

BODY CORPORATE NUMBER 90315

(Wellington Land Registry)

BODY CORPORATE OPERATIONAL RULES

The Body Corporate rules set out in Schedule 1 of the Unit Titles Regulations 2010 are revoked and the following rules substituted in their place.

1. INTERPRETATION AND DEFINITIONS

- 1.1 In these Rules, terms defined in the Unit Titles Act 2010 (“the Act”) have the same meaning in these Rules as they have in the Act and the following interpretations and definitions apply, unless the context otherwise requires :

The Act means the Unit Titles Act 2010 together with all subsequent amendments or revisions;

Accessory Unit has the meaning ascribed in Section 5 of the Act;

The Body Corporate means Body Corporate No. 90315 (Wellington Land Registry);

The Committee means the Body Corporate committee established by The Body Corporate under section 112 of The Act;

The Building means the Drummond Street Apartment Complex in Drummond Street, Wellington;

Common Property has the meaning ascribed in Section 5 of the Act and is that common property otherwise described on Unit Plan 90315;

Occupiers shall be deemed to include Unit Owners, their tenants, and licensees, and invitees or guests of the Unit Owner or their tenants;

Owners has the meaning ascribed in Section 5 of the Act;

The Property means the apartment complex in Drummond Street, Wellington;

Property Manager means the person or firm engaged for the time being to manage the Property on behalf of The Body Corporate;

Replacement Value means the dollar amount needed (including demolition costs and architect's fees), at current market prices, to replace the insured property in the case it is damaged or destroyed, on the same premises, with a building of like kind, of comparable materials and quality, without deduction for depreciation, but limited by the maximum dollar amount indicated on the declarations page of the insurance policy;

The Secretary means the person or firm engaged by the Body Corporate for the time being to carry out administrative and accounting tasks as specified within these Rules and as determined from time to time by the Body Corporate;

Unit means a principal unit on the Unit Plan and :-

- (a) unless the context otherwise requires, includes all Accessory Units attached to that Unit (if any);
- (b) in relation to any Unit Owner or Occupier means the Unit owned or occupied by that Owner or Occupier;

Unit Plan means Plan number 90315 (Wellington Land Registry);

Unit Titles Regulations means the Unit Titles Regulations 2011 issued pursuant to Section 217 of the Act, and any subsequent amendments or revisions to these regulations.

1.2 In these Rules, unless the context provides otherwise:

1.2.1 Words importing the singular number shall include the plural, and words importing any gender shall be deemed to include the other gender;

1.2.2 Any provision of these Rules to be performed by two or more persons shall bind those persons jointly and severally;

1.2.3 Headings and marginal notations in these rules have been inserted for convenience only and shall not in any way limit or govern the construction of the terms of these rules;

1.2.4 Where any consent or approval is required pursuant to any provision of these Rules such consent or approval shall not arbitrarily or unreasonably be withheld unless expressly stated otherwise and such consent or approval shall be required for each separate occasion notwithstanding any prior consent or approval obtained for the like purpose on a prior occasion;

1.2.5 All provisions contained in these Rules shall be construed so as not to be invalid, illegal or unenforceable in any respect but if any such provision is invalid, illegal or unenforceable that provision may at the option of the Body Corporate be construed to such extent as may be necessary to ensure that it is not invalid, illegal or unenforceable and as may be reasonable in all the circumstances so as to give it a valid operation of a partial character. In the event that any such provision or part thereof cannot be so construed:

- (a) such provision shall be deemed to be void and severable and the remaining provisions hereof shall not in any way be affected or impaired thereby;
- (b) the operation of such provision shall be suspended until such time as it is intra vires and enforceable;

1.2.6 Reference in these Rules to “GST” means Goods and Services Tax or any imposed tax imposed pursuant to the provisions of the Goods and Services Tax Act 1985 and known as Goods and Services Tax;

1.2.7 These Rules are governed by and shall be construed in accordance with the laws of New Zealand;

1.2.8 Writing shall include words visibly or electronically represented or reproduced;

1.2.9 Any reference in these Rules to any statute is deemed to include all amendments, revisions, substitutions or consolidations made from time to time to that statute.

2. Compliance with Laws and Regulations

The Body Corporate, Owners and Occupiers will comply with the Act, with the Unit Titles Regulations, and with these Rules.

