Name, address & phone number Lodger Code
Hopgood and Ganim 187
Solicitors
Level 3, 141 Queen Street
BRISBANE QLD 4000
Telephone: 3234 7777

2. Description of Lot	County	Parish	Title Reference
CP Lot 7 on MCP 106751	Ward	Currigee	50209821

3. Lessee	Given names	Surname/Company name and number	(include tenancy if more than one)
		INTERPACIFIC RESORTS (AUSTRALIA) PTY LTD A.C.N. 010 976 422	

4. Interest being leased
INTERIM ASSESSMENT
Estimated Total Rent \$ 50
Fee Simple

5. Description of premises being leased
Part of the lot shown hatched in black on the Skerch Plan contained in Appendix A of this Lease.

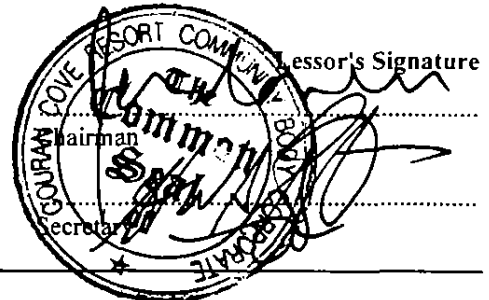
6. Term of lease	7. Rental/Consideration
Fifty (50) years Commencement date: 11 June, 1998 *Expiry date: 10 June, 2048 *not required for leases in a retirement village	See attached Schedule

8. Grant/Execution

The Lessor leases the premises described in item 5 to the lessee for the term stated in item 6 subject to the covenants and conditions contained in the attached schedule

Witnessing Officer
 *Tracey L Rundle* signature
 TRACEY LEIGH RUNDLE full name
 SOLICITOR
 qualification
 as per Schedule 1 of Land Title Act 1994 (eg Legal Practitioner, JP, C.Dec)

Execution Date
11/6/98

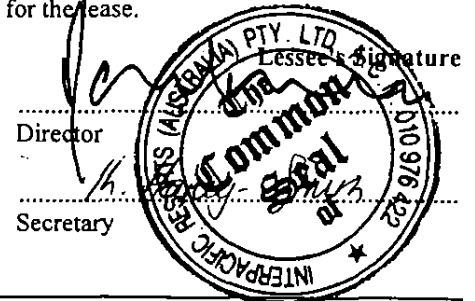


9. Acceptance

The lessee accepts the lease and acknowledges the amount payable or other considerations for the lease.

Witnessing Officer
 signature
 full name
 qualification

Execution Date
11/6/98



Title Reference 50209821

This is the Schedule referred to in the Lease dated 11 day of June, 1998

SECTION 1: DEFINITIONS AND INTERPRETATION

1.1 Expressions

In this Lease, unless the contrary intention appears:-

"**Business Day**" means a day on which banks lawfully carry on business in Brisbane and are open to the public at large.

"**By-laws**" means the by-laws in force of the Community Body Corporate as a consequence of the operation and provisions of the MUD Act.

"**Commencement Date**" means 11 June, 1998.

"**Community Body Corporate**" means the Lessor.

"**Community Property**" means that land specified in Item 2 of the Form 7.

"**Demised Premises**" shall mean that land described in Item 5 of the Form 7 but shall exclude all improvements, fixtures, fittings, facilities and appurtenances contained thereon, all of such excluded items being the property of the Lessee.

"**Form 7**" means the Form 7 which forms part of this Lease.

"**Governmental Agency**" means any governmental or semi-governmental, administrative, fiscal or judicial department, commission, authority, tribunal, agency or entity.

"**Lessor**" means the lessor named in Item 1 of the Form 7 and includes its administrators, successors and assigns, and any other authorised person of the lessor.

"**Lessor's Outgoings**" means taxes, assessments, charges, duties and fees imposed by any Governmental Agency and the levies (if any) imposed by the Community Body Corporate in respect of the Demised Premises together with any interest, fines and penalties in respect of any of them but excluding rates and other charges payable to the City of the Council of Gold Coast and land tax (if any).

"**Lease**" means the lease of which this schedule forms part and includes, without limitation, the Form 7.

"**Lessee**" means the lessee specified in Item 3 of the Form 7 and includes its administrators, successors and assigns, tenants, servants, agents, employees, workmen, contractors, sub-contractors, invitees, licencees, guests, visitors and any other authorised person of the lessee.

"**Lessee's Outgoings**" means all sewerage, water, electricity, gas, telephone or other telecommunication charges incurred with respect to the Demised Premises.

"**MUD Act**" means the Mixed Use Development Act 1993.

"**Permitted Use**" means such use of the Demised Premises as the Lessee in its sole discretion shall deem fit and appropriate PROVIDED ALWAYS HOWEVER that the Lessee shall not exercise its discretion as aforesaid to the extent that the ultimate use is inconsistent with or prejudicial to the reasonable use of the Demised Premises having regard to the improvements, fixtures, fittings, facilities and appurtenances contained or to be contained thereon.

"**Rent**" means the rent specified in Clause 2.1.

"**Resort**" means the "Couran Cove Resort", Couran, South Stradbroke Island (or such other name as may be selected by the Lessee from time to time) operated by the Lessee or the Resort Operator.

"**Resort Operator**" means the Lessee or such other person the Lessee may appoint to operate and manage the Resort from time to time.

Title Reference 50209821

"Term" means the term of this Lease commencing on the Commencement Date and continuing for the duration set out in Item 6 of the Form 7.

1.2 Interpretation

In this Lease, unless the contrary intention appears:-

- 1.2.1 a reference to this Lease includes any variation or replacement of it;
- 1.2.2 a reference to any statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements or any of them occurring at any time before or after the date of this Lease;
- 1.2.3 words importing the singular include the plural and vice versa;
- 1.2.4 words importing a gender include any gender;
- 1.2.5 an expression importing a natural person includes any company, partnership, joint venture, association, corporation or other body corporate;
- 1.2.6 a reference to a person includes a reference to the person's executors, administrators, successors, substitutes and assigns;
- 1.2.7 an agreement on the part of two (2) or more persons binds them jointly and severally;
- 1.2.8 a reference to any property, land or thing includes a part of that property, land or thing;
- 1.2.9 a reference to a body or authority which ceases to exist includes the body or authority established in place of the body or authority to serve substantially the same purposes;
- 1.2.10 a reference to the president of a body or authority is a reference, if there is no such person, to the senior officer of the body or authority or to the person who fulfils the duties of president; and
- 1.2.11 headings are inserted for convenience only and do not affect the interpretation of this Lease.

1.3 Exclusion of Implied covenants and powers

The covenants, obligations, powers and provisions on the part of the Lessee implied under the Land Title Act 1994 (Q) and the Property Law Act 1974 (Q) are not negatived but shall be deemed to have been modified to the extent of any inconsistency with this Lease. Otherwise, the obligations and powers implied in every lease of land under Sections 105 and 107 of the Property Law Act 1974 (Q) are negatived.

1.4 Severability

If any provision of this Lease shall be or become invalid, illegal or unenforceable, such provision shall so far as possible be read down to give it a valid operation of a partial character, or, if not so possible, shall be severed from the remaining provisions of this Lease and such remaining provisions shall not in any way be affected or impaired by the same.

SECTION 2: RENT AND OUTGOINGS

2.1 Rent

The Rent payable by the Lessee to the Lessor during each year of the Term shall be one dollar (\$1.00) (if demanded by the Lessor). The Lessee shall pay to the Lessor the Rent on and from the Commencement Date. The Lessee shall pay the Rent by annual instalments on the first day of each year during the Term. The first year of the Term shall commence on the Commencement Date and each subsequent year shall commence on the corresponding day of each succeeding year.

Title Reference 50209821

2.2 Lessor's Outgoings

The Lessee shall pay to the Lessor as and when they fall due the Lessor's Outgoings upon notice of the same from the Lessor.

2.3 Lessee's Outgoings

The Lessee shall pay the Lessee's Outgoings when due and payable.

SECTION 3: USE AND MAINTENANCE OF THE DEMISED PREMISES

3.1 Permitted Use

The Lessee shall use the Demised Premises for the Permitted Use.

3.2 Compliance with Statutes and By-laws

The Lessee shall comply with and observe at its cost all requirements of any statute in relation to or affecting the Lessee's use and occupation of the Demised Premises. The Lessee shall effect (at its cost) any repairs, maintenance, alterations or additions to the Demised Premises required by law. The Lessee shall comply with and shall not breach the By-laws.

3.3 Lessee's Right to Charge Admission or Fee for Services

The Lessor agrees that the Lessee shall be entitled to require the payment of an admission fee, charge, service fee, or such other fee which the Lessee in its discretion considers fit and reasonable having regard to the nature of the improvements, fixtures, fittings, facilities and appurtenances contained within the Demised Premises and/or the services generated therefrom and/or the enjoyment or use by persons of the same, without objection by the Lessor, to the extent that if a person refuses to pay such admission fee, charge, service fee or other fee, the Lessee shall in its discretion be entitled to elect not to provide or make available the relevant service or facility to such person (whether by refusal of entry on to the Demised Premises or by way of a discontinuance or disconnection of the relevant service). All admission fees, charges, service fees or other fees shall belong to and shall become the property of the Lessee. In pursuance of the aforesaid the Lessor agrees that the Lessee shall be entitled to formulate such rules and regulations as the Lessee in its discretion shall think fit and proper relative to the management, operation and functioning of the Demised Premises and/or the services and facilities supplied therein or therefrom PROVIDED THAT the same are not inconsistent with the By-Laws.

3.4 Duties of the Lessee

The Lessee must use all reasonable endeavours to:-

3.4.1 subject to the terms of Clause 3.3, make available the Demises Premises or the services and facilities therein or emanating therefrom to persons during such times as the Lessee shall consider fit and proper PROVIDED ALWAYS HOWEVER that the Lessee shall make available the Demised Premises and/or the services and facilities emanating therefrom for such periods as would ordinarily be necessary for the proper operation and functioning of the same within a resort of a similar nature and standard to the Resort;

3.4.2 operate and manage the Demised Premises in a proper and business like manner consistent with the management, operation and functioning that would ordinarily be applicable for a resort of a similar nature and standard to the Resort; and

3.4.3 provide such personnel as may be necessary to ensure the proper operation and functioning of the Demised Premises.

3.5 Lessee to Repair and Maintain and may Develop

The Lessee shall maintain and repair the Demised Premises in good and efficient repair, order and condition as at the Commencement Date, subject to fair, wear and tear and damage by fire, storm, flood, lightning, earthquake, tempest, act of God, riot, strike civil commotion, impact by aircraft or act of war excepted. Subject to any requirements imposed by the By-laws, the Lessee may, without the consent of the Lessor, effect improvements, alterations or additions to the Demised Premises (whether structural or otherwise).

Title Reference 50209821

3.6 Notice of Damage

The Lessee shall give the Lessor written notice of any damage sustained to the Demised Premises.

3.7 Abatement

If the Resort or the Demised Premises or any part of the same shall at any time during the Term be damaged or destroyed by fire, lightning, storm, flood, tempest, earthquake, riot, strike, civil commotion, act of God, impact by aircraft or act of war so as to render the Demised Premises or any part of the same wholly or substantially unfit for the use and occupation of the Lessee or (having regard to the nature and location of the Demised Premises and the normal means of access to the same) substantially inaccessible, then a proportionate part of the Rent and contributions to the Lessor's Outgoings payable under this Lease and the covenants (if any) by the Lessee to repair the Demised Premises according to the nature and extent of the damage or destruction sustained shall, after such damage or destruction, abate until the Demised Premises has been restored by the Lessor or made fit for the use and occupation of the Lessee or accessible to the Lessee, as the case may be. The Lessor shall apply its insurance proceeds to such restoration and make up any deficiency out of its own money.

If the Lessor does not within a reasonable time after the occurrence of any such damage or destruction restore the Demised Premises or make the same fit for the use and occupation of or render them accessible to the Lessee as the case may be, the Lessee may without prejudice to any other rights terminate this Lease by giving not less than one (1) month's notice in writing to the Lessor.

Any dispute as to the nature and extent of any such damage or destruction arising under this clause shall be determined by a loss assessor being a member of the Queensland Division of the Insurance Council of Australia Ltd or its successor appointed by the President or acting President from time to time of that Council or his nominee on the application of either the Lessor or the Lessee. The person so appointed shall be an assessor having substantial experience in assessing buildings or facilities of a similar type in the locality of the Demised Premises or other comparable locality. In making a determination such loss assessor shall act as an expert and not as an arbitrator and a determination by the loss assessor shall be final and binding on all parties. The costs of any such determination shall be borne by either or both of the Lessor and the Lessee (and if by both, in the proportion between them) as the person making the determination shall decide.

3.8 Lessee's Obligations on Expiration of Term

The Lessee shall on the expiration or sooner determination of the Term deliver up the Demised Premises to the Lessor. Notwithstanding anything to the contrary contained in or implied under this Lease, upon the expiration or sooner determination of the Term, all improvements, fixtures, fittings, facilities and appurtenances constructed, erected or situated on the Demised Premises shall be deemed to be fixtures and ownership thereof shall become vested in the Lessor and the Lessee shall not remove any of the same from the Demised Premises.

SECTION 4: UNDISTURBED OCCUPATION OF DEMISED PREMISES

4.1 Quiet Enjoyment

The Lessee will, subject to clause 4.2, peaceably possess and enjoy the Demised Premises without disturbance from the Lessor or any person lawfully claiming through the Lessor.

4.2 Lessor's Right of Entry

The Lessor may at any time on giving the Lessee reasonable written notice and subject to the Lessee's reasonable directions enter the Demised Premises for the purpose of:

- 4.2.1 inspecting the Demised Premises; and
- 4.2.2 exercising the Lessor's rights under this Lease.

Title Reference 50209821

SECTION 5: LESSEE'S INSURANCES AND INDEMNITIES

5.1 Insurance

The Lessee shall at all times during the Term at its cost effect a policy of public risk liability insurance in the joint names of the Lessor and the Lessee, applying to all operations of the Lessee in the Demised Premises. The public risk liability insurance shall be effected with a limit of not less than five million dollars (\$5,000,000.00) per occurrence. In addition, the Lessee shall at all times during the Term at its cost effect a policy of insurance in respect of all improvements, fixtures, fittings, facilities and appurtenances constructed, erected or situated on the Demised Premises for their full insurable value (as determined by the Lessee). The Lessor agrees and accepts that the inclusion of the Demised Premises in a global or blanket insurance policy effected by the Lessee shall be sufficient compliance with the Lessee's obligations under this clause.

5.2 Lessee to Occupy Demised Premises at its Risk

Save to the extent of any act, omission or negligence on the part of the Lessor, its employees, agents or contractors and save to the extent that the Lessor may receive indemnity pursuant to any policy of insurance effected by the Lessor, the Lessee shall occupy the Demised Premises at its own risk.

5.3 Lessee to Indemnify Lessor

The Lessee indemnifies the Lessor against all loss and damage incurred by the Lessor during the Term in respect of:-

- 5.3.1 any loss, damage, death or injury suffered by any person or caused to the Demised Premises of any description at any time in the Demised Premises occasioned by the use and occupation of the Demised Premises by the Lessee; and
- 5.3.2 any negligent or careless use or neglect by the Lessee of any sewerage, water, gas, electricity or other supply apparatus in the Demised Premises;

save to the extent of any act, omission or negligence of the Lessor, its employees, agents or contractors and save to the extent that the Lessor may receive indemnity pursuant to any policy of insurance effected by the Lessor.

5.4 Release of Lessee

The Lessee will not be responsible or held liable for any damage or loss caused through a breach of the By-laws by any occupier, tenant, visitor, invitee or licensee or any independent contractor in or about the Demised Premises. The Lessor acknowledges and agrees that the Lessee is not the insurer or guarantor of the security or safety of the Lessor or any person or property within the Demised Premises.

SECTION 6: LESSOR'S COVENANTS

6.1 No Interference to Permitted Use, Land Tax, By-Laws and Notices

The Lessor covenants and agrees as follows:-

- 6.1.1 not to enter into any arrangement which would in any way detrimentally affect or interfere with the exercise by the Lessee of the Permitted Use;
- 6.1.2 pay as and when same fall due any outgoing or expense with respect to the Demised Premises not otherwise payable hereunder by the Lessee;
- 6.1.3 comply with the provisions of the MUD Act and the By-laws; and
- 6.1.4 comply with the provisions of all laws relating to the Demised Premises including without limitation any requirements, notices and orders of any Governmental Agency other than those that are the responsibility of the Lessee under this Lease.

Title Reference 50209821

6.2 Liquor Licence

To the extent that any licence under the Liquor Act 1992 has issued or will issue with respect to the Resort, the Lessor, acknowledging and accepting that the Demised Premises may form part of licensed premises, covenants and agrees that the relevant licensee shall have the full free and unfettered control of the conduct of any business associated with such licence and shall not accept nor demand from such licensee any payment by way of commission or allowance from or upon the receipts of the business associated with such licence or liquor sold or supplied, so that, at all times, the licensee is able to fulfil the obligations upon it under the Liquor Act 1992. The Lessor hereby consents to the issue of any liquor licence under the Liquor Act 1992 and any amendments to the same.

6.3 Structure of Demised Premises

The Lessor shall at all times at its cost keep the Community Property in good repair and condition and shall use its best endeavours to maintain all sewerage, water, electricity, gas, water and other services to the Demised Premises.

SECTION 7: ASSIGNMENT SUBLETTING AND MORTGAGES

7.1 Assignment

The Lessee may assign or transfer its estate or interest in this Lease or sublet or otherwise part with possession of the Demised Premises without the consent of the Lessor and the Lessor shall produce and sign all documents reasonably necessary to facilitate any such dealings. Without limiting the generality of the aforesaid, the Lessee may appoint a Resort Operator to manage and operate the Demised Premises without the consent of the Lessor.

7.2 Mortgaging

The Lessee may mortgage, charge or otherwise encumber the Lessee's estate or interest in this Lease without the consent of the Lessor and the Lessor shall produce and sign all documents reasonably necessary to facilitate any such dealings.

SECTION 8: DEFAULT BY LESSEE AND REMEDIES

8.1 Events of Default

If any one or more or all of the following circumstances at any time occur, that is:

- 8.1.1 any rent or other moneys payable by the Lessee under this Lease shall be unpaid for a period of thirty (30) days after becoming payable whether formally demanded or not; or
- 8.1.2 the Lessee fails to perform or observe in a timely manner any of its other covenants under this Lease that ought to be performed or observed by the Lessee;

THEN the Lessee shall be deemed to have made default.

8.2 Forfeiture of Lease

If the Lessee has made any such default, the Lessor may, provided the Lessor has first given to the Lessee a notice to remedy breach of covenant required by statute specifying a period of thirty (30) days to remedy the relevant breach or default and the Lessee has failed to remedy such breach or default to the reasonable satisfaction of the Lessor within a reasonable time, re-enter into and take possession of the Demised Premises or any part of the same and terminate this Lease, without prejudice to any other rights of the Lessor in respect of the relevant breach or default.

SECTION 9: GENERAL

9.1 Notice

- 9.1.1 Any notice, demand, action, writ, court proceeding or other communication (a "Notice") from the Lessor to the Lessee shall be deemed duly given and served on the Lessee if delivered or posted to the Lessee at the Lessee's last known address or at such other address as the Lessee may have last designated by written notice to the Lessor for that purpose, or in such other manner as may be permitted at law.

Title Reference 50209821

9.1.2 Any Notice from the Lessee to the Lessor shall be deemed duly given and served if delivered or posted to the Lessor at the address (if any) of the Lessor specified herein or at such other address as the Lessor may have last designated by written notice to the Lessee for that purpose, or in such other manner as may be permitted at law.

9.1.3 A Notice that is posted shall be deemed to be served on the Business Day next following the date of posting. Any Notice given by any party to another shall be signed by the relevant party giving the Notice or by the solicitors for such party. In the case of a corporation, any Notice may be signed by any director, manager, secretary or other authorised officer of such corporation.

9.2 Overholding After Expiration of Lease Term

9.2.1 If the Lessee with the consent of the Lessor remains in occupation of the Demised Premises after the expiration of the Term (other than pursuant to the grant of the Further Lease) then the Lessee shall be a monthly tenant of the Demised Premises from the Lessor on the terms of this Lease so far as the same are applicable to a monthly tenancy.

9.2.2 The Rent payable by the Lessee under such monthly tenancy shall be the amount of rent payable monthly under this Lease immediately before such expiration and shall be payable monthly in arrears at the times and in the manner referred to in this Lease.

9.3 Governing Law

Notwithstanding the domicile or residence of any party, this Lease shall be governed in all respects by the laws of the State of Queensland. The parties to this Lease submit to the non-exclusive jurisdiction of the Courts of the State of Queensland (including the High Court of Australia) with respect to any legal proceedings relating to this Lease.

9.4 Costs and Expenses

The Lessee shall pay all expenses reasonably and properly incurred by the Lessor in respect of any application for the consent or approval of the Lessor under this Lease, any breach of the Lessee's obligations hereunder or the exercise of any right of the Lessor under this Lease but not including the Lessor's costs of entering into this Lease or the Lessor's costs of and incidental to entering into the Further Lease.

9.5 Exclusion of Laws

Unless its application is mandatory by law any present or future law which varies:-

9.5.1 the Lessee's obligations hereunder; or

9.5.2 the Lessor's obligations hereunder,

resulting in the Lessor's rights being adversely affected is excluded.

9.6 Stamp Duty

The Lessee shall be responsible for all stamp duty assessed or payable in respect of this Lease.

9.7 Authority to Complete Blanks

The Lessor hereby authorises the Lessee and the solicitors for the Lessee to do all or any of the following things:-

9.7.1 to date or to complete any blank spaces in this Lease; or

9.7.2 to complete and sign any document or paperwriting as is necessary to stamp or register this Lease.

Title Reference 50209821

9.8 Registration of Lease

If the Lessor sells or otherwise disposes of the reversion of this Lease, the Lessor shall at its cost procure from such purchaser or disponent a covenant with the Lessee that such purchaser or disponent shall observe and be bound by this Lease and any options contained in this clause. However, the obligation of the Lessor to obtain that covenant shall cease upon registration of this Lease. The Lessor shall use its best endeavours to facilitate the registration of this Lease as soon as possible including obtaining the consent of any mortgagee to such registration.

9.9 Further Assurance

The Lessor shall and shall procure every other person as required to sign and execute all such further documents and otherwise do all such acts, matters and things as shall be necessary or desirable to give full force and effect to the provisions of this Lease and to facilitate the stamping and registration of this Lease.

Title Reference 50209821

APPENDIX A

Plan of the Demised Premises (Attached)



REFERENCE MARKS

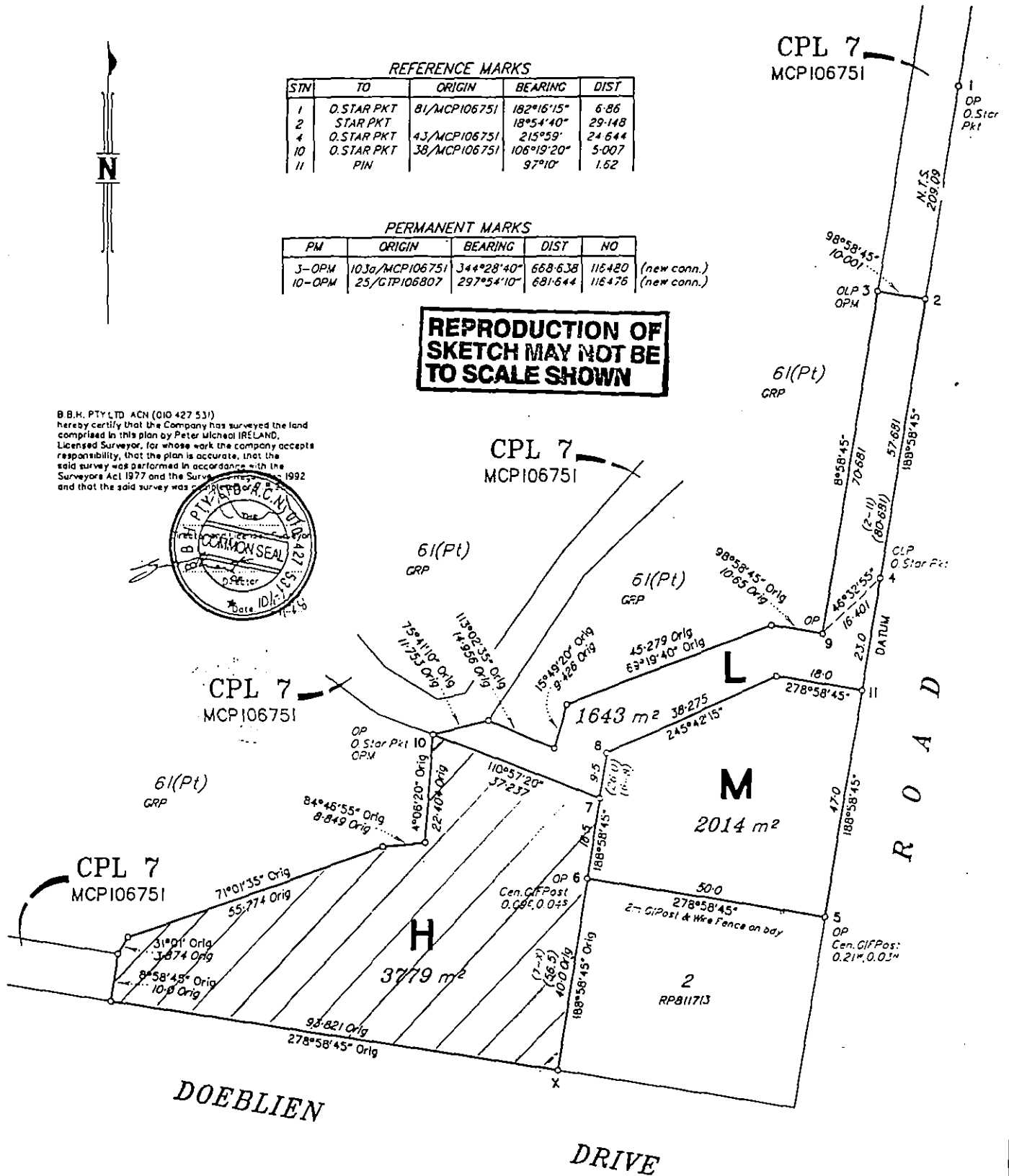
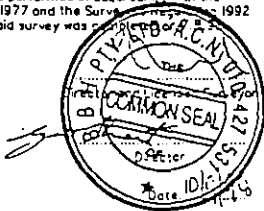
STN	TO	ORIGIN	BEARING	DIST
1	O. STAR PKT	81/MCPI06751	182°16'15"	6.86
2	STAR PKT		18°54'40"	29.148
4	O. STAR PKT	43/MCPI06751	215°59'	24.644
10	O. STAR PKT	38/MCPI06751	106°19'20"	5.007
11	PIN		97°10'	1.62

PERMANENT MARKS

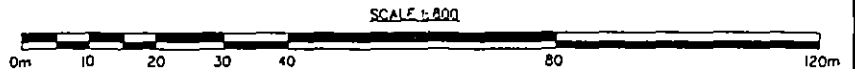
PM	ORIGIN	BEARING	DIST	NO
3-OPM	103a/MCPI06751	344°28'40"	668.638	116420 (new conn.)
10-OPM	25/GTI06807	297°54'10"	681.644	116476 (new conn.)

REPRODUCTION OF SKETCH MAY NOT BE TO SCALE SHOWN

B.B.M. PTY. LTD. ACH (010 427 531) hereby certify that the Company has surveyed the land comprised in this plan by Peter Michael IRELAND, Licensed Surveyor, for whose work the company accepts responsibility, that the plan is accurate, that the said survey was performed in accordance with the Surveyors Act 1977 and the Surveyors Act 1992 and that the said survey was completed on 11-4-98



Original information compiled from MCPI05456 and GIPI06783 in the Department of Natural Resources.



NOTES:	BENNETT & BENNETT CONSULTING SURVEYORS BBM Pty. Ltd. A.C.M. 010 427 531		Surv'd	F/Book	AMENDMENTS
			PI		
1. Drawn to Scale on A3 sheet	99 Upton Street, Bundall Ph. (07)55 740733 P.O. Box 5021 G.C.M.C. 4217 Fax (07)55 740202		Drawn	L/Book	
2. Title Reference: 50209821			Ch'd	ACAD Dwg. File 16005LE1	
3. Meridian - AMG (Vide MCPI06751)					
"PLAN FOR LEASE PURPOSES ONLY" of Leases 'H', 'L' & 'M' in Community Property Lot 7 on MCPI06751			SCALE	1:800	PLAN No. 80
Parish of CURRIGEE County of Ward			JOB No.	96.005.A395	DATE 9.9.98
			CLIENT	INTERPACIFIC RESORTS	

1. Description of Lot	County	Parish	Title Reference
CP Lot 7 on MCP 106751	Ward	Currigee	50209821

2. Instrument being consented to

Instrument type	Lease
Dated	11 June, 1998
Names of parties	Couran Cove Resort Community Body Corporate as Lessor and Interpacific Resorts (Australia) Pty Ltd ACN 010 976 422 as Lessee

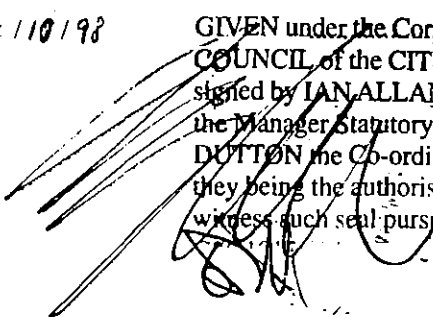
3. Instrument under which consent required

Dealing Type
Dealing No.
Name of consenting party Gold Coast City Council

4. Execution by consenting party

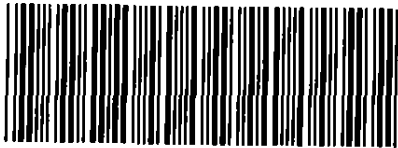
The party identified in item 3 consents to the registration of the instrument identified in item 2.

Witnessing Officer	Execution Date	Consenting Party's Signature
..... signature	14/10/98	GIVEN under the Corporate Seal of the COUNCIL of the CITY OF GOLD COAST signed by IAN ALLAN D'ESPIE GLEW the Manager Statutory Planning and COLIN JAMES DUTTON the Co-ordinator Subdivision Services they being the authorised officers to sign, affix and witness such seal pursuant to Council Minute Number
..... full name		
..... qualification as per Schedule 1 of Land Title Act 1994 (eg Legal Practitioner, JP, C.Dec)		



\$0.35

Stamp Duty Imprint



703521627

\$87.00

19/08/1999 11:48

BE 500

OLD STAMP DUTY - BNE

1160007015-3

22/07/98 16:21:36

\$0.35 LEAS

1. Lessor

COURAN COVE RESORT COMMUNITY BODY CORPORATE

Lodger Name, address & phone number Lodger Code
Hopgood and Ganim
Solicitors 187
Level 3, 141 Queen Street
BRISBANE QLD 4000
Telephone: 3234 7777

2. Description of Lot

CP Lot 7 on MCP 106751

County

Ward

Parish

Currigee

Title Reference

50209821

3. Lessee

Given names

Surname/Company name and number

(include tenancy if more than one)

INTERPACIFIC RESORTS (AUSTRALIA)
PTY LTD A.C.N. 010 976 422

4. Interest being leased

INTERIM ASSESSMENT

Estimated Total Rent \$ 50

Fee Simple

5. Description of premises being leased

Lease K on SP116667

Part of the lot shown hatched in black on the Sketch Plan contained in Appendix A of this Lease.

6. Term of lease

Fifty (50) years

Commencement date:

11 June, 1998

*Expiry date:

10 June, 2048

*not required for leases in a retirement village

7. Rental/Consideration

See attached Schedule

8. Grant/Execution

The Lessor leases the premises described in item 5 to the lessee for the term stated in item 6 subject to the covenants and conditions contained in the attached schedule

Witnessing Officer

Execution Date

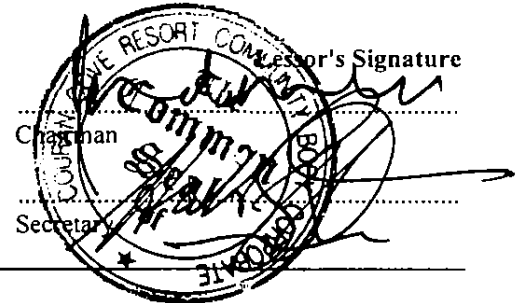
Tracy Leigh Rundle signature

11/6/98

TRACEY LEIGH RUNDLE
SOLICITOR

qualification

as per Schedule 1 of Land Title Act 1994 (eg Legal Practitioner, JP, C.Dec)



9. Acceptance

The lessee accepts the lease and acknowledges the amount payable or other considerations for the lease.

Witnessing Officer

Execution Date

Signature

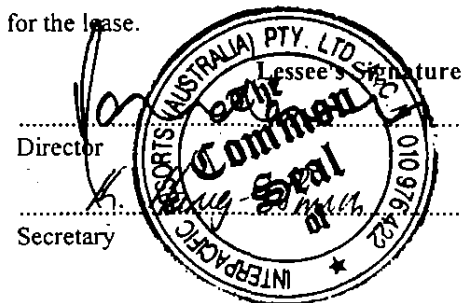
11/6/98

full name

qualification

as per Schedule 1 of Land Title Act 1994 (eg Legal Practitioner, JP, C.Dec)

F:\8934292\100698-DOC0241.doc



Title Reference 50209821

This is the Schedule referred to in the Lease dated 11 day of June, 1998

SECTION 1: DEFINITIONS AND INTERPRETATION

1.1 Expressions

In this Lease, unless the contrary intention appears:-

"**Business Day**" means a day on which banks lawfully carry on business in Brisbane and are open to the public at large.

"**By-laws**" means the by-laws in force of the Community Body Corporate as a consequence of the operation and provisions of the MUD Act.

"**Commencement Date**" means 11 June, 1998.

"**Community Body Corporate**" means the Lessor.

"**Community Property**" means that land specified in Item 2 of the Form 7.

"**Demised Premises**" shall mean that land described in Item 5 of the Form 7 but shall exclude all improvements, fixtures, fittings, facilities and appurtenances contained thereon, all of such excluded items being the property of the Lessee.

"**Form 7**" means the Form 7 which forms part of this Lease.

"**Governmental Agency**" means any governmental or semi-governmental, administrative, fiscal or judicial department, commission, authority, tribunal, agency or entity.

"**Lessor**" means the lessor named in Item 1 of the Form 7 and includes its administrators, successors and assigns, and any other authorised person of the lessor.

"**Lessor's Outgoings**" means taxes, assessments, charges, duties and fees imposed by any Governmental Agency and the levies (if any) imposed by the Community Body Corporate in respect of the Demised Premises together with any interest, fines and penalties in respect of any of them but excluding rates and other charges payable to the City of the Council of Gold Coast and land tax (if any).

"**Lease**" means the lease of which this schedule forms part and includes, without limitation, the Form 7.

"**Lessee**" means the lessee specified in Item 3 of the Form 7 and includes its administrators, successors and assigns, tenants, servants, agents, employees, workmen, contractors, sub-contractors, invitees, licencees, guests, visitors and any other authorised person of the lessee.

"**Lessee's Outgoings**" means all sewerage, water, electricity, gas, telephone or other telecommunication charges incurred with respect to the Demised Premises.

"**MUD Act**" means the Mixed Use Development Act 1993.

"**Permitted Use**" means such use of the Demised Premises as the Lessee in its sole discretion shall deem fit and appropriate PROVIDED ALWAYS HOWEVER that the Lessee shall not exercise its discretion as aforesaid to the extent that the ultimate use is inconsistent with or prejudicial to the reasonable use of the Demised Premises having regard to the improvements, fixtures, fittings, facilities and appurtenances contained or to be contained thereon.

"**Rent**" means the rent specified in Clause 2.1.

"**Resort**" means the "Couran Cove Resort", Couran, South Stradbroke Island (or such other name as may be selected by the Lessee from time to time) operated by the Lessee or the Resort Operator.

"**Resort Operator**" means the Lessee or such other person the Lessee may appoint to operate and manage the Resort from time to time.

Title Reference 50209821

"Term" means the term of this Lease commencing on the Commencement Date and continuing for the duration set out in Item 6 of the Form 7.

1.2 Interpretation

In this Lease, unless the contrary intention appears:-

- 1.2.1 a reference to this Lease includes any variation or replacement of it;
- 1.2.2 a reference to any statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements or any of them occurring at any time before or after the date of this Lease;
- 1.2.3 words importing the singular include the plural and vice versa;
- 1.2.4 words importing a gender include any gender;
- 1.2.5 an expression importing a natural person includes any company, partnership, joint venture, association, corporation or other body corporate;
- 1.2.6 a reference to a person includes a reference to the person's executors, administrators, successors, substitutes and assigns;
- 1.2.7 an agreement on the part of two (2) or more persons binds them jointly and severally;
- 1.2.8 a reference to any property, land or thing includes a part of that property, land or thing;
- 1.2.9 a reference to a body or authority which ceases to exist includes the body or authority established in place of the body or authority to serve substantially the same purposes;
- 1.2.10 a reference to the president of a body or authority is a reference, if there is no such person, to the senior officer of the body or authority or to the person who fulfils the duties of president; and
- 1.2.11 headings are inserted for convenience only and do not affect the interpretation of this Lease.

1.3 Exclusion of Implied covenants and powers

The covenants, obligations, powers and provisions on the part of the Lessee implied under the Land Title Act 1994 (Q) and the Property Law Act 1974 (Q) are not negated but shall be deemed to have been modified to the extent of any inconsistency with this Lease. Otherwise, the obligations and powers implied in every lease of land under Sections 105 and 107 of the Property Law Act 1974 (Q) are negated.

1.4 Severability

If any provision of this Lease shall be or become invalid, illegal or unenforceable, such provision shall so far as possible be read down to give it a valid operation of a partial character, or, if not so possible, shall be severed from the remaining provisions of this Lease and such remaining provisions shall not in any way be affected or impaired by the same.

SECTION 2: RENT AND OUTGOINGS

2.1 Rent

The Rent payable by the Lessee to the Lessor during each year of the Term shall be one dollar (\$1.00) (if demanded by the Lessor). The Lessee shall pay to the Lessor the Rent on and from the Commencement Date. The Lessee shall pay the Rent by annual instalments on the first day of each year during the Term. The first year of the Term shall commence on the Commencement Date and each subsequent year shall commence on the corresponding day of each succeeding year.

Title Reference 50209821

2.2 Lessor's Outgoings

The Lessee shall pay to the Lessor as and when they fall due the Lessor's Outgoings upon notice of the same from the Lessor.

2.3 Lessee's Outgoings

The Lessee shall pay the Lessee's Outgoings when due and payable.

SECTION 3: USE AND MAINTENANCE OF THE DEMISED PREMISES

3.1 Permitted Use

The Lessee shall use the Demised Premises for the Permitted Use.

3.2 Compliance with Statutes and By-laws

The Lessee shall comply with and observe at its cost all requirements of any statute in relation to or affecting the Lessee's use and occupation of the Demised Premises. The Lessee shall effect (at its cost) any repairs, maintenance, alterations or additions to the Demised Premises required by law. The Lessee shall comply with and shall not breach the By-laws.

3.3 Lessee's Right to Charge Admission or Fee for Services

The Lessor agrees that the Lessee shall be entitled to require the payment of an admission fee, charge, service fee, or such other fee which the Lessee in its discretion considers fit and reasonable having regard to the nature of the improvements, fixtures, fittings, facilities and appurtenances contained within the Demised Premises and/or the services generated therefrom and/or the enjoyment or use by persons of the same, without objection by the Lessor, to the extent that if a person refuses to pay such admission fee, charge, service fee or other fee, the Lessee shall in its discretion be entitled to elect not to provide or make available the relevant service or facility to such person (whether by refusal of entry on to the Demised Premises or by way of a discontinuance or disconnection of the relevant service). All admission fees, charges, service fees or other fees shall belong to and shall become the property of the Lessee. In pursuance of the aforesaid the Lessor agrees that the Lessee shall be entitled to formulate such rules and regulations as the Lessee in its discretion shall think fit and proper relative to the management, operation and functioning of the Demised Premises and/or the services and facilities supplied therein or therefrom PROVIDED THAT the same are not inconsistent with the By-Laws.

3.4 Duties of the Lessee

The Lessee must use all reasonable endeavours to:-

- 3.4.1 subject to the terms of Clause 3.3, make available the Demised Premises or the services and facilities therein or emanating therefrom to persons during such times as the Lessee shall consider fit and proper PROVIDED ALWAYS HOWEVER that the Lessee shall make available the Demised Premises and/or the services and facilities emanating therefrom for such periods as would ordinarily be necessary for the proper operation and functioning of the same within a resort of a similar nature and standard to the Resort;
- 3.4.2 operate and manage the Demised Premises in a proper and business like manner consistent with the management, operation and functioning that would ordinarily be applicable for a resort of a similar nature and standard to the Resort; and
- 3.4.3 provide such personnel as may be necessary to ensure the proper operation and functioning of the Demised Premises.

3.5 Lessee to Repair and Maintain and may Develop

The Lessee shall maintain and repair the Demised Premises in good and efficient repair, order and condition as at the Commencement Date, subject to fair, wear and tear and damage by fire, storm, flood, lightning, earthquake, tempest, act of God, riot, strike civil commotion, impact by aircraft or act of war excepted. Subject to any requirements imposed by the By-laws, the Lessee may, without the consent of the Lessor, effect improvements, alterations or additions to the Demised Premises (whether structural or otherwise).

Title Reference 50209821

3.6 Notice of Damage

The Lessee shall give the Lessor written notice of any damage sustained to the Demised Premises.

3.7 Abatement

If the Resort or the Demised Premises or any part of the same shall at any time during the Term be damaged or destroyed by fire, lightning, storm, flood, tempest, earthquake, riot, strike, civil commotion, act of God, impact by aircraft or act of war so as to render the Demised Premises or any part of the same wholly or substantially unfit for the use and occupation of the Lessee or (having regard to the nature and location of the Demised Premises and the normal means of access to the same) substantially inaccessible, then a proportionate part of the Rent and contributions to the Lessor's Outgoings payable under this Lease and the covenants (if any) by the Lessee to repair the Demised Premises according to the nature and extent of the damage or destruction sustained shall, after such damage or destruction, abate until the Demised Premises has been restored by the Lessor or made fit for the use and occupation of the Lessee or accessible to the Lessee, as the case may be. The Lessor shall apply its insurance proceeds to such restoration and make up any deficiency out of its own money.

If the Lessor does not within a reasonable time after the occurrence of any such damage or destruction restore the Demised Premises or make the same fit for the use and occupation of or render them accessible to the Lessee as the case may be, the Lessee may without prejudice to any other rights terminate this Lease by giving not less than one (1) month's notice in writing to the Lessor.

Any dispute as to the nature and extent of any such damage or destruction arising under this clause shall be determined by a loss assessor being a member of the Queensland Division of the Insurance Council of Australia Ltd or its successor appointed by the President or acting President from time to time of that Council or his nominee on the application of either the Lessor or the Lessee. The person so appointed shall be an assessor having substantial experience in assessing buildings or facilities of a similar type in the locality of the Demised Premises or other comparable locality. In making a determination such loss assessor shall act as an expert and not as an arbitrator and a determination by the loss assessor shall be final and binding on all parties. The costs of any such determination shall be borne by either or both of the Lessor and the Lessee (and if by both, in the proportion between them) as the person making the determination shall decide.

3.8 Lessee's Obligations on Expiration of Term

The Lessee shall on the expiration or sooner determination of the Term deliver up the Demised Premises to the Lessor. Notwithstanding anything to the contrary contained in or implied under this Lease, upon the expiration or sooner determination of the Term, all improvements, fixtures, fittings, facilities and appurtenances constructed, erected or situated on the Demised Premises shall be deemed to be fixtures and ownership thereof shall become vested in the Lessor and the Lessee shall not remove any of the same from the Demised Premises.

SECTION 4: UNDISTURBED OCCUPATION OF DEMISED PREMISES

4.1 Quiet Enjoyment

The Lessee will, subject to clause 4.2, peaceably possess and enjoy the Demised Premises without disturbance from the Lessor or any person lawfully claiming through the Lessor.

4.2 Lessor's Right of Entry

The Lessor may at any time on giving the Lessee reasonable written notice and subject to the Lessee's reasonable directions enter the Demised Premises for the purpose of:

4.2.1 inspecting the Demised Premises; and

4.2.2 exercising the Lessor's rights under this Lease.

Title Reference 50209821

SECTION 5: LESSEE'S INSURANCES AND INDEMNITIES

5.1 Insurance

The Lessee shall at all times during the Term at its cost effect a policy of public risk liability insurance in the joint names of the Lessor and the Lessee, applying to all operations of the Lessee in the Demised Premises. The public risk liability insurance shall be effected with a limit of not less than five million dollars (\$5,000,000.00) per occurrence. In addition, the Lessee shall at all times during the Term at its cost effect a policy of insurance in respect of all improvements, fixtures, fittings, facilities and appurtenances constructed, erected or situated on the Demised Premises for their full insurable value (as determined by the Lessee). The Lessor agrees and accepts that the inclusion of the Demised Premises in a global or blanket insurance policy effected by the Lessee shall be sufficient compliance with the Lessee's obligations under this clause.

5.2 Lessee to Occupy Demised Premises at its Risk

Save to the extent of any act, omission or negligence on the part of the Lessor, its employees, agents or contractors and save to the extent that the Lessor may receive indemnity pursuant to any policy of insurance effected by the Lessor, the Lessee shall occupy the Demised Premises at its own risk.

5.3 Lessee to Indemnify Lessor

The Lessee indemnifies the Lessor against all loss and damage incurred by the Lessor during the Term in respect of:-

- 5.3.1 any loss, damage, death or injury suffered by any person or caused to the Demised Premises of any description at any time in the Demised Premises occasioned by the use and occupation of the Demised Premises by the Lessee; and
- 5.3.2 any negligent or careless use or neglect by the Lessee of any sewerage, water, gas, electricity or other supply apparatus in the Demised Premises;

save to the extent of any act, omission or negligence of the Lessor, its employees, agents or contractors and save to the extent that the Lessor may receive indemnity pursuant to any policy of insurance effected by the Lessor.

