

1 Supply of services

1.1 Nature of this contract

This contract is for the supply of administration services to be performed by Tracsafe in order to establish and maintain the processes and documentation required by a new body corporate. This contract is valid for body corporate entities that will be located within the boundaries of Queensland and governed by the Body Corporate and Community Management Act and regulated by the 'Specified Two-lot scheme module'.

1.2 Body corporate manager

After titling, this contract authorises Tracsafe and its employees to act as the body corporate manager and to carry out the functions stated in this contract.

1.3 Contract price and payment

The price for this contract is fixed and is stated on the Tracsafe invoice and also Schedule 1. The invoice is payable in full and in advance of the delivery of the services defined in Section 4 – Inclusions. (The monies for payment of services to 3rd parties stated in section 4 is not an inclusion of the contract price)

1.4 Contract commencement

The contract commences when the invoice is issued and paid. (Developers are encouraged to engage us at inception of the project)

1.5 Contract term

The contract term finishes on the day that original owner is no longer an owner of a lot in the scheme or on the anniversary of the registration of the scheme, whichever is the earlier date. The term may finish sooner in accordance with the early termination clause in Section 6.

1.6 Hours of business

Tracsafe services are delivered during weekday business hours only.

2 Developer responsibilities

2.1 Authority to engage

The party entering into this contract with Tracsafe warrants that they are the developer or have the authority to act on behalf of the developer. (In this contract, the term 'developer' has the same meaning as the term 'original owner' as used by the Act)

2.2 Information and actions

The developer must respond in a reasonable timeframe to requests for information by Tracsafe. The developer must unilaterally advise Tracsafe of any relevant change to the body corporate or the proposed body corporate in a reasonable timeframe. Developers must undertake actions, requested by Tracsafe, in a reasonable timeframe.

3 Authorised powers

Tracsafe is authorised to exercise the following functions of the body corporate - to administer the funds of the body corporate in accordance with the BCCM Act; to exercise the administrative tasks of the record keeper as required by the BCCM Act; to sign and seal notices and certificates and all relevant documents on behalf of the body corporate; to issue work orders in the name of the body corporate. (Note – bank accounts are not expected to be opened)

4 Inclusions

4.1 Review

Tracsafe will review the draft building plans, draft community management statement, draft by-laws, draft exclusive use areas and draft survey plan as prepared by the developer's designer, surveyor and solicitor. Tracsafe will advise on the adequacy of the information based on Tracsafe's experience as a competent body corporate manager.

4.2 Valuation and sinking fund forecast

Prior to practical completion, Tracsafe will recommend a quantity surveyor who can make an independent building valuation for full replacement value (if the valuation is a requirement of the Act). The quantity surveyor fee is not an inclusion.

4.3 Insurance

Tracsafe will request insurance quotations from Direct Insurance Brokers Pty Ltd that are in accordance with the requirement of the Act. Generally, the insurance policy will need to commence from the date of practical completion based on the valuation that was previously prepared. The payment of the insurance premium is not an inclusion.

4.4 Section 213 and 206 certificates

Tracsafe will, if requested, generate Section 213 (or 206) unwarranted certificates for use by the developer. The information provided is a minimum set of information as required by the Act. The developer should carefully evaluate its accuracy, currency, completeness and relevance for their purposes. Generally this information should be forwarded to the developer's solicitor where a more comprehensive S213 (or S206) may be created incorporating the information provided by Tracsafe.

4.5 Web portal setup

Tracsafe will configure the Tracsafe web portal ready for first time use by the lot owners and by subsequent Record Keepers once the body corporate provides all relevant body corporate documentation and once the CMS has been recorded.

4.6 Web portal subscription

A subscription to the Tracsafe web portal is an inclusion and may extend beyond the termination date of this contract. The expiry of the web portal subscription will be set to the anniversary of the registration of the scheme. The current price of the DIY-BC subscription renewal is stated in Schedule 1.

4.7 Titling and records

Upon titling of the scheme, Tracsafe will review the titling documentation and establish all the registers and rolls required by the Act. Tracsafe will arrange for the insurance policy to be extended to the anniversary of the registration of the scheme. (The payment of the extension of the insurance premium is not an inclusion) Tracsafe will request and file all necessary documentation to be handed over by the developer to the body corporate (as specified in the Act).

4.8 Lot owner agreements

Tracsafe will issue a draft lot owner agreement which the lot owners can customise to their own needs. The draft lot owner agreement has been written in accordance with the Act and to the standard of a competent body corporate manager.

4.9 Body corporate seal

Tracsafe will have made and keep safe the seal of the body corporate.

4.10 Supply of information to a 3rd party

Tracsafe will generate and supply information on behalf of the body corporate as required by the BCCM Act to 3rd party individuals and organisations. Tracsafe reserves the right to invoice the 3rd party and collect monies in its own name for the supply of the information.

5 Exclusions

5.1 Property other than common property

Tracsafe will not arrange the maintenance or repair of lots on behalf of tenants or owners where the action is not related to body corporate common property.

5.2 Contribution and interest entitlements schedule

Tracsafe is not responsible for providing the contribution and interest entitlements for inclusion in the CMS.

5.3 Community Management Statement

Tracsafe is not responsible for creating the Community Management Statement. (This is your solicitor's responsibility)

5.4 Insurance advice

Tracsafe is not an 'authorised representative' of an Australian financial services licensee. As a consequence of the Financial Services Reform Act, Tracsafe cannot provide insurance advice to the committee or lot owners. We rely on an insurance broker to provide this information and advice to the committee and lot owners.

5.5 Contractors

Tracsafe is not responsible for the payment of any contractors engaged on behalf of the developer. All contractors will be engaged in the name of the developer only after developer consent has been obtained.

6 Termination and natural completion of the contract

6.1 Handover

Once a new Record Keeper is selected, Tracsafe will hand over all records, documentation and artefacts to the new Record Keeper at a nominated Australian service address within 30 days. Tracsafe will also advise the new Record Keeper of the master username and password for the Tracsafe DIY_BC web portal access.

6.2 Termination by the body corporate or developer

Prior to titling, the developer may terminate this contract at any time. After titling, the body corporate may terminate this contract at any time in the ways specified by the Act. There is no refund.

7 Code of conduct

7.1 Commissions

Tracsafe may receive a relevant commission from insurance organisations. Where a commission is received, it shall be fully disclosed to the body corporate. Tracsafe does not and will not receive commissions or benefits from any other 3rd party organisations for any service delivered by the 3rd party for the benefit of the body corporate.

7.2 Compliance, disclosure and responsibility

Tracsafe shall comply with the BCCM Act and the associated regulation module at all times. Tracsafe will disclose all conflicts of interest and any non-arms-length relationships with 3rd party organisations. Tracsafe maintains professional indemnity insurance of \$2,000,000 and public liability cover of \$5,000,000. Tracsafe is a corporate member of Strata Community Association (SCA) and complies with their code of practice.

8 Indemnity

The body corporate indemnifies and keeps indemnified Tracsafe against any damages, losses, liabilities, costs, expenses or claims incurred by Tracsafe (including Tracsafe being made a party to any litigation commenced by or against the body corporate) arising from or in connection with any act or omission of the body corporate that did not result from Tracsafe acting incompetently or negligently.

Schedule 1

Duplex (Two lot) establishment contract	\$450 inc GST
DIY-BC web portal subscription renewal (yearly and subsequent to this contract)	\$96 inc GST