3. Use of, Interference with and Obstruction of Common Property

3.1 An Owner or Occupier of a Unit must not interfere with, adjust, damage or remove any chattels, fixtures or fittings, lighting systems, fire protection systems, entrance way doors including car parking area doors, intercom systems, security systems, lift

or other item used or intended for use in the Building in connection with the Common Property.

- 3.2 An Owner or Occupier of a Unit must not obstruct in anyway any of the entrances, passages, pathways, drives and Common Property, or use them in a manner likely to cause damage or undue wear and tear to any carpeted, paved or sealed surfaces, or for any other purpose than reasonable entry and exit to and from that Unit and the Building.
- 3.3 An Owner or Occupier of a Unit must not damage or deface any part of the Common Property, including marking, painting, driving nails or screws or the like without the prior approval in writing of the Committee.
- 3.4 An Owner or Occupier of a Unit shall not drive, operate or use any vehicle or machinery on the Common Property of such a size and weight that is likely to cause damage to the Common Property, and any such damage caused or contributed to shall be paid for by the Owner responsible.
- 3.5 An Owner or Occupier of a Unit must not use any facilities, assets or improvements that form part of the Common Property for any use than the use for which the facilities assets or improvements were designed or constructed, and must comply with any conditions of use for those facilities, assets or improvements that are set by the Body Corporate from time to time.
- 3.6 An Owner or Occupier of a Unit shall when upon Common Property be adequately clothed and not use language or behave in a manner likely to cause offence or embarrassment to another Owner or to any person lawfully using the Common Property.

4. Exterior Colour Scheme

- 4.1 The Body Corporate may settle and approve schemes for the exterior colour of the Units and the Building, provided however that should no agreement be recorded by the Owners of the Body Corporate then the existing colour schemes shall continue to be used.
- 4.2 An Owner or Occupier of a Unit shall make no alterations to the colour scheme or appearance of the exterior of the Unit without first obtaining the written approval of The Body Corporate.

5. Balconies

An Owner or Occupier of a Unit having a balcony area, shall only use the balcony for recreational use directly associated with the residential use of the Unit, and shall not allow any person to create any annoyance or nuisance to any other Occupiers of the Building and further shall not permit or allow installation or construction of any improvement, structure, aerial or communication device or any clothesline upon the balcony without the prior written approval of the Body Corporate.

6. Car Parking

- 6.1 An Owner of a car parking Unit, must make no alteration to any paved or sealed areas in or around the Unit without first obtaining the written approval of the Body Corporate.
- 6.2 An Owner or Occupier of a Unit or Accessory Unit that is designated for use as a vehicle park must:
- (a) only use the vehicle park for the purpose of parking vehicles;

- (b) ensure the vehicle park is kept tidy and free of litter, including, but not limited to removing and cleaning-up any oil or diesel from within the vehicle park or from within the Common Property adjacent to the vehicle park;
 - (c) not use the vehicle park or permit it to be used for storage;
 - (d) ensure that any vehicle parked in the vehicle park is parked within the boundaries of the vehicle park.
- 6.3 An Owner or Occupier of a Unit must not park a vehicle or permit any vehicle to be parked on any part of the Common Property unless the Body Corporate has designated it for vehicle parking or the Body Corporate has given prior written approval.
- 6.4 The Body Corporate may remove a vehicle from the unit title development that the Body Corporate considers is parked in such a manner that is in breach of this rule 6, at the expense of the owner of the vehicle and the Body Corporate shall not be liable for any resulting loss, damage, or cost.

7. Payment of Contributions

- 7.1 Each Owner of a Unit shall pay to the Body Corporate by monthly installments in advance or otherwise as the Body Corporate may require, the amount of any contributions levied against the Unit Owner pursuant to Sections 121, 124, 125 126, 127, 128 and 138 of the Act.
- 7.2 The interest payable on overdue contributions as detailed in Section 128 of the Act shall be 10 %, or any lesser amount that the Body Corporate may determine from time to time at a General Meeting.

8. Floor Coverings

An Owner of a Unit must ensure that all floor space in the Unit is covered or otherwise treated sufficient to prevent noise transmission from the Unit that is likely to disturb the quiet enjoyment that could otherwise be expected by the Owner or Occupier of another Unit.