5.4 Release of Lessee

The Lessee will not be responsible or held liable for any damage or loss caused through a breach of the By-laws by any occupier, tenant, visitor, invitee or licensee or any independent contractor in or about the Demised Premises. The Lessor acknowledges and agrees that the Lessee is not the insurer or guarantor of the security or safety of the Lessor or any person or property within the Demised Premises.

SECTION 6: LESSOR'S COVENANTS

6.1 No Interference to Permitted Use, Land Tax, By-Laws and Notices

The Lessor covenants and agrees as follows:-

- 6.1.1 not to enter into any arrangement which would in any way detrimentally affect or interfere with the exercise by the Lessee of the Permitted Use;
- 6.1.2 pay as and when same fall due any outgoing or expense with respect to the Demised Premises not otherwise payable hereunder by the Lessee;
- 6.1.3 comply with the provisions of the MUD Act and the By-laws; and
- 6.1.4 comply with the provisions of all laws relating to the Demised Premises including without limitation any requirements, notices and orders of any Governmental Agency other than those that are the responsibility of the Lessee under this Lease.

Title Reference 50209821

6.2 Liquor Licence

To the extent that any licence under the Liquor Act 1992 has issued or will issue with respect to the Resort, the Lessor, acknowledging and accepting that the Demised Premises may form part of licensed premises, covenants and agrees that the relevant licensee shall have the full free and unfettered control of the conduct of any business associated with such licence and shall not accept nor demand from such licensee any payment by way of commission or allowance from or upon the receipts of the business associated with such licence or liquor sold or supplied, so that, at all times, the licensee is able to fulfil the obligations upon it under the Liquor Act 1992. The Lessor hereby consents to the issue of any liquor licence under the Liquor Act 1992 and any amendments to the same.

6.3 Structure of Demised Premises

The Lessor shall at all times at its cost keep the Community Property in good repair and condition and shall use its best endeavours to maintain all sewerage, water, electricity, gas, water and other services to the Demised Premises.

SECTION 7: ASSIGNMENT SUB LETTING AND MORTGAGES

7.1 Assignment

The Lessee may assign or transfer its estate or interest in this Lease or sublet or otherwise part with possession of the Demised Premises without the consent of the Lessor and the Lessor shall produce and sign all documents reasonably necessary to facilitate any such dealings. Without limiting the generality of the aforesaid, the Lessee may appoint a Resort Operator to manage and operate the Demised Premises without the consent of the Lessor.

7.2 Mortgaging

The Lessee may mortgage, charge or otherwise encumber the Lessee's estate or interest in this Lease without the consent of the Lessor and the Lessor shall produce and sign all documents reasonably necessary to facilitate any such dealings.

SECTION 8: DEFAULT BY LESSEE AND REMEDIES

8.1 Events of Default

If any one or more or all of the following circumstances at any time occur, that is:

- 8.1.1 any rent or other moneys payable by the Lessee under this Lease shall be unpaid for a period of thirty (30) days after becoming payable whether formally demanded or not; or
- 8.1.2 the Lessee fails to perform or observe in a timely manner any of its other covenants under this Lease that ought to be performed or observed by the Lessee;

THEN the Lessee shall be deemed to have made default.

8.2 Forfeiture of Lease

If the Lessee has made any such default, the Lessor may, provided the Lessor has first given to the Lessee a notice to remedy breach of covenant required by statute specifying a period of thirty (30) days to remedy the relevant breach or default and the Lessee has failed to remedy such breach or default to the reasonable satisfaction of the Lessor within a reasonable time, re-enter into and take possession of the Demised Premises or any part of the same and terminate this Lease, without prejudice to any other rights of the Lessor in respect of the relevant breach or default.

SECTION 9: GENERAL

9.1 Notice

- 9.1.1 Any notice, demand, action, writ, court proceeding or other communication (a "Notice") from the Lessor to the Lessee shall be deemed duly given and served on the Lessee if delivered or posted to the Lessee at the Lessee's last known address or at such other address as the Lessee may have last designated by written notice to the Lessor for that purpose, or in such other manner as may be permitted at law.

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9.1.2 Any Notice from the Lessee to the Lessor shall be deemed duly given and served if delivered or posted to the Lessor at the address (if any) of the Lessor specified herein or at such other address as the Lessor may have last designated by written notice to the Lessee for that purpose, or in such other manner as may be permitted at law.

9.1.3 A Notice that is posted shall be deemed to be served on the Business Day next following the date of posting. Any Notice given by any party to another shall be signed by the relevant party giving the Notice or by the solicitors for such party. In the case of a corporation, any Notice may be signed by any director, manager, secretary or other authorised officer of such corporation.

9.2 Overholding After Expiration of Lease Term

9.2.1 If the Lessee with the consent of the Lessor remains in occupation of the Demised Premises after the expiration of the Term (other than pursuant to the grant of the Further Lease) then the Lessee shall be a monthly tenant of the Demised Premises from the Lessor on the terms of this Lease so far as the same are applicable to a monthly tenancy.

9.2.2 The Rent payable by the Lessee under such monthly tenancy shall be the amount of rent payable monthly under this Lease immediately before such expiration and shall be payable monthly in arrears at the times and in the manner referred to in this Lease.

9.3 Governing Law

Notwithstanding the domicile or residence of any party, this Lease shall be governed in all respects by the laws of the State of Queensland. The parties to this Lease submit to the non-exclusive jurisdiction of the Courts of the State of Queensland (including the High Court of Australia) with respect to any legal proceedings relating to this Lease.

9.4 Costs and Expenses

The Lessee shall pay all expenses reasonably and properly incurred by the Lessor in respect of any application for the consent or approval of the Lessor under this Lease, any breach of the Lessee's obligations hereunder or the exercise of any right of the Lessor under this Lease but not including the Lessor's costs of entering into this Lease or the Lessor's costs of and incidental to entering into the Further Lease.

9.5 Exclusion of Laws

Unless its application is mandatory by law any present or future law which varies:-

9.5.1 the Lessee's obligations hereunder; or

9.5.2 the Lessor's obligations hereunder,

resulting in the Lessor's rights being adversely affected is excluded.

9.6 Stamp Duty

The Lessee shall be responsible for all stamp duty assessed or payable in respect of this Lease.

9.7 Authority to Complete Blanks

The Lessor hereby authorises the Lessee and the solicitors for the Lessee to do all or any of the following things:-

9.7.1 to date or to complete any blank spaces in this Lease; or

9.7.2 to complete and sign any document or paperwriting as is necessary to stamp or register this Lease.

Title Reference 50209821

9.8 Registration of Lease

If the Lessor sells or otherwise disposes of the reversion of this Lease, the Lessor shall at its cost procure from such purchaser or disponee a covenant with the Lessee that such purchaser or disponee shall observe and be bound by this Lease and any options contained in this clause. However, the obligation of the Lessor to obtain that covenant shall cease upon registration of this Lease. The Lessor shall use its best endeavours to facilitate the registration of this Lease as soon as possible including obtaining the consent of any mortgagee to such registration.

9.9 Further Assurance

The Lessor shall and shall procure every other person as required to sign and execute all such further documents and otherwise do all such acts, matters and things as shall be necessary or desirable to give full force and effect to the provisions of this Lease and to facilitate the stamping and registration of this Lease.

Title Reference 50209821

— APPENDIX A

~~Plan of the Demised Premises (Attached)~~

1. Description of Lot	County	Parish	Title Reference
CP Lot 7 on MCP 106751	Ward	Currigee	50209821

2. Instrument being consented to

Instrument type Lease - Area K on SP 116667
Dated 11 June, 1998
Names of parties Couran Cove Resort Community Body Corporate as Lessor and Interpacific Resorts (Australia) Pty Ltd ACN 010 976 422 as Lessee

3. Instrument under which consent required

Dealing Type
Dealing No.
Name of consenting party Gold Coast City Council

4. Execution by consenting party

The party identified in item 3 consents to the registration of the instrument identified in item 2.

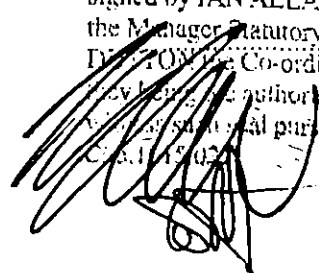
Witnessing Officer	Execution Date	Consenting Party's Signature
--------------------	----------------	------------------------------

..... signature
..... full name
..... qualification

as per Schedule 1 of Land Title Act 1994 (eg Legal Practitioner, JP, C.Dec)

28/7/99

GIVEN under the Corporate Seal of the
COUNCIL of the CITY OF GOLD COAST
signed by IAN ALLAN D'ESPIE GLEW
the Manager, Statutory Planning and COLIN JAMES
DE FORTUNE Co-ordinator Subdivision Services
they being the authorised officers to sign, affix and
verify the seal pursuant to Council Minute Number
C.C.11992



12

FORM 7 Version 3
Land Title Act 1994 and Land Act 1994

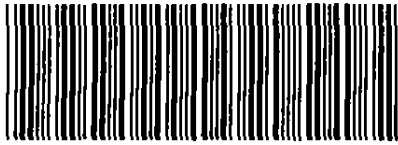
LEASE/SUB LEASE

QUEENSLAND LAND REGISTRY
Page 1 of 10

\$0.35

Stamp Duty Imprint

Dealing No.



702961506

\$112.00

20/10/1998 09:13

BE 500

QLD STAMP DUTY - BNE

1160007017-0

22/07/98 16:22:16

\$0.35 LEAS

1. Lessor

COURAN COVE RESORT COMMUNITY BODY CORPORATE

Lodger Name, address & phone number Lodger Code

Hopgood and Ganim
Solicitors 187
Level 3, 141 Queen Street
BRISBANE QLD 4000
Telephone: 3234 7777

2. Description of Lot

CP Lot 7 on MCP 106751

County

Ward

Parish

Currigee

Title Reference

50209821

3. Lessee

Given names

Surname/Company name and number

(include tenancy if more than one)

INTERPACIFIC RESORTS (AUSTRALIA)
PTY LTD A.C.N. 010 976 422

4. Interest being leased

INTERIM ASSESSMENT

Estimated Total Rent \$ 50

Fee Simple

5. Description of premises being leased

Part of the lot shown hatched in black on the Sketch Plan contained in Appendix A of this Lease.

6. Term of lease

Fifty (50) years

Commencement date:

11 June, 1998

*Expiry date:

10 June, 2048

*not required for leases in a retirement village

7. Rental/Consideration

See attached Schedule

8. Grant/Execution

The Lessor leases the premises described in item 5 to the lessee for the term stated in item 6 subject to the covenants and conditions contained in the attached schedule

Witnessing Officer

Execution Date

Lessor's Signature

Tracey L Rundle signature

11/6/98

TRACEY LEIGH RUNDLE full name

SOLICITOR

qualification

as per Schedule 1 of Land Title Act 1994 (eg Legal Practitioner, JP, C.Dec)



9. Acceptance

The lessee accepts the lease and acknowledges the amount payable or other considerations for the lease.

Witnessing Officer

Execution Date

Lessee's Signature

signature

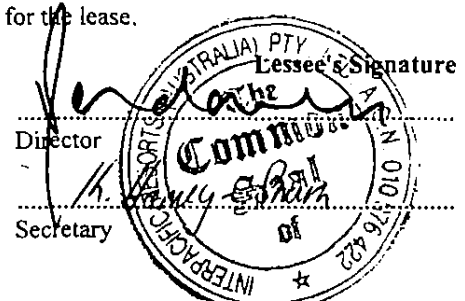
11/6/98

full name

qualification

as per Schedule 1 of Land Title Act 1994 (eg Legal Practitioner, JP, C.Dec)

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Title Reference 50209821

This is the Schedule referred to in the Lease dated 11 day of June, 1998.

SECTION 1: DEFINITIONS AND INTERPRETATION

1.1 Expressions

In this Lease, unless the contrary intention appears:-

"**Business Day**" means a day on which banks lawfully carry on business in Brisbane and are open to the public at large.

"**By-laws**" means the by-laws in force of the Community Body Corporate as a consequence of the operation and provisions of the MUD Act.

"**Commencement Date**" means 11 June, 1998.

"**Community Body Corporate**" means the Lessor.

"**Community Property**" means that land specified in Item 2 of the Form 7.

"**Demised Premises**" shall mean that land described in Item 5 of the Form 7 but shall exclude all improvements, fixtures, fittings, facilities and appurtenances contained thereon, all of such excluded items being the property of the Lessee.

"**Form 7**" means the Form 7 which forms part of this Lease.

"**Governmental Agency**" means any governmental or semi-governmental, administrative, fiscal or judicial department, commission, authority, tribunal, agency or entity.

"**Lessor**" means the lessor named in Item 1 of the Form 7 and includes its administrators, successors and assigns, and any other authorised person of the lessor.

"**Lessor's Outgoings**" means taxes, assessments, charges, duties and fees imposed by any Governmental Agency and the levies (if any) imposed by the Community Body Corporate in respect of the Demised Premises together with any interest, fines and penalties in respect of any of them but excluding rates and other charges payable to the City of the Council of Gold Coast and land tax (if any).

"**Lease**" means the lease of which this schedule forms part and includes, without limitation, the Form 7.

"**Lessee**" means the lessee specified in Item 3 of the Form 7 and includes its administrators, successors and assigns, tenants, servants, agents, employees, workmen, contractors, sub-contractors, invitees, licencees, guests, visitors and any other authorised person of the lessee.

"**Lessee's Outgoings**" means all sewerage, water, electricity, gas, telephone or other telecommunication charges incurred with respect to the Demised Premises.

"**MUD Act**" means the Mixed Use Development Act 1993.

"**Permitted Use**" means such use of the Demised Premises as the Lessee in its sole discretion shall deem fit and appropriate PROVIDED ALWAYS HOWEVER that the Lessee shall not exercise its discretion as aforesaid to the extent that the ultimate use is inconsistent with or prejudicial to the reasonable use of the Demised Premises having regard to the improvements, fixtures, fittings, facilities and appurtenances contained or to be contained thereon.

"**Rent**" means the rent specified in Clause 2.1.

"**Resort**" means the "Couran Cove Resort", Couran, South Stradbroke Island (or such other name as may be selected by the Lessee from time to time) operated by the Lessee or the Resort Operator.

"**Resort Operator**" means the Lessee or such other person the Lessee may appoint to operate and manage the Resort from time to time.

Title Reference 50209821

"Term" means the term of this Lease commencing on the Commencement Date and continuing for the duration set out in Item 6 of the Form 7.

1.2 Interpretation

In this Lease, unless the contrary intention appears:-

- 1.2.1 a reference to this Lease includes any variation or replacement of it;
- 1.2.2 a reference to any statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements or any of them occurring at any time before or after the date of this Lease;
- 1.2.3 words importing the singular include the plural and vice versa;
- 1.2.4 words importing a gender include any gender;
- 1.2.5 an expression importing a natural person includes any company, partnership, joint venture, association, corporation or other body corporate;
- 1.2.6 a reference to a person includes a reference to the person's executors, administrators, successors, substitutes and assigns;
- 1.2.7 an agreement on the part of two (2) or more persons binds them jointly and severally;
- 1.2.8 a reference to any property, land or thing includes a part of that property, land or thing;
- 1.2.9 a reference to a body or authority which ceases to exist includes the body or authority established in place of the body or authority to serve substantially the same purposes;
- 1.2.10 a reference to the president of a body or authority is a reference, if there is no such person, to the senior officer of the body or authority or to the person who fulfils the duties of president; and
- 1.2.11 headings are inserted for convenience only and do not affect the interpretation of this Lease.

1.3 Exclusion of Implied covenants and powers

The covenants, obligations, powers and provisions on the part of the Lessee implied under the Land Title Act 1994 (Q) and the Property Law Act 1974 (Q) are not negatived but shall be deemed to have been modified to the extent of any inconsistency with this Lease. Otherwise, the obligations and powers implied in every lease of land under Sections 105 and 107 of the Property Law Act 1974 (Q) are negatived.

1.4 Severability

If any provision of this Lease shall be or become invalid, illegal or unenforceable, such provision shall so far as possible be read down to give it a valid operation of a partial character, or, if not so possible, shall be severed from the remaining provisions of this Lease and such remaining provisions shall not in any way be affected or impaired by the same.

SECTION 2: RENT AND OUTGOINGS

2.1 Rent

The Rent payable by the Lessee to the Lessor during each year of the Term shall be one dollar (\$1.00) (if demanded by the Lessor). The Lessee shall pay to the Lessor the Rent on and from the Commencement Date. The Lessee shall pay the Rent by annual instalments on the first day of each year during the Term. The first year of the Term shall commence on the Commencement Date and each subsequent year shall commence on the corresponding day of each succeeding year.

Title Reference 50209821

2.2 Lessor's Outgoings

The Lessee shall pay to the Lessor as and when they fall due the Lessor's Outgoings upon notice of the same from the Lessor.

2.3 Lessee's Outgoings

The Lessee shall pay the Lessee's Outgoings when due and payable.

SECTION 3: USE AND MAINTENANCE OF THE DEMISED PREMISES

3.1 Permitted Use

The Lessee shall use the Demised Premises for the Permitted Use.

3.2 Compliance with Statutes and By-laws

The Lessee shall comply with and observe at its cost all requirements of any statute in relation to or affecting the Lessee's use and occupation of the Demised Premises. The Lessee shall effect (at its cost) any repairs, maintenance, alterations or additions to the Demised Premises required by law. The Lessee shall comply with and shall not breach the By-laws.

3.3 Lessee's Right to Charge Admission or Fee for Services

The Lessor agrees that the Lessee shall be entitled to require the payment of an admission fee, charge, service fee, or such other fee which the Lessee in its discretion considers fit and reasonable having regard to the nature of the improvements, fixtures, fittings, facilities and appurtenances contained within the Demised Premises and/or the services generated therefrom and/or the enjoyment or use by persons of the same, without objection by the Lessor, to the extent that if a person refuses to pay such admission fee, charge, service fee or other fee, the Lessee shall in its discretion be entitled to elect not to provide or make available the relevant service or facility to such person (whether by refusal of entry on to the Demised Premises or by way of a discontinuance or disconnection of the relevant service). All admission fees, charges, service fees or other fees shall belong to and shall become the property of the Lessee. In pursuance of the aforesaid the Lessor agrees that the Lessee shall be entitled to formulate such rules and regulations as the Lessee in its discretion shall think fit and proper relative to the management, operation and functioning of the Demised Premises and/or the services and facilities supplied therein or therefrom PROVIDED THAT the same are not inconsistent with the By-Laws.

3.4 Duties of the Lessee

The Lessee must use all reasonable endeavours to:-

3.4.1 subject to the terms of Clause 3.3, make available the Demised Premises or the services and facilities therein or emanating therefrom to persons during such times as the Lessee shall consider fit and proper PROVIDED ALWAYS HOWEVER that the Lessee shall make available the Demised Premises and/or the services and facilities emanating therefrom for such periods as would ordinarily be necessary for the proper operation and functioning of the same within a resort of a similar nature and standard to the Resort;

3.4.2 operate and manage the Demised Premises in a proper and business like manner consistent with the management, operation and functioning that would ordinarily be applicable for a resort of a similar nature and standard to the Resort; and

3.4.3 provide such personnel as may be necessary to ensure the proper operation and functioning of the Demised Premises.

3.5 Lessee to Repair and Maintain and may Develop

The Lessee shall maintain and repair the Demised Premises in good and efficient repair, order and condition as at the Commencement Date, subject to fair, wear and tear and damage by fire, storm, flood, lightning, earthquake, tempest, act of God, riot, strike civil commotion, impact by aircraft or act of war excepted. Subject to any requirements imposed by the By-laws, the Lessee may, without the consent of the Lessor, effect improvements, alterations or additions to the Demised Premises (whether structural or otherwise).

Title Reference 50209821

3.6 Notice of Damage

The Lessee shall give the Lessor written notice of any damage sustained to the Demised Premises.

3.7 Abatement

If the Resort or the Demised Premises or any part of the same shall at any time during the Term be damaged or destroyed by fire, lightning, storm, flood, tempest, earthquake, riot, strike, civil commotion, act of God, impact by aircraft or act of war so as to render the Demised Premises or any part of the same wholly or substantially unfit for the use and occupation of the Lessee or (having regard to the nature and location of the Demised Premises and the normal means of access to the same) substantially inaccessible, then a proportionate part of the Rent and contributions to the Lessor's Outgoings payable under this Lease and the covenants (if any) by the Lessee to repair the Demised Premises according to the nature and extent of the damage or destruction sustained shall, after such damage or destruction, abate until the Demised Premises has been restored by the Lessor or made fit for the use and occupation of the Lessee or accessible to the Lessee, as the case may be. The Lessor shall apply its insurance proceeds to such restoration and make up any deficiency out of its own money.

If the Lessor does not within a reasonable time after the occurrence of any such damage or destruction restore the Demised Premises or make the same fit for the use and occupation of or render them accessible to the Lessee as the case may be, the Lessee may without prejudice to any other rights terminate this Lease by giving not less than one (1) month's notice in writing to the Lessor.

Any dispute as to the nature and extent of any such damage or destruction arising under this clause shall be determined by a loss assessor being a member of the Queensland Division of the Insurance Council of Australia Ltd or its successor appointed by the President or acting President from time to time of that Council or his nominee on the application of either the Lessor or the Lessee. The person so appointed shall be an assessor having substantial experience in assessing buildings or facilities of a similar type in the locality of the Demised Premises or other comparable locality. In making a determination such loss assessor shall act as an expert and not as an arbitrator and a determination by the loss assessor shall be final and binding on all parties. The costs of any such determination shall be borne by either or both of the Lessor and the Lessee (and if by both, in the proportion between them) as the person making the determination shall decide.

3.8 Lessee's Obligations on Expiration of Term

The Lessee shall on the expiration or sooner determination of the Term deliver up the Demised Premises to the Lessor. Notwithstanding anything to the contrary contained in or implied under this Lease, upon the expiration or sooner determination of the Term, all improvements, fixtures, fittings, facilities and appurtenances constructed, erected or situated on the Demised Premises shall be deemed to be fixtures and ownership thereof shall become vested in the Lessor and the Lessee shall not remove any of the same from the Demised Premises.

SECTION 4: UNDISTURBED OCCUPATION OF DEMISED PREMISES

4.1 Quiet Enjoyment

The Lessee will, subject to clause 4.2, peaceably possess and enjoy the Demised Premises without disturbance from the Lessor or any person lawfully claiming through the Lessor.

4.2 Lessor's Right of Entry

The Lessor may at any time on giving the Lessee reasonable written notice and subject to the Lessee's reasonable directions enter the Demised Premises for the purpose of:

- 4.2.1 inspecting the Demised Premises; and
- 4.2.2 exercising the Lessor's rights under this Lease.

Title Reference 50209821

SECTION 5: LESSEE'S INSURANCES AND INDEMNITIES

5.1 Insurance

The Lessee shall at all times during the Term at its cost effect a policy of public risk liability insurance in the joint names of the Lessor and the Lessee, applying to all operations of the Lessee in the Demised Premises. The public risk liability insurance shall be effected with a limit of not less than five million dollars (\$5,000,000.00) per occurrence. In addition, the Lessee shall at all times during the Term at its cost effect a policy of insurance in respect of all improvements, fixtures, fittings, facilities and appurtenances constructed, erected or situated on the Demised Premises for their full insurable value (as determined by the Lessee). The Lessor agrees and accepts that the inclusion of the Demised Premises in a global or blanket insurance policy effected by the Lessee shall be sufficient compliance with the Lessee's obligations under this clause.

5.2 Lessee to Occupy Demised Premises at its Risk

Save to the extent of any act, omission or negligence on the part of the Lessor, its employees, agents or contractors and save to the extent that the Lessor may receive indemnity pursuant to any policy of insurance effected by the Lessor, the Lessee shall occupy the Demised Premises at its own risk.

5.3 Lessee to Indemnify Lessor

The Lessee indemnifies the Lessor against all loss and damage incurred by the Lessor during the Term in respect of:-

- 5.3.1 any loss, damage, death or injury suffered by any person or caused to the Demised Premises of any description at any time in the Demised Premises occasioned by the use and occupation of the Demised Premises by the Lessee; and
- 5.3.2 any negligent or careless use or neglect by the Lessee of any sewerage, water, gas, electricity or other supply apparatus in the Demised Premises;

save to the extent of any act, omission or negligence of the Lessor, its employees, agents or contractors and save to the extent that the Lessor may receive indemnity pursuant to any policy of insurance effected by the Lessor.

5.4 Release of Lessee

The Lessee will not be responsible or held liable for any damage or loss caused through a breach of the By-laws by any occupier, tenant, visitor, invitee or licensee or any independent contractor in or about the Demised Premises. The Lessor acknowledges and agrees that the Lessee is not the insurer or guarantor of the security or safety of the Lessor or any person or property within the Demised Premises.

SECTION 6: LESSOR'S COVENANTS

6.1 No Interference to Permitted Use, Land Tax, By-Laws and Notices

The Lessor covenants and agrees as follows:-

- 6.1.1 not to enter into any arrangement which would in any way detrimentally affect or interfere with the exercise by the Lessee of the Permitted Use;
- 6.1.2 pay as and when same fall due any outgoing or expense with respect to the Demised Premises not otherwise payable hereunder by the Lessee;
- 6.1.3 comply with the provisions of the MUD Act and the By-laws; and
- 6.1.4 comply with the provisions of all laws relating to the Demised Premises including without limitation any requirements, notices and orders of any Governmental Agency other than those that are the responsibility of the Lessee under this Lease.

Title Reference 50209821

6.2 Liquor Licence

To the extent that any licence under the Liquor Act 1992 has issued or will issue with respect to the Resort, the Lessor, acknowledging and accepting that the Demised Premises may form part of licensed premises, covenants and agrees that the relevant licensee shall have the full free and unfettered control of the conduct of any business associated with such licence and shall not accept nor demand from such licensee any payment by way of commission or allowance from or upon the receipts of the business associated with such licence or liquor sold or supplied, so that, at all times, the licensee is able to fulfil the obligations upon it under the Liquor Act 1992. The Lessor hereby consents to the issue of any liquor licence under the Liquor Act 1992 and any amendments to the same.

6.3 Structure of Demised Premises

The Lessor shall at all times at its cost keep the Community Property in good repair and condition and shall use its best endeavours to maintain all sewerage, water, electricity, gas, water and other services to the Demised Premises.

SECTION 7: ASSIGNMENT SUB LETTING AND MORTGAGES

7.1 Assignment

The Lessee may assign or transfer its estate or interest in this Lease or sublet or otherwise part with possession of the Demised Premises without the consent of the Lessor and the Lessor shall produce and sign all documents reasonably necessary to facilitate any such dealings. Without limiting the generality of the aforesaid, the Lessee may appoint a Resort Operator to manage and operate the Demised Premises without the consent of the Lessor.

7.2 Mortgaging

The Lessee may mortgage, charge or otherwise encumber the Lessee's estate or interest in this Lease without the consent of the Lessor and the Lessor shall produce and sign all documents reasonably necessary to facilitate any such dealings.

SECTION 8: DEFAULT BY LESSEE AND REMEDIES

8.1 Events of Default

If any one or more or all of the following circumstances at any time occur, that is:

- 8.1.1 any rent or other moneys payable by the Lessee under this Lease shall be unpaid for a period of thirty (30) days after becoming payable whether formally demanded or not; or
- 8.1.2 the Lessee fails to perform or observe in a timely manner any of its other covenants under this Lease that ought to be performed or observed by the Lessee;

THEN the Lessee shall be deemed to have made default.

8.2 Forfeiture of Lease

If the Lessee has made any such default, the Lessor may, provided the Lessor has first given to the Lessee a notice to remedy breach of covenant required by statute specifying a period of thirty (30) days to remedy the relevant breach or default and the Lessee has failed to remedy such breach or default to the reasonable satisfaction of the Lessor within a reasonable time, re-enter into and take possession of the Demised Premises or any part of the same and terminate this Lease, without prejudice to any other rights of the Lessor in respect of the relevant breach or default.

SECTION 9: GENERAL

9.1 Notice

- 9.1.1 Any notice, demand, action, writ, court proceeding or other communication (a "Notice") from the Lessor to the Lessee shall be deemed duly given and served on the Lessee if delivered or posted to the Lessee at the Lessee's last known address or at such other address as the Lessee may have last designated by written notice to the Lessor for that purpose, or in such other manner as may be permitted at law.

Title Reference 50209821

9.1.2 Any Notice from the Lessee to the Lessor shall be deemed duly given and served if delivered or posted to the Lessor at the address (if any) of the Lessor specified herein or at such other address as the Lessor may have last designated by written notice to the Lessee for that purpose, or in such other manner as may be permitted at law.

9.1.3 A Notice that is posted shall be deemed to be served on the Business Day next following the date of posting. Any Notice given by any party to another shall be signed by the relevant party giving the Notice or by the solicitors for such party. In the case of a corporation, any Notice may be signed by any director, manager, secretary or other authorised officer of such corporation.

9.2 Overholding After Expiration of Lease Term

9.2.1 If the Lessee with the consent of the Lessor remains in occupation of the Demised Premises after the expiration of the Term (other than pursuant to the grant of the Further Lease) then the Lessee shall be a monthly tenant of the Demised Premises from the Lessor on the terms of this Lease so far as the same are applicable to a monthly tenancy.

9.2.2 The Rent payable by the Lessee under such monthly tenancy shall be the amount of rent payable monthly under this Lease immediately before such expiration and shall be payable monthly in arrears at the times and in the manner referred to in this Lease.

9.3 Governing Law

Notwithstanding the domicile or residence of any party, this Lease shall be governed in all respects by the laws of the State of Queensland. The parties to this Lease submit to the non-exclusive jurisdiction of the Courts of the State of Queensland (including the High Court of Australia) with respect to any legal proceedings relating to this Lease.

9.4 Costs and Expenses

The Lessee shall pay all expenses reasonably and properly incurred by the Lessor in respect of any application for the consent or approval of the Lessor under this Lease, any breach of the Lessee's obligations hereunder or the exercise of any right of the Lessor under this Lease but not including the Lessor's costs of entering into this Lease or the Lessor's costs of and incidental to entering into the Further Lease.

9.5 Exclusion of Laws

Unless its application is mandatory by law any present or future law which varies:-

9.5.1 the Lessee's obligations hereunder; or

9.5.2 the Lessor's obligations hereunder,

resulting in the Lessor's rights being adversely affected is excluded.

9.6 Stamp Duty

The Lessee shall be responsible for all stamp duty assessed or payable in respect of this Lease.

9.7 Authority to Complete Blanks

The Lessor hereby authorises the Lessee and the solicitors for the Lessee to do all or any of the following things:-

9.7.1 to date or to complete any blank spaces in this Lease; or

9.7.2 to complete and sign any document or paperwriting as is necessary to stamp or register this Lease.

Title Reference 50209821

9.8 Registration of Lease

If the Lessor sells or otherwise disposes of the reversion of this Lease, the Lessor shall at its cost procure from such purchaser or disponent a covenant with the Lessee that such purchaser or disponent shall observe and be bound by this Lease and any options contained in this clause. However, the obligation of the Lessor to obtain that covenant shall cease upon registration of this Lease. The Lessor shall use its best endeavours to facilitate the registration of this Lease as soon as possible including obtaining the consent of any mortgagee to such registration.

9.9 Further Assurance

The Lessor shall and shall procure every other person as required to sign and execute all such further documents and otherwise do all such acts, matters and things as shall be necessary or desirable to give full force and effect to the provisions of this Lease and to facilitate the stamping and registration of this Lease.

Title Reference 50209821

APPENDIX A

Plan of the Demised Premises (Attached)

1. Description of Lot	County	Parish	Title Reference
CP Lot 7 on MCP 106751	Ward	Currigee	50209821

2. Instrument being consented to

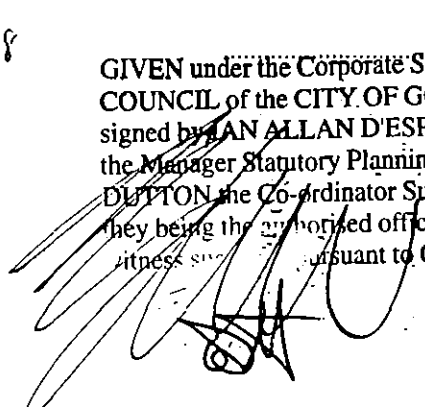
Instrument type Lease
Dated 11 June, 1998
Names of parties Couran Cove Resort Community Body Corporate as Lessor and Interpacific Resorts (Australia) Pty Ltd
 ACN 010 976 422 as Lessee

3. Instrument under which consent required

Dealing Type
Dealing No.
Name of consenting party Gold Coast City Council

4. Execution by consenting party

The party identified in item 3 consents to the registration of the instrument identified in item 2.

Witnessing Officer	Execution Date	Consenting Party's Signature
..... signature	14/10/98	 <p>GIVEN under the Corporate Seal of the COUNCIL of the CITY OF GOLD COAST signed by ALAN ALLAN D'ESPIE GLEW the Manager Statutory Planning and COLIN JAMES DUTTON the Co-ordinator Subdivision Services they being the authorised officers to sign, affix and witness such as pursuant to Council Minute Number</p>
..... full name		
..... qualification		
as per Schedule 1 of Land Title Act 1994 (eg Legal Practitioner, JP, C.Dec)		



REFERENCE MARKS

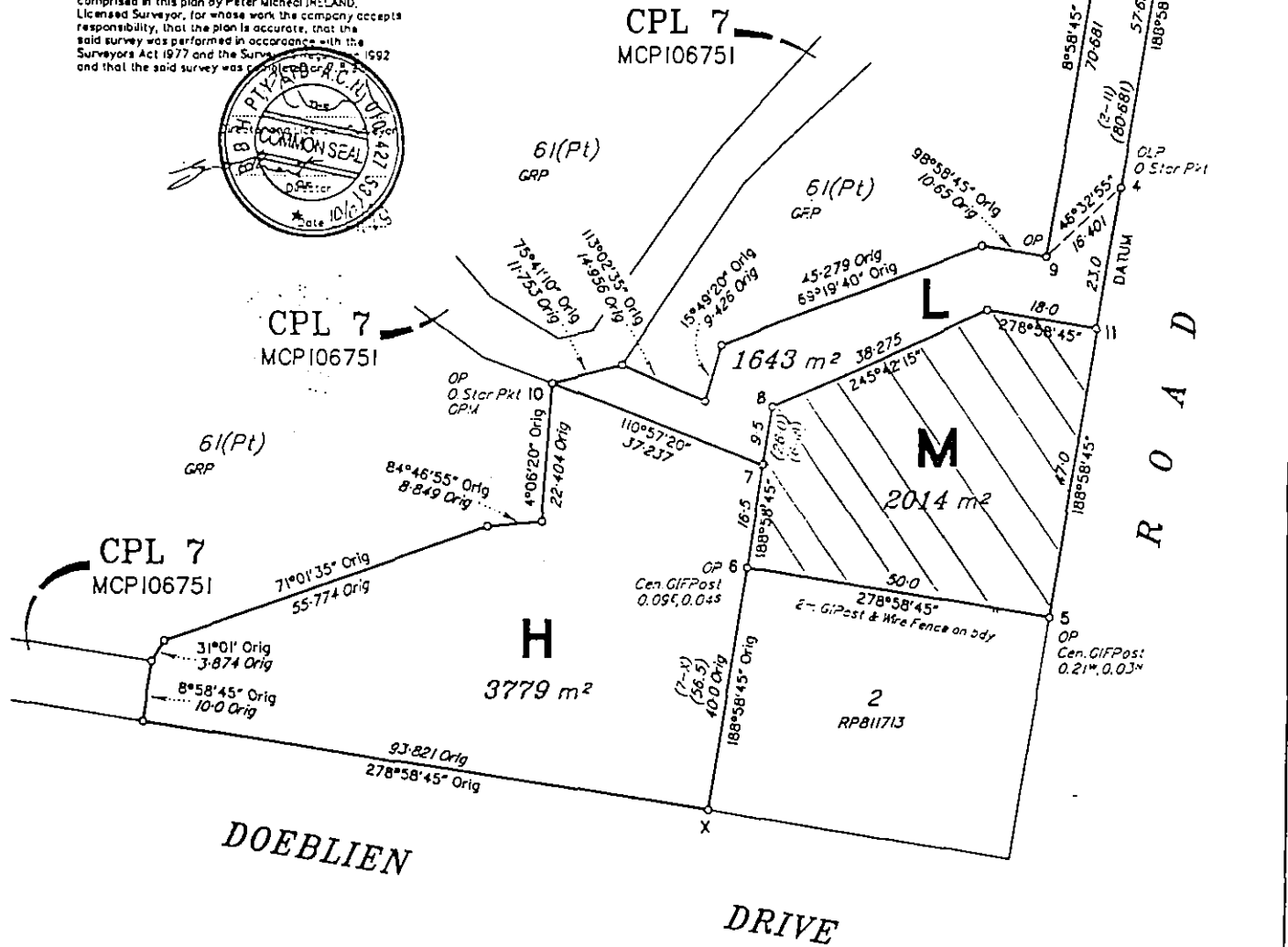
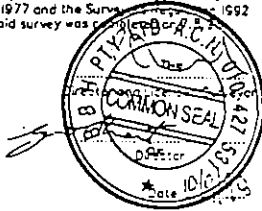
STN	TO	ORIGIN	BEARING	DIST
1	O. STAR PKT	81/MCPI06751	182°16'15"	6.86
2	STAR PKT		18°54'40"	29.148
4	O. STAR PKT	43/MCPI06751	215°59'	24.644
10	O. STAR PKT	38/MCPI06751	106°19'20"	5.007
11	PIN		97°10'	1.62

PERMANENT MARKS

PM	ORIGIN	BEARING	DIST	NO
3-OPM	103a/MCPI06751	344°28'40"	668.638	116.480 (new conn.)
10-OPM	25/GIP106807	297°54'10"	681.644	116.476 (new conn.)

REPRODUCTION OF SKETCH MAY NOT BE TO SCALE SHOWN

B.B.H. PTY LTD. ACN (010 427 531) hereby certify that the Company has surveyed the land comprised in this plan by Peter Michael IRELAND, Licensed Surveyor, for whose work the company accepts responsibility, that the plan is accurate, that the said survey was performed in accordance with the Surveyors Act 1977 and the Surveyors Act 1992 and that the said survey was performed on 10/10/98.



Original information compiled from MCPI05456 and GIP106783 in the Department of Natural Resources.

SCALE 1:200



NOTES: 1. Drawn to Scale on A3 sheet 2. Title Reference: 50209821 3. Meridian - AMG (Vide MCPI06751)	BENNETT & BENNETT CONSULTING SURVEYORS BBH Pty. Ltd. A.C.N. 010 427 531 99 Upton Street, Bundall Ph. (07)55 740733 P.O. Box 5021 G.C.M.C. 4217 Fax (07)55 740202		Surv'd PI Drawn DJ Ck'd	F/Book L/Book ACAO Dwg. File 16005LE1	AMENDMENTS _____ _____ _____
	"PLAN FOR LEASE PURPOSES ONLY" of Leases 'H', 'L' & 'M' in Community Property Lot 7 on MCPI06751		SCALE 1:200 JOB No. 96.005.A395 CLIENT	PLAN No. 80 DATE 9.9.98 INTERPACIFIC RESORTS	
	Parish of CURRIGEE County of Ward				



HopgoodGanim

LAWYERS

Infrastructure Service Agreement

Couran Cove Resort Community Body Corporate (CBC)

Interpacific Resorts (Australia) Pty Ltd ACN 010 976 422 (in liquidation) (IPR)

Contact – Tracey Rundle, Partner, t.rundle@hopgoodganim.com.au

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Infrastructure Service Agreement



Date

24 August 2012

Parties

Couran Cove Resort Community Body Corporate (**CBC**)

Interpacific Resorts (Australia) Pty Ltd ACN 010 976 422 (in liquidation) (**IPR**)

Background

- A. The CBC was constituted upon registration of a Community Plan as a consequence of Sections 15(1) and 167(1) of the MUD Act.
- B. The CBC must control, manage and administer for the benefit of its members the Community Property and must do all things that are necessary and reasonable for the control, management and administration of the Community Property under Sections 177(1) and 167(9) of the MUD Act, and the CBC has the power to enter into agreements for the provision of amenities or services to its members under Section 176(c) of the MUD Act.
- C. The CBC has entered into the Community Property Leases with IPR in respect of certain parts of the Community Property.
- D. Under the terms of each Community Property Lease, IPR is entitled to require Lot Owners to pay an admission fee, charge, service fee or other fee for receiving the benefit of the Services (**Lot Owner Services Fee**).
- E. Prior to the commencement of this agreement, IPR has not sought to charge a Lot Owner Services Fee.
- F. However, the CBC acknowledges that due to the costs of providing the Services, which includes the ongoing costs necessary to operate and maintain the infrastructure required to provide the Services, it is now necessary and reasonable for IPR to charge such a fee.
- G. The CBC is desirous of minimising costs for the benefit of its members in relation to the provision of the Services by IPR and has requested that IPR not charge a Lot Owner Services Fee on the basis that the CBC will pay to IPR the CIS Fee on behalf of its members to enable Lot Owners to receive the Services.
- H. IPR has agreed to do so upon and subject to the terms and conditions of this agreement.

It is agreed

1. Definitions and interpretation

1.1 Definitions

In this agreement:

Act means the *Building Units and Group Titles Act 1980*, as amended.

Business Day means:

- (a) if determining when a notice, consent or other communication is given, a day that is not a Saturday, Sunday or public holiday in the place to which the notice, consent or other communication is sent; and
- (b) for any other purpose, a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Brisbane.



CIS Fee means the fee to be paid by the CBC to IPR in accordance with the terms of this agreement.

Claim means in relation to any person, a claim, action, proceeding, damage, Loss, expense, cost or liability incurred by or to be made or recovered by or against the person, howsoever arising or whether present, unascertained, immediate, future or contingent and includes, without limitation, a claim for compensation or a reduction to, abatement of or retention in respect of, any amount required to be paid.

Community Plan shall have the same meaning as given to that term in the MUD Act and means the Community Plan or Community Plans registered in the appropriate government office with respect to the Development.

Community Property shall have the same meaning as given to that term in the MUD Act and being community property in the Scheme.

Community Property Leases means the leases between the CBC and IPR identified in Schedule 1.

Date of Commencement means the date of this agreement.

Development means the development (and continuing development as the case may be) of certain land known as the Couran Cove Resort and in respect of which an approval has been obtained under the MUD Act.

Government Body means:

- (c) any person, body or other thing exercising an executive, legislative, judicial or other governmental function of any country or political subdivision of any country;
- (d) any public authority constituted by or under a law of any country or political subdivision of any country; and
- (e) any person deriving a power directly or indirectly from any other Government Body.

Group Titles Plans means any one or more or all of the group title plans or building units plans (or any plans of resubdivision) registered over any part of the Development.

GST means GST as that term is defined in the GST Law, and any interest, penalties, fines or expenses relating to such GST.

GST Law means, where the context requires or permits, the *A New Tax System (Goods and Services Tax) Act 1999* and/ or associated Commonwealth legislation, regulations and publicly available rulings.

Infrastructure means the improvements, facilities, equipment and other utility infrastructure used to provide the Services.

Liquidator means, as the context permits or requires, either or both of the joint and several liquidators of IPR, namely:

- (a) William Martin Colwell; and
- (b) Timothy James Michael,

of Ferrier Hodgson.

Loss includes any damage, loss, cost, expense or liability incurred by the person concerned, however it arises and whether it is present or future, fixed or unascertained, actual or contingent.

Lot Owner Services Fee means the fee described as such earlier in this agreement.



Lot Owners means the proprietors or owners of lots in a Group Titles Plan including their tenants, licensees, guests and invitees and, where the context permits or requires, includes any body corporate associated with the Scheme.

MUD Act means the *Mixed Use Development Act 1993* and all amendments and regulations with respect to it.

Premises means the premises under the Community Property Leases (and includes a part of such premises).

Related Body Corporate means any related body corporate (of an entity) as defined in Section 50 of the *Corporations Act*.

Related Person means:

- (a) each Related Body Corporate of IPR;
- (b) each agent, director, officer, employee and advisor of IPR or a Related Body Corporate of IPR;
- (c) each officer, director, partner, employee, agent or advisor of the Liquidator or of any firm or company employed by or associated with the Liquidator and their respective agents or advisors.

Retention Fee means the amount set out in (and as varied under) Schedule 2.

Scheme means the Couran Cove Resort Mixed Use Development Scheme approved under the MUD Act as amended from time to time.

Services means the services and utilities generated or produced from the improvements and facilities located on or in the Premises from time to time.

Term means the period commencing on the date of this agreement and expiring on 10 June 2048, subject to the terms of clause 9 of this agreement.

1.2 Interpretation

- (a) Unless the contrary intention appears, a reference in this agreement to:
 - (1) this agreement or another document includes any variation or replacement of it despite any change in the identity of the parties;
 - (2) one gender includes the others;
 - (3) the singular includes the plural and the plural includes the singular;
 - (4) a person, partnership, corporation, trust, association, joint venture, unincorporated body, Government Body or other entity includes any other of them;
 - (5) an item, recital, clause, subclause, paragraph, schedule or annexure is to an item, recital, clause, subclause, paragraph of, or schedule or annexure to, this agreement and a reference to this agreement includes any schedule or annexure;
 - (6) a party includes the party's executors, administrators, successors, substitutes (including a person who becomes a party by novation) and permitted assigns;
 - (7) any statute, ordinance, code or other law includes regulations and other instruments under any of them and consolidations, amendments, re-enactments or replacements of any of them;



- (8) money is to Australian dollars, unless otherwise stated; and
- (9) a time is a reference to Brisbane time unless otherwise specified.
- (b) The words include, including, such as, for example and similar expressions are not to be construed as words of limitation.
- (c) Where a word or expression is given a particular meaning, other parts of speech and grammatical forms of that word or expression have a corresponding meaning.
- (d) Headings and any table of contents or index are for convenience only and do not affect the interpretation of this agreement.
- (e) A provision of this agreement must not be construed to the disadvantage of a party merely because that party or its advisers were responsible for the preparation of this agreement or the inclusion of the provision in this agreement.

2. Appointment

- 2.1 The CBC appoints IPR to provide the Services to and for the benefit of Lot Owners during the Term, such appointment to commence on and from the Date of Commencement. IPR accepts such appointment upon the terms and conditions of this agreement.
- 2.2 IPR shall ensure that an adequate number of its officers, managers, employees and/or contractors are available to provide or procure the provision of the Services to meet the demand for such Services from time to time.
- 2.3 For the duration of this agreement, IPR agrees not to charge any Lot Owner Service Fee under the Community Property Leases, however upon the expiration of the Term or the earlier termination of this agreement under clause 9, IPR may charge a Lot Owner Service Fee under the Community Property Leases. Save for this clause 2.3, the operation of the Community Property Leases are otherwise unaffected by the entry into this agreement.
- 2.4 Nothing in this agreement prevents IPR from charging users of the Services consumption and other reasonable charges to generate revenue for the benefit of IPR but any revenue generated will be taken into account in determining the revised CIS Fee payable under this agreement as contemplated in Schedule 2.

3. CIS Fee

In consideration of the provision of the Services, the CBC shall pay the CIS Fee in the manner required under Schedule 2.

4. IPR's Obligations

IPR agrees to provide or procure the provision of the Services to meet the demand for Services from time to time.

5. Duties of the Community Body Corporate

- 5.1 The CBC shall confer fully and freely with IPR concerning the provision of the Services.
- 5.2 The committee of the CBC shall from time to time authorise one of the Committee members or an alternate to communicate with IPR on behalf of the CBC. In the absence of a specific appointment, that authorised person shall be deemed to be the chairman of the CBC from time to time.



6. Assignment

- 6.1 IPR shall have the right at any time to transfer or assign the whole or part of its interest in this agreement (or the benefit of this agreement) to any person or corporation.
- 6.2 Without limitation, IPR may effect a partial transfer or assignment of its interests under this agreement (or the benefit of this agreement) to any transferee or assignee of a Community Property Lease and, in such case, IPR may decide that a part of the CIS Fee will be payable to such transferee or assignee, and the CBC agrees to apportion and pay that part of the CIS Fee to the relevant transferee or assignee.
- 6.3 The CBC agrees to enter into a deed of covenant with IPR and any transferee or assignee, whereby the CBC and the transferee or the assignee agree to be bound by and to observe and perform the provisions of this agreement. Such deed shall contain such other provisions as IPR may reasonably require.
- 6.4 Upon any such transfer or assignment, IPR and the CBC will release each other from all Claims in respect of or in any way arising from this agreement except in relation to any Claims arising from facts, matters or circumstances prior to the date of the transfer or assignment. In the case of a partial transfer or assignment, IPR and the CBC will release each other from all Claims in respect of or in any way arising from this agreement insofar as they relate to the transferred or assigned Community Property Lease only, except in relation to any Claims in relation to the transferred or assigned Community Property Lease arising from facts, matters or circumstances prior to the date of the partial transfer or assignment.

7. Prohibited Payments

The CBC shall not be entitled to any premium payment or benefit in connection with the granting, renewal, extension, variation or assignment of this agreement or any extension or variation of it.

8. Payment and distribution of the Retention Fee

- 8.1 The CBC and IPR acknowledge that the Retention Fee will be utilised by IPR to attend to the ongoing repairs, replacement and maintenance of the Infrastructure of a capital and non-operational nature.
- 8.2 While the Retention Fee is payable by the CBC to IPR as a component of the annual CIS Fee, IPR directs and authorises the CBC to hold all amounts comprising the Retention Fee in any year in a designated administrative account (**Retention Administrative Account**) (**RAA**) to be disbursed from time to time as and when directed by IPR.
- 8.3 As and when IPR require funds to be disbursed from the RAA and paid to it:
- (a) IPR will provide a written direction to the CBC of the amount required, together with a copy of the invoice issued by the supplier or contractor (**Payment Request**);
 - (b) the CBC must attend to the Payment Request and provide the funds required by IPR within 10 Business Days of receiving the Payment Request.
- 8.4 IPR consents to and directs the CBC to invest any funds in the RAA in an interest bearing bank account selected by the CBC, with any interest earned on the funds to be applied to and paid into the RAA.
- 8.5 When requested by IPR, the CBC shall provide copies of bank statements evidencing deposits into and payments out of the RAA and such other information as IPR may reasonably require.



8.6 The parties acknowledge that prior to entering into this agreement, IPR obtained a forecast cost report from Napier and Blakeley in relation to the operation of the Infrastructure over a 10 year period (a copy of which is contained in Schedule 3). The parties agree that IPR must obtain a new or revised report from Napier and Blakeley (or another suitably qualified firm) on or before every third anniversary of the Date of Commencement. The parties agree that the cost of obtaining that report shall be paid from the funds in the RAA.

9. Termination

- 9.1 IPR shall be entitled to terminate this agreement upon written notice to the CBC in any of the following circumstances:
- (a) the CBC fails to pay IPR the CIS Fee or any other amount owing or payable to IPR under this agreement within 30 days of written notification of failure to make the payment; or
 - (b) the CBC is otherwise in breach of an obligation under this agreement, and the CBC fails to remedy that breach upon being given 30 days prior written notice (or such other period as the parties agree is reasonable in the circumstances) to do so by IPR.
- 9.2 In addition, IPR may terminate this agreement by not less than 3 months prior written notice being given by IPR to the CBC, and at the end of such period of notice, this agreement shall be terminated.
- 9.3 The CBC shall be entitled to terminate this agreement upon written notice to IPR if IPR is in breach of an obligation under this agreement, and IPR fails to remedy that breach upon being given 30 days' prior written notice (or such other period as the parties agree is reasonable in the circumstances) to do so by the CBC.
- 9.4 This agreement will be terminated on the expiration or sooner termination of all of the Community Property Leases..
- 9.5 Upon termination of this agreement, the CBC must immediately pay all moneys owing to IPR under this agreement up to and including the date of termination, and IPR may thereafter charge any admission fee, charge, service fee or other fee in respect of the provision of the Services under the terms of any continuing Community Property Lease.
- 9.6 Upon termination of this agreement, IPR agrees that any funds held in the RAA (less any amounts requested under clause 8.3) are to be dealt with as follows:
- (a) if another person assumes the responsibility to provide the Services to Lot Owners from the Premises and enters an agreement with the CBC dealing with the use of the funds in the RAA for the purpose mentioned in clause 8.1 (**New Operator**), the funds shall be retained by the CBC and used for future payments to the New Operator for the cost of providing the Services; and
 - (b) if the CBC takes over and provides the Services to Lot Owners from the Premises, the funds shall become the property of the CBC.

10. GST

- 10.1 Unless expressed otherwise, all amounts under this agreement are exclusive of GST.
- 10.2 Any amount to be paid to a party (**Supplier**) by the other party (**Recipient**) under this agreement which is consideration for a taxable supply made by the Supplier will be increased by the amount of GST which the Supplier is obliged to pay for that taxable supply under the GST Law.



- 10.3 The Recipient must pay the GST contemplated in clause 10.2:
- (a) on demand in exchange for a tax invoice for the relevant taxable supply issued by the Supplier which complies with the GST Law; and
 - (b) in the same manner as the Recipient is required to pay for the taxable supply to which the GST contemplated in clause 10.2 relates.
- 10.4 Any amount to be paid by a party (**Reimbursing Party**) to the other party (**Reimbursed Party**) under this agreement which is not consideration for a taxable supply made by the Reimbursed Party to the Reimbursing Party will be reduced by the amount of input tax credits to which the Reimbursed Party is entitled in respect of the creditable acquisition for which reimbursement is being sought.
- 10.5 Without limiting the provisions of this clause 10, if a payment to satisfy a Claim or a right to Claim under or in connection with this agreement (for example, for misleading or deceptive conduct, misrepresentation, a breach of any warranty, an indemnity, or for reimbursement of any damages or expense) gives rise to a liability to pay GST, the payer must pay, and indemnify the payee against, that amount of GST.
- 10.6 If a party has a Claim under or in connection with this agreement whose amount depends on actual or estimated revenue or which is for a loss of revenue, revenue must be calculated without including any amount received or receivable as reimbursement for GST (whether that amount is separate or included as part of a larger amount).

11. Notices

Any notice required to be given or served by either party to this agreement shall be given or served in the same manner as is provided for in Section 257 of the *Property Law Act 1974* whether or not that act or section shall be repealed, submitted or amended subsequent to the date hereof.

12. Costs

- 12.1 Each party shall pay its own respective solicitors' costs incurred and relating to this agreement.
- 12.2 All stamp duty payable on this agreement and any duplicate shall be borne and paid by the CBC.

13. Severance

In the event that any term or provision of this agreement for any reason whatsoever be acknowledged by the parties hereto, or be adjudged by a court, body or referee of competent jurisdiction or be held or rendered by any competent government authority to be invalid, illegal, of no force or effect or unenforceable, such term or provision shall be severed from the remainder of the terms and provisions of this agreement and shall be deemed never to have been part of this agreement and the remainder of the terms and provisions of this agreement shall subsist and remain in full force and effect unless the basic purposes of this agreement would thereby be defeated.

14. Further Assurance

Insofar as it is lawful, each party shall and shall procure every other person as required to sign and execute all such further documents and otherwise do all such acts, matters and things as shall be necessary or desirable to give full force and effect to the provisions of this agreement.



15. Governing Law

This agreement shall be governed by and construed in accordance with the law of Queensland.

16. Liquidation of IPR

16.1 The CBC acknowledges and agrees that:

- (a) the Liquidator has been appointed as members voluntary liquidators of IPR;
- (b) the Liquidator has executed this agreement and will execute any agreement contemplated under this agreement, on behalf of IPR;
- (c) it accepts and takes no objection to this agreement and any other related documentation being executed or given effect to by the Liquidator, on behalf of IPR;
- (d) the Liquidator is the agent of IPR;
- (e) the CBC is contracting with IPR only and is not contracting with the Liquidator personally;
- (f) the Liquidator and the Related Persons do not incur any personal liability to the CBC on any basis and do not accept or assume any personal obligations under this agreement in any manner whatsoever; and
- (g) no Claim may be brought against the Liquidator or the Related Persons in their personal capacity in respect of, or incidental to this agreement, the rights and obligations of IPR under this agreement, or any other fact, matter of circumstance of any nature whatsoever.

16.2 Despite clause 16.2, any promise or indemnity given by the CBC in favour of IPR under or connection with this agreement will constitute a deed poll by the CBC for the benefit of the Liquidator and, subject to acceptance by the Liquidator, the Liquidator may take the personal benefit of, and enforce any such promise or indemnity.

16.3 The CBC releases the Liquidator and the Related Persons from, and indemnifies the Liquidator and the Related Persons against any Claims in respect of, or incidental to this agreement, the rights and obligations of IPR under this agreement and any other fact, matter or circumstance of any nature whatsoever.

17. Warranty of Authority

17.1 Each person signing this agreement:

- (a) as attorney for any party, warrants to the other parties that at the date of execution that party has not received any notice or information of the revocation of the power of attorney; and
- (b) as an authorised officer, agent or trustee of any party, warrants to the other parties that at the date of execution that party has full authority to execute this agreement in that capacity.

17.2 The CBC warrants that it has by resolution authorised the execution of this agreement.

18. Not a Managing Agent

The parties acknowledge and agree that this agreement does not constitute an appointment of a body corporate manager either under the Act or the MUD Act and that there is no delegation of the



powers, duties, authorities and functions of the CBC to IPR which shall at all times remain the CBC's responsibility.

19. Miscellaneous

IPR hereby authorises every member of the Committee and the solicitors for the CBC to do all or any of the following things:

- (a) to date or to complete any blank spaces in this agreement; or
- (b) to complete and sign any document or paperwriting as is necessary to stamp or register this agreement.



Schedule 1 – Community Property Leases and Services

Community Property Leases	Services
The following Leases registered over CP Lot 10 on MCP 106985, County of Ward, Parish of Currigee and contained in Title Reference 50209821:	
Lease HB on SP 116667 (dealing no.703521574)	Power generation plant
Lease K on SP 116667 (dealing no.703521627)	Sewerage treatment
Lease M (dealing no.702961506)	Water supply and treatment and Waste Treatment Plant



Schedule 2 – CIS Fee

1. The CBC must pay the amount of \$1,526,573.23 per annum excluding GST (**CIS Fee**) to IPR or otherwise provide for such payment as required under the terms of this agreement. The CBC and IPR acknowledge that such amount has been determined by multiplying the figure of \$ 471.46 by the number of entitlements in the Scheme, which at the Date of Commencement is 3,238.
2. The CIS Fee is at the Date of Commencement has been determined by combining 2 components:
 - (a) an operational component of \$1,267,923.63 (**Operational Fee**); and
 - (b) a retention component of \$258,649.60 (**Retention Fee**).
3. The CIS Fee shall be reviewed annually on each anniversary of the Date of Commencement (each being a **Review Date**) in accordance with the provisions in paragraph 7 (and having regard to the provisions in paragraph 6).
4. The Operational Fee will be payable by the CBC to IPR in instalments and in such amounts and at such intervals as reasonably directed by IPR but if no direction is made, the Operational Fee shall be payable by the CBC to IPR in equal instalments within 14 days of the due date for payment of contributions (or levies) payable to the CBC by members of the CBC.
5. The Retention Fee (forming the balance of the CIS Fee) will be paid and dealt with in the manner provided for in clause 8 of this agreement.
6. The CBC and IPR acknowledge as follows:
 - (a) the CIS Fee set out in paragraph 1 and as reviewed from time to time in paragraph 7 has been and will be calculated by reference to a forecast cost report obtained by IPR from Napier and Blakeley (or such other suitable firm) as referred to in clause 8.6 based on costs known or estimated by IPR;
 - (b) prior to the Date of Commencement, IPR provided the CBC with reasonable details of the cost of providing the Services (and copies of the Napier and Blakeley report and the Utility Services Model provided to the CBC are contained in Schedule 3) and the CBC has satisfied itself in relation to that material and its contents; and
 - (c) the cost of providing the Services may vary from year to year depending on the extent of demand for the Services and the revenue generated from the consumption of Services.
7. IPR must prior to each Review Date, notify the CBC in writing of the amount that IPR considers is an appropriate CIS Fee (including the Operational and Retention Fee components) to be paid for the provision of the Services for the annual period commencing after the particular Review Date. That notice must be accompanied by information detailing the calculation of the CIS Fee and the basis of the calculation. That information must include an annual budget of projected (or estimated) costs and revenue for the annual period commencing from the relevant Review Date (which may be similar to the Utility Services Model contained in Schedule 3). IPR must have regard to the matters mentioned in paragraph 6 above and IPR may have regard to the costs of the Services for the annual period expiring prior to the Review Date. The following provisions apply to the review process:
 - (a) The CBC may within 14 days from delivery of IPR's above notice to the CBC give written notice (**Dispute Notice**) to IPR that it disputes the amount of the proposed CIS Fee.
 - (b) If no Dispute Notice under paragraph 7(a) is given by the CBC to IPR, then the amount stated in IPR's above notice shall be deemed to have been agreed by the CBC as the CIS Fee payable under this agreement as from the particular Review Date.
 - (c) Where a dispute notice is given by the CBC, the CBC and IPR agree that a dispute (**Dispute**) shall exist and the dispute resolution procedure in this paragraph 7 shall apply.



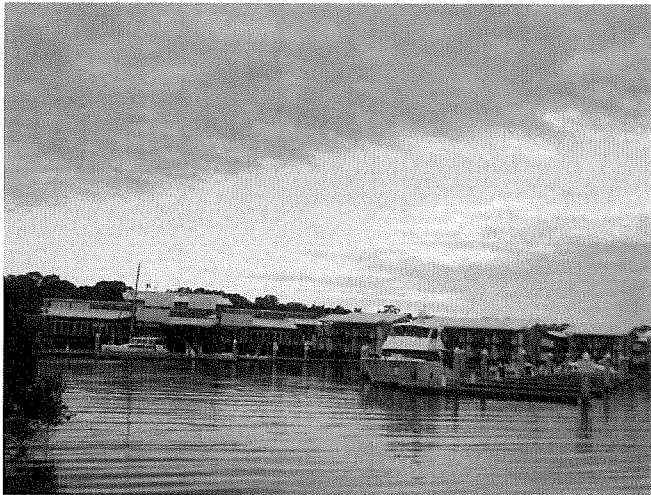
- (d) Should the CBC give a Dispute Notice to IPR under paragraph 7(a), the Dispute must be referred for determination to a person (**Expert**) agreed on by the parties. However, if the parties do not agree within 7 days after a notice under paragraph 7(a) of this Schedule is given, then to an independent Expert appropriately qualified to deal with the Dispute appointed at the request of either Party by the President of the Queensland Law Society Incorporated or the President's nominee.
- (e) The Expert appointed under paragraph 7(d) must act:
 - (1) as an expert and not as an arbitrator; and
 - (2) promptly and give a written determination including reasons.
- (f) Unless there is a manifest error, the decision of the Expert is final and binding on the CBC and IPR.
- (g) The Expert may enquire into the dispute as the Expert thinks fit including hearing representations and taking advice from persons that the Expert considers appropriate.
- (h) The parties may make submissions to and must give the Expert every assistance required by the Expert, including providing copies of relevant documents.
- (i) Each party must pay its own costs in connection with the Dispute. The costs of referring the Dispute to the Expert and the costs of the Expert and the cost of the enquiries must be shared equally between the parties to the Dispute.



Schedule 3 – Details of Costs for Services

Couran Cove Island Resort

South Stradbroke Island



Forecast Operator Cost

Prepared for
Interpacific Resorts (Australia) Pty Ltd in
Liquidation c/o Parry Roper
Ferrier Hodgson
Level 7, 145 Eagle Street
BRISBANE, QLD, 4000

Prepared by
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ACN 006 386 278
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120 Edward Street
BRISBANE QLD 4000
Tel 07 3221 8255 Fax 07 3229 2340

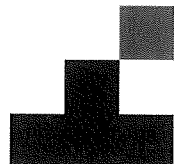
June 2012



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4.	Forecast Operator Cost Analysis.....	8
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Rev	Date	Purpose of Issue	Copies to	Prepared by	Reviewed by
1	20/06/12	Draft Issue	Interpacific Resorts (Australia) Pty Ltd in Liquidation c/o Parry Roper	Clayton Stewart	Mike Fleming
2	24/06/12	Draft Issue	Interpacific Resorts (Australia) Pty Ltd in Liquidation c/o Parry Roper	Clayton Stewart	Mike Fleming
3	24/06/12	Final Issue	Interpacific Resorts (Australia) Pty Ltd in Liquidation c/o Parry Roper	Clayton Stewart	Mike Fleming





1. Introduction

Under instructions from Parry Roper of Interpacific Resorts (Australia) Pty Ltd in Liquidation, we herein present our Forecast Operator Cost report for nominated services of the subject property.

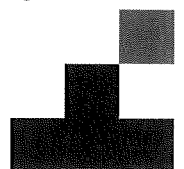
The purpose of this report is to provide an independent analysis of the Forecast Operator Cost requirements of the Body Corporate.

This report identifies and evaluates the funding requirements for items requiring capital expenditure as detected by site inspection or by reference to specifications and maintenance contracts or by making an assessment of life expectancy.

Life expectancies and years to replacement used in this report are intended as a guide for the purposes of determining a reasonable budget allowance for each year covered by this report.

We advise that the Forecast Operator Cost should be reviewed annually to update any changes caused by abnormal expenditure, inflation rates, services equipment/ parts availability and the condition of the services.

Additionally as this is a new fund starting out, it is recommended that 10% of the forecast total be recovered annually with the intention being to build up funds to cover the higher expenditure during the remaining years of the forecast period.

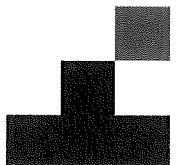




2. Description

The services and infrastructure which are the subject of this report consist of the following:

- Power Generation Plant
- Water Supply and treatment
- Sewerage Treatment.





3. Basis of Report

The Forecast Operator Cost assesses the funding requirements to enable restoration to original standard of the services or infrastructure that have been nominated as the responsibility of the Body Corporate. Specifically it includes spending of a capital or non-recurrent nature, the periodic replacement of major items of a capital nature and other spending that should reasonably be met from capital allowances.

We have assumed the property will be properly & effectively maintained to ensure maximum effective life of all components.

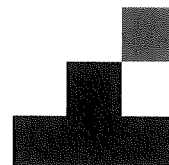
No allowance has been made in respect of potential change of use of the services/infrastructure or for obsolescence, either functionally or technologically.

The following items are deemed to be funded from the Administration Budget and do not form part of the Forecast Operator Cost:

- Light fittings and diffusers
- Bitumen paving - minor repairs
- Costs associated with various maintenance agreements (eg. lifts mechanical services and fire services)
- Landscaping including garden watering system

The following items associated with the services/infrastructure have been excluded from the Forecast Operator Cost.

- Air conditioning ductwork and plant platforms
- Electrical distribution gear and circuits (including telephone)
- Security/Intercom systems (excluding major repairs)
- Water/Fire/Gas supply piping
- Garbage chute liners
- Concrete/Bitumen paving (excluding major repairs)
- Wall render (excluding major repairs)
- Roller shutters (excluding repairs and painting)
- Roof tiles and treated metal sheeting (excluding major repairs)
- Concrete/Block walls and structures
- Pool structure (excluding finish)
- Site drainage (excluding major repairs)
- Tiling
- Window seals
- Sanitary fixtures





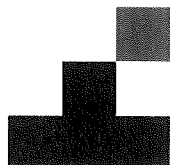
The attached figures have been calculated by adopting a current replacement cost of each component and apportioning the cost over the anticipated remaining life of the asset and adding an average annual inflating factor of 3% which is based on the average building construction cost inflation rate over the past fifteen years.

Bank interest accrued on fund monies has not been included in the calculations.

The report is based on a 12 month forecast. For calculation purposes, the year stated indicates the commencement of the 12th month period.

This is not a structural report and does not cover expenditure which occurs either directly or indirectly as a result of structural defects associated with services/infrastructure.

The cost for replacement includes 10% GST.





4. Forecast Operator Cost Analysis

4.1 Power Generation Plant

Description

The Couran Cove Island Resort (CCIR) Power Station consists of:

- 5 x 140kW normally aspirated, in line 6 cylinder Waukesha LPG gas engines. Model # F18 G
- An 8 cylinder normally aspirated, Waukesha LPG gas engine. Model # H 24 GLD
- 1 x 300kW V8 diesel generator providing back up to the gas generation at times of very high demand or gas generator / supply failure.
- An Arrows Waukesha VRG 330 gas engine and a Cummins 6 cylinder Diesel generator are installed at the Surf Club

Each generator (Surf Club generators excepted) have a heat exchange unit which provides heating for the Spa Island pools, aiming to maintain the pool temperature at 28 degrees C.

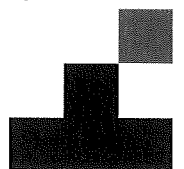
The power is generated at 415V and stepped up to 11000V to provide efficient reticulation around the resort. It is then stepped back down to a usable 415V via pad mount transformers in various locations.

The general stop / start procedure and load control is done automatically by software collectively known as the Energy Management Control System (EMCS). This will start and stop generators according to site load, with spinning reserve parameters, which can be easily changed to get maximum efficiency. Generator information such as frequency, speed, power factor, gas flow, oils and stator temperature and even exhaust gas temperature are all readily available on the PC. Remote monitoring and control is also possible via modem access.

The gas network in the Power Station as well as the main gas tank is controlled by air activated valves. The reason for this is in case of a fire, the plastic air lines will melt, the air pressure decreases and the valves in turn close.

Appliance/Load control is achieved by solid-state relays (SSR's) located at every electrical switchboard. These are the switching devices, which are activated through a signal from the EMCS. Loads that are controlled via SSR's are public lighting, room air conditioners, room fridges, buggy battery chargers and other non-essential equipment.

The Surf Club is a Food & Beverage function outlet (which is part of CCIR), has two generator sets. These run only at night for public area lighting or when the outlet is in use for a function. The reticulation from the power station extends approx 50% of the way out on the Surf Beach road with the remainder being fed back from these generators along with the Surf Club itself.





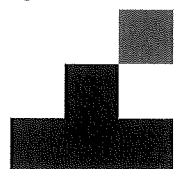
Condition, Observations and Comments

The generators appeared to be in good condition with an estimated 25 to 30 year economic life expectancy.

Generator	Make	Model	Generator Run Hours @ 25 /06/11	Manufacturing Date	Overhaul Completed Date	Estimated Next Overhaul
Generator 1	Waukesha	F18G	6,267.2	Jul 1997	Mar 2008	2018
Generator 2	Waukesha	F18G	66514	Jul 1997	Nov 2007	2017
Generator 3	Waukesha	F18G	Not available	Jul 1997	Oct 2008	2018
Generator 4	Waukesha	F18G	51040	Jul 1997	Aug 2010	2021
Generator 5	Waukesha	F18G	54981	Jul 1997	Aug 2009	2021
Generator 6	Waukesha	H24GLD	69049	Oct 2002	Dec 2007	2012 & 2017
Generator 7	Deutz	No Available	2833.3	Not Available	Not Available	2016
Generator 8	Cummins	B Series	195	New Engine in 2009	Not Available	2016
Generator 9	Arrows	VRG 330	65821	Not Available	Not available	2012 & 2021

Service reports provided by CCIR Operations identified the following service schedules had been adhered to by the appointed service provider, Enerflex Services as per the Maintenance contract and the proposed schedule.

Service Schedule	
Service A	1,500 hour service interval or time based
Service B + A	9,000 hour service interval
Service C, B & A	15,000 hour service interval
Service C, B & A	20,000 hour service interval
Service D, C, B & A	30,000 hour service interval
Service D, C, B & A	40,000 hour service interval
Generator 7	Serviced every 250 hrs or every 3 months, whichever comes first
Generator 8 Cummins Diesel	Serviced every 250 hrs or every 3 months, whichever comes first
Generator 9 Arrows	Serviced every 500 hrs





Surf Club Generators are both currently out of order as follows:

The Arrows (Gen 9) has had a generator failure which is under investigation with a quote to be presented.

The Cummins (Gen 8) has a voltage failure alarm and is shutting down. It is suspected the fault may be the voltage regulator and is currently being investigated.

The replacement of the radiator on Gen Set # 1 due to a contaminated core resulted in a 30% efficiency which is important during the summer months with high occupancy, high ambient temperatures (38 degrees) and more air conditioning units running more frequently. With the increase in demand and the power station temperature rising accordingly, additional load is placed on the cooling system, ultimately affecting jacket water temperatures.

It is understood that Gen Set # 6 had a problem with jacket water temperatures and is scheduled for a radiator replacement in Year 2, along with Gen Set # 7. However recent repairs to an underground water line appear to have rectified the jacket water temperatures. We recommend the jacket temperatures are monitored especially under full load conditions.

We were advised that additionally investigation is required on Gen Set # 3 which has traces of oil and water mixing. We recommend this investigation occur.

Coolant is sampled 6 monthly and sent to Prixmax (laboratories). Reports from October 2010 have been reviewed by CCIR Operations and we are advised that any recommendations therein were carried out.

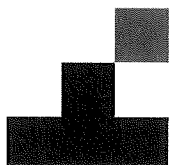
We were also advised that alternators are re-furbished when the engines are overhauled. A spare alternator is located in the power station.

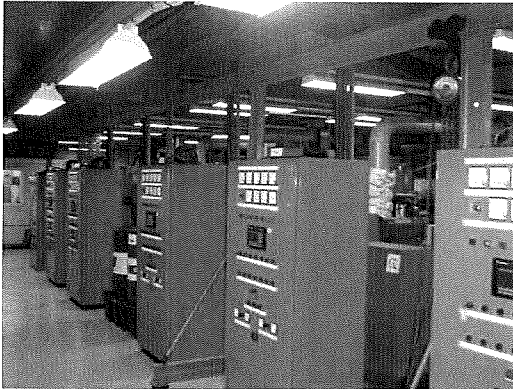
The air compressor appeared to be in fair condition with routine inspections and maintenance assumed to be carried out by in the house technicians. No documentation was provided to support compressor replacement which is estimated to be in the later stages of an estimated economic life expectancy of 15 – 20 years. We recommend replacement of the compressor in during the forecast period.

The EMCS design logic, manufacture and installation are considered to be fair with technical back up and support available. The system is deemed to be user friendly with the building manager having regular access at the interface.

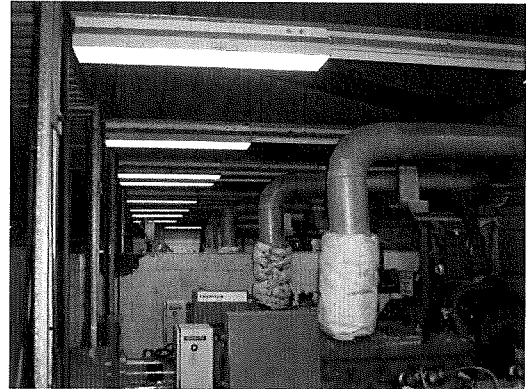
While the control system appeared in fair operational condition, the EMCS was installed at the time of construction and therefore considered to have passed an estimated life expectancy of 10 years. The system therefore is not current technology. We recommend a staged replacement during the short to medium term.

A maintenance agreement has been entered into with Enerflex Services for the period 1 Jan 2010 to 31 Dec 2012 and, although a signed copy of the agreement was not sighted, current invoices indicate a monthly payment which covers an A & B service. The C & D service is to be paid for at the time the service is carried out.

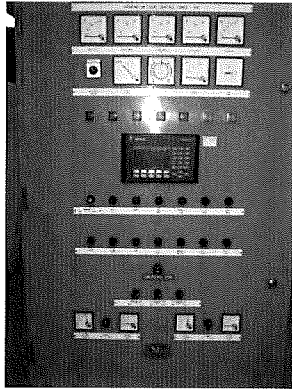




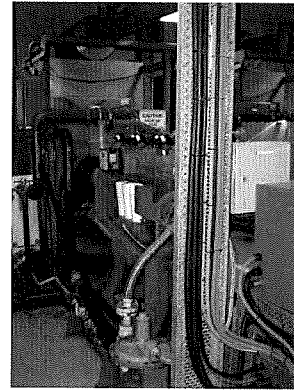
Generator Control Panels



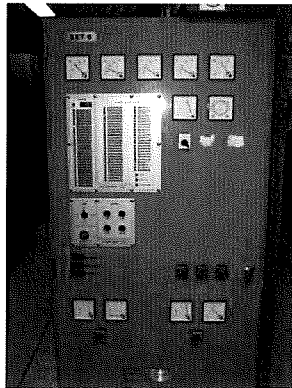
Generator room layout



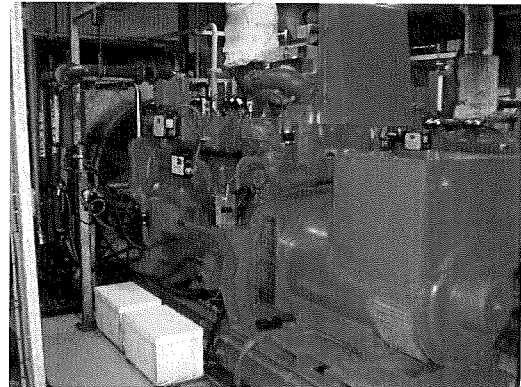
Typical Generator panel



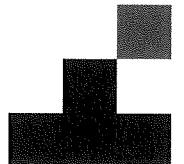
Typical F18 G Waukesha LPG aspirated engine

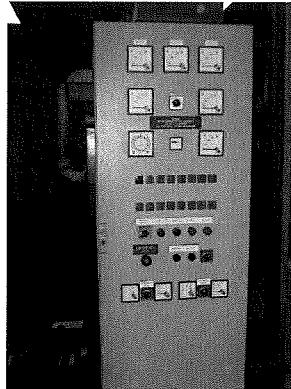


Generator # 6 Control Panel

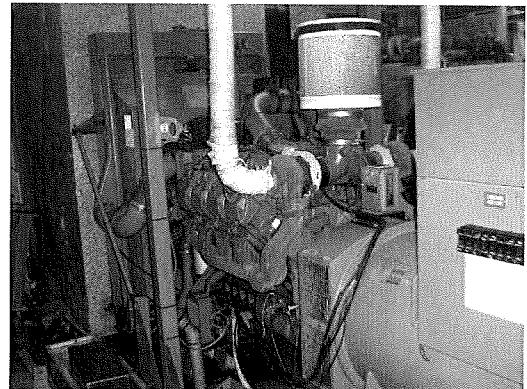


Waukesha LPG aspirated engine Model H24 GLD - Generator # 6





Generator #7 Control Panel



300kW V8 Diesel Generator #7

4.2 Water Supply and Treatment Description

The Water Plant consists of:

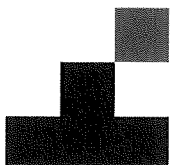
- Underground water bores
- Filtration plant – comprising birm multimedia filters, micron filters, UV canister and Nano membranes
- Two x 700 KL storage tanks
- Pump station consisting of 8 pumps

The process of water flow, within nanofiltration desalination systems can be divided into 3 basic streams:

- Feed - the filtered raw water supplied to the machine.
- Permeate - the purified water produced by forcing the feed through the semi-permeable membranes.
- Reject - the discarded waste water containing the concentrated salts removed from the feed water.

Water is pumped from the underground bores approximately 300m north of the treatment plant. It is then stored in a raw water holding tank before entering the Treatment Plant.

The water goes through birm multimedia filters, to a five micron filter, to a one micron filter, to a UV canister and then to three Nanofiltration membranes. Any reject water as a result of the reverse osmosis process is stored and used for irrigation. The treated water is then stored ready to be pumped through the Pump Station adjacent to the filtration plant. The Pump Station consists of 8 pumps which can be run individually or together to maintain around 550 kPa. If one pump only is running, that pump will respond to the Variable Frequency Drive (VFD) according to the mains pressure.





It is understood that, as a back up to the main supply pumps and for fire fighting purposes, the two Perkins diesel pumps can provide supply in cases of extremely high demand i.e. fire hydrants, hose reels and low pressure.

The cold water supply is metered after the domestic water supply pumps with individual metering understood to be installed around the resort.

Condition, Observations and Comments

The water treatment plant appeared to be in good condition with a considerable amount of repairs and maintenance carried out in house. The equipment installed varied in economic life expectancy.

The Raw water storage tank and the purified water treatment tank appeared to be in good condition. We recommended consideration be given for staged replacement of the tanks towards the end of the forecast period.

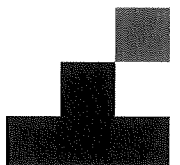
The birm multimedia filters appeared to have been replaced in 2004 and are considered to have an estimated life expectancy of 5 years. We recommend the multimedia filters be replaced in the short and long term.

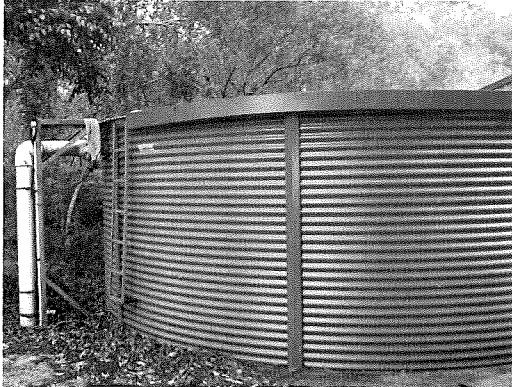
The Nanofiltration membrane housing contains 6 filters per 3 vessels which generally have an estimated life expectancy of 5 years. The filters are understood to be replaced on an as required basis which is dependant on the degree of fouling measured with differential pressure gauges located before and after the cartridges. We recommend the multimedia filters be replaced in the short and long term.

The micro filters (as per manufactures specifications) should be replaced monthly and the UV canister replaced annually.

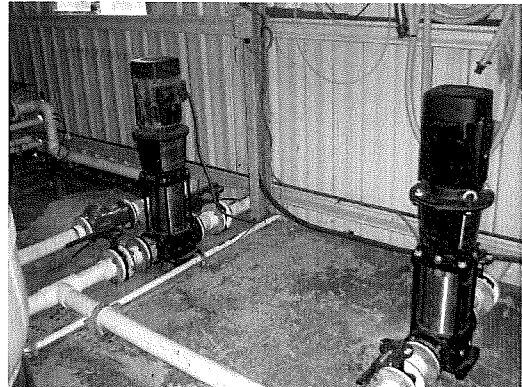
Surface corrosion was noted on the base of the filter feed pumps, high pressure pumps and domestic water supply sumps with oxidation occurring on the pump motor casings. We recommend this be treated to reduce the oxidation processes. We recommend staged replacement of the pumps and motors over the forecast period.

Corrosion was noted on the flanges of vibration eliminators on the suction and discharge side of the domestic water supply pumps. We recommend the corrosion be treated and staged replacement of the vibration eliminators during the forecast period.

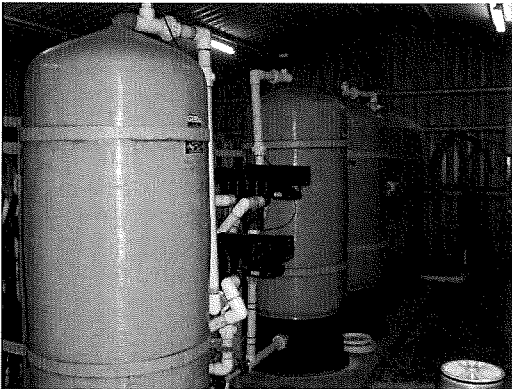




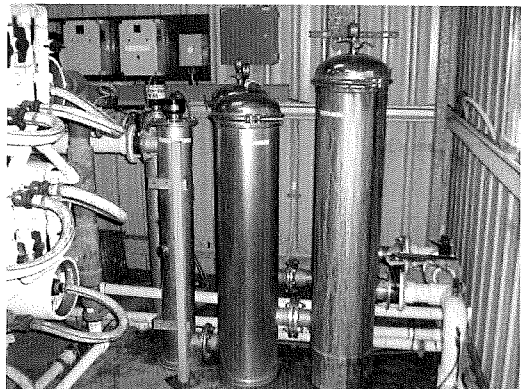
Raw water storage tank



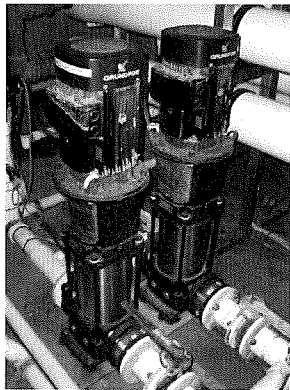
2 Filter feed Pumps



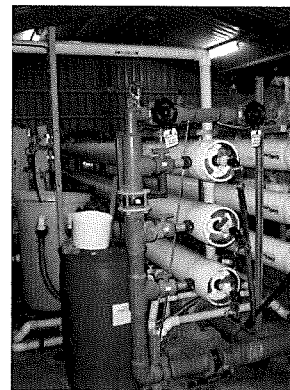
Multi Media filters



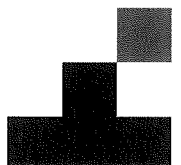
Micron filter and UV canister arrangement

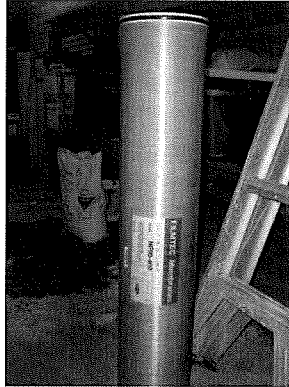


2 High Pressure Pumps

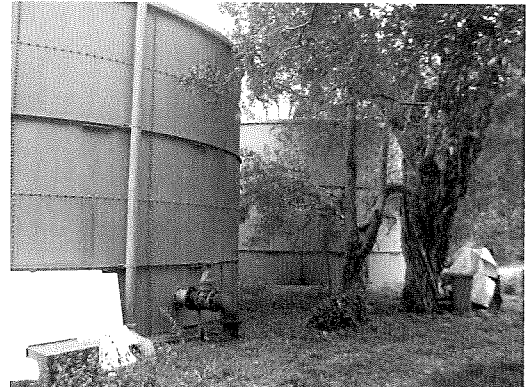


Nano Membrane Arrangement

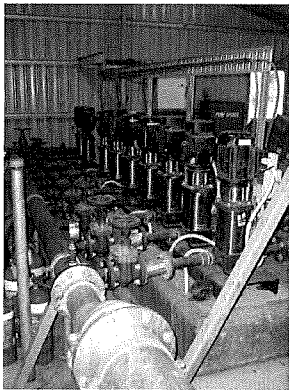




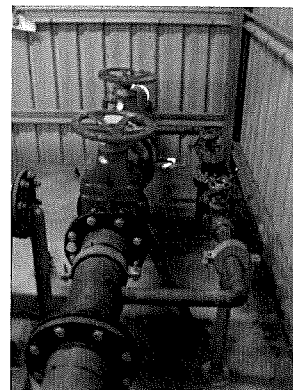
Typical Nano Filter



2 Water storage tanks – 70 000 L capacity each



Domestic Water Supply Pumps



Metered cold water supply

4.3 Sewerage Treatment Plant Description

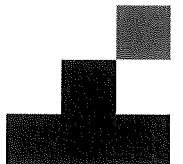
Sewerage on the resort is transported to the Vac Sewer Station via a vacuum system (AIRVAC). Three electrically driven pumps, which can operate independently or together through a VFD and soft start, maintain a vacuum of around – 65 kPa.

Each pair of cabins and each block of Marine Apartments has a sewerage pit from where the waste is drawn, via vacuum, to the main Vacuum collection chamber located at the north end of the Power Station building.

When the level in the collection chamber rises, it is pumped this time by a positive pressure to the Sewerage Treatment Plant.

The Treatment plant process is as follows:

- Inlet screen – remove particles in the influent greater than 2 mm which could damage the membranes or block mechanical equipments.
- Flow balance tanks – balance varied influent flows from the resort sewer system and provide a steady feed to the downstream biological process.





- Biological reactor – is to provide an environment where denitrification can take place.
- Membrane tanks and Permeate skid – is to provide an integrated ultra filtration membrane system to achieve solid/liquid separation.
- Chlorine contact tanks - provide additional treated effluent disinfection.
- Chemical dosing areas - provide chemical dosing facilities to meet process/operation needs
- Sludge digestion - to stabilise sludge wasted sludge activated sludge via aerobic digestion.
- Sludge Dewatering - reduce the sludge volume for disposal.

The sewerage enters the north end of the plant into the pre-treatment screen and flow balance tanks, is pumped to the Bio-reactor and then on to the membrane tanks before being stored for irrigation purposes. The EMCS again has the capability to open selected solenoids on an irrigation system in the Eco Cabin precincts according to the level of treated effluent in the holding tank.

Condition, Observations and Comments

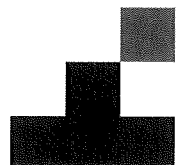
The sewage treatment plant appeared to be operating within the design capacity and is found to be in good condition with the understanding that the plant is capable of coping with the occupancy rates.

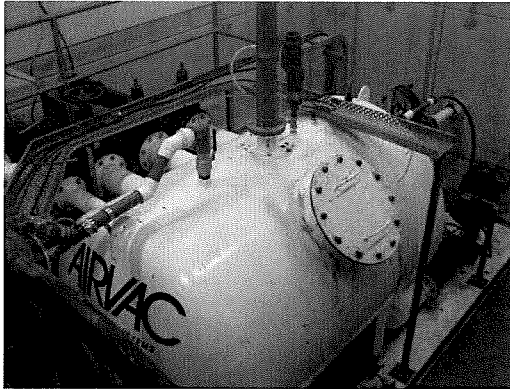
The only reported operational issue was that of the deteriorating membranes, one of which is currently inoperable while the other is deteriorating. It is recommended the membrane tanks be replaced. The existing membranes were installed in early 2012 and are estimated to be in the early stages of an estimated economic life expectancy of 5 - 7 years. We recommend replacement of the membranes be considered in the long term of the forecast period.

It could not be determined if the inlet screen had been replaced, it is therefore assumed that the screen is original from installation. It is recommended that the screen be replaced during the forecast period.

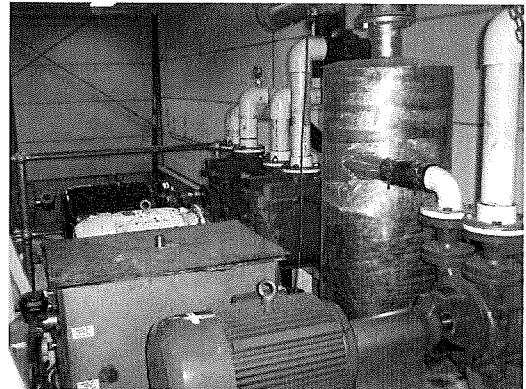
Routine inspections on the vacuum pumps and positive pressure pumps are carried out by in house technicians, no documentation was provided to support pump or motor replacement which has an estimated economic life expectancy of 10 -15 years.

The air compressors appeared to be in fair condition with routine inspections and maintenance carried out by mainland technicians. No documentation was provided in regard to compressor replacement. It is assumed the compressors are part of the original construction and estimated to be 13 years old and in the later stages of an estimated economic life expectancy of 15 – 20 years. We recommend replacement of the compressors in the medium term.