9. Liability for Damage

- 9.1 An Owner or Occupier of a Unit shall be liable for the cost of carrying out repairs or replacement work necessary to remedy all damage not covered by the Body Corporate insurance policy, where the Owner, or Occupier or persons under their control, wilfully or intentionally causes damage to any property in or about the Building including but not limited to any common areas or any other Owner's Unit or Accessory Unit.
- 9.2 Where the cost of any damage is covered by the Body Corporate's insurance policy, and results in the Body Corporate incurring the cost of the excess specified within the policy, the Owner or Occupier responsible for the damage shall be liable to pay the insurance excess payment.

10. Emergency Evacuation Drills and Procedures and Use of Fire Escapes

- 10.1 An Owner or Occupier of a Unit must cooperate with the Body Corporate during any emergency evacuation drills and must observe and comply with all emergency evacuation procedures adopted by the Body Corporate.
- 10.2 An Owner or Occupier of a Unit must not use any fire escape for exiting from the Building except in case of emergency.

11. Smoking

An Owner or Occupier of a Unit must not smoke or permit smoking in any area within the Building, including but not limited to the Owner's Unit and any Accessory Units associated with that principal Unit, all lifts and stairwells, all car parking areas, all common areas of the Building including the toilets.

12. Disturbance to other Owners (Noise, Smells or Annoying Behaviours)

- 12.1 An Owner or Occupier of a Unit shall not make or permit any noise or carry out or permit any conduct or behaviour, in any Unit or on the Common Property, which is likely to interfere with the use or enjoyment of the Building by other Owners or Occupiers.
- 12.2 An Owner or Occupier of a Unit, or any person under their control shall not act, nor allow their invitees or any others who may be in the Unit to act, in any manner which would or may cause disturbance or annoyance to any occupant of any other Unit or which may be incompatible with the peaceful use and enjoyment of the Building by its Occupiers.
- 12.3 An Owner of a Unit shall ensure that all toilet fittings, taps, any washing machine, dishwasher or other mechanical apparatus, and any radio, television, computer or other electronic apparatus, musical instrument or other devices are duly and properly adjusted and maintained to an extent sufficient to prevent transmission so far as is reasonably possible of noise or other interference likely to disturb the peaceful enjoyment of the Owner or Occupier of another Unit.
- 12.4 An Owner or Occupier of a Unit shall not permit or cause any smells or cooking emissions or odours to permeate the Building and the Unit's Owner shall provide and regularly service any extraction fan or system that may be necessary to

remove such emissions or odours that may occur as the result of any activity in that Unit.

13. Windows

13.1 An Owner or Occupier of a Unit shall keep clean all interior glass contained in the windows and doors of that Unit. The Owner of a Unit shall replace any cracked or broken glass in windows of that Unit as soon as possible with glass of the same or better weight and quality.

13.2 It is noted that under Section 138 (2) of the Act, the Body Corporate is required to maintain, repair or renew all building elements and all infrastructure that relate to or serve more than 1 unit. As water leaking through a poorly maintained window frame in any Unit may cause damage in other parts of the building, it is therefore the responsibility of the Body Corporate to maintain the windows of the complex, whether on the Common Property or within a Unit, in a state of good repair and to ensure that all windows and window frames within the Drummond Street Apartment Complex remain watertight and weatherproof at all times.

14. Use

An Owner or Occupier of a Unit shall not use or permit the use of the Unit for any purpose which may be illegal or injurious to the reputation of the Building or of the other Owners or Occupiers of Units or which may interfere with the peaceful enjoyment of another Unit's Owner or Occupier.

15. Aerials

An Owner or Occupier of a Unit shall use the common television aerial network which has been established and maintained by the Body Corporate, and no Unit Owner or Occupier shall install or erect, or cause to be installed or erected, outside television or radio aerials,

satellite dishes, or any other such telecommunication apparatus without Body Corporate approval.

16. Signs, Notices, Advertising and Promotion

16.1 An Owner or Occupier of a Unit must not, without the prior written consent of the Body Corporate, erect, fix, paint or place any signs or notices on or to any part of the Common Property, or on or to any external part of a Unit.

16.2 An Owner or Occupier of a Unit must not display any temporary or mobile signage, including but not limited to sandwich boards or portable banners ("temporary signage"), at any time other than those approved in writing by the Body Corporate, and must not display any temporary signage on the Common Property or any Accessory Unit without the prior written consent of the Body Corporate.

16.3 An Owner of a Unit shall not display any goods or services on the Common Property or on any Accessory Unit, or use the Common Property or any Accessory Unit for any business, promotional or commercial purpose without the prior written consent of the Body Corporate.

16.4 Where a request for approval to erect signage in or on the Common Property has been made, the Committee when considering any such request for consent, shall give due consideration to the general architectural theme of the Building or the neighbourhood, so that architectural sympathy is maintained.

16.5 The Body Corporate may permit the erection and maintenance of descriptive signage on the Building or any part of the Common Property relating to the naming of the Building or the identification of parts of the Building and any services or amenities.

17. Relation to Management

- 17.1 In order to facilitate the orderly functioning of the Body Corporate and the Committee, requests for consideration of any particular matter by the Committee should be submitted in writing, in the first instance, to the Committee Chairperson.
- 17.2 Requests for consideration of any particular matter at a General Meeting of the Body Corporate shall be directed, in writing, to the Chairperson of the Body Corporate.
- 17.3 The Owners or Occupiers of Units shall not directly instruct any contractors or workmen employed by the Body Corporate and working under the instruction of the Property's Building Manager, unless authorised by the Building Manager to do so, and in the Building Manager's absence, by the Chairperson of the Body Corporate.

18. Washing

An Owner or Occupier of a Unit shall not hang any clothes, bedding, washing, towels or other articles on or near the windows of a Unit, or on a balcony or in or about the Common Property or on the outside of the Building or so as to be visible from the street and no articles of clothing, bedding, washing, towels or other articles shall be hung on the roof of the Building whether by method of clotheslines or by any other method.

19. Animals and Birds

- 19.1 No animals, fish, insects, birds or reptiles shall be brought into or kept in any Unit or the Common Property.
- 19.2 Notwithstanding rule 19.1 any Owner or Occupier of a Unit who relies on a guide, hearing, or assistance dog may bring or keep such a dog in a Unit and may bring such dog onto the Common Property.

- 19.3 An Owner of any dog permitted under rule 19.2, must ensure that any part of a Unit or the Common Property that is spoiled or damaged by that dog is promptly cleaned or repaired at the cost of that Owner.

20. Falling Articles

An Owner or Occupier of any Unit must not throw or allow to fall or permit or suffer to be thrown or fallen any paper, rubbish, refuse, cigarette butts or any substance whatsoever from any window, balcony, door or other part of a Unit or Common Property. Any damage or costs for cleaning or repairing caused by any breach of this rule shall be borne by the Owner or Occupier of the Unit concerned.

21. Use of Water Services and Keeping Drains Clear

- 21.1 All things required for the provision of water supply, drainage, wastewater and sewage services to Units or Common Property and all things attached to and used in relation to such services, including but not limited to pipes, drains, taps, faucets, toilets, baths, showers, sinks, insinkers or other waste disposal systems, washing machines and dishwashers must only be used for the purpose for which they were designed and constructed. An Owner or Occupier must not put into any wastewater system any sweepings, rubbish, rags or other unsuitable substance. If any Owner or Occupier causes or permits any damage, loss or costs to be incurred due to misuse or negligence that Owner or Occupier shall pay for such damage, loss and administration, repair and legal costs reasonably incurred.
- 21.2 An Owner or Occupier shall not waste water unnecessarily, and shall ensure that all taps in the Unit are turned off after use.
- 21.3 An Owner shall ensure that any tap, bath, shower, toilet, or other device that is connected to the Building's water supply and which is leaking, is repaired

expeditiously. If an Owner does not effect such repairs, the Body Corporate or the Building's Property Manager acting on behalf of the Body Corporate may issue a written notice to the Owner requiring that such repairs be carried out. If the fault or faults specified in the notice have not been remedied within 48 hours of the giving of such notice, the Building's Property Manager or any other person authorised by the Committee for that purpose may enter upon the Unit in question to remedy such default at the cost in all things of the Owner.

- 21.4 In the event that water or sewage is leaking from one Unit to any part of the Building, or is leaking from one Unit into the Common Property, or there are reasonable grounds for believing this to be the case, and it is not practicable (whether by reason of the Owner or Occupiers absence from Wellington or because of the urgency of the situation or otherwise) to give the period of notice referred to in Rule 21.3, then the Building's Property Manager or any other person authorised by the committee for that purpose may enter the Unit in question to undertake such repair or work as may be necessary at the cost in all things to the Owner.