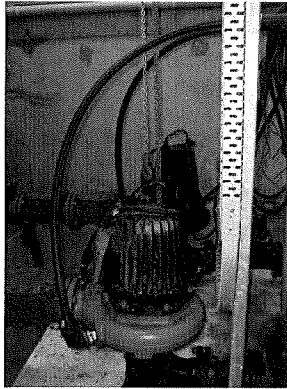




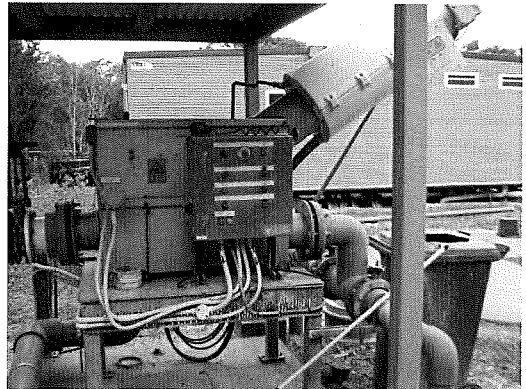
Vacuum collection chamber



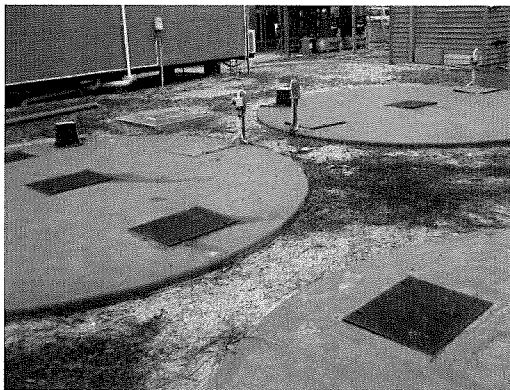
Vacuum generating pumps



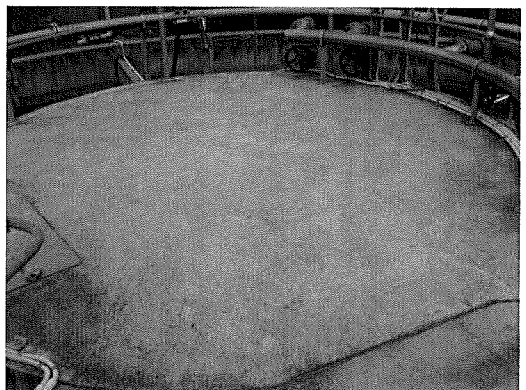
Positive pressure discharge pumps to
Sewage Treatment Plant



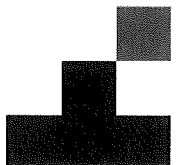
Pre-treatment screening process

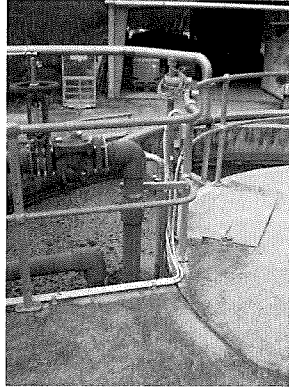


Flow Balance Tanks

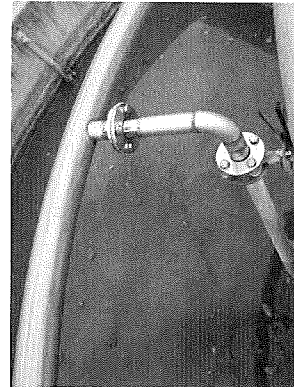


Biological Reactor

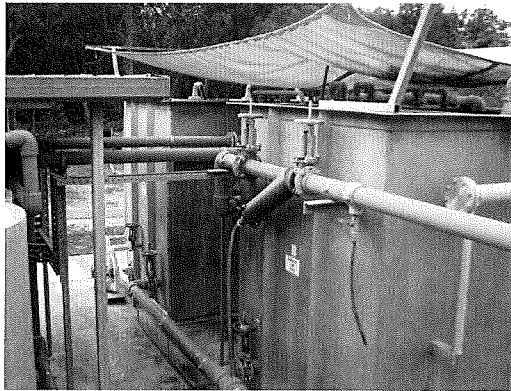




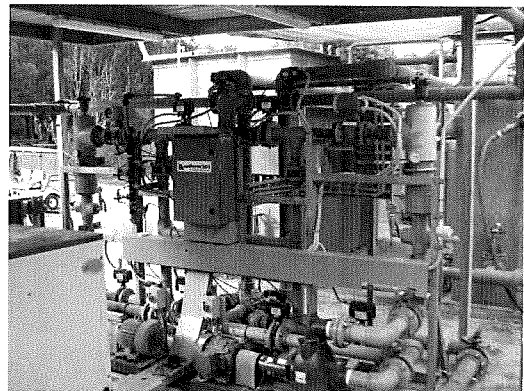
Aerobic zone around the reactor



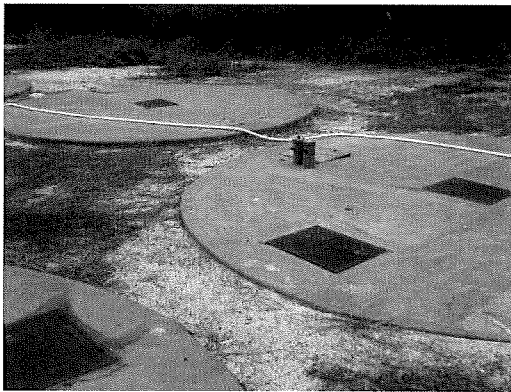
Nitrification removal



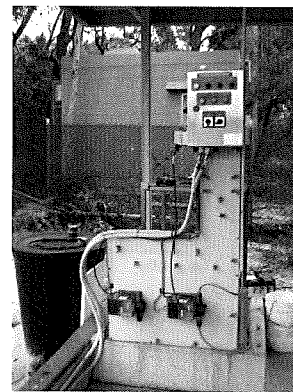
Membrane tanks



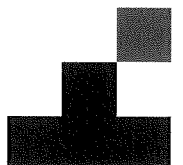
Permeate skid system



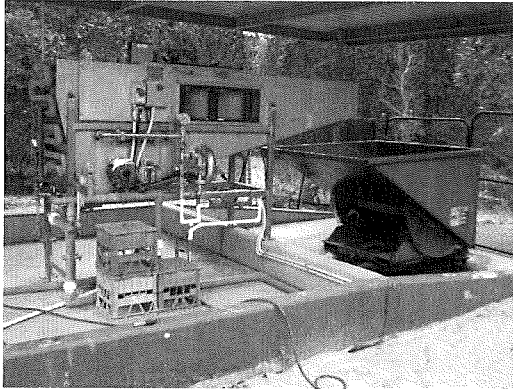
Sludge digestion tanks



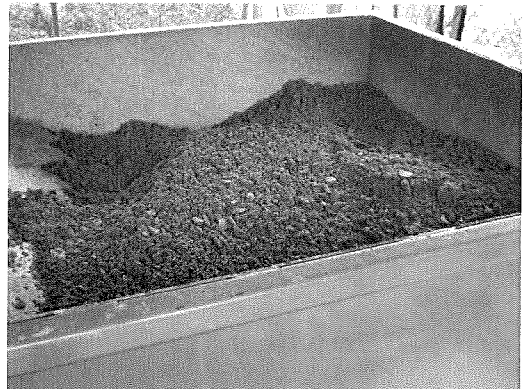
Digested sludge is mixed with polymer solution before entering the V-fold dewatering belt press



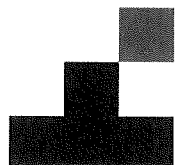
NB



V-fold dewatering belt press



Dewatered sludge or Bio Solids





5. Forecast Operator Cost Budget

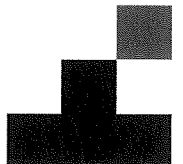
The Forecast Operator Cost budget outlines our assessment of the funding requirements for items requiring expenditure of a capital or repair and maintenance nature.

The number of years until replacement of a Forecast Operator Cost Budget item is an assessment of the date a budgeted event is due to happen. This assessment is based on one or more of the following criteria:

- The current condition of the item
- The suitability of it to carry out its intended function
- The life expectancy of that item
- The current age of the item

The life expectancy of a Forecast Operator Cost Budget item is an allocation of the number of years given to a budget item if it is used for the purpose it was designed and intended.

Refer to the following Forecast Operator Cost Budget.



WORK CODES

CAP - Capital Expenditure. Major expenditure required for replacement, repairs, upgrades, enhancements or additions which may increase the assets useful life, improve CAPEX/ OPEX or reduce OPEX/CAPEX. Works proposed to upgrade, enhance or add to the current asset to derive an increased income or higher asset value.

R&M - Repairs & Maintenance. Regular or routine activity necessary for maintaining an asset in, or restoring to, its original condition. BCA - Building Code of Australia works. Works proposed would only be a requirement if substantial refurbishment or alteration works are envisaged to the property.

LEA - Lease Obligations. Lessor capital works expenditure necessitated by the termination of a lease, including decoration but excluding removal of fits.

PROBABILITY

1. Definite. Works needed as a result of current or predicted failure or to ensure the health & safety of building occupants and users including work to prevent serious deterioration of building activities.
2. Very likely. Strong possibility that these works will be required. Normally affects the life span of an asset or is a result of a major failure or is a replacement of higher value parts of an asset or parts of the building. Safety related work that is essential to the safe operation of the asset.
3. Likely. Based on physical condition and theoretical life span of the asset, works that are likely to occur and/or are desirable to maintain the environmental quality of the asset and its surroundings.
4. Fair. Works that could arise and is subject to standards of maintenance. Suggest these items can be deferred without adversely impacting the function of the building.
5. Low. Works that can be re-assessed at a future date or potentially return a benefit.
6. Contingency. Refer to re-statement works and is subject to a detailed feasibility study.

Item	Element/Location	Inspection comments	Action required	Work Code	Probability	Code	YEAR										TOTAL		
							SHORT		MEDIUM			LONG							
							Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10			
							Oct 12 - Sept 13	Oct 13 - Sept 14	Oct 14 - Sept 15	Oct 15 - Sept 16	Oct 16 - Sept 17	Oct 17 - Sept 18	Oct 18 - Sept 19	Oct 19 - Sept 20	Oct 20 - Sept 21	Oct 21 - Sept 22			
1.0	Power Generation Plant																		
1.1.1	Generator Contract	A. Contract is in place with Enerflex Services PTY LTD for the period 1 Jan 2011 to 31 Dec 2012. Currently invoiced at \$9097.00 per month which cover A & B services.	Budget Allowance to continue with the current service provider as per the current schedule. As advised no cost provided as this is considered an Operating Expense.				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
1.1.2		C & D services are not part of the Maintenance contract and are paid for at the time the service is carried out.	G1 Next Estimated O/H due - 2018 G2 Next Estimated O/H due - 2017 G3 Next Estimated O/H due - 2018 G4 Next Estimated O/H due - 2021 G5 Next Estimated O/H due - 2021 G6 Next Estimated O/H due - 2012 & 2017 Gen 7 - Deutz Next Estimated O/H due - 2016 Gen 8 - Cummins Next Estimated O/H due - 2016 Gen 9 - Arrows - Rebuild and parts Next Estimated O/H due - 2021	R&M	1	R1	\$ 157,710	\$	\$	\$	\$ 58,486	\$ 331,018	\$ 305,269	\$	\$	\$	\$ 367,476	\$ 1,219,959	\$
1.1.3	Radiator Replacement	The replacement of the radiator on Gen Set # 1 due to a contaminated core resulted in a 30% efficiency which is important in the summer months with high ambient temperatures and high occupancy	Gen 1 Completed in early 2011 Gen 2 Complete Radiator estimated replacement due in 2016. Gen 3 Complete Radiator estimated replacement due in 2014. Gen 4 Complete Radiator estimated replacement due in 2014. Gen 5 Complete Radiator estimated replacement due in 2016. Gen 6 Complete Radiator estimated replacement due in 2013. Gen 7 Complete Radiator estimated replacement due in 2013. Gen 8 Complete Radiator estimated replacement due in 2018. Gen 9 Complete Radiator estimated replacement due in 2018.	CAP	1	C1	\$	\$ 46,122	\$ 36,542	\$	\$ 38,766	\$	\$ 41,127	\$	\$	\$	\$	\$ 164,557	\$

WORK CODES

CAP Capital Expenditure. Major expenditure required for replacements, repairs, upgrades, enhancements or additions where they increase the asset's useful life, improve its service or reduce future operating costs.

RED Reinvestment Capital Works. Works proposed to upgrade, enhance or add to the current asset in order to ensure an increased income or higher asset value.

R&M Repairs & Maintenance. Regular or routine actions necessary for maintaining an asset in its original condition.

OP Operating Costs. Ongoing costs of an asset proposed to be replaced or enhanced. Includes replacement or alteration works are considered in the proposal.

LEA Lease Obligations. Lesser capital works expenditure necessitated by the termination of a lease, including reconstruction but excluding removal of assets.

PROBABILITY

1. Define. Works reviewed as a result of current or predicted failure or to ensure the health & safety of building occupants, and assets including work to prevent serious deterioration of building assets.

2. Very likely. Strong probability that these works will be required. Normally affects the operational capacity of the building, are likely to lead to serious deterioration and higher future costs of repair or improve the health & safety features of the building.

3. Likely. Based on physical condition and theoretical life cycle of the asset, works that are likely to occur and/or are desirable to maintain the environmental quality of the asset and its surroundings.

4. Fair. Works that could arise and is subject to standard of maintenance. Significant deterioration of the asset is likely to occur and/or are desirable to maintain the environmental quality of the asset and its surroundings.

5. Low. Works that could be expected to occur at a future date or potentially arise in the future.

6. Contingency. Refer to re-evaluation notes and is subject to a detailed feasibility study.

Item	Element / Location	Inspiration comments	Work Code	Probability	Code	YEAR												TOTAL			
						SHORT			MEDIUM						LONG						
						Year 1 Oct 12 - Sept 13	Year 2 Oct 13 - Sept 14	Year 3 Oct 14 - Sept 15	Year 4 Oct 15 - Sept 16	Year 5 Oct 16 - Sept 17	Year 6 Oct 17 - Sept 18	Year 7 Oct 18 - Sept 19	Year 8 Oct 19 - Sept 20	Year 9 Oct 20 - Sept 21	Year 10 Oct 21 - Sept 22	Year 11 Oct 22 - Sept 23	Year 12 Oct 23 - Sept 24				
1.1.4	Alternator Servicing	CCIR operations were in discussions with service providers to enter into a Service Agreement for annual Alternator inspections.	R&M	2	R2	\$ 7,272	\$ 7,480	\$ 7,715	\$ 7,946	\$ 8,185	\$ 8,430	\$ 8,683	\$ 8,944	\$ 9,212	\$ 9,488	\$ 83,365					
1.1.5	Alternator Overhaul	We were advised that alternators are refurbished when the engines are overhauled. A spare alternator is located in the power station.	R&M	1	R1	\$ 9,970	\$ -	\$ -	\$ -	\$ 11,129	\$ 17,290	\$ 11,907	\$ -	\$ -	\$ 19,352	\$ 69,549					
1.1.6	Generator 8 out of order	Cummins (Gen 8) has a voltage failure alarm and is shutting down.	R&M	2	R2	\$ 8,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,500					
1.1.7	Generator 9 out of order	Generator (Arrows) failure which is under investigation with a quote to be presented.	R&M	1	R1	\$ 8,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,000					
1.1.8	Pneumatic Compressor	Routine inspections and maintenance of the air compressor are assumed to be carried out by in house technicians, no documentation.	CAP	2	C2	\$ -	\$ -	\$ -	\$ 3,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000					
1.1.9	Emergency Management Control System	The EMCS and equipment viewed appeared to largely date from the construction in 1998 and is considered to have reached its estimated life expectancy of 10 years.	CAP	1	C2	\$ 19,500	\$ 37,000	\$ 36,500	\$ 40,500	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 143,500					
	Total Power Generation Plant					\$ 210,952	\$ 92,612	\$ 80,757	\$ 51,446	\$ 126,566	\$ 386,738	\$ 386,886	\$ 9,944	\$ 9,212	\$ 596,317	\$ 1,700,430					
2.0	Water Supply and Treatment					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
2.1.1	Storage tanks	The raw water storage tank and the purified water treatment tanks appeared to be in good condition.	CAP	3	C3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000	\$ 50,000	\$ 60,000	\$ 130,000					
2.1.2	Birm multimedia filters	Appeared to have been replaced in 2004 and are considered to have an estimated life expectancy of 5 years.	CAP	2	C2	\$ 3,000	\$ -	\$ -	\$ -	\$ -	\$ 3,478	\$ -	\$ -	\$ -	\$ -	\$ 6,478					
2.1.3	Micron filters and UV canister	The micron filters, as per manufacturers specifications, should be replaced monthly and the UV canister replaced annually.	CAP	2	C2	\$ 11,570	\$ 11,917	\$ 12,275	\$ 12,643	\$ 13,022	\$ 13,413	\$ 13,815	\$ 14,230	\$ 14,657	\$ 15,096	\$ 132,637					

Item	Element / Location	Inspection comments	Work Code	Probability	Code	Action required	YEAR											TOTAL
							SHORT			MEDIUM			LONG					
							Year 1 Oct 12 - Sep 13	Year 2 Oct 13 - Sep 14	Year 3 Oct 14 - Sep 15	Year 4 Oct 15 - Sep 16	Year 5 Oct 16 - Sep 17	Year 6 Oct 17 - Sep 18	Year 7 Oct 18 - Sep 19	Year 8 Oct 19 - Sep 20	Year 9 Oct 20 - Sep 21	Year 10 Oct 21 - Sep 22		
2.1.4	Nanofiltration Filters	The filters are understood to be replaced on an as required basis which is dependent on the degree of fouling measured with differential pressure gauges.	CAP	2	C2	Allowance to replace the filters in the short term and in accordance with the estimated life expectancy. Consists of 2 trains with 6 filters per 3 vessels i.e. 36 filters in total.	\$ 72,000	\$ -	\$ -	\$ -	\$ 83,468	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 155,468
2.1.5	Filter feed pumps, High pressure pumps and Domestic water Supply Pumps	Surface corrosion was noted on the base and oxidation occurring on the pump motor casings.	CAP	2	C2	Treatment of corrosion and oxidation in the short term is assumed in operational expense. Staged allowance to replace the pumps and motors over the forecast period.	\$ 5,500	\$ 5,685	\$ 5,835	\$ 6,010	\$ 6,190	\$ 6,376	\$ 6,567	\$ 6,764	\$ 6,967	\$ 7,176	\$ 73,051	
2.1.6	General Pump maintenance	A planned preventative maintenance programme was not available for review to understand the extent of general wear and tear on the pumps and motors.	R&M	3	R3	Budget allowance to carry out general repairs to pumps, pipework and motors over the forecast period.	\$ 4,500	\$ 4,635	\$ 4,774	\$ 4,917	\$ 5,065	\$ 5,217	\$ 5,373	\$ 5,534	\$ 5,700	\$ 5,871	\$ 51,587	
2.1.7	Vibration Eliminators	Corrosion was noted on the flanges of vibration eliminators on the suction and discharge side of the domestic water supply pumps.	CAP	2	C2	We recommend the corrosion be treated in the short term which is assumed to be an operation expense and staged replacement of the vibration eliminators during the forecast period.	\$ 1,500	\$ 1,545	\$ 1,591	\$ 1,639	\$ 1,688	\$ 1,739	\$ 1,791	\$ 1,845	\$ 1,900	\$ 1,957	\$ 17,196	
2.1.8	Backflow device	Documentation was provided to support annual testing of backflow devices	R&M	1	R1	Allowance to carry out annual backflow device testing of an estimated 24 devices.	\$ 2,640	\$ 2,719	\$ 2,801	\$ 2,885	\$ 2,971	\$ 3,060	\$ 3,152	\$ 3,247	\$ 3,344	\$ 3,445	\$ 30,265	
Total Water Supply and Treatment							\$ 100,710	\$ 26,481	\$ 27,276	\$ 28,094	\$ 28,937	\$ 116,751	\$ 30,699	\$ 51,620	\$ 82,569	\$ 93,546	\$ 586,682	

Item	Element / Location	Inspection comments	Action required	Work Code	Probability	Code	YEAR										TOTAL				
							SHORT			MEDIUM				LONG				TOTAL			
							Year 1 Oct 12 - Sep 13	Year 2 Oct 13 - Sep 14	Year 3 Oct 14 - Sep 15	Year 4 Oct 15 - Sep 16	Year 5 Oct 16 - Sep 17	Year 6 Oct 17 - Sep 18	Year 7 Oct 18 - Sep 19	Year 8 Oct 19 - Sep 20	Year 9 Oct 20 - Sep 21	Year 10 Oct 21 - Sep 22					
WORK CODES CAP: Capital Expenditure. Major expenditure required for replacement, repair, upgrades, enhancements or additions where they increase the asset's useful life, improve its service or reduce future operating costs. R&M: Regular or routine maintenance necessary to maintain an asset in, or restore to, its original condition. O&M: Only for a replacement / substantial refurbishment or alteration where the asset is to be replaced / substantially refurbished / replaced. LEA: Lease Obligations. Lesser capital works expenditure necessitated by the termination of a lease, including restoration but excluding removal of assets.																					
3.0	Sewerage Treatment Plant																				
3.1.1	Inlet screen	It could not be determined if the screen had been replaced, it is therefore assumed that the screen is original from installation.	Estimated budget allowance to replace the inlet screen during the forecast period.	CAP	3	C3	\$ 2,000	\$ -	\$ -	\$ 2,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000	\$ -	\$ -	\$ -	\$ 7,500	
3.1.2	Vacuum pumps and motors	Routine inspections on the vacuum pumps are carried out by in house technicians, no documentation was provided to support pump or motor replacement.	Estimated budget allowance for replacement of vacuum pumps and motors over the forecast period due to life cycle replacement.	CAP	2	C2	\$ -	\$ 5,000	\$ -	\$ -	\$ 5,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,000	\$ 16,500	
3.1.3	Positive Pressure Pumps	Routine inspections on the Positive Pressure Pumps are carried out by in house technicians, no documentation was provided to support pump or motor replacement.	Estimated budget allowance for replacement of Positive Pressure Pumps over the forecast period due to life cycle replacement.	CAP	2	C2	\$ -	\$ 6,000	\$ -	\$ -	\$ 6,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,500	
3.1.4	Membrane filtration	One membrane is currently inoperable while the other is deteriorating.	We were advised that membranes were replaced at the end of 2011 as part of life cycle replacement. Estimated allowance includes freight, removal and installation.	CAP	1	C1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 130,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 130,000	
3.1.5	Pneumatic Compressor	Routine inspections and maintenance on the air compressors are carried out by in house technicians, no documentation was provided in regard to compressor replacement.	Routine maintenance and inspections assumed to be an operational expense. Estimated budget allowance for replacement of the 2 air compressors during the forecast period due to life cycle replacement.	CAP	1	C2	\$ 10,000	\$ -	\$ -	\$ 12,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,000	
Total Sewerage Treatment Plant							\$ 12,000	\$ 11,000	\$ -	\$ -	\$ 14,500	\$ 12,000	\$ 130,000	\$ -	\$ -	\$ -	\$ 3,000	\$ 6,000	\$ -	\$ 188,500	
4.0	CONTINGENCY			CAP	4	C6	\$ 10,625	\$ 10,576	\$ 10,464	\$ 10,319	\$ 10,421	\$ 10,602	\$ 10,987	\$ 10,214	\$ 10,383	\$ 10,451	\$ 10,522	\$ 10,593	\$ 10,664	\$ 10,735	\$ 108,153
				R&M	4	R6	\$ 993	\$ 629	\$ 516	\$ 371	\$ 473	\$ 655	\$ 1,021	\$ 265	\$ 435	\$ 503	\$ 586	\$ 674	\$ 767	\$ 870	\$ 8,662
TOTAL							\$ 335,281	\$ 141,298	\$ 119,012	\$ 80,230	\$ 180,896	\$ 496,747	\$ 539,373	\$ 71,043	\$ 105,598	\$ 506,817	\$ 2,586,495				

Item	Element / Location	Inspection comments	Work Code	Probability	Code	YEAR												TOTAL
						SHORT			MEDIUM			LONG			TOTAL			
						Year 1 Oct 12 - Sept 13	Year 2 Oct 13 - Sept 14	Year 3 Oct 14 - Sept 15	Year 4 Oct 15 - Sept 16	Year 5 Oct 16 - Sept 17	Year 6 Oct 17 - Sept 18	Year 7 Oct 18 - Sept 19	Year 8 Oct 19 - Sept 20	Year 9 Oct 20 - Sept 21	Year 10 Oct 21 - Sept 22	Year 11 Oct 22 - Sept 23	Year 12 Oct 23 - Sept 24	
PROBABILITY																		
1. Definite: Work needed as a result of current or predicted failure or to ensure the health & safety of building occupants and assets, including work to prevent serious deterioration of building activities. 2. Very Likely: Strong possibility that these works will be required. Normally affects the operational capacity of the building, are likely to lead to serious deterioration and higher future costs of repair or improve the health & safety features of the building. 3. Likely: Based on physical condition and theoretical life cycle of the asset, works that are likely to occur under an acceptable to maintain the environmental quality of the asset and its surroundings. 4. Fair: Works that could arise and is subject to standard or maintenance. Support these items can be deferred without seriously affecting the function of the building. 5. Low: Works that are the responsibility of a third party or possibly future tenants. 6. Contingency: Items in replacement items and subject to a defined liability policy.																		
WORK CODE & PROBABILITY SUMMARY																		
	CAP	Capital expenditure (CAP)	CAP	1	C1	\$ -	\$ 48,122	\$ 36,542	\$ -	\$ 38,766	\$ -	\$ 171,127	\$ -	\$ -	\$ -	\$ -	\$ 294,557	
	CAP	Capital expenditure (CAP)	CAP	2	C2	\$ 123,070	\$ 67,127	\$ 56,201	\$ 62,792	\$ 42,901	\$ 120,474	\$ 22,174	\$ 22,839	\$ 23,524	\$ 30,230	\$ -	\$ 572,330	
	CAP	Capital expenditure (CAP)	CAP	3	C3	\$ 2,000	\$ -	\$ -	\$ -	\$ 2,500	\$ -	\$ -	\$ 20,000	\$ 53,000	\$ 60,000	\$ -	\$ 137,500	
	CAP	Capital expenditure (CAP)	CAP	4	C4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	CAP	Capital expenditure (CAP)	CAP	5	C5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	CAP	Capital expenditure (CAP)	CAP	6	C6	\$ 125,070	\$ 115,248	\$ 95,743	\$ 62,792	\$ 84,167	\$ 120,474	\$ 183,301	\$ 42,839	\$ 76,524	\$ 90,230	\$ -	\$ 1,084,387	
		SUB TOTAL				\$ 125,070	\$ 115,248	\$ 95,743	\$ 62,792	\$ 84,167	\$ 120,474	\$ 183,301	\$ 42,839	\$ 76,524	\$ 90,230	\$ -	\$ 1,084,387	
		Contingency				\$ 10,625	\$ 10,576	\$ 10,484	\$ 10,319	\$ 10,421	\$ 10,602	\$ 10,987	\$ 10,214	\$ 10,585	\$ 10,451	\$ -	\$ 105,022	
		TOTAL				\$ 135,695	\$ 125,825	\$ 106,227	\$ 73,111	\$ 94,588	\$ 131,076	\$ 194,287	\$ 53,053	\$ 87,109	\$ 100,681	\$ -	\$ 1,189,409	
		Repairs & Maintenance (R&M)				\$ 170,320	\$ 2,719	\$ 2,801	\$ 2,885	\$ 72,586	\$ 351,368	\$ 320,228	\$ 3,247	\$ 3,344	\$ 380,273	\$ -	\$ 1,327,772	
		Repairs & Maintenance (R&M)				\$ 15,772	\$ 7,490	\$ 7,715	\$ 7,946	\$ 8,165	\$ 8,430	\$ 8,683	\$ 8,944	\$ 9,212	\$ 9,488	\$ -	\$ 91,865	
		Repairs & Maintenance (R&M)				\$ 4,500	\$ 4,635	\$ 4,774	\$ 4,917	\$ 5,065	\$ 5,217	\$ 5,373	\$ 5,524	\$ 5,671	\$ 5,821	\$ -	\$ 51,587	
		Repairs & Maintenance (R&M)				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		Repairs & Maintenance (R&M)				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		SUB TOTAL				\$ 199,592	\$ 14,844	\$ 15,290	\$ 15,748	\$ 85,856	\$ 365,015	\$ 334,284	\$ 17,725	\$ 18,257	\$ 405,633	\$ -	\$ 1,477,225	
		Contingency				\$ 983	\$ 629	\$ 516	\$ 371	\$ 473	\$ 655	\$ 1,021	\$ 265	\$ 435	\$ 503	\$ -	\$ 5,862	
		TOTAL				\$ 199,585	\$ 15,473	\$ 15,806	\$ 16,119	\$ 86,309	\$ 365,671	\$ 335,306	\$ 17,990	\$ 18,694	\$ 406,137	\$ -	\$ 1,477,087	
		TOTAL				\$ 335,281	\$ 141,288	\$ 119,012	\$ 90,230	\$ 180,896	\$ 496,747	\$ 539,573	\$ 71,043	\$ 105,598	\$ 506,817	\$ -	\$ 2,586,495	



Couran Cove Island Resort

Utility Services Model

Executive Summary

The following summary provides the cost allocations for the nominated utility services:

	Excl GST
Water	
Capital Works Contribution	55,723.62
Operating Costs	52,589.33
Total Water	<u>108,312.95</u>
Sewerage	
Capital Works Contribution	17,903.91
Operating Costs	121,421.33
Total Sewerage	<u>139,325.24</u>
Power	
Capital Works Contribution	161,508.47
Operating Costs	1,066,075.56
Total Power	<u>1,227,584.03</u>
Waste	
Capital Works Contribution	0.00
Operating Costs	27,837.40
Total Waste	<u>27,837.40</u>
Summary	
Capital Works Contribution	235,136.00
Operating Costs	1,267,923.63
Total	<u>1,503,059.63</u>

Body Corporate Fee by Lot Entitlements - 3238 Total Lot Entitlements

	Votes Per Lot	Lot Entitlement	\$
Marine	6	192	\$ 534,751.29
Lodge	8	50	\$ 185,677.53
Villa	9	24	\$ 100,265.87
Pandanus	4	100	\$ 185,677.53
Cottonwood/Kites Nest	5	200	\$ 464,193.83
Freehold Lots 3 (Arrivals)	20	1	\$ 9,283.88
Freehold Lots 3 (The Point)	50	1	\$ 23,209.69
		<u>568</u>	<u>\$ 1,503,059.63</u>

Methodology

Calculation of Costs

The calculation of total costs for each nominate utility services is comprised of the following:

- Specific Operating Costs – these costs relate to day to day operational costs and can be reconciled to the relevant department profit and loss statement in the Care and Maintenance Model. Further details of the methodology for the allocation of specific utility fees are provided at each utility section of this report.
- Additional Operating Costs – these costs relate to other operational costs that are not specific to the utility cost centre eg Barge Costs
- Capital Works Expenditure – Napier & Blakeley (NB) have provided an independent analysis of the Forecast Operator Cost requirements of the infrastructure. The NB report identifies and evaluates the funding requirements over a 10 year period for items requiring capital expenditure as detected by site inspection or by reference to specifications and maintenance contracts or by making an assessment of life expectancy.

Capital expenditure amounts in this report represent the 10 year average of the NB's assessment of the funding requirements.

For capital expenditure requirements for a full 10 year period please see the NB report.

Methodology

The infrastructure charge is allocated based on lot entitlements.

There are 3,238 lot entitlements comprised:

	Votes Per Lot	Approved Lots	Lot Entitlement
- Marine	6	192	1,152
- Lodge	8	50	400
- Villa	9	24	216
- Pandanus	4	100	400
- Cottonwood/Kities Nest	5	200	1,000
- Freehold Lots 3 (Arrivals)	20	1	20
- Freehold Lots 3 (The Point)	50	1	50
		568	3,238

Water Overview

Period Analysed

This model has been based on the Care & Maintenance Model

Metering

- 1 Accommodation units have individual water meters.
- 2 The IPR "Leased back areas" from the CBC, where appropriate have water meters or are having them installed.

Recoveries

- 1 Owners have been charged a consumption rate of \$2.6565 KL (GST N/A) (May 2012 Charge out rate)

Costings

- 1 As water is derived from bores on the Island, it has been determined that a water access fee would be based on the water treatment plant and infrastructure costs and the consumption charge rate would be based on the operating costs of providing the treated water.
 - 2 Water Access Fee - Is based on the capital infrastructure costs amortised over economic life.
 - 3 Consumption Costs - Is based on labour and related costs operating supplies such as chemicals - Source has been Water Profit & Loss Statement for the C&M Model together with additional costs accounted for in the Freight & Barging Profit & Loss Statement and POMEC Profit & Loss Statement for vehicle repairs and maintenance.
 - 4 Payroll and related costs comprise wages for Sewerage Treatment/Water Technical. 50% split with Water Treatment Plant costs
 - 5 Other expenses include supplies, and repairs and maintenance.
-

Water Costing Analysis

Operating Costs	Notes	# of Units	Life Span	Total Cost
Operating Costs Per Care & Maintenance Model				
Sales	-1,901.00			
Payroll & Related	40,386.00			
Other Expenses	12,271.00			
Total Operating Costs	50,766.00			
Additional Operating Costs				
On Island Motor Vehicle - Transportation Costs	833.33	1	12	20,000.00
On Island Motor Vehicle - Transportation Costs - repairs & maintenance	1,000.00			
Total Additional Operating Costs	1,833.33			
Total Operating Costs	52,599.33			
Capital Works Contribution				
Capital as per Napier & Blakely Report	53,334.73			
Allocation of contingency in Napier & Blakely Report	2,388.89			
Total Capital Works Contribution	55,723.62			
Total Water Operating Costs and Capital Work Contribution	108,312.95			

Sewerage Overview

Period Analysed

This model has been based on the Care & Maintenance Model

Costings

- 1 The Flat Sewerage Rate is based on sewerage treatment plant and associated infrastructure based on capital costs amortised over the economic life together with operating costs associated with the sewerage treatment plant including labour and related costs and operating supplies based on the Sewerage Profit & Loss Statement.
- 2 The revenue derived from the consumption of non-letting pool owners for the analyzed period has been excluded due to the introduction of a flat sewerage rate levy inclusive of infrastructure charges
- 3 Other expenses include supplies, fees and premits and repairs and maintenance.

Sewerage Costing Analysis

Operating Costs				
Operating Costs Per Care & Maintenance Model				
Sales				0.00
Payroll & Related				0.00
Other Expenses				79,227.00
Body Corporate Recovery of Administration Fees				0.00
Total Operating Costs				79,227.00
Additional Operating Costs				
Payroll & Related			Life Span	Total Cost
On Island Motor Vehicle - Transportation Costs	1	12		20,000.00
On Island Motor Vehicle - Transportation Costs - repairs & maint				40,361.00 Sewerage Treatment/Water Technican 50% Split with Water Treatment Plant
				833.33 Shared Vehicle - Water & Sewage = 50% of costs
				1,000.00 Shared Vehicle - Water & Sewrage = 50% of costs
Total Additional Operating Costs				42,194.33
Total Operating Costs				121,421.33
Capital Works Contribution				
Capital as per Napier & Blakely Report				17,136.36
Allocation of contingency in Napier & Blakely Report				767.55
Total Capital Works Contribution				17,903.91
Total Sewerage Operating Costs and Capital Work Contribution				139,325.24

Power Overview

Period Analysed

This model has been based on the Care & Maintenance Model

Metering

- 1 Accommodation units have individual power meters.
- 2 The IPR "Leased back areas" where appropriate have power meters or are having them installed.

Recoveries

- 1 Owners have been charged a consumption rate of \$0.4855 kWh (includes GST)
- 2 There was a Body Corporate Recovery of \$130,833 during the analysed period.

The Body Corporate Charge is based on the lights along Community Roads, lights on accommodation buildings not metered internally and other lights on Common Property. Calculation is based on rating per light and the number of hours used and is in accordance with the Community Facilities Services Agreement

Costings

- 1 Power Access Fee - Is based on the capital infrastructure costs amortised over economic life as per the NB Report
- 2 Power Consumption Costs - Is based on labour and related costs operating supplies such as gas - Source has been Power Profit & Loss Statement from the Care & Maintenance model together with additional costs contained with the CCIR Profit & Loss Statement.
- 3 Payroll and related costs comprise three staff, being Director of Operations, Maintenance Manager and Electrician required to operate and manage the Power Station.
- 4 Other expenses include supplies and repairs and maintenance.

Power Costings Analysis

<u>Operating Costs</u>		Notes
Operating Costs Per Care & Maintenance Model		
Sales		-45,708.00
Payroll & Related		306,975.00
Other Expenses- excluding Gas Expense		137,580.00
Gas Expense		756,024.00
Body Corporate Recovery of Administration Fees		-130,833.00
Total Operating Costs		1,024,038.00
Additional Operating Costs		
Freight & Barging		18,169.36
Boat Ramp Lease		16,813.20
Barge Replacement Costs		7,055.00
Total Additional Operating Costs		42,037.56
Total Operating Costs		1,066,075.56
Capital Works Contribution		
Capital as per Napier & Blakely Report		154,584.55
Allocation of contingency in Napier & Blakely Report		6,923.93
Total Capital Works Contribution		161,508.47
Total Power Operating Costs and Capital Work Contribution		1,227,584.03

Waste Management Overview

Period Analysed

This model has been based on the Care & Maintenance Model

Recoveries

- 1 There was a Body Corporate Recovery of Administration Fees of \$118,593 during the analysed period. Calculations are based on average number of hours per run for each Body Corporate
Labour is calculated based # of personnel x hours x times per week for bin run and processing.
- 2 Equipment costs include Non-Recyclable Compactor plus rail bin; Rental Non Recyclable Compactor; Recyclable Waste Skips; and Barge Costs
- 3 Costs are split (based on tonnage of rubbish) between Body Corporate and non-Body Corporate area is 45% / 55%.

Costings

- 1 The Flat Waste Rate is based on Waste plant and associated infrastructure based on capital costs amortised over the economic life together with operating costs associated with the waste plant including labour and related costs and operating supplies based on the Waste Management Profit & Loss Statement.
- 2 Payroll and related costs comprise 0.6% of Waste Attendant FTE.
- 3 Other expenses include supplies and waste removal costs.

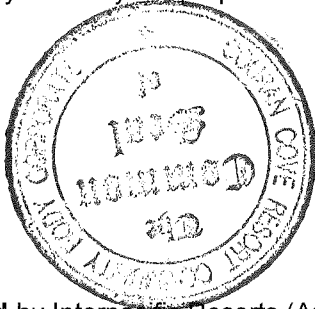
Waste Management Costing Analysis

<u>Operating Costs</u>			
Operating Costs Per Care & Maintenance Model			
Sales			0.00
Payroll & Related			32,247.00
Other Expenses			70,800.00
Body Corporate Recovery of Administration Fees			-118,593.00
Total Operating Costs			<u>-15,546.00</u>
Other Operating Costs		Total Cost	Annual Cost
Freight & Barging	16.6%	109,454.00	18,169.36
			Total Costs excluding Hire Fees (revenue)
Boat Ramp Lease		33,626.40	16,813.20
On Island Motor Vehicle - Transportation Costs	1		
On Island Motor Vehicle - Transportation Costs - repairs & maint		25,000.00	345.83
Barge Replacement Costs	1		
		850,000.00	1,000.00
			7,055.00 Only 16.6% of amortized capital costs recouped
Total Additional Operating Costs			<u>43,383.40</u>
Total Operating Costs			<u>27,837.40</u>
<u>Capital Works Contribution</u>			
Capital as per Napier & Blakely Report			0.00
Allocation of contingency in Napier & Blakely Report			0.00
Total Capital Works Contribution			<u>0.00</u>
Total Waste Management Operating Costs and Capital Work Contribution			<u>27,837.40</u>



Signing page

The common seal of Couran Cove Resort Community Body Corporate was affixed pursuant to a resolution of the Body Corporate in the presence of: *Parry Roper* and *Dallas Connelly* being members of the Executive Committee who certify that they are proper officers to affix the seal:



[Handwritten signature]

[Handwritten signature]

Executed by Interpacific Resorts (Australia) Pty Ltd ACN 010 976 422 (in liquidation) by its duly appointed liquidator, William Martin Colwell/Timothy James Michael in the presence of:

[Handwritten signature]

[Handwritten signature]

Signature of Witness

[Handwritten signature]

Signature of Liquidator

[Handwritten signature]

Print full name of witness

[Handwritten signature]

Print full name of Liquidator



HopgoodGanim

Deed of Assignment of Infrastructure Service Agreement

Couran Cove Resort Community Body Corporate (**CBC**)

Interpacific Resorts (Australia) Pty Ltd ACN 010 976 422 (In Liquidation) (**Assignor**)

CCH Infrastructure Pty Ltd ACN 160 836 993 (**Assignee**)

Contact - Tracey Rundle, Partner, t.rundle@hopgoodganim.com.au

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Deed of Assignment of Infrastructure Service Agreement



Date 30 November 2012

Parties

Couran Cove Resort Community Body Corporate (**CBC**)

Interpacific Resorts (Australia) Pty Ltd ACN 010 976 422 (In Liquidation) (**Assignor**)

CCH Infrastructure Pty Ltd ACN 160 836 993 (**Assignee**)

Client No:	1009118	Duties Act 2001
Transaction No:	505-583-328	
Duty Paid \$:	0.00	<input type="checkbox"/> Exempt
UTI \$:	MFL	330 Applied
Date:	7/12/12	Signed:

Background

- A. The CBC and the Assignor are parties to the Infrastructure Service Agreement (**BC Agreement**).
- B. Under the Contract:
 - (a) The Assignor has agreed to assign the benefit of the BC Agreement to the Assignee.
 - (b) The CBC has agreed to consent to such assignment on the terms contained in this Deed.

It is agreed

1. Reference Schedule, definitions and interpretation

1.1 Reference Schedule

Where a term used in this deed appears in bold type in the Reference Schedule, that term has the meaning shown opposite it in the Reference Schedule.

CBC's Address Details	Address:	C/- Stewart Silver King and Burns, 116-118 Bundall Road, Bundall QLD 4217
	Facsimile:	07 5504 2001
	Electronic Mail:	sskb@sskb.com.au
	Attention:	Charlotte Divall
Assignor's Address Details	Address:	C/- HopgoodGanim Lawyers, Level 8, Waterfront Place, 1 Eagle Street, Brisbane QLD 4000
	Facsimile:	07 3024 0376
	Electronic Mail:	t.rundle@hopgoodganim.com.au
	Attention:	Tracey Rundle

Deed of Assignment of Infrastructure Service Agreement



Assignee's Address Details	Address: C/- Short, Punch & Grotorix Lawyers, PO Box 5164 GCMC QLD 9726
	Facsimile: 07 5539 8745
	Electronic Mail: matthew.brook@spglawyers.com.au
	Attention: Matthew Brook
Contract	The contract of sale dated 1 November 2012 made between the Assignor and the Assignee for the sale and purchase of part of the Resort.
Resort	Means the Resort known as "Couran Cove Island Resort" at South Stradbroke Island, Queensland, Australia.

1.2 Definitions

In this deed:

Assignment Date means the date on which the Contract is completed.

Authorised Officer of a party which is a corporation means:

- (a) an employee of the party whose title contains either of the words Director or Manager;
- (b) a person performing the function of any of them;
- (c) a solicitor acting on behalf of the party; or
- (d) a person appointed by the party to act as an Authorised Officer for the purposes of this deed and notified to the others.

Business Day means:

- (a) if determining when a notice, consent or other communication is given, a day that is not a Saturday, Sunday or public holiday in the place to which the notice, consent or other communication is sent; and
- (b) for any other purpose, a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Brisbane.

Claim means any claim, allegation, debt, cause of action, Liability, proceeding, suit or demand of any nature and whether present or future, actual or contingent, fixed or unascertained and arising by operation of law, in equity, by statute or otherwise.

Government Body means:

- (a) any person, body or other thing exercising an executive, legislative, judicial or other governmental function of any country or political subdivision of any country;
- (b) any public authority constituted by or under a law of any country or political subdivision of any country; and
- (c) any person deriving a power directly or indirectly from any other Government Body.

GST has the same meaning given to that term in the GST Law.

Deed of Assignment of Infrastructure Service Agreement



GST Law has the meaning given to that term in *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

Infrastructure Service Agreement means the infrastructure service agreement between the CBC and the Assignor dated 24 August 2012.

Liabilities means any liabilities, debts or Obligations, whether actual, contingent or prospective, present or future, qualified or unqualified or incurred jointly or severally with any other person. A reference to **Liability** has a corresponding meaning.

Liquidator means, as the context permits or requires, either or both of the joint and several liquidators of the Assignor, namely:

- (a) William Martin Colwell; and
- (b) Timothy James Michael,

of Ferrier Hodgson.

Loss includes any damage, loss, cost, expense or liability incurred by the person concerned, however it arises and whether it is present or future, fixed or unascertained, actual or contingent.

Obligation means any obligation, commitment, liability, covenant, undertaking or duty whether arising by operation of law, in equity or by statute and whether expressed or implied.

Reference Schedule means the schedule in clause 1.1.

Related Body Corporate means any related body corporate (of an entity) as defined in section 50 of the *Corporations Act* (Cth).

Related Person means:

- (a) each Related Body Corporate of the Assignor;
- (b) each agent, director, officer, employee and advisor of the Assignor or of a Related Body Corporate of the Assignor; and

each officer, director, partner, employee, agent or advisor of the Liquidator or of any firm or company employed by or associated with the Liquidator and their respective agents or advisors.

Tax Invoice means a document that complies with the requirements of the GST Law for a tax invoice.

1.3 Interpretation

- (a) Unless the contrary intention appears, a reference in this deed to:
 - (1) this deed or another document includes any variation or replacement of it despite any change in the identity of the parties;
 - (2) one gender includes the others;
 - (3) the singular includes the plural and the plural includes the singular;

Deed of Assignment of Infrastructure Service Agreement



- (4) a person, partnership, corporation, trust, association, joint venture, unincorporated body, Government Body or other entity includes any other of them;
 - (5) an item, recital, clause, subclause, paragraph, schedule or attachment is to an item, recital, clause, subclause, paragraph of, or schedule or attachment to, this deed and a reference to this deed includes any schedule or attachment;
 - (6) a party includes the party's executors, administrators, successors, substitutes (including a person who becomes a party by novation) and permitted assigns;
 - (7) any statute, ordinance, code or other law includes regulations and other instruments under any of them and consolidations, amendments, re-enactments or replacements of any of them;
 - (8) money is to Australian dollars, unless otherwise stated; and
 - (9) a time is a reference to Brisbane time unless otherwise specified.
- (b) The words include, including, such as, for example and similar expressions are not to be construed as words of limitation.
 - (c) Where a word or expression is given a particular meaning, other parts of speech and grammatical forms of that word or expression have a corresponding meaning.
 - (d) Headings and any table of contents or index are for convenience only and do not affect the interpretation of this deed.
 - (e) A provision of this deed must not be construed to the disadvantage of a party merely because that party or its advisers were responsible for the preparation of this deed or the inclusion of the provision in this deed.