22. Security

- 22.1 An Owner or Occupier of any Unit shall not do any act or thing or fail to do any act or thing or allow any persons under their control to do any act or thing which would detract from endeavours to protect and keep safe the Units, the Common Areas, the Car Park areas and any property contained therein from fire, theft or damage from any cause.
- 22.2 An Owner or Occupier of a Unit shall securely fasten all external doors to the Common Property and all doors and windows to their Unit on all occasions when the Unit is left unoccupied and the Committee or any person appointed for that purpose by the Committee shall have the right to enter and fasten the same if left

insecurely fastened where this is necessary to prevent damage to any part of the Property or to preserve the security of the Building.

- 22.3 Given the importance of facilitating access (by way of a Master Key system) where necessary by Fire Service and other rescue related services, an Owner or Occupier of a Unit or any person under their control shall not change the lock or keys to that Unit except with the consent of the Committee and in accordance with reasonable directions of the Building's Property Manager.

23. Key and Access Cards

- 23.1 An Owner or Occupier of a Unit or any person under their control shall not duplicate or copy any keys or access card or other security device which operates any door or device allowing access to the building except with the prior written consent of the Committee or such person authorised by the Committee for that purpose on each occasion and until such time as the name and address of the person to whom such key, access card or security device is to be issued has been entered into a security register held for that purpose. The issue by the Committee of any duplicate key, access card or other security device shall be at the discretion of the Committee and subject to payment by the Owner or Occupier requesting such issue of a reasonable charge.

- 23.2 An Owner or Occupier of a Unit shall take all reasonable steps to ensure that any electronic security cards, security keys or security codes to a Unit or Common Property are not lost, destroyed or stolen or given to anyone other than an Owner, Occupier or Tenant of the unit to which the security card, key or codes relate.

23.3 Damage to Keys or Access Cards

An Owner or Occupier of any Unit or any person under their control shall not damage, destroy, alter, or mutilate any security key, access card or security device and if any such key, access card or security device is accidentally lost, stolen,

destroyed or mutilated by any person, such loss, destruction or mutilation shall immediately be reported to the Property Manager by the Owner or Occupier of the Unit or the holder of such key, access card or security device and such person shall pay the cost of the replacement.

23.4 Transfer of Keys and Access Cards

An Owner or Occupier of any Unit or any person under their control shall not transfer to any other person any such keys, access cards or security devices without the prior consent of the Committee or such person appointed for such purpose being had and obtained and until such time as the name, address and telephone number of the person to whom such keys, access cards, or security device is to be transferred has been entered into the security register.

- 23.5 Upon any misuse of any key, access card or security device the Committee shall have the right to demand the surrender of such key, access card or security device to the Committee upon such terms and for such a period as it shall determine.

24. Structural Alterations and Maintenance

- 24.1 In order to preserve and protect the integrity of the infrastructure, electrical, plumbing and fire-safety systems within the Building, an Owner or Occupier of any Unit, or any person under their control shall not employ any electrical, plumbing or fire-safety contractor or worker for the purpose of altering or repairing, or making good any part of their Unit, or to perform any electrical, plumbing or fire-safety work within that Unit, except in accordance with any conditions that the Committee may from time to time specify, which may include the use of nominated contractors.
- 24.2 Nothing in Rule 24.1 shall be deemed to prevent an Owner or Occupier of a Unit from employing their own builder, carpenter, joiner, painter, carpet-layer or interior decorator for the purposes of decorating or redecorating the interior of their Unit.