1.4 Business Days

- (a) If anything under this deed must be done on a day which is not a Business Day, it must be done instead on the next Business Day.
- (b) If an act is required to be done on a particular day it must be done before 5.00pm on that day or it will be considered to have been done on the following day.

1.5 Parties

- (a) If a party consists of more than one person, this deed binds each of them separately and any two or more of them jointly.
- (b) An agreement, Obligation, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them separately.
- (c) An agreement, Obligation, representation or warranty on the part of two or more persons binds them jointly and each of them separately.
- (d) A party which is an undisclosed trustee is bound both personally and in its capacity as trustee.

Deed of Assignment of Infrastructure Service Agreement



2. Assignment

2.1 Condition

This deed is subject to completion of the Contract.

2.2 Assignment of Agreement

- (a) The Assignor transfers and assigns to the Assignee from the Assignment Date the Assignor's right, title and interest under the BC Agreement.
- (b) The Assignee accepts the assignment from the Assignor.

2.3 Obligations of Assignee

The Assignee:

- (a) agrees to perform all of the Obligations in the BC Agreement on the part of the Assignor to be performed from the Assignment Date as if the Assignee has originally been named as IPR in the BC Agreement; and
- (b) indemnifies the Assignor against all Liabilities, Claims and Losses that the Assignor may suffer or incur as a result of, or in relation to, the non-observance or non-performance by the Assignee of its Obligations under or in respect of the BC Agreement.

2.4 Release and Discharge of the Assignor

Despite anything to the contrary contained in this document, as from the Assignment Date:

- (a) the CBC and the Assignor mutually release and discharge each other from all Claims and Obligations arising under or in connection in any manner with the BC Agreement;
- (b) each party to this document consents to the release and discharge in paragraph (a) of this clause; and
- (c) the CBC acknowledges that the release and discharge granted to it in clause 2.4(a) does not derogate in any manner from the provisions of clause 2.7.

2.5 Consent of CBC

The CBC:

- (a) consents to the assignment referred to in clause 2.2; and
- (b) agrees with the Assignee that:
 - (1) so far as the CBC is aware, there is no existing breach by the Assignor of the BC Agreement;
 - (2) so far as the CBC is aware, the interests of the Assignor under the BC Agreement is not liable to forfeiture or surrender;
 - (3) it will not rely upon any breach of the BC Agreement by the Assignor in its dealings with the Assignee;

Deed of Assignment of Infrastructure Service Agreement



- (4) agrees to be bound by the provisions of the BC Agreement as if the Assignee were IPR originally named in the BC Agreement; and
- (5) in every respect confirms the provisions of the BC Agreement for the balance of the term.

2.6 Covenants by Assignee and CBC

The CBC (to the extent that the CBC is lawfully able to do so) and the Assignee:

- (a) ratify and confirm all of the terms and conditions of the BC Agreement; and
- (b) agree to be bound by the terms and conditions of the BC Agreement.

2.7 CBC acknowledgement

Despite any other term of this deed, nothing in this deed will release, act as a waiver of or relieve the CBC from paying any monies owing pursuant to the BC Agreement, whether the obligation to pay such monies arose before, on or after the Assignment Date, and the CBC acknowledges that any right to claim outstanding monies is assigned to the Assignee from the Assignment Date.

3. GST

3.1 GST exclusive amounts

Unless expressly stated to the contrary all amounts expressed in this deed are exclusive of GST.

3.2 Taxable supply

- (a) If a party (**Supplier**) is obliged under the GST Law to pay an amount of GST for a taxable supply made by the Supplier to another party (**Recipient**) under this deed, the Recipient must pay the Supplier an amount equal to the GST payable on the supply by the Supplier.
- (b) The Recipient must pay the amount referred to in subclause 3.2(a) and any interest, penalty, fine or expense relating to the GST, in addition to and at the same time as the consideration otherwise payable by the Recipient for the supply.

3.3 Tax Invoice

If requested by the Recipient, the Supplier must provide the Recipient with a Tax Invoice on or before payment of the amounts required by this clause 3.

3.4 Adjustment event

If an adjustment event arises for a taxable supply under clause 3.2, the amounts required to be paid must be recalculated (**Recalculated Amount**) and the Recipient must pay the Supplier the Recalculated Amount.

3.5 Reimbursement

Where a party is required to pay for or reimburse an expense or outgoing of another party, the amount required to be paid or reimbursed is the amount of the expense or outgoing less any

Deed of Assignment of Infrastructure Service Agreement



input tax credits to which the other party, or the representative member of a GST group to which they belong, is entitled.

4. Notices

4.1 Form

Any notice or other communication to or by any party must be:

- (a) in writing and in the English language;
- (b) addressed to the address of the recipient in clause 4.4 or to any other address as the recipient may have notified the sender; and
- (c) be signed by the party or by an Authorised Officer of the sender.

4.2 Manner

In addition to any other method of service authorised by law, the notice may be:

- (a) personally served on a party;
- (b) left at the party's current address for service;
- (c) sent to the party's current address for service by prepaid ordinary mail or if the address is outside Australia by prepaid airmail;
- (d) sent by facsimile to the party's current numbers for service; or
- (e) sent by electronic mail to the party's electronic mail address.

4.3 Time

If a notice is sent or delivered in the manner provided in clause 4.2 it must be treated as given to or received by the addressee in the case of:

- (a) delivery in person, when delivered;
- (b) delivery by post:
 - (1) in Australia to an Australian address, the second Business Day after posting; or
 - (2) in any other case, on the tenth Business Day after posting;
- (c) facsimile, when a transmission report being printed by the sender's facsimile machine stating that the document has been sent to the recipient's facsimile number; or
- (d) electronic mail, when the sender's computer reports that the message has been delivered to the electronic mail address of the addressee,

but if delivery is made after 5.00pm on a Business Day it must be treated as received on the next Business Day in that place.

Deed of Assignment of Infrastructure Service Agreement



4.4 Initial details

The addresses and numbers for service of the parties to this deed initially are as set out in the Reference Schedule.

4.5 Changes

A party may from time to time change its address or numbers for service by notice to each other party.

5. Governing law and jurisdiction

5.1 Governing law

This deed is governed by and construed in accordance with the laws of Queensland.

5.2 Jurisdiction

Each party irrevocably:

- (a) submits to the non-exclusive jurisdiction of the courts of Queensland and the courts competent to determine appeals from those courts, with respect to any proceedings which may be brought at any time relating to this deed; and
- (b) waives any objection it may now or in the future have to the venue of any proceedings, and any claim it may now or in the future have that any proceedings have been brought in an inconvenient forum, if that venue falls within paragraph 5.2(a).

6. Miscellaneous

6.1 Exercise rights

A single or partial exercise or waiver by a party of any right under or relating to this deed will not prevent any other exercise of that right or the exercise of any other right.

6.2 Legal effect

Each party acknowledges and agrees for the benefit of each other party that this document is intended to take effect as a deed. Each party executes this document with the intention that it will be immediately legally bound by this document despite the existence of, but subject to, the conditions precedent contained in clause 2.1. To avoid any doubt, there will be no need for further delivery of this document following the satisfaction of the conditions precedent contained in clause 2.1.

6.3 No assignment

Subject to the terms of the BC Agreement a party must not assign, transfer or novate all or any part of its rights or obligations under or relating to this deed or grant, declare, create or dispose of any right or interest in it, without the prior written consent of each other party.

6.4 Severability

If a provision of this deed is illegal, invalid, unenforceable or void in a jurisdiction it is severed for that jurisdiction and the remainder of this deed has full force and effect and the validity or

Deed of Assignment of Infrastructure Service Agreement



enforceability of that provision in any other jurisdiction is not affected. This clause has no effect if the severance alters the basic nature of this deed or is contrary to public policy.

6.5 Further assurance

Each party must promptly at its own cost do all things (including executing and delivering all documents) necessary or desirable to give full effect to this deed and the transactions contemplated by it.

6.6 Waiver

- (a) A party's waiver of a right under or relating to this deed, whether prospectively or retrospectively, is not effective unless it is in writing and signed by that party.
- (b) No other act, omission or delay by a party will constitute a waiver of a right.

6.7 Counterparts

This deed may be executed in any number of counterparts each of which will be considered an original but all of which will constitute one and the same instrument. A party who has executed a counterpart of this deed may deliver it to, or exchange it with, another party by:

- (a) faxing; or
- (b) emailing a pdf (portable document format) copy of,
the executed counterpart to that other party.

7. Liquidation of Assignor

7.1 The CBC and the Assignee acknowledge and agree that:

- (a) the Liquidator has been appointed as members voluntary liquidators of the Assignor;
- (b) the Liquidator has executed this deed and will execute any agreement contemplated under this deed, on behalf of the Assignor;
- (c) it accepts and takes no objection to this deed and any other related documentation being executed or given effect to by the Liquidator, on behalf of the Assignor;
- (d) the Liquidator is the agent of the Assignor;
- (e) the CBC and the Assignee are contracting with the Assignor only and is not contracting with the Liquidator personally;
- (f) the Liquidator and the Related Persons do not incur any personal liability to the CBC or the Assignee on any basis and do not accept or assume any personal obligations under this deed in any manner whatsoever; and
- (g) no Claim may be brought against the Liquidator or the Related Persons in their personal capacity in respect of, or incidental to this agreement, the rights and obligations of the Assignor under this deed, or any other fact, matter of circumstance of any nature whatsoever.

7.2 Despite clause 7.1, any promise or indemnity given by the CBC or the Assignee in favour of the Assignor under or connection with this deed will constitute a deed poll by the CBC or the

Deed of Assignment of Infrastructure Service Agreement



Assignee for the benefit of the Liquidator and, subject to acceptance by the Liquidator, the Liquidator may take the personal benefit of, and enforce any such promise or indemnity.

- 7.3 The CBC and the Assignee each release the Liquidator and the Related Persons from, and indemnifies the Liquidator and the Related Persons against any Claims in respect of, or incidental to this deed, the rights and obligations of the Assignor under this deed and any other fact, matter or circumstance of any nature whatsoever.

Deed of Assignment of Infrastructure Service Agreement



Signing page

The common seal of Couran Cove Resort Community Body Corporate was affixed pursuant to a resolution of the Body Corporate in the presence of:

Dallas Connelly

and

Robert Malt

being members of the Executive Committee who certify that they are proper officers to affix the seal:

[Handwritten signature]

[Handwritten signature]

Executed by Interpacific Resorts (Australia) Pty Ltd ACN 010 976 422 (in liquidation) by its duly appointed liquidator, William Martin Colwell/Timothy James Michael in the presence of:

X *[Handwritten signature]*

Signature of Witness

[Handwritten signature]

Signature of Liquidator



X *ROBERT MALT*

Print full name of witness

X *WILL COLWELL*

Print full name of Liquidator

Executed as a deed by CCH Infrastructure Pty Ltd ACN 160 836 993

as the Assignee on the *23RD* day of *November* 2012

[Handwritten signature]

Signature of Director / Sole Director

Signature of Director / Secretary (if applicable)

Craig Dawling

Print full name of Director / Sole Director

Print full name of Director/Secretary

HWL
EBSWORTH

LAWYERS

Deed of Assignment of Infrastructure
Service Agreement

(Couran Cove Resort)

CCH Infrastructure Pty Ltd

and

Island Resorts (Infrastructure) Pty Ltd

and

Couran Cove Resort Community Body Corporate

Ref MAL:REC:585033

Doc ID 371044293/v1

Level 19, 480 Queen Street, Brisbane QLD 4000 Australia
GPO Box 2033, Brisbane QLD 4001 Australia

Telephone +61 7 3169 4700

Facsimile 1300 368 717 (Australia) +61 2 8507 6581 (International)

hwlebsworth.com.au

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Deed of Assignment of Infrastructure Service Agreement

Date *13 November 2018*

Parties **CCH Infrastructure Pty Ltd**

ACN 160 836 993 of c/- Couran Cove Island Resort, South Stradbroke
Qld 4216

(Assignor)

Island Resorts (Infrastructure) Pty Ltd

ACN 613 379 221 of c/- Unit 1A, 201 Leichhardt Street, Spring Hill Qld
4000

(Assignee)

Couran Cove Resort Community Body Corporate

of c/- Stewart Silver King and Burns, 10 Frigo Ct, Bundall QLD 4217

(CBC)

- Recitals**
- A. The CBC and the Assignor are parties to the Infrastructure Service Agreement.
 - B. The Assignor wishes to assign the benefit of the Infrastructure Service Agreement to the Assignee.
 - C. The CBC has agreed to consent to such assignment on the terms contained in this deed.
-

This deed witnesses that in consideration of, among other things, the mutual promises contained in this deed the parties agree as follows:

1. Definitions and interpretation clauses

1.1 Definitions

In this deed:

Business Day	means a day on which banks are open for business in Brisbane, Queensland excluding a Saturday, Sunday or public holiday in that city.
Claim	means any claim, action, proceeding, damage, debt, allegation, Liability, suit or demand of any nature, and whether present, unascertained, immediate, future or contingent and arising by operation of law, in equity, by statute or otherwise.
Effective Date	means 20 September 2016.
GST Act	means the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth).
GST Law	means where the context permits or requires, the GST Act, associated commonwealth legislation, regulations and publicly available rulings.
Infrastructure Service Agreement	means the infrastructure service agreement dated 24 August 2012 between the CBC and Interpacific Resorts (Australia) Pty Ltd ACN 010 976 422 (in liquidation) (IPA) in respect of the Resort as assigned by Deed of Assignment of Infrastructure Service Agreement dated 30 November 2012 between the CBC, IPA and the Assignor.
Liabilities	means any liabilities, debts or Obligations, whether present, unascertained, immediate, future or contingent, qualified or unqualified or incurred jointly or severally with any other person. A reference to Liability has a corresponding meaning.
Loss	includes any damage, loss, cost, expense or liability incurred by the person concerned, however it arises and whether it is present, unascertained, immediate, future or contingent.

- Obligation** means any obligation, commitment, liability, covenant, undertaking or duty whether arising by operation of law, in equity or by statute and whether express or implied.
- Resort** means the resort known as 'Couran Cove Island Resort' at South Stradbroke Island, Queensland, Australia.

1.2 Interpretation

In this deed unless a contrary intention is expressed:

- (a) headings and italicised, highlighted or bold type do not affect the interpretation of this deed;
- (b) the singular includes the plural and the plural includes the singular;
- (c) a gender includes all other genders;
- (d) other parts of speech and grammatical forms of a word or phrase defined in this deed have a corresponding meaning;
- (e) a reference to a 'person' includes any individual, firm, company, partnership, joint venture, an unincorporated body or association, trust, corporation or other body corporate and any Government Agency (whether or not having a separate legal personality);
- (f) a reference to any thing (including any right) includes a part of that thing, but nothing in this clause 1.2(f) implies that performance of part of an obligation constitutes performance of the obligation;
- (g) a reference to a clause, party, annexure, exhibit or schedule is a reference to a clause of, and a party, annexure, exhibit and schedule to, this deed and a reference to this deed includes any clause, annexure, exhibit and schedule;
- (h) a reference to a document (including this deed) includes all amendments or supplements to, or replacements or novations of, that document;
- (i) a reference to a party to any document includes that party's successors and permitted assigns;
- (j) a reference to an agreement other than this deed includes an undertaking, deed, agreement or legally enforceable arrangement or understanding whether or not in writing;
- (k) a reference to a document includes any agreement or contract in writing, or any certificate, notice, deed, instrument or other document of any kind;
- (l) a promise, agreement, representation or warranty by two or more persons binds them jointly and severally;

- (m) a party which is an undisclosed trustee is bound both personally and in its capacity as trustee;
- (n) a provision of this deed may not be construed adversely to a party solely on the ground that the party (or that party's representative) was responsible for the preparation of this deed or the preparation or proposal of that provision;
- (o) the words 'include', 'including', 'for example', 'such as' or any form of those words or similar expressions in this deed do not limit what else is included and must be construed as if they are followed by the words 'without limitation', unless there is express wording to the contrary;
- (p) if an act or event must occur or be performed on or by a specified day and occurs or is performed after 5.00 pm on that day, it is taken to have occurred or been done on the next day; and
- (q) a reference to '\$', 'A\$', 'AUD', 'dollars' or 'Dollars' is a reference to the lawful currency of the Commonwealth of Australia.

1.3 Business Day

If anything under this deed is required to be done by or on a day that is not a Business Day that thing must be done by or on the next Business Day.

2. Assignment

2.1 Assignment of Service Contract

- (a) On and from the Effective Date, the Assignor transfers and assigns to the Assignee the Assignor's right, title and interest under the Infrastructure Service Agreement.
- (b) The Assignee accepts the assignment from the Assignor.

2.2 Obligations of Assignee

The Assignee:

- (a) agrees to perform all of the Obligations in the Infrastructure Service Agreement on the part of the Assignor to be performed from the Effective Date as if the Assignee was "IPR" (and its assigns) in the Infrastructure Service Agreement; and
- (b) indemnifies the Assignor against all Liabilities, Claims and Loss that the Assignor may suffer or incur as a result of, or in relation to, the non-observance or non-performance by the Assignee of its Obligations under or in respect of the Infrastructure Service Agreement.

2.3 Release and Discharge of the Assignor

Despite anything to the contrary contained in this deed, as and from the Effective Date:

- (a) the CBC and the Assignor mutually release and discharge each other from all Claims, Liability and Obligations arising under or in connection in any manner with the Infrastructure Service Agreement;
- (b) each party to this deed consents to the release and discharge in paragraph (a) of this clause; and
- (c) the CBC acknowledges that the release and discharge granted to it in clause 2.3(a) does not derogate in any manner from the provisions of clause 2.6.

2.4 Consent of CBC

The CBC:

- (a) consents to the assignment referred to in clause 2.1;
- (b) agrees with the Assignee that:
 - (i) so far as the CBC is aware, there is no existing breach by the Assignor of the Infrastructure Service Agreement;
 - (ii) so far as the CBC is aware, the interests of the Assignor under the Infrastructure Service Agreement are not liability to forfeiture or surrender;
 - (iii) it will not rely upon any breach of the Infrastructure Service Agreement by the Assignor in its dealings with the Assignee;
 - (iv) it will be bound by the provisions of the Infrastructure Service Agreement as if the Assignee were "IPR" (and its assigns) as named in the Infrastructure Service Agreement; and
 - (v) it ratifies, in every respect, the provisions of the Infrastructure Service Agreement for the balance of the term of the Infrastructure Service Agreement.

2.5 Covenants by Assignee and CBC

The CBC (to the extent that the CBC is lawfully able to do so) and the Assignee:

- (a) ratify and confirm all of the terms and conditions of the Infrastructure Service Agreement; and
- (b) agree to be bound by the terms and conditions of the Infrastructure Service Agreement.

2.6 CBC Acknowledgement

Despite any other term of this deed, nothing in this deed will release, act as a waiver of or relieve the CBC from paying any monies owing pursuant to the Infrastructure Service Agreement, whether the obligation to pay such monies arose before, on or after the Assignment Date, and the CBC acknowledges that any right to claim outstanding monies is assigned to the Assignee from the Effective Date.

3. GST

3.1 Preliminary

Words or expressions used in this clause that are defined in the GST Act have the same meaning given to them in the GST Act.

3.2 GST exclusive

Unless otherwise stated, any amount specified in this deed as the consideration payable for any taxable supply does not include any GST payable in respect of that supply.

3.3 Liability to pay GST

If a party makes a taxable supply under this deed (**Supplier**), then the recipient of the taxable supply (**Recipient**) must also pay, in addition to the consideration for that supply, the amount of GST payable in respect of the taxable supply at the time the consideration for the taxable supply is payable.

3.4 Tax invoice

Notwithstanding the foregoing, the Recipient is not obliged under this deed to pay the amount of any GST payable until the Supplier provides it with a valid tax invoice for the taxable supply.

3.5 Adjustment event

If an adjustment event arises in relation to a taxable supply made by a Supplier under this deed, the amount paid or payable by the Recipient pursuant to clause 3.3 will be amended to reflect this and a payment will be made by the Recipient to the Supplier or vice versa as the case may be.

3.6 Reimbursement of expenses

If a third party makes a taxable supply and this deed requires a party to this deed (**the payer**) to pay for, reimburse or contribute to (**pay**) any expense or liability incurred by the other party to that third party for that taxable supply, the amount the payer must pay will be the amount of the expense or liability plus the amount of any GST payable in

respect thereof but reduced by the amount of any input tax credit to which the other party is entitled in respect of the expense or liability.

3.7 Non merger

This clause does not merge on completion and will continue to apply after expiration or termination of this deed.

4. Notices

4.1 Notice requirements

Any notice, demand, approval, consent or other communication under this deed (**Notice**) must be in writing in English or accompanied by a certified translation into English and must be:

- (a) delivered personally;
- (b) sent by facsimile or email; or
- (c) sent by regular post or express post (or airmail if posted to or from a place outside Australia),

to a party at:

- (d) the address of the party set out in clause 4.3 (**Nominated Contact Details**); or
- (e) such other contact details as the party may from time to time notify to the other parties for the purposes of, and in accordance with, this clause.

4.2 When Notices considered given and received

A Notice given in accordance with clause 4.1 takes effect when received (or such later time as specified in it), and is taken to be received:

- (a) if hand delivered, on delivery;
- (b) if sent from and to a place within Australia by regular post, at 9:00 am on the sixth Business Day after the date of posting;
- (c) if sent from and to a place within Australia by express post, at 9:00 am on the second Business Day after the date of posting;
- (d) if sent from a place within Australia to a place outside Australia by airmail, at 9:00 am on the tenth Business Day after the date of posting;
- (e) if sent from a place outside Australia by airmail, at 9:00 am on the twelfth Business Day after the date of posting;

- (f) if sent by facsimile, when the sender's facsimile system generates a message confirming successful transmission of the total number of pages of the Notice, unless within four business hours (being a period of time between 9.00 am and 5.00 pm on a Business Day) after the transmission, the recipient informs the sender that it has not received the entire Notice; or
- (g) if sent by email, when the email (including any attachment) is sent to the receiving party at that email address, unless the sending party receives a notification of delivery failure within 24 hours of the email being sent,

but if the delivery, receipt or transmission is not on a Business Day or is after 5.00 pm on a Business Day, the Notice is taken to be received at 9.00 am on the next Business Day after that delivery, receipt or transmission.

4.3 Nominated Contact Details

For the purposes of this clause 4, the Nominated Contact Details of the parties are as follows:

(a) **Assignor:**

Delivery Address: c/- HWL Ebsworth Lawyers, Level 19, 480 Queen Street, Brisbane Queensland 4000
 Postal Address: c/- HWL Ebsworth Lawyers, GPO Box 2033, Brisbane Qld 4000
 Facsimile: 1300 368 717
 Email: mlightfoot@hwle.com.au
 Attention: Mark Lightfoot / Renee Cansdale

(b) **Assignee:**

Delivery Address: c/- HWL Ebsworth Lawyers, Level 19, 480 Queen Street, Brisbane Queensland 4000
 Postal Address: c/- HWL Ebsworth Lawyers, GPO Box 2033, Brisbane Qld 4000
 Facsimile: 1300 368 717
 Email: mlightfoot@hwle.com.au
 Attention: Mark Lightfoot / Renee Cansdale

(c) **CBC:**

Delivery Address: c/- Stewart Silver King and Burns, 10 Frigo Ct, Bundall QLD 4217
 Postal Address: c/- Stewart Silver King and Burns, PO Box 8319, Gold Coast Mail Centre, QLD 9726
 Facsimile: +07 5504 2001
 Email:
 Attention: The Secretary, Couran Cove Resort Community Body Corporate

4.4 Electronic communication of Notices

A Notice must not be given by electronic means of communication other than facsimile and email as permitted under clause 4.2(g).

5. General

5.1 Assignment

Subject to the terms of the Infrastructure Service Agreement, a party must not assign or otherwise deal with any or all of its rights under this deed, without the prior written consent of each other party (which consent must not be unreasonably withheld or delayed).

5.2 Variation

A variation of any term of this deed will be of no force or effect unless it is by way of deed and signed by each of the parties.

5.3 Costs and expenses

- (a) Each party must pay its own costs (including legal costs) and expenses in connection with the negotiation, preparation, execution and delivery of this deed.
- (b) The Assignee must pay any stamp duty payable on this deed.

5.4 Waiver

- (a) A waiver of a right, remedy or power must be in writing and signed by the party giving the waiver.
- (b) A party does not waive a right, remedy or power if it delays in exercising, fails to exercise or only partially exercises that right, remedy or power.

5.5 Severance

If a provision in this deed is wholly or partly void, illegal or unenforceable in any relevant jurisdiction that provision or part must, to that extent, be treated as deleted from this deed for the purposes of that jurisdiction. This does not affect the validity or enforceability of the remainder of the provision or any other provision of this deed.

5.6 Governing law and jurisdiction

- (a) This deed is governed by and is to be construed under the laws in force in Queensland.

- (b) Each party submits to the non-exclusive jurisdiction of the courts exercising jurisdiction in Queensland and courts of appeal from them in respect of any proceedings arising out of or in connection with this deed. Each party irrevocably waives any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

5.7 Further assurances

Each party must, at its own expense, do all things and execute all further documents necessary to give full effect to this deed and the transactions contemplated by it.

5.8 Entire agreement

This deed states all of the express terms agreed by the parties in respect of its subject matter. It supersedes all prior discussions, negotiations, understandings and agreements in respect of its subject matter.

5.9 Counterparts

- (a) This deed may be executed in any number of counterparts, each signed by one or more parties. Each counterpart when so executed is deemed to be an original and all such counterparts taken together constitute one document.
- (b) A party that has executed a counterpart of this deed may exchange that counterpart with another party by faxing or emailing it to the other party or the other party's legal representative.

Signing page

Executed as a deed

Assignor:

**Executed by CCH Infrastructure Pty Ltd
ACN 160 836 993** in accordance with
section 127 of the *Corporations Act 2001*
(Cth) by:



Signature of Director

Lachlan Stuart McIntosh

Full name (print)



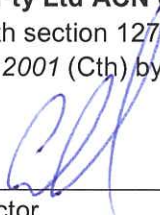
Signature of ~~Director~~ Company Secretary



Full name (print)

Assignee:

**Executed by Island Resorts
(Infrastructure) Pty Ltd ACN 613 379 221**
in accordance with section 127 of the
Corporations Act 2001 (Cth) by:



Signature of Director

Lachlan Stuart McIntosh

Full name (print)



Signature of ~~Director~~ COMPANY SECRETARY



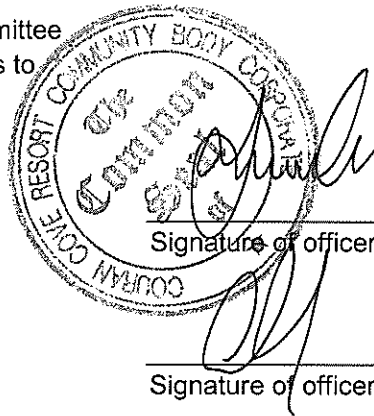
Full name (print)

CBC:

The Common Seal of Couran Cove Resort
Community Body Corporate is affixed to
this deed pursuant to a resolution of the
body corporate in the presence of

and

being members of the Executive Committee
who certify that they are proper officers to
affix the seal:



The seal is circular with the text "COURAN COVE RESORT COMMUNITY BODY CORPORATE" around the perimeter. In the center, it says "The Common Seal". A handwritten signature is written over the seal.

Signature of officer TIMOTHY ERIC
COY - CHAIRMAN

Signature of officer

The Proprietors
Couran Cove Community Plan
GTP 106751

An SSKB supported community

Annual
General
Meeting
Notice

Thursday 12 September
2019

Meeting at 3:00pm

To be held at

SSKB 10 Frigo Court Bundall

and Via Teleconference

1800 857 029

Code – 188 885 88#

The Proprietors

Couran Cove Community Plan GTP 106751

Dear Proprietors,

Your Annual General Meeting

Your attendance at the annual general meeting (AGM) gives you the chance to have your say on issues affecting your property to make it a better place to live and a better investment. If you are unable to attend the AGM, please:



- i. complete the voting paper
- ii. forward your voting paper to The Secretary, c/- SSKB, PO Box 8319, GCMC QLD 9726, Fax 5504 2001 or email sskb@sskb.com.au so that it is received before the meeting date.

Symbols outside the margin indicate things for you to action

The information that follows includes:

- An agenda which includes:
 - motions that will be addressed at the AGM
 - a list of the committee member candidates
 - financial reports (including proposed budgets)
- A voting paper
- A proxy form, if you wish to authorise someone to vote on your behalf or, not all proprietors are able to attend.
- A company nominee form if your lot is in the name of a company or trust

Voting Instructions:

- Proprietors are able to attend the meeting and vote from the floor
- Joint Proprietors – all proprietors are required to sign the voting paper, attend in person, or give a proxy signed by both proprietors to a sole attendee.
- Sole Proprietor – one signature required
- Company Nominee – one signature of company nominee required.

If any part of this meeting documentation requires further explanation or you require assistance completing your voting papers please contact us and we'll be happy to help. We hope to see you at the AGM.

Yours faithfully,

Per:

Couran Cove Community Plan Committee

Please direct any correspondence to our Gold Coast office:

PO Box 8319, GCMC QLD 9726 | T +61 7 5504 2000 | F +61 7 5504 2001 | E sskb@sskb.com.au

Annual General Meeting Agenda

This agenda lists the details of how the meeting will be conducted and the motions to be considered at the meeting. The full text of each motion is set out in the accompanying meeting material.

Registration of Persons Present at Meeting
Confirmation or Withdrawal of Proxies and Voting Papers
Quorum
Open Meeting at 3:00pm
Statutory Motions
Committee Motions
Motions from Owners
Election of Committee Members

Nominations for the following positions have been received and appear in alphabetical order:

Chairperson	As no nominations were received for this position, candidates will be called from the floor of the meeting
Secretary non-voting	As no nominations were received for this position, candidates will be called from the floor of the meeting.
Treasurer non-voting	As no nominations were received for this position, candidates will be called from the floor of the meeting.
Ordinary Committee Members	As no nominations were received for this position, candidates will be called from the floor of the meeting

If you would like to serve on the Committee, please advise the Body Corporate in writing and forward it to SSKB prior to the commencement of the AGM. Alternatively, you may nominate yourself from the floor at the meeting if you plan to be in attendance.

Closure

When the meeting has ended the Chairperson will declare the meeting closed.

Register of Restricted Issues

The Body Corporate must record any Issues that have been reserved, by ordinary resolution of the Body Corporate, to be a decision only by an ordinary resolution at a general meeting of the Body Corporate.

RESOLVED by Ordinary Resolution that the only restricted matters that apply to the Executive Committee are those set out in Section 189(1) of the Act.

2019 AGM Explanatory Schedules

Motions from the Committee

12. Mutual Termination of Infrastructure Services Agreement with Island Resort Infrastructure Pty Ltd dated 24 August 2012.

The Community Body Corporate (CBC) entered into an Infrastructure Services Agreement dated 24 August 2012 with Island Resort Infrastructure Pty Ltd ACN 613 379 221 and the purpose of this agreement was to enable the Infrastructure Service Provider to provide services such as sewerage, water, gas and electricity to the CBC.

This is an expensive agreement which was executed by the CBC and the Infrastructure Services Provider and, unfortunately, the service provider has not been paid by the CBC for the supply of those utility services.

Based on a review of the Infrastructure Services Agreement dated 24 August 2012 which was undertaken by the CBC committee at its meeting on Thursday 29 August 2019, it was determined that the agreement was inappropriately entered into by the CBC at the relevant time as the supply of such utility services should be undertaken on a "user pays" basis.

Based on the review of this agreement, the committee did enter into a discussion with Island Resort Infrastructure Pty Ltd (the Service Provider) and the arrangement that has been reached is that the Infrastructure Services Agreement dated 24 August 2012 will be mutually terminated on Friday 13 September 2019.

The mutual termination of such an agreement will ensure that the individual lot owners (ie, the Mum and Dad lot owners within each of the subsidiary schemes of Marine Apartments, Eco Lodges, Broadwater Villas and the Lagoon Lodges) will have the ability to enter into individual agreements with the service provider (or its agent) for the supply of the services that those individuals wish to use: electricity, gas, sewerage, water. This will enable the individual lot owners to take control of the use of such services.

In the CBC current year budget for the year ending February 2020, the total infrastructure service fee to be paid by the CBC (for a twelve-month period) to the service provider, Island Resort Infrastructure Pty Ltd, is \$1,975,545.39 inclusive of GST.

Consequently, if it is the CBC's decision that it will terminate the ISA with Island Resort Infrastructure Pty Ltd, then an extraordinary general meeting would be held by the CBC in October/ November 2019 to review the financial year budget for the CBC for its year ending 28 February 2020 to ensure that the budget for Infrastructure Services fee is reduced as a result of the termination of the agreement.

The present position is the CBC is of the view that it cannot afford to pay the Service Provider over the twelve months from 8 February 2019 to 1 March 2020. The solution is the CBC will enter into negotiations with the Infrastructure Service Provider (Island Resort Infrastructure Pty Ltd) to look at what "fixed fee" arrangements can be entered for the supply of the specific services which will only be used by the CBC.

13. Enter into a new Supply of Services and Caretaking Agreement with Island Resort (Facilities and Equipment) Pty Ltd ACN 613 379 070

On 26 March 2003 the CBC executed a Service Agreement with Couran Cove Holdings Pty Ltd, which was for the purposes of caretaking the community property of the CBC. The current Service Agreement dated 26 March 2003 is deficient that it fails to achieve the following:

- a) the end date is not consistent with the Community Facilities Agreement entered into by the CBC; and
- b) access is not provided in the current agreement; and

- c) it does not permit the Service Provider (ie, the Caretaker) to charge interest on the caretaking fees if there is a failure by the CBC to pay the caretaking fee which is due and owing to the caretaker, being Island Resort (Facilities and Equipment) Pty Ltd.

The Community Property of the CBC is extensive and is approximately 58.36 hectares. The CBC has engaged a Caretaker to assist it in the repair, maintenance, cleanliness, gardening, grounds, removal of waste, pest control and other activities/services which pursuant to the Mixed Use Development Act (MUDA) the CBC has an obligation to maintain such community property on behalf of Lot 1, Lot 3 and the four subsidiary schemes. This is an essential agreement for the CBC.

The Committee of the CBC reviewed this agreement on Thursday 29 August 2019 at its CBC committee meeting and as a result of that meeting, made a decision that the following needs to be implemented by the CBC:

- a) the supply of services and the caretaking fee paid by the CBC to the caretaker is to be paid only for services to be provided to the CBC;
- b) the CBC will not pay for maintenance or an access fee for the Caretaker to take care of the undeveloped lots within any of the subsidiary schemes;
- c) the CBC will terminate the current Maintenance and Access Agreement dated 27 March 1998 which was executed by the CBC with Caretaker, Island Resort (Facilities and Equipment) Pty Ltd; and
- d) The Caretaker and the CBC agree that the CBC would not be paying for or arranging for the maintenance, repairs, gardening etc of the undeveloped lots which exist within the subsidiary schemes for Eco Lodges GTP 106783 and Lagoon Lodges GTP 106808.

Consequently, the first step in rectifying this situation is to ensure appropriate access to all community property to enable the caretaker to supply the services and carry out the caretaking duties specified in the new Supply Services and Caretaking Agreement to be entered between the CBC and the caretaker (Island Resort Facilities and Equipment Pty Ltd ACN 613 379 070) which is to commence on 13 September 2019.

This new agreement is to ensure:

- a) That the CBC can pay the caretaker as and when it receives its invoices for the Supply Services and including the Caretaking of the community property;
- b) To ensure that if the CBC fails to pay what is due and owing pursuant to the new Supply Services and Caretaking Agreement that interest can be charged to the CBC;
- c) To ensure that the term of the Agreement is consistent with the Community Facility Agreement dated 18 August 2003 by which has an end date of 17 August 2047;
- d) Remove the imposition/obligation currently placed upon the CBC pursuant to the Maintenance and Access Agreement dated 27 March 1998.

Consequently, the CBC Committee recommends that the Lot owners vote in favour of this motion.

14. Mutual Termination of Maintenance and Access Agreement between CBC and Island Resort (Facilities and Equipment) Pty Ltd ACN 613 379 070

At its Committee Meeting on 29 August 2019, the CBC committee reviewed the Maintenance and Access Agreement entered between the CBC and the Caretaker dated 27 March 1998. The Maintenance and Access Agreement was drafted for two specific purposes, being:

- a) provide the Caretaker, Island Resorts (Facilities and Equipment) Pty Ltd, with access to the CBC Community Property; and
- b) ensure that there is a separate maintenance fee charged to the CBC for the maintenance of the undeveloped Lots in any of the subsidiary schemes. At this stage, undeveloped Lots exist in Eco Lodges GTP 106783 and Lagoon Lodges GTP 106808.

Unfortunately, this agreement appears to be misconceived by the CBC and the results in the CBC paying a maintenance fee to the Caretaker to carry out maintenance work on individual undeveloped lots within Eco Lodge GTP 106783 and Lagoon Lodges GTP 106808. The fee for the current financial year of the CBC be paid to the caretaker by the CBC is (\$300,000.00 inclusive of GST). The CBC committee at its meeting on 29 August 2019 discussed this with the service provider and caretaker, Island Resorts (Facilities and Equipment) Pty Ltd, and it was determined by the parties that this is not a fee which should be paid by the CBC. Subsequently, the caretaker has agreed to the mutual termination of the maintenance and access agreement dated 27 March 1998.

With respect to the provisions of access in the Maintenance and Access Agreement dated 27 March 1998, the CBC (at this 2019 AGM) is considering entering into a new Supply of Services and Caretaking Agreement between the CBC and the caretaker. Consequently, this new agreement will provide the appropriate access to the caretaker to all of the community property to enable the caretaker to undertake its duties and obligations pursuant to such Supply of Services and Caretaking Agreement (undated as attached to this notice and agenda for the 2019 AGM).

As this is a significant saving to the CBC and rectifies an error created by the CBC in paying CBC funds for the repair and maintenance of the undeveloped lots, the CBC committee recommends lot owners vote in favour of this motion of a mutual termination of the Maintenance and Access Agreement dated 27 March 1998.

Statutory Motions

1. Confirmation of Minutes of Previous Meeting - Motion by Ordinary Resolution

THAT the minutes of the Extraordinary General Meeting held on 16 November 2018 be confirmed.

2. Adoption of Financial Statements - Motion by Ordinary Resolution

THAT the Balance Sheet and Statements of Income and Expenditure for the year ending 28 February 2019 be adopted and confirmed by the Body Corporate.

3. Non Audit of Accounts for Ensuing Financial Year - Motion By Special Resolution

THAT the Body Corporate statement of accounts for the financial year ending 29 February 2020 not be audited.

If you want an audit vote "No"

4. Appointment of Auditor - Motion by Ordinary Resolution

THAT KPMG be appointed to audit the Body Corporate statement of accounts for the 29 February 2020 financial year.

NOTE: If you wish to have an audit and engage an auditor, you need to vote "yes" to this motion and "no" to motion 3.

5. Administrative Fund Budget and Advance Issue - Motion by Ordinary Resolution

THAT:

- i. an Administrative Fund Budget of \$744,571.00 (excluding GST), and \$819,028.10 (including GST) from 1 March 2019 to 29 February 2020;
- ii. which equals \$229.95 (excluding GST), and \$252.94 (including GST) per contribution entitlement;
- iii. there will be 2 levies issued this financial year to make up the balance of the budget; and
- iv. there will be 1 advance issue for the next financial year issued at the same amount as the last levy of this financial year.

Summary Table

Discount Date 30 days after the Due Date	\$ (including GST)	Period/Due Date
31/03/19 (already issued)	\$90.26	01/03/19-30/06/19
23/09/19	\$81.34	01/07/19-31/10/19
01/11/19	\$81.34	01/11/19-29/02/20
Total entitlements: 3,238	Total per entitlement: \$252.94	
01/03/20 (advance issue next financial year)	\$81.34	01/03/20-30/06/20

Note: Please note that the attached proposed budget is GST exclusive. For the benefit of owners we have included the GST inclusive amount in the budget motions and summary tables as these are the amounts that will be used to calculate levies.

6. Sinking Fund Budget and Advance Issue - Motion by Ordinary Resolution

THAT:

- i. a Sinking Fund Budget of \$190,855.45 (excluding GST), and \$209,941.00 (including GST) from 1 March 2019 to 29 February 2020;
- ii. which equals \$58.94 (excluding GST), and \$64.84 (including GST) per contribution entitlement;
- iii. there will be 2 levies issued this financial year to make up the balance of the budget; and
- iv. there will be 1 advance issue for the next financial year issued at the same amount as the last levy of this financial year.

Summary Table

Discount Date 30 Days after the Due Date	\$ (including GST)	Period/Due date
31/03/19 (already issued)	\$7.32	01/03/19-30/06/19
23/09/19	\$28.76	01/07/19-31/10/19
01/11/19	\$28.76	01/11/19-29/02/20
Total entitlements: 3,238	Total per entitlement: \$64.84	
01/03/20 (advance issue next financial year)	\$28.76	01/03/20-30/06/20

7. Community Facility Fund Budget and Contributions - Motion by Ordinary Resolution

THAT:

- i. a Community Facility Fund Budget of \$377,995.80 (excluding GST), and \$415,795.38 (including GST) from 1 March 2019 to 29 February 2020;
- ii. which equals \$116.74 (excluding GST), and \$128.41 (including GST) per contribution entitlement;
- iii. there will be 2 levies issued this financial year to make up the balance of the budget; and
- iv. there will be 1 advance issue for the next financial year issued at the same amount as the last levy of this financial year.

Summary Table

Discount Date 30 Days after the Due Date	\$ (including GST)	Period/Due date
31/03/19 (already issued)	\$42.21	01/03/19-30/06/19
23/09/19	\$43.10	01/07/19-31/10/19
01/11/19	\$43.10	01/11/19-29/02/20
Total entitlements: 3,238	Total per entitlement: \$128.41	
01/03/20 (advance issue next financial year)	\$43.10	01/03/20-30/06/20

8. Utility Infrastructure Administrative Fund Budget and Advance Issue - Motion by Ordinary Resolution

THAT:

- i. a Utility Infrastructure Administrative Fund Budget of \$1,795,950.35 (excluding GST), and \$1,975,545.39 (including GST) from 1 March 2019 to 29 February 2020;
- ii. which equals \$554.65 (excluding GST), and \$610.11 (including GST) per contribution entitlement;
- iii. there will be 2 levies issued this financial year to make up the balance of the budget; and

- iv. there will be 1 advance issue for the next financial year issued at the same amount as the last levy of this financial year.

Summary Table

Discount Date 30 Days after the Due Date	\$ (including GST)	Period/Due date
01/03/19 (already issued)	\$189.81	01/03/19-30/06/19
23/09/19	\$210.15	01/07/19-31/10/19
01/11/19	\$210.15	01/11/19-29/02/20
Total entitlements: 3,238	Total per entitlement: \$610.11	
01/03/20 (advance issue next financial year)	\$210.15	01/03/20-30/06/20

9. Utility Infrastructure Sinking Fund Budget and Advance Issue - Motion by Ordinary Resolution

THAT:

- i. a Utility Infrastructure Sinking Fund Budget of \$117,333.35 (excluding GST), and \$129,066.69 (including GST) from 1 March 2019 to 29 February 2020;
- ii. which equals \$36.24 (excluding GST), and \$39.86 (including GST) per contribution entitlement;
- iii. there will be 2 levies issued this financial year to make up the balance of the budget; and
- iv. there will be 1 advance issue for the next financial year issued at the same amount as the last levy issued this financial year.

Summary Table

Discount Date 30 Days after the Due Date	\$ (including GST)	Period/Due date
01/03/19 (already issued)	\$39.86	01/03/19-28/02/20
23/09/19	\$0	01/07/19-31/10/19
01/11/19	\$0	01/11/19-29/02/20
Total entitlements: 3,238	Total per entitlement: \$39.86	
01/03/20 (advance issue next financial year)	\$39.86	01/03/20-30/06/20

10. Insurance Approval - Motion by Ordinary Resolution

THAT the proprietors:

- i. ratify the insurance details, listed in the insurance report circulated with the meeting material, renewed on 1 June 2019;
- ii. authorises the Community Manager to take the necessary action to obtain insurance renewal proposals for the Chairperson or committee representative approval; and
- iii. acknowledges the disclosures made by SSKB in the administration agreement concerning insurance.

NOTE: The last valuation for insurance purposes was carried out on 1 May 2005 for a building replacement value determined at \$103,726,000.00.

Motions from the Committee

11. Electronic Voting- Motion by Ordinary Resolution

THAT voters for General Meetings of the Body Corporate may cast a vote by completing and signing on-line, an electronic form of the voting paper in accordance with the instructions provided and submitting the paper electronically to the Secretary of the Body Corporate in accordance with the Act Sections 5 and 6, and the Electronic Transactions Act (Qld).

12. Mutual Termination of Infrastructure Services Agreement with Island Resort Infrastructure Pty Ltd dated 24 August 2012 - Motion by Ordinary Resolution

THAT the Body Corporate for Couran Cove Community Plan M.C.P.106751 resolves to enter into a mutual termination with Island Resort Infrastructure Pty Ltd ACN 613 379 221 of the Infrastructure Services Agreement dated 24 August 2012 and it is further resolved that the Community Body Corporate acknowledges that the mutual termination will take effect on Friday 13 September 2019.