- 24.3 Notwithstanding Rules 24.1 and 24.2, compliance with any conditions imposed by the Committee is not necessary where repairs are needed to be completed urgently either for the Unit's security or to prevent further damage to any part of the Building.
- 24.4 An Owner or Occupier of any Unit shall not, except when building operations are in progress, permit any trade vehicles, trade equipment or materials, debris, rubbish or vehicle of any unsightly nature to be brought on to or remain on the Property unless the same is adequately garaged or screened to prevent offence to any adjoining units and to preserve the amenities of the neighbourhood;
- 24.5 An Owner or Occupier of any Unit who carries out any repair, maintenance, additions, alterations or other work on that Unit must ensure that any contractors or other persons employed or engaged cause minimum inconvenience to all other Owners and Occupiers and ensure that such work is carried out in a proper workmanlike manner.
- 24.6 An Owner or Occupier of a Unit shall keep and maintain in good order, repair and condition any fence on any boundary between any Accessory Unit at any time comprised within the same stratum estate as the Unit and any adjoining land, including any road or street, and keep the Body Corporate indemnified against any costs, claims or demands in respect of that fence, whether under the Fencing Act 1978 or any other statute.
- 24.7 An Owner or Occupier of a Unit shall not erect any fence without first obtaining the written consent of the Body Corporate to the type of fence to be erected, nor paint or stain any fence or any existing fence without first obtaining the written consent of the Body Corporate to the colour to be used nor without the written consent of the Body Corporate remove any fence.

25. Emergency Contact

An Owner of a Unit shall advise the Body Corporate of the private address (if different from the Unit) and telephone number of the Owner or Occupier or if the Owner or Occupier is a corporation then of the manager, secretary or other responsible person employed by the Owner or Occupier and shall keep the Body Corporate promptly informed of any change of such address or telephone number.

26. Dangerous Materials

An Owner or Occupier of a Unit shall not use or store upon the Unit or upon the Common Property, except with the approval in writing of the Committee any inflammable chemical liquid or gas or other inflammable material other than a reasonable quantity of liquids, gases or other materials used or intended to be used for domestic purposes or any such chemical, liquid, gas or other material in a fuel tank of a motor vehicle or other internal combustion engine.

27. Tenants

For the purpose of ensuring adequate and proper control and management of Units and of the Common Property at all times, every Owner (or Property Manager or Property Managing Company, acting on behalf of the Owner) shall, when creating a Lease or Tenancy or other right of occupation in favour of some other person ("the Tenant"):

- (a) notify the Body Corporate Secretary as to whether the Owner has, or is to appoint a Property Manager or Property Managing Company to manage the tenancy on behalf of the Owner. Such notification should also include the name and contact details of the Property Manager or Property Managing Company; and

- (b) notify the Body Corporate's Property Manager of the name and contact details of the Tenant; and
- (c) ensure that the Tenant has received and perused a copy of these Rules; and
- (d) ensure that the Tenancy Agreement specified by the Residential Tenancies Act 1986, which is entered into jointly by the Unit's Owner and the Tenant includes a provision that the Tenant will abide by these Rules; and
- (e) include, in the Tenancy Agreement referred to in (d) above, provision that failure by the Tenant to observe and abide by the Rules of the Body Corporate shall be grounds for termination of the Tenancy, where such non-compliance is regarded by the Committee acting reasonably to be material enough to warrant termination; and
- (f) in the event that the Tenant shall breach or fail to observe any of the Rules of the Body Corporate, then the Chairperson of the Body Corporate may serve notice at the Unit specifying the breach complained of, the remedial action required and forward a copy of that notice to the address of the Owner last known to the Body Corporate. In the event that the Tenant or Owner shall fail to promptly carry out the remedial action required or shall habitually breach or fail to observe the Rules of the Body Corporate then the Owner shall forthwith, following request in writing from the Body Corporate to that effect serve notice as specified in Section 51 of the Residential Tenancies Act 1986, terminating the Tenancy or make an application under either Section 55 or Section 56 of the Residential Tenancies Act 1986 to the Tenancy Tribunal requesting that the Tribunal terminate the Tenancy; and
- (g) comply with any agency appointment if required under Section 81(2) of the Act, which requires Owners who lease or licence their Units to appoint an

agent where they are absent from New Zealand for more than three consecutive weeks.