13. Enter into a new Supply of Services and Caretaking Agreement with Island Resort (Facilities and Equipment) Pty Ltd ACN 613 379 070 - Motion by Ordinary Resolution

THAT the Body Corporate for Couran Cove Community Plan M.C.P.106751 resolves to mutually rescind on Friday 13 September 2019 the current Services Agreement dated 26 March 2003 entered into (originally) by the CBC with Couran Cove Holdings Pty Ltd ACN 160 528 263 for the supply of caretaking services to the Community Body Corporate (CBC) on the condition that the Couran Cove Community Plan M.C.P.106751 resolves to simultaneously enter into a new Supply of Services and Caretaking Agreement between Island Resort (Facilities and Equipment) Pty Ltd which will commence on Friday 13 September 2019 and will end on 17 August 2047 (the end date is specific and identical to the end date for Community Facilities Services Agreement dated 18 August 2003 executed between the CBC and Island Resort (Facilities and Equipment) Pty Ltd to ensure that both agreements will have an end date of 17 August 2047) and the terms and conditions as detailed in the attached Supply of Services and Caretaking Agreement, and it is further resolved that the CBC will take all steps necessary to execute and sign under seal all documents/agreements necessary to facilitate the entering into of the Supply Services and Caretaking Agreement with Island Resort (Facilities and Equipment) Pty Ltd (the Caretaker) to enable the Caretaker to be able to provide such caretaking services for the repair, maintenance, gardening and cleanliness of the community property by the CBC.

14. Mutual Termination of Maintenance and Access Agreement between CBC and Island Resort (Facilities and Equipment) Pty Ltd ACN 613 379 070 - Motion by Ordinary Resolution

THAT the Couran Cove Community Plan M.C.P. 106750 resolves to mutually terminate the Maintenance and Access Agreement entered by the CBC and the caretaker, Island Resort (Facilities and Equipment) Pty Ltd ACN 613 379 070 dated 27 March 1998 and it is further resolved that the CBC will sign all agreements/deeds necessary to facilitate the mutual termination of the Maintenance and Access Agreement dated 27 March 1998.

15. Acknowledgement of Debt Owed by CBC to Island Resort Infrastructure Pty Ltd Pursuant to the Infrastructure Service Agreement dated 24 August 2012 - Motion by Ordinary Resolution

THAT the Couran Cove Community Plan M.C.P. 106750 resolves to acknowledge the debt owed by it to the utility services provider being, Island Resort Infrastructure Pty Ltd ACN 613 379 070, pursuant to the Infrastructure Service Agreement dated 24 August 2012 as set out below:

- a) Debt in relation to Eco Precinct sub category \$1,524,502
 - b) Debt in relation to Lagoon Lodges sub category \$403,548
 - c) Debt in relation to CBC category \$1,052,545
 - d) TOTAL DEBT OWING \$2,980,595
-

16. Acknowledgement of Debt Owed by CBC to Island Resorts (Facilities and Equipment) Pty Ltd Pursuant to the Services Agreement dated 27 March 2003 and Community Facilities Service Agreement dated 18 August 2003 - Motion by Ordinary Resolution

THAT the Couran Cove Community Plan M.C.P. 106750 resolves to acknowledge the debt owed by it to the Caretaker being, Island Resorts (Facilities and Equipment) Pty Ltd, pursuant to the Services Agreement dated 27 March 2003 and Community Facilities Service Agreement dated 18 August 2003 as set out below:

- a) Debt in relation to Eco Precinct sub category \$1,453,604
 - b) Debt in relation to Lagoon Lodges sub category \$2,803
 - c) Debt in relation to CBC category \$154,947
 - d) TOTAL DEBT OWING \$1,611,354
-

17. Acknowledgement of Debt Owed by CBC to Island Resorts (Facilities and Equipment) Pty Ltd Pursuant to the Maintenance and Access Agreement dated 27 March 1998 - Motion by Ordinary Resolution

THAT the Couran Cove Community Plan M.C.P. 106750 resolves to acknowledge the debt owed by it to the Caretaker being, Island Resorts (Facilities and Equipment) Pty Ltd, pursuant to the Maintenance and Access Agreement dated 27 March 1998 as set out below:

- a) Debt in relation to Eco Precinct sub category \$2,001,436
 - b) Debt in relation to Lagoon Lodges sub category \$222,392
 - c) Debt in relation to CBC category \$1,240,634
 - d) TOTAL DEBT OWING \$3,464,463
-

18. Buggy Application Process - Motion by Ordinary Resolution

THAT the Body Corporate accept the attached Application Form, Buggy/Approved Vehicles Permit Conditions, Deed of Indemnity and Approval Letter and further that the application process is:

- i. Applicants are provided with the Application Form and Buggy/Approved Vehicles Permit Conditions;
- ii. Completed Application sent to Couran Cove CBC Committee for their consideration;
- iii. Approved applications signed by Chairperson and Resort Manager and sent to SSKB for filing;
- iv. SSKB provide Approval Letter to application, add to Buggy register and update billing spreadsheet for the annual fee.

Election of Committee Members

Nominations for the following positions were received and appear in alphabetical order:

Chairperson	As no nominations were received for this position, candidates will be called from the floor of the meeting.
Secretary non-voting	As no nominations were received for this position, candidates will be called from the floor of the meeting.
Treasurer non-voting	As no nominations were received for this position, candidates will be called from the floor of the meeting.
Ordinary Committee Members	As no nominations were received for this position, candidates will be called from the floor of the meeting.

Closure

When the meeting has ended the Chairperson will declare the meeting closed.

The Proprietors

Couran Cove Community Plan GTP 106751

Minutes of the Extraordinary General Meeting held in the office of SSKB, 10 Frigo Court, Bundall on Friday, 16 November 2018 at 10:00am

Lots represented by

Lot 5 Col Little (Couran Cove Broadwater Villas Representative)

Confirmation of proxies and voting papers

The Community Manager (exercising the powers of Chairperson) declared there were no voting papers or proxies.

Quorum

The Community Manager (exercising the powers of Chairperson) advised that a quorum was represented and declared the meeting open at 10:00am.

Also in attendance

Monique Gunnis of SSKB (Community Manager)

Apologies

The Community Manager (exercising the powers of Chairperson) declared that no apologies were received.

Statutory Motion

1. Confirmation of Minutes of Previous Meeting - Motion by Ordinary Resolution

RESOLVED THAT the minutes of the extraordinary general meeting held on 27 August 2018 be confirmed.

Motion from Committee

2. Administration Agreement - Motion by Ordinary Resolution

RESOLVED THAT the Body Corporate:

- i. enters into a administration agreement with SSKB as circulated with the meeting material, delegating all the powers, authorities, duties and functions of the body corporate and its committee and the chairperson, secretary and treasurer of the committee other than the power to make a delegation under Section 50(2) of the Act, and to make a decision on a restricted matter within the meaning of Section 46 of the Act;
 - ii. for a period of 3 years;
 - iii. commencing on 1 December 2018 and ending on 30 November 2021;
 - iv. with a secretarial fee of \$154.33 per lot per annum (excluding GST) and a disbursement fee of \$71.72 per lot per annum (excluding GST); and
 - v. and that two members of the committee execute the agreement under the common seal on behalf of the Body Corporate.
-

Closure

There being no further business to discuss, the Community Manager (exercising the powers of Chairperson) declared the meeting closed at 10:05am.

Confirmed and signed as a true and correct record of this meeting.

Chairperson: _____ Date: _____



Independent Auditor's Report

To the owners of Couran Cove Community Plan GTP 106751

Report on the audit of the Financial Report

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion section of our report, the accompanying **Financial Report** of Couran Cove Community Plan GTP 106751 presents fairly, in all material respects the financial position of Couran Cove Community Plan GTP 106751 as at 28 February 2018, and of its financial performance for the year then ended, in accordance with the accounting policies described in Note 1 to the financial statements.

We have audited the **Financial Report** of Couran Cove Community Plan GTP 106751.

The **Financial Report** comprises the:

- Statement of financial position as at 28 February 2018
- Statement of income and expenditure for the year then ended
- Notes including a summary of significant accounting policies.

Basis for qualified opinion

As at 28 February 2018 Couran Cove Community Plan GTP 106751 recognised Contributions in Arrears of \$1,119,784 and Other Arrears of \$2,427,256. These receivables are owed by entities related to CCH Developments No1 Pty Ltd ("CCH") an entity which is in administration. A provision for bad debt of \$1,504,695 has been recognised at year end and subsequent to year end amounts of \$936,413 have been collected in relation to these receivables. We were unable to obtain sufficient appropriate audit evidence to support the recoverability of the net remaining receivables balance due from entities related to CCH of \$1,105,932 at year end. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of Couran Cove Community Plan GTP 106751 in accordance with the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants* (the Code). We have fulfilled our other ethical responsibilities in accordance with the Code.

Material uncertainty related to going concern

We draw attention to Note 1(A), "Going Concern" in the financial report. The conditions disclosed in Note 1(A), indicate a material uncertainty exists that may cast doubt on the ability of Couran Cove Community Plan GTP 106751 to continue as a going concern and, therefore, whether it will realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial report. Our opinion is not modified in respect of this matter.



Emphasis of matter – basis of accounting and restriction on use and distribution

We draw attention to Note 1 to the Financial Report, which describes the basis of accounting.

The Financial Report has been prepared to assist the committee of Couran Cove Community Plan GTP 106751 in meeting the financial reporting requirements of the *Mixed Use Development Act 1993 and Building Units and Group Titles Act 1980*.

As a result, the Financial Report and this Auditor's Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Our report is intended solely for the Committee of Couran Cove Community Plan GTP 106751 and its owners and should not be used by or distributed to parties other than the Committee of Couran Cove Community Plan GTP 106751 and its owners. We disclaim any assumption of responsibility for any reliance on this report, or on the Financial Report to which it relates, to any person other than the Committee of Couran Cove Community Plan GTP 106751 and its owners or for any other purpose than that for which it was prepared.

Responsibilities of the Committee for the Financial Report

The Committee of Couran Cove Community Plan GTP 106751 is responsible for:

- the preparation and fair presentation of the Financial Report in accordance with the financial reporting requirements of the *Mixed Use Development Act 1993 and Building Units and Group Titles Act 1980*, and have determined that the basis of preparation described in Note 1 to the Financial Report is appropriate to meet the needs of the owners.
- implementing necessary internal control to enable the preparation of a Financial Report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Report.

A further description of our responsibilities for the Audit of the Financial Report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_files/ar3.pdf. This description forms part of our Auditor's Report.

KPMG

Adam Twemlow

Gold Coast

Partner

18 January 2019

Couran Cove Community Plan

Principal Body Corporate

Doeblien Drive

Couran Cove

South Stradbroke Island 4216

BALANCE SHEET

AS AT 28 FEBRUARY 2018

<u>OWNERS FUND</u>	<u>ACTUAL</u> <u>28/02/18</u>	<u>ACTUAL</u> <u>28/02/17</u>
Administrative Fund	(702,515.00)	(752,059.14)
Sinking Fund	392,390.30	357,710.07
Utility Infrastruct Admin Fund	(465,240.13)	(465,237.25)
Utility Infrastru Sinking Fund	1,023,706.72	921,373.37
<u>TOTAL</u>	\$ 248,341.89	\$ 61,787.05

THESE FUNDS ARE REPRESENTED BY

CURRENT ASSETS

Cash At Bank	610.95	160,590.11
Contributions Billed Not Due	940,833.28	927,978.42
Contributions In Arrears	1,119,784.20	1,215,468.30
Other Arrears	2,427,256.13	2,718,589.29
Sundry Debtors	0.00	26,574.78
Prepaid Expenses	723,508.96	689,259.19

<u>TOTAL ASSETS</u>	5,211,993.52	5,738,460.09
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LIABILITIES

G S T Clearing A/C	10,991.97	13,034.19
P A Y G Clearing A/C	0.00	36.45
Creditors	2,410,256.95	3,311,417.84
Provision For Income Tax	(156.30)	0.00
Contributions Billed Not Due	855,302.98	843,616.75
Contributions In Advance	39,863.68	0.00
Other Payments In Advance	138,136.32	0.00
Provision For Bad Debt	1,504,694.95	1,504,694.95
Accrued Expenses	4,561.08	3,872.86

<u>TOTAL LIABILITIES</u>	4,963,651.63	5,676,673.04
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<u>NET ASSETS</u>	\$ 248,341.89	\$ 61,787.05
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Couran Cove Community Plan

Principal Body Corporate
Doeblien Drive
Couran Cove
South Stradbroke Island 4216

STATEMENT OF INCOME AND EXPENDITURE

FOR THE PERIOD 1 MARCH 2017 TO 28 FEBRUARY 2018

<u>ADMINISTRATIVE FUND</u>	<u>ACTUAL</u> 01/03/17-28/02/18	<u>BUDGET</u> 01/03/17-28/02/18	<u>%</u>	<u>ACTUAL</u> 01/03/16-28/02/17
<u>INCOME</u>				
Contributions - Admin Fund	670,001.07	670,000.00	100.00	540,245.58
Community Facilities Contribut	365,599.64	365,613.58	100.00	365,599.63
Telstra Rental Fee - Nmicp	1,326.64	0.00	0.00	1,263.47
Mtce Agreement Access Fee	292,322.55	292,325.00	100.00	292,322.62
<u>TOTAL ADMIN. FUND INCOME</u>	1,329,249.90	1,327,938.58		1,199,431.30
<u>EXPENDITURE - ADMIN. FUND</u>				
Audit Fees	2,000.00	2,360.00	84.75	2,290.00
Administration - F F S	8,629.34	11,280.00	76.50	10,948.35
Bank Charges - No GST	0.00	5.00	0.00	0.00
Bank Charges	5.07	20.00	25.35	19.45
Tax Agents Fee	586.46	575.00	101.99	575.00
Bas/Ias Lodgement Fees	1,200.00	1,200.00	100.00	1,200.00
Administration - Base Fee	55,198.22	55,200.00	100.00	52,569.73
Contractors Admin	115,878.36	115,878.37	100.00	71,381.07
Fees & Permits No GST	0.00	2,100.00	0.00	2,037.00
Fire Control Expenses	0.00	85.00	0.00	81.55
Utilities	27,188.26	27,188.24	100.00	27,188.27
Interest Expense	9,036.74	9,036.74	100.00	0.00
Community Facilities Service F	365,613.58	365,613.58	100.00	365,613.58
Cleaning	121,004.99	121,005.00	100.00	74,922.93
Insurance/Other	33,293.51	30,019.00	110.91	30,012.06
Insurance Stamp Duty	3,036.85	2,944.80	103.13	2,947.04
Legal Expenses	0.00	15,000.00	0.00	15,660.35
Land Tax	10,630.00	10,960.00	96.99	10,639.71
Transport Expense	82,225.00	82,225.00	100.00	49,335.00
Disbursements - Base Fee	25,247.11	25,250.00	99.99	24,044.87
Motor Vehicle Expenses	26,376.41	26,376.40	100.00	22,112.02
Disbursements - F F S	1,182.47	910.00	129.94	881.03
Pest Control	20,477.48	20,477.49	100.00	20,477.49
Rates No GST	11,887.50	13,725.00	86.61	13,326.58
R & M General	17,624.75	17,624.74	100.00	17,624.73
R & M Building	0.00	4,805.00	0.00	4,664.13
R & M Grounds	1,000.50	0.00	*****	28,169.48
R & M Pool	0.00	260.00	0.00	250.00
R & M Plumbing	0.00	8,665.00	0.00	8,409.55
Rubbish Removal	47,972.92	47,972.90	100.00	47,972.92
Reimb Mtce Agreement Access Fe	292,322.53	292,325.00	100.00	292,322.56

Couran Cove Community Plan

Principal Body Corporate

Doeblien Drive

Couran Cove

South Stradbroke Island 4216

STATEMENT OF INCOME AND EXPENDITURE

FOR THE PERIOD 1 MARCH 2017 TO 28 FEBRUARY 2018

<u>EXPENDITURE - ADMIN. FUND (Continued)</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>%</u>	<u>ACTUAL</u>
	01/03/17-28/02/18	01/03/17-28/02/18		01/03/16-28/02/17
Consultants	0.00	0.00	0.00	5,692.73
Maxsoft Licensing Fee	87.71	90.00	97.46	86.40
Prior Year Adjustment	0.00	0.00	0.00	739,795.18
<u>TOTAL ADMIN. EXPENDITURE</u>	<u>1,279,705.76</u>	<u>1,311,177.26</u>		<u>1,943,250.76</u>
<u>SURPLUS / DEFICIT</u>	<u>\$ 49,544.14</u>	<u>\$ 16,761.32</u>		<u>\$ (743,819.46)</u>
Opening Admin Balance	(752,059.14)	(752,059.14)	100.00	(8,239.68)
<u>ADMINISTRATIVE FUND BALANCE</u>	<u>\$ (702,515.00)</u>	<u>\$ (735,297.82)</u>		<u>\$ (752,059.14)</u>

Couran Cove Community Plan

Principal Body Corporate
Doeblien Drive
Couran Cove
South Stradbroke Island 4216

STATEMENT OF INCOME AND EXPENDITURE

FOR THE PERIOD 1 MARCH 2017 TO 28 FEBRUARY 2018

<u>SINKING FUND</u>	ACTUAL 01/03/17-28/02/18	BUDGET 01/03/17-28/02/18	%	ACTUAL 01/03/16-28/02/17
<u>INCOME</u>				
Contributions - Sinking Fund	64,642.25	64,642.25	100.00	64,642.26
Interest Received	141.20	0.00	0.00	743.20
Interest Accrual	0.00	0.00	0.00	(137.22)
Bbl Community Dividend	110.98	0.00	0.00	239.81
<u>TOTAL SINKING FUND INCOME</u>	64,894.43	64,642.25		65,488.05
<u>EXPENDITURE - SINKING FUND</u>				
Plant & Equipment	26,865.95	0.00	*****	14,905.05
Income Tax	(175.92)	0.00	0.00	329.98
Instalment Tax	24.17	0.00	*****	219.28
Sinking Fund Forecast	3,500.00	0.00	*****	0.00
Prior Year Adjustment	0.00	0.00	0.00	69,860.00
<u>TOTAL SINK. FUND EXPENDITURE</u>	\$ 30,214.20	\$ 0.00		\$ 85,314.31
<u>SURPLUS / DEFICIT</u>	\$ 34,680.23	\$ 64,642.25		\$ (19,826.26)
Opening Sinking Fund Balance	357,710.07	357,710.07	100.00	377,536.33
<u>SINKING FUND BALANCE</u>	\$ 392,390.30	\$ 422,352.32		\$ 357,710.07

Couran Cove Community Plan

Principal Body Corporate

Doeblien Drive

Couran Cove

South Stradbroke Island 4216

STATEMENT OF INCOME AND EXPENDITURE

FOR THE PERIOD 1 MARCH 2017 TO 28 FEBRUARY 2018

<u>UTILITY INFRASTRUCT ADMIN FUND</u>	ACTUAL 01/03/17-28/02/18	BUDGET 01/03/17-28/02/18	%	ACTUAL 01/03/16-28/02/17
<u>INCOME - UTIL INFRA ADMIN FUND</u>				
Utility Infrs Admin	1,058,943.75	1,058,946.63	100.00	1,058,943.75
<u>TOTAL INCOME UTIL INF ADM FUND</u>	1,058,943.75	1,058,946.63		1,058,943.75
<u>EXPENDITURE-UTIL INFRA ADMIN</u>				
Utility Infrs Admin Expense	1,058,946.63	1,058,946.63	100.00	1,058,946.63
Prior Year Adjustment	0.00	0.00	0.00	523,816.36
<u>TOTAL EXPENSES UTIL INFR ADMIN</u>	1,058,946.63	1,058,946.63		1,582,762.99
<u>SURPLUS/DEFICIT UTIL INF ADMIN</u>	\$ (2.88)	\$ 0.00		\$ (523,819.24)
Opening Bal Util Infr	(465,237.25)	(465,237.25)	100.00	58,581.99
<u>BALANCE UTIL INFRA ADMIN FUND</u>	\$ (465,240.13)	\$ (465,237.25)		\$ (465,237.25)

Couran Cove Community Plan

Principal Body Corporate

Doeblien Drive

Couran Cove

South Stradbroke Island 4216

STATEMENT OF INCOME AND EXPENDITURE

FOR THE PERIOD 1 MARCH 2017 TO 28 FEBRUARY 2018

<u>UTILITY INFRASTRU SINKING FUND</u>	ACTUAL 01/03/17-28/02/18	BUDGET 01/03/17-28/02/18	%	ACTUAL 01/03/16-28/02/17
<u>INCOME - UTIL INF SINKING FUND</u>				
Income - Util Infrs Sink Fund	117,333.35	117,333.35	100.00	117,333.35
TOTAL INCOME UTIL INF SINK FUN	117,333.35	117,333.35		117,333.35
<u>EXPENDITURE - UTIL INF SINK FU</u>				
Sewerage Treatment - Pumps	0.00	0.00	0.00	192,855.68
Generators	15,000.00	0.00	*****	61,432.00
Prior Year Adjustment C Cove	0.00	0.00	0.00	(45,900.00)
TOTAL EXPENSE UTIL INF SINKING	15,000.00	0.00		208,387.68
<u>SURPLUS/DEFICIT UTIL INF SINK</u>	\$ 102,333.35	\$ 117,333.35		\$ (91,054.33)
Opening Balance Utility Fund	921,373.37	921,373.37	100.00	1,012,427.70
<u>BALANCE UTILITY INF SINKING</u>	\$ 1,023,706.72	\$ 1,038,706.72		\$ 921,373.37

**COURAN COVE COMMUNITY PLAN
GTP 106751
Notes to the Accounts
FOR THE YEAR ENDED 28/02/2018**

1. STATEMENT OF ACCOUNTING POLICIES

The accounting policies used in the preparation of this report, where appropriate are explained below, and are consistent with previous years.

(A) Basis of Preparation

These financial statements are a special purpose financial report prepared specifically for distribution to Owners in accordance with the relevant state legislation. The strata entities committee of management has determined that the strata entity is not a reporting entity, and therefore, there is no requirement to apply Accounting Standards and other mandatory professional reporting requirements in the preparation and presentation of these statements. They have been prepared on an accruals basis, from the records of the strata entity. They are based on historic costs and do not take into account changing money values.

The Financial Statements have been prepared solely to comply with the requirements of the relevant state legislation, being Body Corporate and Community Management Act 1997.

Going Concern

These financial statements have been prepared on a going concern basis, which contemplates the continuation of normal business operations and the realisation of assets and settlement of liabilities in the normal course of business. At 28 February 2018 the entity had net assets totalling \$248,342. Included in the net asset position are net receivables totalling \$2,042,345 owed by entities related to CCH Developments No 1 Pty Ltd ("CCH") an entity which is in administration. The value of these related party receivables exceeds the net assets of the entity and there is uncertainty in relation to the recoverability of these amounts. If the entity is unable to collect the monies owed by the related parties there is a material uncertainty as to whether the entity can continue as a going concern and realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated.

(B) Taxation

The liability method of tax effect accounting has been adopted. The strata entity is assessable on all income other than income

Income tax is payable by the strata entity on non mutual income at the current tax rate of 30%.

2. SINKING FUND

A Sinking Fund has been established for the purposes of meeting present or future commitments for the maintenance, replacement and improvements to personal and common property.

For the purposes of maintaining such a fund, a separate contribution is issued at an amount calculated on the basis of current information to accumulate sufficient funds to meet the expected present and future commitments of the fund over a reasonable period of time.

3. FINANCIAL PERIOD ADJUSTMENTS

Expenditure

Administration/Sinking Fund

Outlays of funds have been reduced in determining expenditure for the year by:-

Prepaid Expenditure at 28/02/2018

Particulars	Amount
Administration - Base Fee	\$ 4,504.82
Contractors Admin	\$ 38,626.12
Utilities	\$ 9,062.75
Community Facilities Service	\$ 121,871.19
Cleaning	\$ 40,335.00
Insurance/Other	\$ 7,836.29
Insurance Stamp Duty No GST	\$ 766.88
Land Tax	\$ 3,543.33
Transport Expense	\$ 27,408.33
Disbursements - Base Fee	\$ 2,060.46
Motor Vehicle Expenses	\$ 8,792.13
Pest Control	\$ 6,825.83
Rates No GST	\$ 3,947.10
R & M General	\$ 5,874.91
Rubbish Removal	\$ 15,990.97
Reimb Mtce Agreement Access fee	\$ 73,080.64

Utility Infras Admin Expense	\$ 352,982.21
Total	<u>\$ 723,508.96</u>

Outlays of funds have been increased in determining expenditure for the year by:-

Accrued Expenditure at 28/02/2018

Particulars	Amount
Audit fees	\$ 2,000.00
Tax agents fee	\$ 586.46
Administration - Base Fee	\$ 1,354.92
Disbursements - Base Fee	\$ 619.70
Total	<u>\$ 4,561.08</u>

COURAN COVE COMMUNITY PLAN
G.T.P. 106751

Notes to Accounts

Period 1/03/2018 to 28/02/2019

Basis of Accounting

These financial statements are a "Special Purpose Financial Report" prepared specifically for distribution to owners in accordance with the Building Units Group Titles Act 1980. The committee has determined that the strata entity is not a reporting entity. Therefore there is no requirement to apply Accounting Standards and other mandatory professional reporting requirements eg AASB 1021 Depreciation. These financial statements have been prepared on an accruals basis using historic cost.

Balance Sheet

Current Assets

· Sundry Debtors: SSKB	
· Prepaid Expenses:	
Particulars	Amount
Administration - Base Fee	\$ 4,810.81
Contractors Admin	\$ 41,023.04
Utilities	\$ 10,150.27
Community Facilities Service	\$ 124,229.41
Cleaning	\$ 42,452.59
Insurance/Other	\$ 8,675.58
Insurance Stamp Duty No GST	\$ 849.97
Land Tax	\$ 3,543.33
Transport Expense	\$ 28,406.33
Disbursements - Base Fee	\$ 2,235.67
Motor Vehicle Expenses	\$ 8,792.14
Pest Control	\$ 6,825.84
Rates No GST	\$ 3,597.49
R & M General	\$ 5,874.93
Rubbish Removal	\$ 20,252.43
Reimb Mtce Agreement Access Fees	\$ 73,080.64
Utility Infrs Admin Expense	\$ 558,712.70
Total	<u>\$ 943,513.17</u>

Liabilities

·	Accrued Expenses :		
	Particulars		Amount
	Audit fees	\$	2,075.00
	Fees & Permits No GST	\$	2,037.00
	Fire Control Expenses	\$	5,315.05
	Land Tax	\$	10,630.00
	R & M Building	\$	6,385.05
	R & M Pool	\$	250.00
	R & M Plumbing	\$	8,409.55
	Reimb Mtce Agreement Access Fees	\$	33,391.11
	Plant & Equipment	\$	14,905.05
	Generators	\$	8,510.00
	Total	\$	<u>91,907.81</u>

Administration Fund

General explanations:

- Administration–Base Fee/Administration- FFS/Disbursements – Base Fee/Disbursements–FFS - SSKB fees as per administration agreement
- Bank Charges/GST – transaction fees charged by your financial institution
- Insurance/Other & Stamp Duty – all insurance, except for building if your scheme is required to levy building separately
- Insurance Building – component of insurance for building only
- Maxsoft Licensing Fee – fee from Stratamax to provide your strata software including www.stratamax.com.au
- Prior Year Adjustment: Prior year invoices not approved for payment, advised by D Bowden to remove

Sinking Fund

General explanations:

- Income Tax: Assessable income such as interest, dividends and other income derived by the Scheme from the investment of funds held is taxable in the hands of the strata title body at the income tax rate determined by the Australian Taxation Office. Assessable income received by the strata title body in respect of common property, other than as stated above, is taxable in the hands of the individual owners as determined by Taxation Ruling TR 2015/3.
- Instalment Tax – As per ATO's directions.

COURAN COVE COMMUNITY PLAN Principal Body Corporate

PROPOSED ANNUAL BUDGET

	ACTUAL 01/03/18-28/02/19	BUDGET 01/03/18-28/02/19	BUDGET 01/03/19-28/02/20
<u>ADMINISTRATIVE FUND</u>			
<u>INCOME</u>			
Contributions - Admin Fund	727,990.71	728,000.00	744,571.00
Community Facilities Contribut	370,338.89	370,330.00	377,995.80
Other - Mtce Agreem Access Fee	292,322.55	292,322.55	264,291.61
Telstra Rental Fee - Nmicp	1,392.97	0.00	1,400.00
<u>TOTAL ADMIN. FUND INCOME</u>	1,392,045.12	1,390,652.55	1,388,258.41
<u>EXPENDITURE - ADMIN. FUND</u>			
Audit Fees	2,075.00	2,000.00	2,140.00
Administration - F F S	12,826.45	13,000.00	15,000.00
Bank Charges - No Gst	0.00	5.00	5.00
Bank Charges	666.32	20.00	685.00
Tax Agents Fee	600.00	590.00	600.00
Bas/las Lodgement Fees	1,200.00	1,200.00	1,200.00
Administration - Base Fee	56,540.46	56,760.00	56,565.00
Contractors Admin	120,672.19	120,672.20	124,292.36
Fees & Permits No Gst	0.00	2,100.00	2,100.00
Utilities	29,363.31	29,363.30	35,111.88
Interest Expense	748.33	9,500.00	755.00
Community Facilities Service F	370,330.03	370,330.00	377,995.80
Cleaning	125,240.18	125,240.18	133,386.55
Insurance/Other	35,926.53	37,032.17	38,185.00
Insurance Stamp Duty	3,316.79	3,399.88	3,564.00
Workers Compensation	182.25	0.00	175.00
Workers Comp - Stamp Duty	9.52	0.00	10.00
Legal Expenses	26,225.80	55,000.00	55,000.00
Land Tax	10,630.00	11,000.00	10,950.00
Transport Expense	84,220.99	82,225.00	96,462.18
Disbursements - Base Fee	25,961.99	25,965.00	26,290.00
Motor Vehicle Expenses	26,376.39	26,376.40	27,167.69
Disbursements - F F S	1,283.87	1,220.00	1,325.00
Pest Control	20,477.48	20,477.49	20,477.49
Rates No Gst	12,678.50	12,245.00	13,060.00
R & M General	17,624.73	17,624.74	17,624.74
R & M Grounds	0.00	1,000.00	0.00
R & M Electrical	99.37	500.00	105.00

COURAN COVE COMMUNITY PLAN Principal Body Corporate

PROPOSED ANNUAL BUDGET

	ACTUAL	BUDGET	BUDGET
	01/03/18-28/02/19	01/03/18-28/02/19	01/03/19-28/02/20
Rubbish Removal	56,495.82	56,495.83	58,638.60
Reimb Mtce Agreement Access Fe	292,322.55	292,325.55	264,291.61
Maxsoft Licensing Fee	89.02	90.00	95.00
Prior Year Adjustment	(4,112.05)	0.00	0.00
<u>TOTAL ADMIN. EXPENDITURE</u>	1,330,071.82	1,373,757.74	1,383,257.90
<u>SURPLUS / DEFICIT</u>	\$ 61,973.30	\$ 16,894.81	\$ 5,000.51
Opening Admin Balance	(702,515.00)	(702,515.00)	(640,541.70)
<u>ADMINISTRATIVE FUND BALANCE</u>	\$ (640,541.70)	\$ (685,620.19)	\$ (635,541.19)
NUMBER OF UNITS OF ENTITLEMENT:		3,238	3,238
AMOUNT PER UNIT OF ENTITLEMENT:		\$ 224.8301	\$ 229.9478

COURAN COVE COMMUNITY PLAN Principal Body Corporate

PROPOSED ANNUAL BUDGET

	ACTUAL 01/03/18-28/02/19	BUDGET 01/03/18-28/02/19	BUDGET 01/03/19-28/02/20
<u>SINKING FUND</u>			
<u>INCOME</u>			
Contributions - Sinking Fund	64,642.25	64,642.25	190,855.45
Interest Received	24.65	0.00	0.00
Bbl Community Dividend	24.78	0.00	0.00
<u>TOTAL SINKING FUND INCOME</u>	64,691.68	64,642.25	190,855.45
<u>EXPENDITURE - SINKING FUND</u>			
Plant & Equipment	27,598.93	0.00	20,000.00
Consultants Fee	0.00	0.00	6,000.00
Income Tax	(156.30)	0.00	0.00
<u>TOTAL SINK. FUND EXPENDITURE</u>	27,442.63	0.00	26,000.00
<u>SURPLUS / DEFICIT</u>	<u>\$ 37,249.05</u>	<u>\$ 64,642.25</u>	<u>\$ 164,855.45</u>
Opening Sinking Fund Balance	392,390.30	392,390.30	429,639.35
<u>SINKING FUND BALANCE</u>	<u>\$ 429,639.35</u>	<u>\$ 457,032.55</u>	<u>\$ 594,494.80</u>
NUMBER OF UNITS OF ENTITLEMENT:		3,238	3,238
AMOUNT PER UNIT OF ENTITLEMENT:		\$ 19.9636	\$ 58.9424

COURAN COVE COMMUNITY PLAN Principal Body Corporate

PROPOSED ANNUAL BUDGET

	ACTUAL 01/03/18-28/02/19	BUDGET 01/03/18-28/02/19	BUDGET 01/03/19-28/02/20
<u>UTILITY INFRASTRUCT ADMIN FUND</u>			
<u>INCOME - UTIL INFRA ADMIN FUND</u>			
Utility Infrs Admin	1,470,405.24	1,470,407.61	1,795,950.35
TOTAL INCOME UTIL INF ADM FUND	1,470,405.24	1,470,407.61	1,795,950.35
<u>EXPENDITURE-UTIL INFRA ADMIN</u>			
Utility Infrs Admin Expense	1,470,407.61	1,470,407.61	1,795,950.35
TOTAL EXPENSES UTIL INFR ADMIN	1,470,407.61	1,470,407.61	1,795,950.35
<u>SURPLUS/DEFICIT UTIL INF ADMIN</u>	\$ (2.37)	\$ 0.00	\$ 0.00
Opening Bal Util Infr	(465,240.13)	(465,240.13)	(465,242.50)
<u>BALANCE UTIL INFRA ADMIN FUND</u>	\$ (465,242.50)	\$ (465,240.13)	\$ (465,242.50)
NUMBER OF UNITS OF ENTITLEMENT:		0	0
AMOUNT PER UNIT OF ENTITLEMENT:		\$ 0.0000	\$ 0.0000

COURAN COVE COMMUNITY PLAN Principal Body Corporate

PROPOSED ANNUAL BUDGET

	ACTUAL 01/03/18-28/02/19	BUDGET 01/03/18-28/02/19	BUDGET 01/03/19-28/02/20
<u>UTILITY INFRASTRU SINKING FUND</u>			
<u>INCOME - UTIL INF SINKING FUND</u>			
Income - Util Infrass Sink Fund	117,333.35	117,333.35	117,333.35
<u>TOTAL INCOME UTIL INF SINK FUN</u>	117,333.35	117,333.35	117,333.35
<u>EXPENDITURE - UTIL INF SINK FU</u>			
Consultants Fee	0.00	0.00	2,600.00
Gas	0.00	0.00	3,200.00
Water	0.00	0.00	23,000.00
<u>TOTAL EXPENSE UTIL INF SINKING</u>	0.00	0.00	28,800.00
<u>SURPLUS/DEFICIT UTIL INF SINK</u>	\$ 117,333.35	\$ 117,333.35	\$ 88,533.35
Opening Balance Utility Fund	1,023,706.72	1,023,706.72	1,141,040.07
<u>BALANCE UTILITY INF SINKING</u>	\$ 1,141,040.07	\$ 1,141,040.07	\$ 1,229,573.42
NUMBER OF UNITS OF ENTITLEMENT:		0	0
AMOUNT PER UNIT OF ENTITLEMENT:	\$	0.0000	\$ 0.0000

INSURANCE REPORT

29 August 2019

COURAN COVE COMMUNITY PLAN M.C.P. 106751

Doeblien Drive
Couran Cove
South Stradbroke Island

Type BUILDING	Sum Insured 133,436,939	Premium \$327,087.39	Date Last Paid 31/05/19
Company/Broker CHU U/W Agencies P/L PSC Coast Wide Ins. Brokers PO Box 5025 Gold Coast MC QLD 9726	Telephone 07 5539 0088	Policy Number QNC60606	Due Date 1 June 2020
	Facsimile 07 5539 0188	Excess/Comments 1,500 All Claims + As Per Policy Wording 2,500 Storm and/or Tempest claims; 2500 Water Damage	

Type PUBLIC LIABILITY	Sum Insured 20,000,000	Premium \$19,496.85	Date Last Paid 31/05/19
Company/Broker CHU U/W Agencies P/L PSC Coast Wide Ins. Brokers PO Box 5025 GOLD COAST MC QLD 9726	Telephone 07 5539 0088	Policy Number QCS60606	Due Date 1 June 2020
	Facsimile 07 5539 0188	Excess/Comments 1,500 All Claims + As Per Policy Wording	

Type OFFICE BEARERS	Sum Insured 5,000,000	Premium Included	Date Last Paid 31/05/19
Company/Broker CHU U/W Agencies P/L PSC Coast Wide Ins. Brokers PO Box 5025 GOLD COAST MC QLD 9726	Telephone 07 5539 0088	Policy Number QCS60606	Due Date 1 June 2020
	Facsimile 07 5539 0188	Excess/Comments 1,500 All Claims + As Per Policy Wording	

Type COMMON AREA CONTENTS	Sum Insured 1,334,370	Premium Included	Date Last Paid 31/05/19
Company/Broker CHU U/W Agencies P/L PSC Coast Wide Ins. Brokers PO Box 5025 GOLD COAST MC QLD 9726	Telephone 07 5539 0088	Policy Number QNC60606	Due Date 1 June 2020
	Facsimile 07 5539 0188	Excess/Comments 1,500 All Claims + As Per Policy Wording	

Type VOLUNTARY WORKERS	Sum Insured 200,000	Premium Included	Date Last Paid 31/05/19
Company/Broker CHU U/W Agencies P/L PSC Coast Wide Ins. Brokers PO Box 5025 GOLD COAST MC QLD 9726	Telephone 07 5539 0088	Policy Number QCS60606	Due Date 1 June 2020
	Facsimile 07 5539 0188	Excess/Comments 1,500 All Claims + As Per Policy Wording	

Type FIDELITY GUARANTEE	Sum Insured 100,000	Premium Included	Date Last Paid 31/05/19
Company/Broker CHU U/W Agencies P/L PSC Coast Wide Ins. Brokers PO Box 5025 GOLD COAST MC QLD 9726	Telephone 07 5539 0088	Policy Number QCS60606	Due Date 1 June 2020
	Facsimile 07 5539 0188	Excess/Comments 1,500 All Claims + As Per Policy Wording	

COURAN COVE COMMUNITY PLAN M.C.P. 106751

Doeblien Drive
Couran Cove
South Stradbroke Island

Type BUILD CATASTROPHE/EM		Sum Insured 13,343,694	Premium Included	Date Last Paid 31/05/19
Company/Broker CHU U/W Agencies P/L PSC Coast Wide Ins. Brokers PO Box 5025 GOLD COAST MC QLD 9726	Telephone 07 5539 0088	Policy Number QNC60606	Due Date 1 June 2020	
	Facsimile 07 5539 0188	Excess/Comments 1,500 All Claims + As Per Policy Wording		

Type LOSS OF RENT		Sum Insured 26,954,262	Premium Included	Date Last Paid 31/05/19
Company/Broker CHU U/W Agencies P/L PSC Coast Wide Ins. Brokers PO Box 5025 GOLD COAST MC QLD 9726	Telephone 07 5539 0088	Policy Number QNC60606	Due Date 1 June 2020	
	Facsimile 07 5539 0188	Excess/Comments 1,500 All Claims + As Per Policy Wording		

Type STORAGE/EVACUATION		Sum Insured 667,185	Premium Included	Date Last Paid 31/05/19
Company/Broker CHU U/W Agencies P/L PSC Coast Wide Ins. Brokers PO Box 5025 GOLD COAST MC QLD 9726	Telephone 07 5539 0088	Policy Number QNC60606	Due Date 1 June 2020	
	Facsimile 07 5539 0188	Excess/Comments 1,500 All Claims + As Per Policy Wording		

Type EXT COVER RENT/ACCOM		Sum Insured 2,001,554	Premium Included	Date Last Paid 31/05/19
Company/Broker CHU U/W Agencies P/L PSC Coast Wide Ins. Brokers PO Box 5025 GOLD COAST MC QLD 9726	Telephone 07 5539 0088	Policy Number QNC60606	Due Date 1 June 2020	
	Facsimile 07 5539 0188	Excess/Comments 1,500 All Claims + As Per Policy Wording		

Type COST OF TEMP ACCOM		Sum Insured 667,185	Premium Included	Date Last Paid 31/05/19
Company/Broker CHU U/W Agencies P/L PSC Coast Wide Ins. Brokers PO Box 5025 GOLD COAST MC QLD 9726	Telephone 07 5539 0088	Policy Number QNC60606	Due Date 1 June 2020	
	Facsimile 07 5539 0188	Excess/Comments 1,500 All Claims + As Per Policy Wording		

Type STAMP DUTY/GST/OTHER		Sum Insured 0	Premium \$69,696.25	Date Last Paid 31/05/19
Company/Broker CHU U/W Agencies P/L PSC Coast Wide Ins. Brokers PO Box 5025 GOLD COAST MC QLD 9726	Telephone 07 5539 0088	Policy Number QNC60606/QCS60606	Due Date 1 June 2020	
	Facsimile 07 5539 0188	Excess/Comments 1,500 All Claims + As Per Policy Wording		

**SERVICES SUPPLY AND CARETAKING
AGREEMENT**

Between

Couran Cove Resort Community Body Corporate

and

Island Resorts (Facilities & Equipment) Pty Ltd

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DATE OF THE AGREEMENT

This Agreement is made this day of 2019

PARTIES

BETWEEN: **COURAN COVE RESORT COMMUNITY BODY CORPORATE**
a Body Corporate constituted under the *Mixed Use Development Act 1993* (“the Community Body Corporate”)

AND: **ISLAND RESORTS (FACILITIES & EQUIPMENT) PTY LTD**
ACN 613 379 070 a company duly incorporated according to law, Level 12, 52 Phillip Street, SYDNEY NSW 2000 (“IRFE”)

INTRODUCTION

- A. The Community Body Corporate was constituted upon registration of a Community Plan as a consequence of sections 15(1) and 167(1) of the MUD Act.
- B. Inter alia, the Community Body Corporate must control, manage and administer for the benefit of its members the Community Property pursuant to section 177(1) of the MUD Act.
- C. The Community Body Corporate has entered into Management Agreements with the Bodies Corporate of Group Titles Plans within the Development.
- D. The Community Body Corporate enters into this Agreement with IRFE so that IRFE will provide assistance to the Community Body Corporate in order that the Community Body Corporate's obligations with respect to the control management and administration of the Community Property and its obligations under the various Management Agreements are fulfilled.
- E. IRFE has agreed to the appointment referred to in Recital D upon and subject to the terms and conditions of this Agreement.

NOW THIS DEED WITNESSES as follows:

1. DEFINITIONS

1.1 In this Agreement except where inconsistent with the context, words used which are defined in the Act shall have the meaning so defined therein and the following terms shall have the following meanings unless the context so requires:

1.1.1 “the Act” means the *Building Units and Group Titles Act 1980*, as amended;

1.1.2 “this Agreement” includes the Schedules, if any;

- 1.1.3 “Bodies Corporate” means any one or more or all of the Bodies Corporate formed upon registration in the appropriate government office of any Group Title Plan over any part of the Development;
- 1.1.4 “By-Laws” means the by-laws of the Bodies Corporate and/or where the context requires or permits means the by-laws of the Community Body Corporate;
- 1.1.5 “Committee” means the committee or committees of any one or more or all of the Bodies Corporate and/or where the context requires or permits the executive committee of the Community Body Corporate;
- 1.1.6 “Common Property” means so much of the property within the Group Titles Plans as from time to time is not comprised in any lot in the Group Titles Plans and shall include where appropriate any easements and any property shared between members of the Bodies Corporate and any other person or persons (whether by way of agreement, easement, lease or otherwise);
- 1.1.7 “the Community Body Corporate” means the Couran Cove Resort Community Body Corporate;
- 1.1.8 “Community Plan” shall have the same meaning as given those words in the MUD Act and means the Community Plan or Community Plans registered in the appropriate government office with respect to the Development;
- 1.1.9 “Community Property” shall have the same meaning as given those words in the MUD Act and means the Community Property with respect to the Development;
- 1.1.10 “the Date of Commencement” means the _____;
- 1.1.11 “the Development” means the development (and continuing development as the case may be) of certain land known as or to be known as the Couran Cove Resort and in respect of which an approval has been obtained pursuant to the MUD Act;
- 1.1.12 “the Duties” or “Duties” means the duties set out in Schedule 2 hereto and where the context requires any one or more of them;
- 1.1.13 “Group Titles Plans” means any one or more or all of the Group Title Plans or Building Units Plans registered over any part of the Development;
- 1.1.14 “Index Number” means the Consumer Price Index (All Groups) for the City of Brisbane as published from time to time by the Australian Bureau of Statistics. All indices shall (if necessary) be adjusted to relate to the same base. If such index is suspended, discontinued or modified so that it does not in the sole opinion of IRFE reflect on a consistent basis changes that may have occurred in the cost of living in the City of Brisbane during any relevant period, the expression shall mean such index that in the opinion of the Australian Statistician or his nominee (whether published or advised

at the request of either IRFE or the Community Body Corporate) does reflect on a consistent basis changes that may have occurred in the cost of living in the City of Brisbane during any such period. If the Australian Statistician has not published and will not advise an appropriate index, the expression shall mean such index as may be agreed upon in writing by IRFE and the Community Body Corporate and failing agreement within a period of 14 days shall mean such index as shall be determined at the request of either IRFE or the Community Body Corporate by a valuer nominated from time to time by the President or acting President for the time being of the Queensland Division of the Australian Institute of Valuers and Land Economists or his nominee;

- 1.1.15 "IRFE" means Island Resorts (Facilities & Equipment) Pty Ltd ACN 613 379 070 together with its officers, managers, employees, agents, contractors, administrators, successors and permitted assigns;
- 1.1.16 "the Maintenance and Access Agreement" means the agreement referred to in clause
- 1.1.17 "a Maintenance and Access Agreement payment" means a payment to IRFE pursuant to the Maintenance and Access Agreement and referred to in clause 17.6;
- 1.1.18 "Management Agreements" means the Management Agreement or Management Agreements entered into by the Community Body Corporate with the Bodies Corporate;
- 1.1.19 "MUD Act" means the *Mixed Use Development Act 1993* and all amendments and regulations with respect thereto;
- 1.1.20 "the Term" means the period of five years.

2. INTERPRETATION

- 2.1 In the interpretation of this Agreement, unless the context otherwise requires:
 - 2.1.1 words importing any gender shall include all genders;
 - 2.1.2 words importing persons shall include all bodies, associations, trusts, partnerships, instrumentalities and entities corporate or unincorporated and vice versa;
 - 2.1.3 references to any of the parties include in the case of a person, their personal representatives and permitted assigns, and in other cases their successors and permitted assigns;
 - 2.1.4 any obligation on the part of or for the benefit of two or more persons shall be deemed to bind or benefit as the case may be any two or more of them jointly and each of them severally;
 - 2.1.5 words importing the singular shall include the plural and vice versa;

- 2.1.6 headings are included for convenience only and shall not affect the interpretation of this Agreement;
- 2.1.7 references to clauses, recitals, schedules and annexures are to clauses, recitals, schedules and annexures to this Agreement;
- 2.1.8 references to this Agreement are to this Agreement and all modifications and variations to this Agreement effected in accordance with this Agreement;
- 2.1.9 references to any document or agreement shall include all references to such document or agreement as amended, narrated, supplemented, varied or replaced from time to time;
- 2.1.10 expressions cognate with expressions defined in clause 1 shall be construed accordingly;
- 2.1.11 all references to dates and times are to Brisbane time;
- 2.1.12 all references to "\$" and "dollars" are to the lawful currency of Australia;
- 2.1.13 recitals to this Agreement shall be read as and form part of this Agreement;
- 2.1.14 references to writing shall include typing, telex, facsimile and all other means of reproducing words in a permanent and visible form;
- 2.1.15 references to any legislation or any provision of any legislation shall include any legislative provision which amends, extends, consolidates or replaces the same or which has been amended, extended, consolidated or replaced by the same and any orders, regulations, instruments, proclamations or other subordinate legislation made under such legislation or legislative provision;
- 2.1.16 references to institutes, associations, bodies and authorities whether statutory or otherwise will, if that institute, body, association or authority ceases to exist or is reconstituted, renamed or replaced or its powers or functions are transferred to any other institute, association, body or authority, be deemed to refer respectively to the institute, association, body or authority established or constituted in place thereof or which substantially succeeds to the powers or functions of the institute, association, body or authority referred to;
- 2.1.17 no rules of construction will apply to the disadvantage of a party because that party was responsible for the drafting of this Agreement or any part of this Agreement;
- 2.1.18 unless application is mandatory by law, any statute, proclamation, order, regulation or moratorium present or future will not apply to this Agreement so as to abrogate, extinguish, impair, diminish, fetter, delay or otherwise prejudicially affect the exercise or enjoyment of any rights, powers, privileges, remedies or discretions given or accruing to any party.

3. APPOINTMENT

- 3.1 The Community Body Corporate reappoints IRFE to perform the Duties for the Term to commence on and from the Date of Commencement. IRFE accepts such appointment upon the terms and conditions of this Agreement.
- 3.2 Intentionally deleted
- 3.3 IRFE shall ensure at all times that an adequate number of its officers, managers, employees and/or contractors are available to carry out the Duties.
- 3.4 IRFE shall not be obliged to carry out any duties of the Community Body Corporate's secretary or other secretarial work.
 - 3.4.1 IRFE shall be responsible for the engagement and dismissal of such employees or contractors as is necessary to keep the Common Property and the Community Property in good and proper order and repair.
 - 3.4.2 During the continuance of this Agreement, IRFE shall maintain, pay and discharge all liabilities relating to the engagement and dismissal of employees employed by it in the performance of its obligations under this Agreement, including wages and salaries, worker's compensation insurance, payroll tax and group income tax (Commonwealth).

4. REMUNERATION

In consideration of the matters raised in clause 3 the Community Body Corporate shall pay to IRFE the remuneration more particularly referred to in Schedule 1 hereto and in accordance with the provisions of Schedule 1 hereto.

5. IRFE'S DUTIES

- 5.1 IRFE agrees to perform or procure the performance of the Duties in a proper and workmanlike manner.
- 5.2 The Duties shall be performed by IRFE.
- 5.3 The Community Body Corporate may from time to time by notice in writing request IRFE to perform extra duties than the Duties, which IRFE shall perform for extra remuneration and as provided for in the said Schedule 1.

6. DUTIES OF THE COMMUNITY BODY CORPORATE

- 6.1 The Community Body Corporate shall:
 - 6.1.1 furnish to IRFE a set of all plans relating to the Development in its possession or control, copies of all current maintenance and service agreements relative thereto and a current list of the names and

addresses of all of the proprietors of real property within the Development;

- 6.1.2 confer fully and freely with IRFE concerning the performance of the Duties and the control, management and administration of the Common Property and the Community Property and shall provide proper and reasonable instructions to IRFE in relation thereto;
 - 6.1.3 at its own expense erect or procure to be erected such signs in or about the Common Property and the Community Property as are necessary for the proper administration and running of the Common Property and the Community Property;
 - 6.1.4 provide and maintain adequate furniture and associated facilities for the proper operation of any recreational areas upon the Common Property and the Community Property as the Community Body Corporate may, in its absolute discretion, determine.
- 6.2 The Committee shall from time to time authorise one of the Committee members or an alternate to give instructions to and communicate with IRFE on behalf of the Community Body Corporate. In the absence of a specific appointment, that authorised person shall be deemed to be the chairman of the Community Body Corporate from time to time.
- 6.3 During the continuance of this Agreement or any extension or renewal hereof, the Community Body Corporate shall not authorise any person to, nor permit any of its staff to, nor itself, conduct on the Community Property any business of the same or similar nature as IRFE may conduct pursuant to this Agreement on the Community Property nor shall the Community Body Corporate licence or lease any part of the Community Property for the purpose of any such business. If any person other than IRFE attempts to use any part of the Community Property for the purpose of conducting a business, or rendering a service in competition with the business IRFE carries on pursuant to this Agreement, then the Community Body Corporate will use all reasonable endeavours at its cost to effect a termination of the competing business or service.

7. EXPENDITURE

- 7.1 IRFE shall be entitled to pledge the credit of the Community Body Corporate and incur reasonable expense on behalf of the Community Body Corporate in respect of any single transaction to any amount determined by the Community Body Corporate for the purpose of obtaining materials or services used in the performance of the Duties and for such other purposes as are necessary or incidental to the discharge of the Duties.
- 7.2 Other than that prescribed in clause 4 and Schedule 1, as constituting the remuneration payable to IRFE, IRFE is not entitled to any mark-up or cartage on materials or services provided for the Community Body Corporate and shall when at all possible use local suppliers of materials and services.
- 7.3 IRFE shall not give or take any secret commissions.

8. ASSIGNMENT

- 8.1 IRFE shall not assign this Agreement or any interest in it except in accordance with this clause.
- 8.2 IRFE may assign this Agreement or any interest in it with the prior consent in writing of the Community Body Corporate. Such consent shall not be unreasonably withheld if that consent is sought on the following basis:
- 8.2.1 IRFE shall give at least 30 days' written notice to the Community Body Corporate of the date of the proposed assignment and provide with that notice all reasonable details of the proposed assignee.
- 8.2.2 IRFE shall arrange an interview between the executive committee of the Community Body Corporate, and the proposed assignee.
- 8.2.3 IRFE shall prove to the reasonable satisfaction of the Community Body Corporate that the proposed assignee is a respectable, responsible and financially sound person capable of adequately performing and observing the duties and provisions of this Agreement.
- 8.2.4 Any consent to assignment shall not be effective until the proposed assignee has entered into a deed with IRFE and the Community Body Corporate in a form reasonably required by the Community Body Corporate, which deed contains, inter alia:
- 2.4.1.1 a covenant by the proposed assignee to be bound by and to observe and perform the provisions hereof as if the proposed assignee was IRFE named in this Agreement; and
- 2.4.2.1 an agreement that IRFE releases the Community Body Corporate from all claims against the Community Body Corporate in respect of or in any way arising from this Agreement.

9. PROHIBITED PAYMENTS

The Community Body Corporate shall not be entitled to any premium payment or benefit in connection with the granting, renewal, extension, variation or assignment of this Agreement or any extension or variation hereof.

10. INTEREST

- 10.1 The CBC shall pay IRFE interest at the 2.5% per month or part thereof on any overdue monies (including but not limited to remuneration) which shall be due and payable, calculated from the date that is one (1) day after the due date of payment until the actual date of payment.
- 10.2 The CBC shall also be liable for all and any costs and outlays (including but not limited to legal costs) incurred by IRFE to recover any outstanding monies due on the indemnity basis.

11. TERMINATION

11.1 Any of the following events shall constitute a default by IRFE under this Agreement:

11.1.1 If IRFE shall fail to reasonably perform, observe or comply with or fulfil any of the Duties or if IRFE shall fail to reasonably perform, observe or comply with or fulfil any of the provisions of this Agreement;

11.1.2 In the event of IRFE assigning or attempting to assign this Agreement in breach of the terms of clause 8.2 of this Agreement;

11.1.3 If IRFE is a corporation and an order is made or a resolution is effectively passed for the appointment of a receiver, receiver and manager or provisional liquidator or for the winding up of IRFE (other than for the purposes of an amalgamation or reconstruction) or an official manager or analogous person is appointed to IRFE's property or any part thereof or IRFE enters into any scheme of arrangement for creditors or any class thereof.

11.2 If IRFE has made a default under this Agreement and the Community Body Corporate requires such default to be remedied by IRFE, the Community Body Corporate may by notice in writing to IRFE specifying the particular default complained of, require IRFE to remedy such default within 60 days of such notice of default being served and if at the expiration of that 60 day period the default complained of has not been remedied, terminate this Agreement by notice in writing to IRFE.

12. NOTICES

Any notice required to be given or served by either party to this Agreement shall be given or served in the same manner as is provided for in section 257 of the *Property Law Act 1974* whether or not that act or section shall be repealed, submitted or amended subsequent to the date hereof.

13. COSTS

13.1 Each party shall pay its own respective solicitors' costs incurred and relating to this Agreement.

13.2 All stamp duty payable on this Agreement and any duplicate thereof shall be borne and paid by IRFE.

13.3 IRFE shall pay the Community Body Corporate's reasonable and properly incurred costs of any assignment or transfer of this Agreement including but without limitation the Community Body Corporate's legal and other fees, and the costs of any general meeting required to give effect to the assignment.

14. SEVERANCE

In the event that any term or provision of this Agreement for any reason whatsoever be acknowledged by the parties hereto, or be adjudged by a

court, body or referee of competent jurisdiction or be held or rendered by any competent government authority to be invalid, illegal, of no force or effect or unenforceable, such term or provision shall be severed from the remainder of the terms and provisions of this Agreement and shall be deemed never to have been part of this Agreement and the remainder of the terms and provisions of this Agreement shall subsist and remain in full force and effect unless the basic purposes of this Agreement would thereby be defeated.

15. FURTHER ASSURANCE

Each of the parties hereto shall and shall procure every other person as required to sign and execute all such further documents and otherwise do all such acts, matters and things as shall be necessary or desirable to give full force and effect to the provisions of this Agreement.

16. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the law of Queensland and each of the parties hereby submits to the non-exclusive jurisdiction of the Queensland courts notwithstanding the domicile or residence of any party or the occurrence of any act, matter or thing outside of Queensland.

17. COMMUNITY BODY CORPORATE MAY PERFORM

17.1 The provisions of this clause 17 shall apply notwithstanding anything to the contrary herein contained.

17.2 The parties agree that the Community Body Corporate may in its sole discretion elect to perform (at its cost) any one or more of the Duties at any time during the Term and may in its sole discretion cease or recommence to perform (at its cost) any one or more of the Duties at any time during the Term.

17.3 Where the Community Body Corporate elects to perform or recommence to perform any one or more of the Duties as referred to in clause 17.2, IRFE shall be released from any obligation hereunder to perform the relevant Duties PROVIDED HOWEVER that in such event IRFE shall provide good and proper supervision of the Community Body Corporate's employees or contractors performing the relevant Duties. In such instance, the Community Body Corporate acknowledges and agrees that it shall be responsible for the engagement and dismissal of such employees or contractors performing the relevant Duties and shall pay and discharge all liabilities relating to the engagement and dismissal of such employees or contractors, including wages and salaries, workers' compensation insurance, payroll tax and group income tax (Commonwealth). Until the Community Body Corporate elects to cease to perform the relevant Duties (whereupon clause 3.4.1 of the Agreement shall again apply), in pursuance of the aforesaid, the Community Body Corporate indemnifies and forever holds harmless IRFE from any claims, actions or demands arising as a result of any breach by the Community Body Corporate of its obligations under this clause 17.3.

- 17.4 It is acknowledged by IRFE that any plant, equipment and/or other machinery acquired by the Community Body Corporate in performing any of the Duties as aforesaid or otherwise acquired by the Community Body Corporate for the purposes of performing any of the Duties, shall remain the property and responsibility of the Community Body Corporate PROVIDED ALWAYS HOWEVER that the Community Body Corporate acknowledges and agrees that IRFE shall have unrestricted use of any of the aforesaid in the performance of the Duties.
- 17.5 The Community Body Corporate specifically acknowledges and agrees that any election by it in terms of clause 17.2 shall not in any respect whatsoever affect or vary the provisions of this Agreement relating to the payment of remuneration to IRFE and its calculation as referred to in Schedule 1 hereto and accordingly it is agreed that such provisions shall remain of full force and effect and, without limiting the generality of the aforesaid, there shall be no reduction in the remuneration payable hereunder (save in any instance referred to in clause 17.6).
- 17.6 The parties acknowledge that the Community Body Corporate and IRFE have executed a certain agreement referred to as the Maintenance and Access agreement ("the Maintenance and Access Agreement") upon the terms and conditions more particularly set out in the Maintenance and Access Agreement.
- 17.7 To the extent that any payment is received by IRFE under the Maintenance and Access Agreement ("a Maintenance and Access Agreement payment"), in such instance only, the remuneration then otherwise payable under this Agreement to IRFE shall be reduced on that occasion only by that amount equal to one third of a Maintenance and Access Agreement payment AND the provisions of this Agreement with respect to the payment and calculation of the remuneration payable to IRFE, shall be read and construed accordingly.

18. WARRANTY OF AUTHORITY

18.1 Each person signing this Agreement:

18.1.1 as attorney for any party, warrants to the other parties that at the date of execution that party has not received any notice or information of the revocation of the power of attorney; and

18.1.2 as an authorised officer, agent or trustee of any party, warrants to the other parties that at the date of execution that party has full authority to execute this Agreement in that capacity.

18.2 The Community Body Corporate warrants that it has by resolution authorised the execution of this Agreement.

19. NOT A MANAGING AGENT

The parties acknowledge and agree that this Agreement does not constitute an appointment of a body corporate manager either pursuant to the Act or the MUD Act and that there is no delegation of the powers, duties, authorities and functions of the Community Body Corporate to IRFE

which shall at all times remain the Community Body Corporate's responsibility.

20. MISCELLANEOUS

20.1 IRFE hereby authorises every member of the Committee and the solicitors for the Community Body Corporate to do all or any of the following things:

20.1.1 to date or to complete any blank spaces in this Agreement; or

20.1.2 to complete and sign any document or paper writing as is necessary to stamp or register this Agreement.

20.2 This Agreement supersedes any previous agreement or agreements (whether written or oral) between the parties touching or concerning any of the matters or similar matters to those matters dealt with in this Agreement. Any such agreement or agreements shall be terminated (unless it has already been completed or otherwise terminated) from the date of this Agreement without prejudice to any antecedent liability of any party to such agreement or agreements.

EXECUTION CLAUSE

EXECUTED by ISLAND RESORTS]	
(FACILITIES & EQUIPMENT) PTY]	
LTD in accordance with section 127 of]	Director / Sole Director
the <i>Corporations Act 2001 (Cth)</i> .]	
]	
]	Director
]	

SIGNED SEALED AND DELIVERED]	
by COURAN COVE RESORT]	
COMMUNITY BODY CORPORATE]	
as <i>[insert]</i> in the presence of:]	
]	
]	
.....]	
Witness (JP, C/Dec or Solicitor)		

SCHEDULE 1 – REMUNERATION

1. REMUNERATION

The Community Body Corporate shall, in consideration of IRFE carrying out the Duties, pay to IRFE the remuneration, per annum, calculated in accordance with the following formula:

$$A = \$296,000 + B + \frac{B \times 15}{100}$$

Where:

A = the remuneration payable to IRFE; and

B = the actual cost to IRFE in performing the Duties.

2. The dollar amount of appearing in paragraph 1 above shall be reviewed on each anniversary of the Date of Commencement of the Term in accordance with the following formula:

$$C = D \times \frac{E}{F}$$

Where:

C = the dollar amount applicable for the relevant year of the Term

D = the sum of \$296,000

E = the Index Number for the 12 month period concluded immediately prior to the date of review

F = the Index Number for the 12 month period ended immediately prior to the Date of Commencement of the Term,

PROVIDED THAT in no case shall the revised dollar amount be less than that which applied for the year preceding the year under review.

3. The expression “actual cost” relevant to the definition afforded B in paragraph 1 above, shall be interpreted as follows:
- 3.1 IRFE shall be entitled to adopt the following schedule in calculating labour (such expression including provision of supervision services), plant, equipment and machinery charges within the “actual cost” assessment.

SCHEDULE

Labour Charges:

Directors: \$400.00 per hour

Senior Executives: \$400.00 per hour

Consultants:	\$400.00 per hour
Accountants:	\$300.00 per hour
Labourers:	\$35.00 per hour
Landscape Maintenance:	\$45.00 per hour
Ground Superintendent:	\$80.00 per hour
Other Staff:	\$60.00 per hour

Equipment Charges:

Lifting Platforms:	\$100.00 per hour
Small Tractor:	\$50.00 per hour
Golf Buggy Carry Alls:	\$200.00 per day or part thereof
Supervisors Utility:	\$200.00 per day or part thereof
Edging Machines:	\$80.00 per day or part thereof
All Other Machinery:	At equivalent Hire Rate plus 20%

- 3.2 IRFE shall be entitled to include in its assessment of "actual cost":
- (a) the cost to IRFE of any goods and materials purchased and/or used by IRFE in and about or reasonably incidental to the performance by IRFE of the Duties;
 - (b) a sum or sums calculated on an hourly basis for the provision by IRFE of labour and/or plant and/or equipment and/or machinery used in the performance of the Duties calculated in accordance with the above schedule;
 - (c) without limiting the generality of subparagraph 3.2(b) any additional operating, administrative and supervision costs and overheads, insurance premiums, storage, delivery, installation and freight costs, stamp duty and any other costs and overheads reasonably incurred in respect of or attributable to the carrying out of the Duties.
4. Within one month of the commencement of the Term and thereafter within one month of each anniversary of the commencement of the Term, IRFE shall supply to the Community Body Corporate a written estimate of IRFE's assessment of the "actual cost" component. By applying the formula referred to in paragraph 1, the Community Body Corporate agrees to pay the resultant amount so calculated, by equal monthly instalments thereof equal to one twelfth of the amount so calculated pursuant to this paragraph 4, for the particular year in question, calendar monthly in arrears.
5. Within one month of the conclusion of each year of the Term, IRFE shall furnish to the Community Body Corporate in writing details of the "actual cost" component. Should, after applying the formula set out in paragraph 1,

the relevant amount so calculated exceeds the amount calculated pursuant to paragraph 4, the shortfall shall be payable by the Community Body Corporate to IRFE within 14 days of a written request in that regard by IRFE. Should, after applying the formula set out in paragraph 1, the relevant amount so calculated be less than the amount calculated pursuant to paragraph 4, the excess shall be credited against the next payment or payments due hereunder and otherwise payable by the Community Body Corporate, SAVE in the instance of the conclusion of this Agreement where such excess shall be payable by IRFE to the Community Body Corporate within 14 days of a written request in that regard by the Community Body Corporate.

6. IRFE shall be entitled to amend or vary the schedule referred to in paragraph 3.1 at any time to reflect the then current cost position, by notice in writing to the Community Body Corporate.
7. Any increases in the schedule shall take effect from the date such increase is incurred by IRFE PROVIDED that if the Community Body Corporate disputes any aspect of the amended schedule, it shall give written notice to that effect to IRFE within 14 days of receipt of such amended schedule. Thereafter such dispute shall be determined by the President for the time being of the Queensland Law Society Incorporated or his/her nominee at the instance of either party whose decision shall be final and binding on the parties. The costs of such determination shall be shared equally between IRFE and the Community Body Corporate. In no case however shall the charges comprising the amended schedule be adjudged to be less than the previously adopted rates.
8. Should IRFE at any time during the Term of this Agreement be of the view that to perform the Duties it is necessary for IRFE to perform other duties not stipulated in the Duties, IRFE shall give written notice of such additional duties to the Community Body Corporate and should the Community Body Corporate not dispute such written notice such additional duties shall be deemed included in the Duties as if they had been originally stipulated herein and otherwise the aforesaid provisions for the calculation of remuneration shall apply. Should the Community Body Corporate dispute the written notice then the same shall be determined by the President for the time being of the Queensland Law Society Incorporated or his/her nominee at the instance of either party whose decision shall be final and binding on the parties. The costs of such determination shall be shared equally between IRFE and the Community Body Corporate.

SCHEDULE 2 – THE DUTIES

IRFE shall have the following duties and obligations:

1. Supervise any agents, contractors or employees of IRFE engaged in gardening, cleaning, building maintenance or any other work whatsoever upon the Common Property and Community Property.
2. Ensure that the Common Property and Community Property are maintained in a clean and tidy condition and where appropriate are kept in good order and repair.
3. Police the observance of the By-Laws by the owners and the occupiers (including their guests and licensees) for the time being of all real property within the Development. The Bodies Corporate and/or Community Body Corporate hereby authorise IRFE to evict or deal in any other lawful manner with any person creating a nuisance or annoyance in or on the Common Property and/or Community Property or committing any breach of the By-Laws, to the same extent as that exercisable by the Bodies Corporate and/or the Community Body Corporate.
4. Regularly inspect Common Property and Community Property to ensure that no unauthorised persons are using any facilities and so far as IRFE is reasonably able and lawfully capable of so doing ensure that proper behaviour standards are maintained by persons using the same.
5. Keep in IRFE's possession the master key or keys for any areas under the control of the Bodies Corporate and/or the Community Body Corporate. IRFE shall allow any lawfully authorised person in the course of his duties free access to any part of the Common Property and/or Community Property as authorised at all reasonable times and as necessary in any emergency.
6. Report promptly to the Bodies Corporate and/or the Community Body Corporate on all things requiring repair and on all matters creating a hazard or danger and take remedial action where applicable.
7. If IRFE elects not to carry out maintenance personally or by employees, arrange maintenance contracts (at the cost of IRFE) and ensure that any such contracts in force are carried out in accordance with their terms and for this purpose maintain a schedule of contractors with the due dates for service calls and dates of attendance which shall be made available to the Bodies Corporate and/or the Community Body Corporate upon request.
8. Comply with and carry out all reasonable directions from time to time given by the Bodies Corporate and/or the Community Body Corporate and/or the Committee to IRFE in and about the control, management and administration of the Common Property and/or Community Property.
9. At all times ascertain and be aware of the general condition of the Common Property and/or Community Property and all machinery and appurtenances thereto so that at all times IRFE is able to keep informed the Bodies Corporate and/or the Community Body Corporate in respect thereof.

10. With the aid of the plans issued to IRFE, IRFE will inform itself of the layout, construction, location, character, plan and operating of the lighting, plumbing, ventilating systems and other mechanical equipment installed in the Common Property (or otherwise within the Group Titles Plans) and the Community Property and shall advise the Bodies Corporate and/or the Community Body Corporate generally on the condition thereof from time to time and shall recommend to the Bodies Corporate and/or the Community Body Corporate should IRFE consider it necessary any changes or modifications to be made in respect of any matters in relation to the aforesaid.
11. At the request of the Bodies Corporate and/or the Community Body Corporate to advise the Bodies Corporate and/or the Community Body Corporate concerning the Duties and to provide such other advice which the Bodies Corporate and/or the Community Body Corporate shall request relative to the management and care of the Common Property and/or Community Property.
12. To ensure that all walkways, paved areas and access areas are hosed or swept on a regular basis.
13. As and when directed by the Bodies Corporate and/or the Community Body Corporate, to ensure attendance at meetings of the Bodies Corporate and/or the Community Body Corporate and their Committee.

SPECIFIC DUTIES

Without derogating from the generality of the Duties above IRFE shall be responsible for the following duties.

Cleaning and Grounds Maintenance – Daily Routine

1. Barbecue Area

Sweep area clean and empty rubbish bins. Wipe clean all outdoor furniture and report any damaged or missing. Clean off all fats and greases from barbecue plates and facings. Report any malfunction or damage.

2. Grounds

Clean the surrounds of pools of all leaves and rubbish, empty rubbish bins and smokers' receptacles. Align all deck chairs and sun lounges and report any damage. Water as required plants, shrubs and planter boxes not covered by automatic sprinkler. Check all access paths and sweep where necessary.

3. Pools

Vacuum pools and clean skimmer baskets. Remove all floating and suspended matter from pools with skimmer nets. Empty filter baskets in filter plant room. Check pool for chlorine and PH levels. Check that automatic chlorinators are working correctly, report when chlorine switches low.

4. Footpath, Access Road and Planters

Sweep area clean and remove all rubbish, papers, etc.

Cleaning and Grounds Maintenance - Weekly Routine

1. All common areas on all levels

Clean floors.

2. Barbecue Area

Mop over all paved areas with cleaner deodoriser. Check operation of barbecue, wipe clean barbecue, clean out drip tray and renew sand.

3. Grounds

Sweep all pathways and hose clean. Hose clean and scrub where necessary all outdoor furniture to remove dirt stains. Cut grass and trim edges. All clippings are to be mulched and spread on garden beds. Weed lawns and gardens as necessary. Wash out all bins with disinfectant/cleanser. Report any repair or replacement requirements of Bodies Corporate and/or the Community Body Corporate.

4. Pools

Clean and replace pools filter pads as necessary. Replace filter powder as necessary. Check pumps and motors for serviceability and report any damage or malfunction and carry out maintenance for pools.

5. Carparks

Hose down all common areas and entry exit ramp to street level.

6. Footpath, Access Road and Planters

Hose down all footpaths and access roads.

7. Garbage Bin Area

Place garbage bins at collection point for collection. Sweep out garbage bin area. Hose mop with detergent as necessary. After garbage collection replace bins in garbage bin area.

8. Safety

Check fire hoses in accordance with the requirements specified in the Australian Fire Safety Regulations and also exit doors and exit lightings with same regulations.

Cleaning and Grounds Maintenance – Monthly Routine

1. Garbage Bin Areas

Scrub out garbage bins with disinfectant cleanser. Scrub out bin area with disinfectant cleanser, thoroughly wash down and wipe clean all door surfaces with a disinfectant cleanser.

2. All floors on all levels

Sweep down all stairs and landings. Remove dust from handrails and wipe clean. Remove dirty marks from walls as necessary. Wipe clean all doors and door frames. Wipe clean exit signs and replace blown globes. Clean insects out of all light fittings.

3. Grounds

Trim hedges, fertilise all lawns and gardens seasonally, check condition of soil in gardens and replenish if necessary. Spray control chemicals to prevent damage to plants from insects, pests. Treat lawns seasonally for eradication of bindy, clover and other weed growths. Replace all sections of turf as necessary. Aerate all gardens with garden fork or similar.

Body Corporate for
Couran Cove Community Plan CTS 106751

Application Form for Buggy/Approved “Vehicles” Permit

Applicants Name:
Applicant’s Island Address:
Applicant’s Mailing Address:
Applicant’s Email Address:
Applicant’s Contact Phone Number:

1. Who is the owner who will operate the motorised buggy/vehicle:

Name:
Address:
Contact Email:
Contact Mobile/Phone:

2. Please nominate other drivers you wish to operate the Buggy/vehicle

- a.
- b.
- c.
- d.

NB: All nominated drivers must hold a current Queensland Driving Licence. Copies of licences to be attached to this application. The buggy/vehicle CANNOT be driven by any other person.

3. Which unit/cabin is this Buggy/vehicle operating from? As/above or designate:

4. Does the Applicant have housing for the Buggy/vehicle: Yes/No

5. Is the Applicant in the process of providing housing for this vehicle: Yes/No

6. If dedicated housing is not proposed then appropriate storage/parking must be designated. Conditions for approval that will be considered:

- Clearly delineated area
- Location and access not intrusive on other dwellings
- As close to your dwelling and appropriate power supply as possible
- Levelled area with shortest possible route to roadway

7. Is this a General Use Vehicle Application (annual fee of \$1,000.00 due March 1): Yes/No

8. Is this a Disability Application (annual fee \$250.00): Yes/No

The following forms MUST be attached to allow the approval to proceed:

- a. If applying for a disability approval; a Medical Certificate stipulating long term disability and Disability Sticker
Yes/No
- b. Signed Indemnity form
Yes/No
- c. Proof of a current vehicle registration
Yes/No
- d. Proof of a current comprehensive insurance policy
Yes/No

9. Have you read and understand the Permit Conditions for any approval of a Buggy/Vehicle: Yes/No

10. Lodged the Application fee with payment of \$50.00 (once off): Yes/No

11. Have you submitted this application in writing to the Couran Cove Resort Community Body Corporate: Yes/No

While all approvals and subsequent responsible usage is managed by Island Resort, formal approval of the application is the responsibility of the Couran Cove Resort Community Body Corporate Committee.

Applicants Signature:**Date of Application:**.....

Resort Manager's Signature:Name:.....

Approval Date of CBC:.....Signed Chairperson (or designate) CBC:.....

Approval Date (office use only)

Yours faithfully,



Per:

Couran Cove Community Plan Committee

Please direct any correspondence to our Gold Coast office:

PO Box 8319, GCMC QLD 9726 | T +61 7 5504 2000 F +61 7 5504 2001 | E sskb@sskb.com.au

Body Corporate for Couran Cove Community Plan CTS 106751

Buggy/Approved Vehicles Permit Conditions

The following conditions are applicable at all times:

1. All approved buggy/vehicles must hold current vehicle registration (appropriate to that vehicle type) with Department of Transport and Main Roads.
2. Operators of approved vehicles must keep vehicle registration current and be able to prove that currency when asked.
3. Operators of approved vehicles must hold a valid licence. At no time is the buggy/vehicle to be driven by any other persons apart from the Applicant or the nominated driver(s). Nominated drivers and photocopy of current drivers licencing to be supplied at time of application. Operation by unlicensed drivers is strictly prohibited.
4. At no time must the buggy/vehicle be driven at a speed greater than 20 kms per hour on the Surf Beach Road or greater then 15kph (or less if signage directs) in other parts of the Resort.
5. At no time is the operator of the buggy/vehicle to drive while in excess of the legal alcohol limit.
6. The driving or manoeuvring of approved buggy/vehicle must not detrimentally affect or obstruct the movement of, or constitute a safety risk to pedestrians, bike riders or other approved or emergency vehicles.
7. An acknowledgement that the Applicant/nominated driver(s) must only drive the buggy/vehicle on defined (bitumen) roads and pathways within the Resort. At no time shall the Applicant nominated driver(s) be permitted to drive on the boardwalk within the property.
8. Approved vehicles must only cross Council Road at the designated crossings.
9. Approved vehicles must adhere to the designated golf buggy line markings at all times and must not traverse any native vegetation areas.
10. Approved vehicles are not permitted to be stored or parked on the shared/pedestrian/bike/golf buggy path or anywhere within the designated pathway area unless for safety or resort reasons. The owner must demonstrate they can store the buggy in an acceptable off-road location in proximity to their property when not in use.
11. Operators of approved vehicles must comply with all signage erected on the Couran Cove Island Resort and on Council Road Reserve, including any directions from a Council authorised person or emergency services personnel.
12. This permit is granted subject to operators of approved vehicles accepting to indemnify the Community Body Corporate and/or Gold Coast City Council, if required, in respect of any claims for personal injury and/or damage to property as a result of, or attributable to the use of buggies within the Resort and Council's owned/managed land.
13. Operators of approved vehicles indemnify and agree to keep indemnified the Couran Cove Resort Community Body Corporate and Gold Coast City Council against all actions, suits, proceedings, claims, demands, costs, losses, damages and expenses ("Claim") arising out of or in any way connected to, or resulting from the granting of this permit to the operator or which is connected to or resulting from operators of approved vehicles and/or Resort/Council land (all of which are referred to as "the indemnified acts or omissions") save to the extent that the Claim arises as a result of any negligent act or omission of the Couran Cove Resort Community Body Corporate or Gold Coast City Council.
14. Operators of approved vehicles release and discharge the Couran Cove Resort Community Body Corporate and/or Gold Coast City Council, if required from any Claim relating to the indemnified acts or omissions which may be made against the Community Body Corporate or Council save to the extent that the Claim arises as a result of any negligent act or omission of the Community Body Corporate or Gold Coast City Council.

Initial.....

15. The Applicant shall submit the buggy/vehicle to an inspection by the mechanic of the manager on each anniversary of the approval and abide the directions given by the Manager of the Resort to ensure its mechanically roadworthiness of the buggy, for use on the island.

16. The Applicant must covenant to abide the reasonable direction of the Manager of the Resort from time to time, in particular in relation to all parking of the buggy/vehicle in designated and set down areas.

17. A breach of any terms and conditions specified in the grant of approval (other than points 3,4,5,6 above) will be notified to the Applicant in the form of a Written Notice at which time the Applicant will have reasonable opportunity to comply.

If the Applicant has failed to comply with the Notice within 30 days and/or upon the issue of a 2nd Notice if repeated failures to observe conditions and instructions are ignored.

20. The Applicant must covenant that any breach of the terms and conditions specified in the granting of the approval, will entitle the Manager (after point 17 has been applied) to disable the buggy and remove it from the Resort at the cost and expense of the Applicant.

19. If dangerous or irresponsible usage (as laid out in points 3,4,5,6 above) is observed by management or staff of the resort at any time forfeiture of the buggy/vehicle license, and/or disabling of the buggy and/or removal of the buggy from the Resort at the cost of the Applicant can occur without further notice.

21. The Applicant acknowledges that the administration of the buggy/vehicle approval will be undertaken by the Manager and Couran Cove Resort Community Body Corporate whose decisions in relation thereto shall be final and binding on the Applicant.

22. The application must be accompanied with an application fee of \$50.00, lodged with the application form. This fee and the license fee are payable to the Community Body Corporate (CBC). Clear evidence of compliance with the first 3 conditions above and acknowledgement of the indemnities set out in conditions 12,13 and 14 are required at time of application. The annual sum of \$1000.00 for General Use of a vehicle or \$250.00 for Disability Use, including GST will be required on approval of the application. This Annual Fee is payable in advance on July 1 each year (pro rata for the first year).

Applicants Signed Name

Manager SignedName.....

Should you require any further information with regards to this matter, please do not hesitate to contact our office.

Yours faithfully,



Per:

Couran Cove Community Plan Committee

Please direct any correspondence to our Gold Coast office:

PO Box 8319, GCMC QLD 9726 | T +61 7 5504 2000 F +61 7 5504 2001 | E sskb@sskb.com.au

Deed of Indemnity

Couran Cove Resort Community Body Corporate GTP 106751

and

Deed of Indemnity

Dated: _____

Parties

Name: _____

Defined as: **Owners**

Name: **Couran Cove Resort Community Body Corporate GTP 106751**

ABN: **40 423 934 548**

Defined as: **Body Corporate**

Recitals

- A The Body Corporate is the owner of the common property located at the Couran Cove Resort.
- B The owners wish to operate a golf buggy within the common property owned by the Body Corporate at the Couran Cove Resort.
- C The Owners wish to indemnify the Body Corporate against any claims which may be bought in respect of any injury or damage caused by the operation of the golf buggy.

Agreed Terms

The parties covenant as follows:

1 Definitions

1.1 In this Deed, unless the context suggests otherwise requires:

Term	Definition
Claims	includes any complaint, action, suit, cause of action, proceedings, claim, demand, verdict or judgement, arising under the common law, in equity, in contract, tort (including negligence) or under the provisions of any statute.
Deed	means this Deed of Indemnity and any Schedule.
Golf Buggy	means the following vehicle whilst it remains registered in the name of: _____ Model: _____ Make: _____ VN/Chassell: _____

Registration No: _____

Personal Injury means bodily injury, fatal injury, prenatal injury, psychological or psychiatric injury and disease.

Property Damage means physical damage or destruction of tangible property (including loss of property) including the loss of the property damaged or destroyed.

2 Indemnity

2.1 The Owners hereby indemnify the Body Corporate and agree to keep indemnified the Body Corporate against any loss, damage, cost, charge, expense (including legal costs) or other liability which the Body Corporate may incur because of or in any way relating to any Claim made against the Body Corporate for Personal Injury or Property Damage caused by or arising out of the use of the Golf Buggy;

3 Notices

3.1 A communication in connection with the Deed must be given in accordance with the *Property Law Act 1974* and may be given by an authorised officer of the relevant party or the solicitors for the relevant party.

4 Costs

4.1 Each party will bear their own costs of and incidental to this matter and to the negotiations, preparation and execution of this Deed.

5 Counterparts

5.1 The Deed may consist of a number of counterparts and the counterparts taken together constitute one and the same instrument. The exchange of executed counterparts by email will create a binding Deed.

Executed as a Deed Poll

SIGNED, SEALED AND DELIVERED by

in the presence of: _____

Signature of witness

SIGNED, SEALED AND DELIVERED by

in the presence of: _____

Signature of witness

Body Corporate for Couran Cove Community Plan CTS 106751

26 February 2019

Dear ,

RE: Approval of Buggy (Scheme/lot/unit)

We are writing to you on instructions from the Body Corporate for Couran Cove Community Plan CTS 106751. The Committee have reviewed your buggy application and it is approved, subject to the following conditions:

Buggy/Approved Vehicles Permit Conditions

The following conditions are applicable at all times:

1. All approved buggy/vehicles must hold current vehicle registration (appropriate to that vehicle type) with Department of Transport and Main Roads.
2. Operators of approved vehicles must keep vehicle registration current and be able to prove that currency when asked.
3. Operators of approved vehicles must hold a valid licence. At no time is the buggy/vehicle to be driven by any other persons apart from the Applicant or the nominated driver(s). Nominated drivers and photocopy of current drivers licencing to be supplied at time of application. Operation by unlicensed drivers is strictly prohibited.
4. At no time must the buggy/vehicle be driven at a speed greater than 20 kms per hour on the Surf Beach Road or greater then 15kph (or less if signage directs) in other parts of the Resort.
5. At no time is the operator of the buggy/vehicle to drive while in excess of the legal alcohol limit.
6. The driving or manoeuvring of approved buggy/vehicle must not detrimentally affect or obstruct the movement of, or constitute a safety risk to pedestrians, bike riders or other approved or emergency vehicles.
7. An acknowledgement that the Applicant/nominated driver(s) must only drive the buggy/vehicle on defined (bitumen) roads and pathways within the Resort. At no time shall the Applicant nominated driver(s) be permitted to drive on the boardwalk within the property.
8. Approved vehicles must only cross Council Road at the designated crossings.
9. Approved vehicles must adhere to the designated golf buggy line markings at all times and must not traverse any native vegetation areas.
10. Approved vehicles are not permitted to be stored or parked on the shared/pedestrian/bike/golf buggy path or anywhere within the designated pathway area unless for safety or resort reasons. The owner must demonstrate they can store the buggy in an acceptable off-road location in proximity to their property when not in use.
11. Operators of approved vehicles must comply with all signage erected on the Couran Cove Island Resort and on Council Road Reserve, including any directions from a Council authorised person or emergency services personnel.

12. This permit is granted subject to operators of approved vehicles accepting to indemnify the Community Body Corporate and/or Gold Coast City Council, if required, in respect of any claims for personal injury and/or damage to property as a result of, or attributable to the use of buggies within the Resort and Council’s owned/managed land.

13. Operators of approved vehicles indemnify and agree to keep indemnified the Couran Cove Resort Community Body Corporate and Gold Coast City Council against all actions, suits, proceedings, claims, demands, costs, losses, damages and expenses (“Claim”) arising out of or in any way connected to, or resulting from the granting of this permit to the operator or which is connected to or resulting from operators of approved vehicles and/or Resort/Council land (all of which are referred to as “the indemnified acts or omissions”) save to the extent that the Claim arises as a result of any negligent act or omission of the Couran Cove Resort Community Body Corporate or Gold Coast City Council.

14. Operators of approved vehicles release and discharge the Couran Cove Resort Community Body Corporate and/or Gold Coast City Council, if required from any Claim relating to the indemnified acts or omissions which may be made against the Community Body Corporate or Council save to the extent that the Claim arises as a result of any negligent act or omission of the Community Body Corporate or Gold Coast City Council.

Initial.....

15. The Applicant shall submit the buggy/vehicle to an inspection by the mechanic of the manager on each anniversary of the approval and abide the directions given by the Manager of the Resort to ensure its mechanically roadworthiness of the buggy, for use on the island.

16. The Applicant must covenant to abide the reasonable direction of the Manager of the Resort from time to time, in particular in relation to all parking of the buggy/vehicle in designated and set down areas.

17. A breach of any terms and conditions specified in the grant of approval (other than points 3,4,5,6 above) will be notified to the Applicant in the form of a Written Notice at which time the Applicant will have reasonable opportunity to comply.

If the Applicant has failed to comply with the Notice within 30 days and/or upon the issue of a 2nd Notice if repeated failures to observe conditions and instructions are ignored.

20. The Applicant must covenant that any breach of the terms and conditions specified in the granting of the approval, will entitle the Manager (after point 17 has been applied) to disable the buggy and remove it from the Resort at the cost and expense of the Applicant.

19. If dangerous or irresponsible usage (as laid out in points 3,4,5,6 above) is observed by management or staff of the resort at any time forfeiture of the buggy/vehicle license, and/or disabling of the buggy and/or removal of the buggy from the Resort at the cost of the Applicant can occur without further notice.

21. The Applicant acknowledges that the administration of the buggy/vehicle approval will be undertaken by the Manager and Couran Cove Resort Community Body Corporate whose decisions in relation thereto shall be final and binding on the Applicant.

22. The application must be accompanied with an application fee of \$50.00, lodged with the application form. This fee and the license fee are payable to the Community Body Corporate (CBC). Clear evidence of compliance with the first 3 conditions above and acknowledgement of the indemnities set out in conditions 12,13 and 14 are required at time of application. The annual sum of \$1000.00 for General Use of a vehicle or \$250.00 for Disability Use, including GST will be required on approval of the application. This Annual Fee is payable in advance on July 1 each year (pro rata for the first year).

Applicant Signature:..... **Name:**.....

Should you require any further information with regards to this matter, please do not hesitate to contact our office.

Yours faithfully,



Per:

Couran Cove Community Plan Committee

Please direct any correspondence to our Gold Coast office:



PO Box 8319, GCMC QLD 9726 | T +61 7 5504 2000 F +61 7 5504 2001 | E sskb@sskb.com.au

Proxy Form – General Meeting

TO: The Secretary for Couran Cove Community Plan BUP/GTP 106751

C/- SSKB, PO Box 8319, GCMC QLD 9726 | T +61 7 5504 2000 F +61 7 5504 2001 | E sskb@sskb.com.au

If you are unable to attend the meeting, as a proprietor and eligible voter, you may wish to appoint a person to act as your proxy to represent you and vote on your behalf at the meeting. If you are a corporate nominee for a lot held in a company name, you may appoint a proxy to represent you at the meeting.

Proxy Giver's Details	Proxy's Details
Name/s of Proprietors:	Name:
Lot number:	Address:
Signature/s: 	Signature: 

- This proxy is for the general meeting to be held on _____; or
 Is a general proxy.

Appointment of Company Nominee

TO: The Secretary for Couran Cove Community Plan BUP/GTP 106751


C/- SSKB, PO Box 8319, GCMC QLD 9726 | T +61 7 5504 2000 F +61 7 5504 2001 | E sskb@sskb.com.au

Note: Lots owned by a company or under a mortgagee in possession must appoint an individual as the company nominee and this information must be listed in the Body Corporate roll to be eligible to vote.

Name of company:	
Lot number:	
Name of nominee:	
Address:	
Name of alternative (if any):	
Address:	

Authorisation is given in accordance with the regulations.

Signature of authorised person/s:


 Signature _____ Date: _____


Name: _____

Voting Paper - Couran Cove Community Plan GTP 106751

To ensure your vote counts submit this Voting Paper to the Secretary c/- SSKB

You can attend your AGM in person and vote from the floor of the meeting or submit your voting paper. You may also appoint a proxy to vote on your behalf.

 To vote on these motions in writing, please detach the voting paper at the end of the document and tick either the YES, NO or ABSTAIN box beside each motion.

 After signing the bottom of the voting paper, please forward it to the Secretary, C/- SSKB at sskb@sskb.com.au or PO Box 8319, GCMC Qld 9726 | Fax (07) 5504 2001 | Email sskb@sskb.com.au so that it is received before the meeting date. Do not hand your voting paper to anyone other than the secretary or a SSKB representative to ensure your vote is valid. A person may change a written vote to a personal or proxy vote by notifying their intention to do so to the chairperson or secretary, prior to the start of the meeting.


Statutory Motions	Voting
1. Confirmation of Minutes of Previous Meeting - Motion by Ordinary Resolution	Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain <input type="checkbox"/>
2. Adoption of Financial Statements - Motion by Ordinary Resolution	Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain <input type="checkbox"/>
3. Non Audit of Accounts for Ensuing Financial Year - Motion By Special Resolution	Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain <input type="checkbox"/>
4. Appointment of Auditor - Motion by Ordinary Resolution	Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain <input type="checkbox"/>
5. Administrative Fund Budget and Advance Issue - Motion by Ordinary Resolution	Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain <input type="checkbox"/>
6. Sinking Fund Budget and Advance Issue - Motion by Ordinary Resolution	Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain <input type="checkbox"/>
7. Community Facility Fund Budget and Contributions - Motion by Ordinary Resolution	Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain <input type="checkbox"/>
8. Utility Infrastructure Administrative Fund Budget and Advance Issue - Motion by Ordinary Resolution	Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain <input type="checkbox"/>
9. Utility Infrastructure Sinking Fund Budget and Advance Issue - Motion by Ordinary Resolution	Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain <input type="checkbox"/>
10. Insurance Approval - Motion by Ordinary Resolution	Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain <input type="checkbox"/>
Motion from the Committee	
11. Electronic Voting- Motion by Ordinary Resolution	Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain <input type="checkbox"/>
12. Mutual Termination of Infrastructure Services Agreement with Island Resort Infrastructure Pty Ltd dated 24 August 2012 – Motion by Ordinary Resolution	Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain <input type="checkbox"/>
13. Enter into a new Supply of Services and Caretaking Agreement with Island Resort (Facilities and Equipment) Pty Ltd ACN 613 379 070 – Motion by Ordinary Resolution.	Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain <input type="checkbox"/>
14. Mutual Termination of Maintenance and Access Agreement between CBC and Island Resort (Facilities and Equipment) Pty Ltd ACN 613 379 070 – Motion by Ordinary Resolution	Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain <input type="checkbox"/>
15. Acknowledgement of Debt Owed by CBC to Island Resort Infrastructure Pty Ltd Pursuant to the Infrastructure Service Agreement dated 24 August 2012 – Motion by Ordinary Resolution	Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain <input type="checkbox"/>



TO COMPLETE THIS VOTING PAPER, PLEASE SIGN THIS BOX ON EACH PAGE
 This voting paper is to be recorded as my/our vote in respect of the motions set out above.
 Signed: Lot No:


16. Acknowledgement of Debt Owed by CBC to Island Resort (Facilities and Equipment) Pty Ltd Pursuant to the Services Agreement dated 27 March 2003 and Community Facilities Service Agreement dated 18 August 2003 – Motion by Ordinary Resolution	Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain <input type="checkbox"/>
17. Acknowledgement of Debt Owed by CBC to Island Resorts (Facilities and Equipment) Pty Ltd Pursuant to the Maintenance and Access Agreement dated 27 March 1998 – Motion by Ordinary Resolution	Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain <input type="checkbox"/>
18. Buggy Application Process – Motion by Ordinary Resolution	Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain <input type="checkbox"/>


I/We have signed the bottom of each page comprising this voting paper – NOTE EACH OWNER MUST SIGN.

 Signature(s) of voters(s) _____

Name(s) of voter(s) in capitals _____

Lot no. _____ Date: _____

 WILL YOU BE ATTENDING THE ANNUAL GENERAL MEETING YES NO
 After signing this completed voting paper, please forward it promptly

 TO: The Secretary for Couran Cove Community Plan BUP/GTP 106751
 PO Box 8319, GCMC QLD 9726 | T +61 7 5504 2000 F +61 7 5504 2001 | E sskb@sskb.com.au

The Proprietors for Couran Cove Community Body Corporate GTP 106751

Minutes of the Annual General Meeting held in the office of SSKB, 10 Frigo Court, Bundall on Thursday, 12 September 2019 at 3.00pm

Lots represented by

Lot 1 Lachlan McIntosh, Company Nominee

Lot 2 Matt Parsons, Chairperson of Marine Apartments GTP 106784, (Chairperson CBC) – via teleconference and Juliette Nairn of OMB Solicitors holding a proxy for Lot 2

Lot 3 Simon Napoli, Company Nominee

Lot 4 Ray James, Chairperson of Lagoon Lodges GTP 106808 (Lot is un-financial and therefore precluded from voting)

Lot 5 Matthew O'Connor, Chairperson of Broadwater Villas GTP 106807 and voting paper

Lot 6 Proxy to Matthew O'Connor (Lot is un-financial and precluded therefore from voting)

Quorum

The Chairperson advised that a quorum was represented and declared the meeting open at 3.35pm.

Also in attendance

Charlotte Divall of SSKB (Community Manager)

Chris Butler, Committee Member Broadwater Villas GTP 106807

Rod Johanson, Legal Representative of Matthew O'Connor

Col Elliot, Committee Member Marine Apartments GTP 106784

Apologies

The Chairperson declared that no apologies were received.

Rod Johanson requested that the Meeting be adjourned in order that the subsidiary Body Corporates have longer to review the proposed budgets and motions.

Juliette Nairn advised that the Meeting should proceed today, with the CBC Committee to be formed, a Committee Meeting subsequently held and for an Extraordinary General Meeting to be called.

1. Confirmation of Minutes of Previous Meeting - Motion by Ordinary Resolution

RESOLVED THAT the minutes of the Extraordinary General Meeting held on 16 November 2018 be confirmed.

Lots 1,2,3 voted yes, lot 5 abstained

2. Adoption of Financial Statements - Motion by Ordinary Resolution

Lachlan advised that he believed that there was an item missing from the sinking fund expenditure regarding the swimming pool

RESOLVED THAT the Balance Sheet and Statements of Income and Expenditure for the year ending 28 February 2019 be adopted and confirmed by the Body Corporate.

Lots 1,2,3 voted yes, lot 5 no

3. Non Audit of Accounts for Ensuing Financial Year - Motion By Special Resolution – MOTION LOST

THAT the Body Corporate statement of accounts for the financial year ending 29 February 2020 not be audited.
Lots 1,2,3,5 voted no

4. Appointment of Auditor - Motion by Ordinary Resolution

RESOLVED THAT KPMG be appointed to audit the Body Corporate statement of accounts for the 29 February 2020 financial year.
Lots 1,2,3,5 voted yes

5. Administrative Fund Budget and Advance Issue - Motion by Ordinary Resolution

RESOLVED THAT:

- i. An Administrative Fund Budget of \$744,571.00 (excluding GST), and \$819,028.10 (including GST) from 1 March 2019 to 29 February 2020;
- ii. Which equals \$229.95 (excluding GST), and \$252.94 (including GST) per contribution entitlement;
- iii. There will be 2 levies issued this financial year to make up the balance of the budget; and
- iv. There will be 1 advance issue for the next financial year issued at the same amount as the last levy of this financial year.

Summary Table

Discount Date 30 days after the Due Date	\$ (including GST)	Period/Due Date
31/03/19 (already issued)	\$90.26	01/03/19-30/06/19
23/09/19	\$81.34	01/07/19-31/10/19
01/11/19	\$81.34	01/11/19-29/02/20
Total entitlements: 3,238	Total per entitlement: \$252.94	
01/03/20 (advance issue next financial year)	\$81.34	01/03/20-30/06/20

Lots 1,2,3 voted yes, lot 5 no

6. Sinking Fund Budget and Advance Issue - Motion by Ordinary Resolution

RESOLVED THAT:

- i. A Sinking Fund Budget of \$190,855.45 (excluding GST), and \$209,941.00 (including GST) from 1 March 2019 to 29 February 2020;
- ii. Which equals \$58.94 (excluding GST), and \$64.84 (including GST) per contribution entitlement;
- iii. There will be 2 levies issued this financial year to make up the balance of the budget; and
- iv. There will be 1 advance issue for the next financial year issued at the same amount as the last levy of this financial year.

Summary Table

Discount Date 30 Days after the Due Date	\$ (including GST)	Period/Due date
31/03/19 (already issued)	\$7.32	01/03/19-30/06/19
23/09/19	\$28.76	01/07/19-31/10/19
01/11/19	\$28.76	01/11/19-29/02/20
Total entitlements: 3,238	Total per entitlement: \$64.84	
01/03/20 (advance issue next financial year)	\$28.76	01/03/20-30/06/20

Lots 1,2,3 voted yes, lot 5 no

7. Community Facility Fund Budget and Contributions - Motion by Ordinary Resolution

RESOLVED THAT:

- i. A Community Facility Fund Budget of \$377,995.80 (excluding GST), and \$415,795.38 (including GST) from 1 March 2019 to 29 February 2020;
- ii. Which equals \$116.74 (excluding GST), and \$128.41 (including GST) per contribution entitlement;
- iii. There will be 2 levies issued this financial year to make up the balance of the budget; and
- iv. There will be 1 advance issue for the next financial year issued at the same amount as the last levy of this financial year.

Summary Table

Discount Date 30 Days after the Due Date	\$ (including GST)	Period/Due date
31/03/19 (already issued)	\$42.21	01/03/19-30/06/19
23/09/19	\$43.10	01/07/19-31/10/19
01/11/19	\$43.10	01/11/19-29/02/20
Total entitlements: 3,238	Total per entitlement: \$128.41	
01/03/20 (advance issue next financial year)	\$43.10	01/03/20-30/06/20

Lots 1,2,3 voted yes, lot 5 no

8. Utility Infrastructure Administrative Fund Budget and Advance Issue - Motion by Ordinary Resolution

RESOLVED THAT:

- i. A Utility Infrastructure Administrative Fund Budget of \$1,795,950.35 (excluding GST), and \$1,975,545.39 (including GST) from 1 March 2019 to 29 February 2020;
- ii. Which equals \$554.65 (excluding GST), and \$610.11 (including GST) per contribution entitlement;
- iii. There will be 2 levies issued this financial year to make up the balance of the budget; and
- iv. There will be 1 advance issue for the next financial year issued at the same amount as the last levy of this financial year.

Summary Table

Discount Date 30 Days after the Due Date	\$ (including GST)	Period/Due date
01/03/19 (already issued)	\$189.81	01/03/19-30/06/19
23/09/19	\$210.15	01/07/19-31/10/19
01/11/19	\$210.15	01/11/19-29/02/20
Total entitlements: 3,238	Total per entitlement: \$610.11	
01/03/20 (advance issue next financial year)	\$210.15	01/03/20-30/06/20

Lots 1,2,3 voted yes, lot 5 no

9. Utility Infrastructure Sinking Fund Budget and Advance Issue - Motion by Ordinary Resolution

RESOLVED THAT:

- i. A Utility Infrastructure Sinking Fund Budget of \$117,333.35 (excluding GST), and \$129,066.69 (including GST) from 1 March 2019 to 29 February 2020;
- ii. Which equals \$36.24 (excluding GST), and \$39.86 (including GST) per contribution entitlement;
- iii. There will be 2 levies issued this financial year to make up the balance of the budget; and
- iv. There will be 1 advance issue for the next financial year issued at the same amount as the last levy issued this financial year.

Summary Table

Discount Date 30 Days after the Due Date	\$ (including GST)	Period/Due date
01/03/19 (already issued)	\$39.86	01/03/19-28/02/20
23/09/19	\$0	01/07/19-31/10/19
01/11/19	\$0	01/11/19-29/02/20
Total entitlements: 3,238	Total per entitlement: \$39.86	
01/03/20 (advance issue next financial year)	\$39.86	01/03/20-30/06/20

Lots 1,2,3 voted yes, lot 5 no

10. Insurance Approval - Motion by Ordinary Resolution

RESOLVED THAT the proprietors:

- i. Ratify the insurance details, listed in the insurance report circulated with the Meeting material, renewed on 1 June 2019;
- ii. Authorises the Community Manager to take the necessary action to obtain insurance renewal proposals for the Chairperson or Committee representative approval; and
- iii. Acknowledges the disclosures made by SSKB in the administration agreement concerning insurance.

NOTE: The last valuation for insurance purposes was carried out on 1 May 2005 for a building replacement value determined at \$103,726,000.00.

Lots 1,2,3,5 voted yes

Motions from the Committee

11. Electronic Voting- Motion by Ordinary Resolution

RESOLVED THAT voters for General Meetings of the Body Corporate may cast a vote by completing and signing on-line, an electronic form of the voting paper in accordance with the instructions provided and submitting the paper electronically to the Secretary of the Body Corporate in accordance with the Act Sections 5 and 6, and the Electronic Transactions Act (Qld).

Lots 1,2,3,5 voted yes

12. Mutual Termination of Infrastructure Services Agreement with Island Resort Infrastructure Pty Ltd dated 24 August 2012 - Motion by Ordinary Resolution

RESOLVED THAT the Body Corporate for Couran Cove Community Plan M.C.P.106751 **resolves** to enter into a mutual termination with Island Resort Infrastructure Pty Ltd ACN 613 379 221 of the Infrastructure Services Agreement dated 24 August 2012 and it is further resolved that the Community Body Corporate acknowledges that the mutual termination will take effect on Friday 13 September 2019.

Lots 1,2,3,5 voted yes

13. Enter into a new Supply of Services and Caretaking Agreement with Island Resort (Facilities and Equipment) Pty Ltd ACN 613 379 070 - Motion by Ordinary Resolution

RESOLVED THAT the Body Corporate for Couran Cove Community Plan M.C.P.106751 resolves to mutually rescind on Friday 13 September 2019 the current Services Agreement dated 26 March 2003 entered into (originally) by the CBC with Couran Cove Holdings Pty Ltd ACN 160 528 263 for the supply of caretaking services to the Community Body Corporate (CBC) on the condition that the Couran Cove Community Plan M.C.P.106751 resolves to simultaneously enter into a new Supply of Services and Caretaking Agreement between Island Resort (Facilities and Equipment) Pty Ltd which will commence on Friday 13 September 2019 and will end on 17 August 2047 (the end date is specific and identical to the end date for Community Facilities Services Agreement dated 18 August 2003 executed between the CBC and Island Resort (Facilities and Equipment) Pty Ltd to ensure that both agreements will have an end date of 17 August 2047) and the terms and conditions as detailed in the **attached** Supply of Services and Caretaking Agreement, and it is further resolved that the CBC will take all steps necessary to execute and sign under seal all documents/agreements necessary to facilitate the entering into of the Supply Services and Caretaking Agreement with Island Resort (Facilities and Equipment) Pty Ltd (the Caretaker) to enable the Caretaker to be able to provide such caretaking services for the repair, maintenance, gardening and cleanliness of the community property by the CBC.

Lots 1,2,3 voted yes, lot 5 no

14. Mutual Termination of Maintenance and Access Agreement between CBC and Island Resort (Facilities and Equipment) Pty Ltd ACN 613 379 070 - Motion by Ordinary Resolution

RESOLVED THAT the Couran Cove Community Plan M.C.P. 106750 resolves to mutually terminate the Maintenance and Access Agreement entered by the CBC and the caretaker, Island Resort (Facilities and Equipment) Pty Ltd ACN 613 379 070 dated 27 March 1998 and it is further resolved that the CBC will sign all agreements/deeds necessary to facilitate the mutual termination of the Maintenance and Access Agreement dated 27 March 1998.

Lots 1,2,3,5 voted yes

Juliette Nairn, Simon Napoli, Rod Johanson, Ray James, Chris Butler and Matthew O'Connor left the room at 3.40pm

Juliette Nairn and Sion Napoli entered the room at 3.45pm

Rod Johanson, Ray James, Chris Butler and Matthew O'Connor entered the room at 3.47pm

15. Acknowledgement of Debt Owed by CBC to Island Resort Infrastructure Pty Ltd Pursuant to the Infrastructure Service Agreement dated 24 August 2012 - Motion by Ordinary Resolution

RESOLVED THAT the Couran Cove Community Plan M.C.P. 106750 **resolves** to acknowledge the debt owed by it to the utility services provider being, Island Resort Infrastructure Pty Ltd ACN 613 379 070, pursuant to the Infrastructure Service Agreement dated 24 August 2012 as set out below:

- a) Debt in relation to Eco Precinct sub category \$1,524,502
- b) Debt in relation to Lagoon Lodges sub category \$403,548
- c) Debt in relation to CBC category \$1,052,545
- d) TOTAL DEBT OWING \$2,980,595**

Lots 1,2,3 voted yes, lot 5 no

16. Acknowledgement of Debt Owed by CBC to Island Resorts (Facilities and Equipment) Pty Ltd Pursuant to the Services Agreement dated 27 March 2003 and Community Facilities Service Agreement dated 18 August 2003 - Motion by Ordinary Resolution

RESOLVED THAT the Couran Cove Community Plan M.C.P. 106750 resolves to acknowledge the debt owed by it to the Caretaker being, Island Resorts (Facilities and Equipment) Pty Ltd, pursuant to the Services Agreement dated 27 March 2003 and Community Facilities Service Agreement dated 18 August 2003 as set out below:

- a) Debt in relation to Eco Precinct sub category \$1,453,604
- b) Debt in relation to Lagoon Lodges sub category \$2,803
- c) Debt in relation to CBC category \$154,947
- d) **TOTAL DEBT OWING \$1,611,354**

Lot 1,2,3 voted yes, lot 5 no

17. Acknowledgement of Debt Owed by CBC to Island Resorts (Facilities and Equipment) Pty Ltd Pursuant to the Maintenance and Access Agreement dated 27 March 1998 - Motion by Ordinary Resolution

RESOLVED THAT the Couran Cove Community Plan M.C.P. 106750 resolves to acknowledge the debt owed by it to the Caretaker being, Island Resorts (Facilities and Equipment) Pty Ltd, pursuant to the Maintenance and Access Agreement dated 27 March 1998 as set out below:

- a) Debt in relation to Eco Precinct sub category \$2,001,436
- b) Debt in relation to Lagoon Lodges sub category \$222,392
- c) Debt in relation to CBC category \$1,240,634
- d) **TOTAL DEBT OWING \$3,464,463**

Lots 1,2,3 voted yes, lot 5 no

18. Buggy Application Process - Motion by Ordinary Resolution – **MOTION LOST**

THAT the Body Corporate accept the attached Application Form, Buggy/Approved Vehicles Permit Conditions, Deed of Indemnity and Approval Letter and further that the application process is:

- i. Applicants are provided with the Application Form and Buggy/Approved Vehicles Permit Conditions;
- ii. Completed Application sent to Couran Cove CBC Committee for their consideration;
- iii. Approved applications signed by Chairperson and Resort Manager and sent to SSKB for filing;
- iv. SSKB provide Approval Letter to application, add to Buggy register and update billing spreadsheet for the annual fee.

Lots 1,2,3,5 voted no

Election of Committee Members

Juliette Nairn advised Matthew O'Connor that she had not given her permission to be recorded and that she and Simon Napoli objected to the meeting being recorded, as it was noted that Matthew O'Connor was using a recording device in the Meeting. Matthew advised that this was for his own purposes.

As no nominations were received all positions were called from the floor of the Meeting.

Simon Napoli nominated Matt Parsons to the position of Chairperson. Matthew O'Connor nominated himself.

Simon withdrew his nomination; therefore Matthew O'Connor was elected to the position of Chairperson.

Simon Napoli nominated himself to the position of Secretary – non-voting, and as no other nominations were received, he was duly elected.

Lachlan McIntosh nominated himself to the position of Treasurer – non-voting, and as no other nominations were received, he was duly elected.

Lachlan McIntosh, Simon Napoli and Matt Parsons nominated themselves to the positions of Ordinary Committee Members, and as no other nominations were received, they were duly elected.

Therefore, the following persons shall comprise the Body Corporate Committee for the ensuing year.

Chairperson	Matthew O'Connor
Secretary non-voting	Simon Napoli
Treasurer non-voting	Lachlan McIntosh
Ordinary Committee Members	Lachlan McIntosh, Simon Napoli, Matt Parsons

Next Meeting

The next Committee Meeting will be held on or about:

Date: Monday, 23 September 2019

Time: 11.00am

Place: SSKB 10 Frigo Court Bundall and via teleconference

It was noted that Matthew O'Connor will be overseas until 12 October 2019 and that he will provide a proxy to Rod Johanson for this period.

Closure

There being no further business to discuss, the Chairperson declared the meeting closed at 4.02pm.

Confirmed and signed as a true and correct record of this meeting.

Chairperson: _____ **Date:** _____

COURAN COVE RESORT COMMUNITY BODY CORPORATE

Property By-Laws

**Sections 206 and 206A of the Mixed Use Development Act 1993
(applicable to the whole of the site)**

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1. **APPLICATION**

- 1.1 These By-Laws are for the control, management, administration, use or enjoyment of the community property.
- 1.2 These By-Laws bind the Community Body Corporate, members of the Community Body Corporate, proprietors of lots created by the registration of a building units or group titles plan, a mortgagee in possession (whether by the mortgagee or another party) of a lot, a lessee or occupier of a lot within the Site (all of the aforesaid, hereinafter collectively referred to, unless a contrary intention is indicated, as "person" or "persons").

2. **PRIVATE ROADS, VEHICLES AND OTHER COMMUNITY PROPERTY**

- 2.1 The private roadways, pathways, drives (if any) and other community property shall not be obstructed by any person or their tenants, guests, servants, employees, agents, children, invitees or licensees or used by them for any purpose other than pedestrian access. No person shall:-

- 2.1.1 drive or permit to be driven any motor vehicle or truck, motorcycle, electric cart or bicycle (electricity operated, motorised or otherwise) onto or over the community property other than such vehicles necessary to complete the construction thereof and any motor vehicles entitled by any statute and/or local authority ordinances unless the Executive Committee shall have previously approved of the same in writing;

- 2.1.2 permit any boat, trailer, caravan, campervan or mobile home onto, over or through the community property.

PROVIDED HOWEVER that any service vehicles (including transportation vehicles) of the Resort Operator shall be permitted to use the community property at all times.

- 2.2 In the event of Executive Committee approval for any of the aforesaid the maximum allowable speed upon the community property shall be 20 kilometres per hour and every person who so drives such of the aforesaid as is approved by the Executive Committee shall at all times observe the prescribed speed limit, obey traffic signs and comply with the directions of the security personnel (if any) and operate the same in a safe and orderly manner.
- 2.3 To the extent that the community property contains any inundated land, the Executive Committee may from time to time make rules in relation to the use of the inundated land by any person or their tenants, guests, servants, employees, agents, children, invitees or licensees.

3. **NO SMOKING**

Persons shall not at any time smoke on the community property.

4. DAMAGE TO COMMUNITY PROPERTY

4.1 Persons shall not damage any lawn, garden, tree, shrub, plant or flower being part of or situated upon the community property and except with the consent in writing of the Executive Committee persons shall not use for their own purposes as a garden any part of the community property;

4.2 Persons shall not mark, paint, drive nails or screws or the like into or otherwise damage or deface any structure that forms part of the community property except with the consent in writing of the Executive Committee.

5. DEPOSITING RUBBISH ETC ON THE COMMUNITY PROPERTY

Persons shall not deposit or throw upon the community property any rubbish, dirt, dust or other material, likely to interfere with the peaceful enjoyment of other persons lawfully using the community property.

6. INSTRUCTIONS TO CONTRACTORS ETC

Persons shall not directly instruct any contractors or workmen employed by the Community Body Corporate or the Executive Committee unless they are so authorised.

7. FLAMMABLE LIQUIDS

Persons must not store or use flammable liquids or materials on the community property without the written consent of the Community Body Corporate.

8. NUISANCE

8.1 No noxious or offensive trade or activity shall be carried on or upon the community property nor shall anything be done thereon which may become an annoyance or nuisance.

8.2 The Executive Committee shall have the right to determine in accordance with these By-Laws if any noise, odour, interference or activity constitutes a nuisance.

9. ANIMALS

9.1 Persons shall not without the approval in writing of the Executive Committee, keep or bring into a lot or onto the common areas any animal or bird provided however a deaf or a blind person shall be permitted to keep or bring into a lot or onto the common areas a guide dog as referred to in the Guide Dogs Act 1971. Whether or not any approval is granted shall be a matter for the sole and unfettered discretion of the Executive Committee. The Executive Committee shall be under no obligation to provide reasons for any decision made by it under this By-Law 9 and in the event of any approval being given hereunder, the Executive Committee may attach such conditions as it deems fit and

unconditionally reserve the right to revoke any such approval at any time and in any circumstances.

- 9.2 Native fauna is permitted on the common areas. Persons shall take all reasonable steps to ensure that native fauna is not disturbed unnecessarily.

10. SIGNS AND SALES

- 10.1 Persons shall not display any sign, advertisement, placard, banner or pamphlet on any part of the community property.
- 10.2 Persons shall not conduct or allow the conduct of any auction or sale upon the community property without the prior approval in writing of the Executive Committee.
- 10.3 Notwithstanding anything to the contrary herein contained, the Developer may place signs on the community property promoting the sale or lease of lots or leased areas as it thinks fit. During such time as the Developer remains a proprietor of any lot, it and its officers, servants and/or agents shall be entitled to use any part of the community property as a display unit/s. For the purposes of this By-Law 10.3, the term "display unit/s" shall also mean and include an estate sales office or similar office. The Developer shall be entitled to allow prospective purchasers of lots or lessees of lots or parts of community property onto the community property to allow access to the lots or leased areas or the aforesaid display unit/s, as it thinks fit.

11. NOISE

- 11.1 Persons shall not make or permit to be made any noise likely to interfere in any way with the peaceful enjoyment of other persons lawfully using the community property. In particular, no person shall hold or permit to be held any social gathering which would cause any noise which unreasonably interferes with the peace and quietness of any person lawfully using the community property at any time of day or night and in particular persons shall comply in all respects with the Noise Abatement Act 1978 and the Environmental Protection Act 1994.
- 11.2 Persons shall not operate or permit to be operated upon the community property any radio, two-way radio, short wave radio, transmitter, telecommunications device or electronic equipment so as to interfere with any domestic appliance or apparatus (including a radio or television receiver) lawfully in use anywhere in the Resort.
- 11.3 The duties and obligations imposed by this By-Law on persons shall be observed not only by those persons but also by their tenants, guests, servants, employees, agents, children, invitees and licensees.

12. BEHAVIOUR OF INVITEES

12.1 Persons shall take all reasonable steps to ensure that they or their tenants, guests, servants, employees, agents, children, invitees or licensees do not behave in a manner likely to interfere with the peaceful enjoyment of other persons lawfully using community property. Without limiting the generality of the aforesaid, persons shall ensure that they or their tenants, guests, servants, employees, agents, children, invitees or licensees adopt reasonable dress standards when using community property and in any event shall obey any directives from time to time of the Executive Committee with regard to dress standards .

12.2 Persons shall be liable to compensate the Community Body Corporate in respect of all damage to the community property or personal property vested in it caused by them or their tenants, guests, servants, employees, agents, children, invitees or licensees.

12.3 Where the Community Body Corporate spends money to make good any damage caused by a breach of the Act or of these By-Laws by any persons or their tenants, guests, servants, employees, agents, children, invitees or licensees, the Community Body Corporate shall be entitled to recover the amount so expended as a debt in any Court of competent jurisdiction from such persons.

12.4 The duties and obligations imposed by this By-Law on persons shall be observed not only by those persons but also by their tenants, guests, servants, employees, agents, children, invitees and licensees.

13. FENCES, PERGOLAS, SCREENS AND AWNINGS

Persons shall not construct or permit the construction (including painting) of any fence, pergola, screen, external blind or awning or other structure or outbuilding of any kind upon the community property without full compliance with the Development Control By-Laws.

14. TAPS

Persons shall not waste water and shall see that all water taps on the community property are promptly turned off after use.

15. EXECUTIVE COMMITTEE MAY EMPLOY

The Executive Committee may employ for and on behalf of the Community Body Corporate such agents and servants as it thinks fit in connection with the exercise and performance of the powers, authorities, duties and functions of the Community Body Corporate.

16. INCREASE OF INSURANCE RISK ON COMMUNITY PROPERTY

Persons shall not bring, do or keep anything in or upon the community property which increases the rate of insurance on the community property or on any other property insured by the Community Body Corporate or which breaches the terms of any insurance policy effected by the Community Body Corporate or which would be in violation of any law.

17. NOTIFICATION OF ACCIDENT

Persons involved in an accident on community property must notify the Community Body Corporate of the accident, giving a reasonably detailed description of the circumstances and result.

18. SKATEBOARDS

Skateboards, rollerblades, rollerskates and other similar things shall not be used on the community property.

19. POWER OF COMMUNITY BODY CORPORATE TO ENTER INTO AGREEMENTS

19.1 Without limiting the general power of the Community Body Corporate to enter into agreements in accordance with Section 176 of the Act, the Community Body Corporate will have the power to enter into with any party or corporation or corporations as the Community Body Corporate in its absolute discretion shall decide one or more of the following agreements:-

19.1.1 for the installation, operation and maintenance of a security system in respect of the community property;

19.1.2 for the management, maintenance and repair of the community property;

19.1.3 for the supply, if required, of utilities such as electricity, water, sewerage, gas and phone to the community property;

19.1.4 for the provision of cable television services and for the installation of cabling, wiring, ducting, conduits, amplifiers, antennas, receivers, transmitters, satellite dishes and other equipment necessary for the provision of same;

19.1.5 for the letting of lots in the Resort;

19.1.6 for the purpose of better seeing to the proper functioning, operation and management of the Site or for the purpose of ensuring the proper functioning of the duties and powers of the Community Body Corporate including any agreement between the Community Body

Corporate and the Developer relating to, inter alia, maintenance and access of any undeveloped parts of the Site.

Any such agreement shall be upon such terms and conditions as the Community Body Corporate shall decide in its absolute discretion.

19.2 Notwithstanding the provisions of By-Law 19.1, should the Community Body Corporate elect to enter into a letting agreement (as referred to in By-Law 19.1.5) the Community Body Corporate will appoint the Developer and any future assignee under the said letting agreement (if any) as the only party permitted to conduct a letting service for the Resort from the Site upon such terms as are satisfactory to the Developer. This By-Law may only be amended or deleted with the consent of the Developer first had and obtained notwithstanding anything to the contrary herein contained.

19.3 Without limiting the general power of the Community Body Corporate to enter into leases in accordance with Section 163(1) of the Act, the Community Body Corporate will have the power to enter into one or more leases of the community property or parts thereof with any party or corporation and upon such terms and conditions as the Community Body Corporate in its absolute discretion shall decide.

20. SECURITY

20.1 All security equipment installed on the community property (if any) and used in connection with the provision of security for the Site shall be and remain the property of the Community Body Corporate. All such security equipment, the property of the Community Body Corporate shall be repaired and maintained at the cost and expense of the Community Body Corporate.

20.2 In no circumstances shall the Community Body Corporate be responsible to persons (and persons shall not be entitled to make any claim for compensation or damages) in the event of a failure of all or any of the security systems put in place by the Community Body Corporate to operate in the manner in which they were intended.

20.3 The Executive Committee shall be entitled to make rules for the benefit of all persons regulating the security and the operation of the security equipment. Such rules shall not be inconsistent with these By-Laws.

20.4 The Community Body Corporate may:-

20.4.1 close off any part of the community property not required for ingress or egress to the Site on a temporary or permanent basis or otherwise restrict the access to or use by persons of any part of the community property;

- 20.4.2 permit any designated part of the community property to be used by any security person, firm or company as a means of monitoring the security and general safety of the community property; or
 - 20.4.3 obtain, install and maintain locks, alarms, communication systems, surveillance systems and other security devices.
- 20.5 Without derogating from the effect of By-Laws 20.1, 20.2, 20.3 and 20.4:-
- 20.5.1 the Community Body Corporate may from time to time arrange and supervise a security service to patrol and monitor the community property. The Community Body Corporate will cause the security service to operate in conjunction with the security services provided to other areas within the Resort so as to provide and maintain a consistent and uniform level of security within the Resort generally;
 - 20.5.2 the Community Body Corporate may, as part of the security service, erect and operate gates, guard houses or other structures on the community property for the purposes of regulating or prohibiting use of the community property and shall if it is deemed necessary and appropriate cause the issue and usage of security cards passes or the like;
 - 20.5.3 any associated security personnel may refuse admission to the community property of any persons that they reasonably consider a security risk or likely to create a nuisance and such security personnel may (upon a complaint being made by persons) remove from the community property any person who is creating a nuisance or otherwise breaching these By-Laws;
 - 20.5.4 such security personnel may grant persons admission to the community property areas, subject to limits on the time of use, the parts of the community property that may be used or the manner of use and such right of admission may be revoked at any time by security personnel on reasonable grounds.

21. **LEASES**

Persons shall observe that there are or may be a number of leases registered over the community property from time to time which grant exclusive possession of the leased portion of the community property in favour of the relevant lessee, and shall accordingly refrain from doing any act or thing prejudicial to the operation of any such lease or leases

22. **DEVELOPER PERMITTED TO USE COMMUNITY PROPERTY AND CARRY OUT CONSTRUCTION WORK**

Until the Resort is considered fully constructed by the Developer, the Developer has the authority of the Community Body Corporate to access the community property for

construction purposes including the moving of construction traffic to any part of the Site and otherwise to do or perform any act or thing of or incidental to such construction, notwithstanding anything to the contrary herein contained.

23. GARBAGE DISPOSAL

Persons shall:-

- 23.1 save where the Executive Committee provides some other means of disposal of garbage maintain on the community property as may be authorised by the Executive Committee in a clean and dry condition and adequately covered a receptacle for garbage;
- 23.2 comply with all local authority by-laws and ordinances relating to the disposal of garbage;
- 23.3 ensure that the health, hygiene and comfort of others on the Site are not adversely affected by the disposal of garbage;
- 23.4 use the recycle bins or receptacles (if any) that may be provided by the Executive Committee and separate where necessary any garbage so that full use is made of such bins or receptacles.

24. APPEARANCE OF BUILDINGS AND SIGNS

- 24.1 Persons shall not, except with the consent in writing of the Executive Committee, hang any washing, towel, bedding, clothing or other article or display any sign, advertisement, placard, banner, pamphlet or like matter on any part of a lot in such a way as to be visible from the community property. In connection with the hanging of clothing to dry naturally, this is permitted only in the areas (if any) designated by the Executive Committee where facilities are supplied for such needs.
- 24.2 The Manager shall be permitted without the consent of the Executive Committee to display reasonable signs or notices on the community property for the purposes of offering for sale, lease or letting any lot.
- 24.3 For the purposes of these By-Laws the word "Manager" shall mean the person or corporation who has been or may be appointed from time to time by the Community Body Corporate to carry out certain duties with respect to the maintenance and upkeep of the community property.

25. NOTICES

Persons shall observe the terms of any notices displayed on the community property by authority of the Executive Committee or of any statutory authority.

26. **POWERS OF EXECUTIVE COMMITTEE**

- 26.1 The Executive Committee may make rules relating to the Community Property not inconsistent with these By-Laws and the same shall be observed by persons unless and until they have been lawfully revoked, amended or altered by the Community Body Corporate ;
- 26.2 To the extent permissible by law and subject to any restriction imposed or direction given at a general meeting of the Community Body Corporate, the Executive Committee may delegate to one or more of its members such of its powers and duties as it thinks fit and at any time thereafter revoke such delegation.
- 26.3 The Executive Committee may meet together for the dispatch of business and adjourn and otherwise regulate meetings as its members think fit.
- 26.4 The secretary of the Executive Committee, or in the secretary's absence, any member of the Executive Committee, shall on the requisition in writing of not less than one third of the members of the Executive Committee convene a meeting of the Executive Committee to be held as soon as practicable but in any case not later than twenty-eight (28) days after the date of the deposit of the requisition.
- 26.5 Not less than forty-eight (48) hours immediately before the Executive Committee holds a meeting, it shall cause a notice of its intention to hold the meeting, containing the agenda for the meeting, to be forwarded to the members of the Executive Committee.
- 26.6 Any act or proceeding of the Executive Committee done in good faith is, notwithstanding that at the time when the Act or proceeding was done taken or commenced there was:-
 - 26.6.1 a vacancy in the office of the member of the Executive Committee; or
 - 26.6.2 a defect in the appointment, or a disqualification of a member,as valid as if the vacancy, defect or disqualification did not exist and the Executive Committee was fully and properly constituted.
- 26.7 The powers and duties of a secretary of the Executive Committee include but are not necessarily limited to:-
 - 26.7.1 preparing and distributing minutes of meetings of the Community Body Corporate and submitting a motion for confirmation of the minutes of any meeting of the Community Body Corporate at the next such meeting;
 - 26.7.2 giving on behalf of the Community Body Corporate and of the Executive Committee notices required to be given under the Act;

- 26.7.3 preparing and maintaining the role in accordance with section 178 of the Act;
 - 26.7.4 arranging inspections, furnishing material and supplying information on behalf of the Community Body Corporate as required by section 181 of the Act;
 - 26.7.5 answering the communications addressed to the Community Body Corporate;
 - 26.7.6 calling for nominations for candidates for election as members of the Executive Committee including nominations for the positions of chairman, secretary and treasurer; and
 - 26.7.7 subject to the provisions of the Act, convening meetings of the Community Body Corporate and of the Executive Committee.
- 26.8 The powers and duties of a treasurer of the Executive Committee include but are not limited to:-
- 26.8.1 notifying persons of any contributions levied pursuant to the Act;
 - 26.8.2 the receipt, acknowledgment and banking of and the accounting for any money paid to the Community Body Corporate;
 - 26.8.3 preparing any certificate required under section 181 of the Act;
 - 26.8.4 keeping the books of account and preparing the statements of account as prescribed or required by the Act.

27. **RECOVERY OF COSTS**

- 27.1 Persons shall pay on demand the whole of the Community Body Corporate's costs and expenses (including solicitor and own client costs and any costs ordered by any Court or Tribunal of competent jurisdiction) incurred by or on behalf of the Community Body Corporate in recovering levies or moneys due and duly levied upon a person or persons pursuant to the Act and/or the By-Laws of the Community Body Corporate;
- 27.2 If notwithstanding demand having been made by the Community Body Corporate to persons for payment of the said costs and expenses, the persons fail to pay such costs and expenses, the Community Body Corporate may recover the said costs and expenses by instituting proceedings in any Court or Tribunal of competent jurisdiction.
- 27.3 The Community Body Corporate may, at any time, claim such costs and expenses as a levy against the lot or lots of the persons who caused the Community Body Corporate to incur such costs and expenses.

28. COMMERCIAL LOTS

Without derogating from the effect of By-Law 20, the general public shall have access to the commercial lots at all times that the commercial lots are open for business provided that the Executive Committee may make rules and regulations in relation to such access which may include (but may not be limited to):-

- 28.1 Limiting that part of the community property open to the general public providing that access is available to the commercial lots;
- 28.2 requiring any security gates upon the community property to be closed and kept closed for any period that the commercial lots are closed for business;
- 28.3 setting a minimum dress standard;
- 28.4 prescribing any other rules and regulations which the Executive Committee in their absolute discretion may deem appropriate.

29. UNLAWFUL ACTS

Nothing in these By-Laws shall be interpreted in such a manner so as to permit any activity which would otherwise be unlawful.

30. UTILITIES

- 30.1 The Community Body Corporate recognising that the provision of electricity, water and sewerage treatment services ("the Utility Services") for the benefit of the community property and the Resort may not occur at the instigation of a Government, Semi-Government and/or other statutory authority, shall be at liberty and accordingly empowered to grant a lease or other right of occupancy over any part of the community property to a third party (including but not necessarily limited to the Developer or an associated or related entity of the Developer) in order that such third party may construct on the aforesaid relevant part of the Community Property necessary plant and equipment required to provide the Utility Services such that the third party may, inter alia, operate and maintain such plant and equipment and provide such Utility Services on such terms as the third party may designate. Nothing in this By-Law 30.1 is intended to any way derogate from or limit the effect or generality of By-Law 19.
- 30.2 In the event of the Community Body Corporate proceeding in accordance with By-Law 30.1, the Community Body Corporate will not at any time operate a similar activity on any other portion of the community property.
- 30.3 Without limiting the effect of the provisions of the Act or any other By-Law hereunder, in the event of the Community Body Corporate proceeding in accordance with By-Law 30.1 it shall at all times allow the third party to lay or otherwise install in such manner as the third party shall consider fit and proper upon the community property all resultant pipes, wires, ducts, conduits, meters

and the like used in the reticulation of the Utility Services and shall at all times and thereafter allow the third party or any of its servants, agents, contractors or other authorised persons of the third party to access any or all of the aforesaid for such purposes as the third party may require (including but not necessarily limited to maintenance purposes) and shall otherwise do all necessary acts and things and execute all such necessary documents in order that the third party may perfect the provision of the Utility Services to any party or person requiring the same.

30.4 In the event of the Community Body Corporate electing not to proceed in accordance with By-Law 30.1 then the following provisions of this By-Law shall apply but shall otherwise be of no force or effect.

30.5 The Community Body Corporate upon the request of its members shall provide or cause to be provided, the Utility Services to members of the Community Body Corporate and to proprietors of lots and commercial lots.

30.6 All resultant pipes, wires, ducts, conduits and the like used in the reticulation of the Utility Services that are located:

30.6.1 on community property shall be deemed owned by the Community Body Corporate;

30.6.2 on common areas shall be deemed owned by the respective body corporate in whom ownership of the common areas is vested; and

30.6.3 within lots shall be deemed owned by the respective proprietor thereof.

Accordingly, the responsibility of maintenance and repair of the aforesaid shall rest at all times with the respective owner.

30.7 As a consequence of the provision of the Utility Services, the Community Body Corporate shall be entitled to levy a service fee ("the service fee") to a body corporate referred to in By-Law 30.6.2 which fee shall be calculated by reference to the following formula:

$$A = (B + \frac{B \times 15}{100}) \times \frac{C}{D}$$

Where:-

A = the particular service fee to be charged to the consumer;

B = the actual cost to the Community Body Corporate in providing the Utility Services.

C = the voting entitlement of the relevant body corporate within the Community Body Corporate.

D = the aggregate voting entitlements for the Community Body Corporate.

Similarly, the Community Body Corporate shall be entitled to levy the service fee to a proprietor of a lot which fee shall be calculated by reference to the following formula:-

$$A = \left(B + \frac{B \times 15}{100} \right) \times \frac{C}{D} \times \frac{E}{F}$$

Where:-

A = the particular service fee to be charged to the consumer.

B = the actual cost to the Community Body Corporate in providing the Utility Services.

C = the voting entitlement of the relevant body corporate (of which the proprietor is a member) within the Community Body Corporate.

D = aggregate voting entitlements for the Community Body Corporate.

E = the lot entitlement of the proprietor within the relevant body corporate.

F = the aggregate lot entitlement of the relevant body corporate.

30.8 The Community Body Corporate shall render accounts for the service fee at such intervals as it shall deem fit. The Community Body Corporate reserves the right to require a bond or other similar security acceptable to the Community Body Corporate ("bond") as a prerequisite to the providing of the Utility Services or any part of them.

30.9 The Community Body Corporate reserves the right to refuse the provision of the Utility Services in any instance where the service fee remains unpaid or the bond remains unpaid for such period as the Community Body Corporate shall in its discretion determine or where the consumer has failed or refused to perform its maintenance and repair obligations under clause 30.4 or where the consumer has caused or occasioned negligent or wilful destruction of any of the pipes, wires, ducts, conduits referred to in By-Law 30.6. The Community Body Corporate

reserves the right at any time to draw upon a bond to the extent of any unpaid service fee and thereafter require the bond to be replenished.

- 30.10 Without derogating from By-Law 30.5, the Community Body Corporate shall be entitled to install on community property, common areas and/or within lots at the cost of the relevant consumer such meters or other measuring devices or apparatus as the Community Body Corporate may consider fit and proper for the purposes of establishing consumer usage of Utility Services.
- 30.11 For the purposes of By-Law 30.5, the Community Body Corporate shall maintain proper and adequate records so as to reasonably establish the actual cost of the provision of the Utility Services and shall provide on a once yearly basis an audited statement. For the purposes of this By-Law 30.11 the expression "audited statement" shall mean a written statement prepared by a registered company auditor showing the actual costs incurred by the Community Body Corporate for the relevant year in providing the Utility Services.

31. INTERPRETATION

- 31.1 Headings throughout these By-Laws are for guidance only and are not to be used as an aid in the interpretation of these By-Laws.

Plurals shall include the singular and the singular shall include the plural.

References to gender shall include a reference to all genders.

- 31.2 Throughout these By-Laws, the following terms shall, have the following meanings where the context permits:-

"Act" means the Mixed Use Development Act 1993.

"By-Laws" or "these By-Laws" means the Property By-Laws for the Resort herein contained passed by a comprehensive resolution of the Community Body Corporate .

"commercial lots" means those lots (or part of the Site) out of which a commercial use may be carried on and which commercial use is permitted under the Scheme.

"common areas" means those areas which are not lots or community property.

"Community Body Corporate" means the Community Body Corporate created upon registration of the Community Plan .

"community development lot" shall have the same meaning given those words in the Act and shall mean the community development lot or community development lots contained within the Scheme.

"Community Plan" shall have the same meaning as given those words in the Act and shall additionally mean the Community Plan or the Community Plans referable to the Scheme. .

"community property" means the community property lots or any part of them.

"community property lots" shall have the same meaning given those words in the Act and shall mean the community property lot or community property lots contained within the Scheme.

"Developer" means Interpacific Resorts (Australia) Pty Ltd ACN 010 976 422.

"Development Control By-Laws" means the Development Control By-Laws for the Resort passed by comprehensive resolution of the Community Body Corporate.

"Executive Committee" means the Executive Committee of the Community Body Corporate as referred to in Section 185 of the Act.

"inundated land" means land which is under water as referred to in Section 141 of the Act.

"lot" or "lots" means a lot in a registered building units or group titles plan pursuant to the Building Units and Group Titles Act 1980 in the Resort or where the context permits or requires a community development lot.

"the Manager" means the party referred to in By-Law 24.3.

"person" or "persons" means any one or more of the persons/parties as the case may be referred to in By-Law 1.2.

"Resort" means "Couran Cove Resort" Couran, South Stradbroke Island.

"Resort Operator" means that entity which carries on the operation of a resort hotel within the Resort and shall mean in the first instance Interpacific Resorts (Australia) Pty Ltd ACN 010 976 422 and thereafter its administrators, successors and assigns at law.

"Scheme" means the approved mixed use development scheme under the Act referable to Couran Cove Resort (as may be amended from time to time).

"Site" means the site of the Scheme.