28. Rubbish Disposal

An Owner or Occupier of any Unit shall not deposit or throw any rubbish, dirt, dust or other material anywhere except into Wellington City Council rubbish bags to be placed in bins or receptacles or other designated places in the Common Area and in accordance with the directions given by the Committee from time to time and shall ensure that any refuse is secured, wrapped and in the case of tins or other containers, completely drained of liquids or adequately stoppered;

29. Powers And Duties of The Body Corporate

- 29.1 The Body Corporate shall insure and keep insured all buildings and other improvements on the Property to the Replacement Value, if available, against fire, earthquake, other damage to the Building and other such risks as the Body Corporate may determine from time to time.
- 29.2 The Body Corporate shall obtain an annual certificate of valuation for insurance purposes from a registered valuer for the purposes of assessing the replacement value referred to in Rules 1.1 and 29.1 of these Rules.
- 29.3 The Body Corporate shall not be obliged or under any duty or responsibility to do or carry out any repairs, work or act which any Unit Owner is under a duty to do or carry out under these Rules or under the Act.
- 29.4 The Body Corporate shall keep minutes of its proceedings, and shall also cause minutes to be kept of General Meetings of the Body Corporate and include in these minutes a record of all resolutions.

30. Further Powers of The Body Corporate

- 30.1 The Body Corporate may enter into any agreement with an Owner or Occupier of a Unit for the provision of amenities or services by it to the Unit or to the Owner or Occupier, or by the Owner or Occupier to the Body Corporate.
- 30.2 The Body Corporate may grant to an Owner or Occupier of a Unit or to anyone claiming through him or her any special privilege (not being a lease) in respect of the enjoyment of part or parts of the Common Property and levy such Owner or Occupier a reasonable charge for such privilege including any storage in the Common Property of the Building, provided that any such grant shall be determinable by a resolution at an Annual General Meeting or an Extraordinary General Meeting of the Body Corporate.
- 30.3 Where a Unit Owner or Occupier breaches any provisions of these Rules or any provision of the Act, in accordance with Section 127 of the Act, the Body Corporate may recover the whole of any fees, costs or expenditure incurred by the Body Corporate from the Unit Owner or Occupier, including but not limited to recovery of penalty payments levied by the New Zealand Fire Service for “false-alarm” Fire Service call-outs (i.e. incidents where a fire alarm has been activated within a Unit or within the Common Property, by either manual activation, cigarette smoke, cooking fumes or steam from the bathroom or any other means, and no actual fire has been detected by the Fire Service on their arrival), and administration costs incurred by the Body Corporate in investigating or rectifying the breach.
- 30.4 Where an Owner or Occupier of a Unit commits multiple or continued breaches of these Rules or of the provisions of the Act (which may include, but is not limited to non-payment of levies), or continuously fails to meet a responsibility or carry out an action required to be carried out by that Owner under these Rules or by the Act, the Body Corporate may prescribe monetary payments (considered reasonable to

impose having regard to the gravity of any particular breach) to be made to the Body Corporate by the Unit Owner or Occupier.

- 30.5 The Body Corporate may have removed any article or item stored on any part of the Building or the Property or in any Common Area in contravention of these Rules, and recover the cost of the removal and storage of such an article or item from the Owner of that article or item, and neither the Body Corporate nor any servant or agent of the Body Corporate employed for such purpose shall be liable for any damage, loss or costs resulting from the removal or storage of any such article or item.
- 30.6 Where an Owner or Occupier of a Unit is obliged to do or carry out any repairs or works under the provisions of the Act or under these Rules and where such Owner or Occupier has failed to carry out the required repairs or works, the Body Corporate shall issue a notice to the Owner or Occupier concerned requiring that the repairs or works are completed within a reasonable period.
- 30.7 If the notice referred to in Rule 30.6 is not complied with, the Body Corporate may carry out the required repairs or works, and charge to and recover from any defaulting Owner or Occupier all costs and expenses incurred.

31. Employment Of A Body Corporate Secretary And A Property Manager

- 31.1 A Body Corporate Secretary (who may or may not be a Unit Owner) may be appointed by the Body Corporate from time to time, for such term and upon such conditions as the Body Corporate may approve, which conditions may include a right to terminate for non-performance. Any Body Corporate Secretary ("the Secretary") so appointed may also be removed by the Body Corporate, either at a subsequent Annual General Meeting, or at an Extraordinary General Meeting called for that purpose. At any such meeting, the Secretary shall have the right to attend and be heard.

- 31.2 Function of the Secretary: The function of the Secretary shall be to keep proper books of account which shall record full, true, and complete accounts of the affairs and transactions of the Body Corporate and to carry out such other contract services as may from time to time be contracted to the Secretary by the Body Corporate, but without in any way delegating any duties or functions of the Body Corporate or Committee which otherwise remain the primary responsibility of the Body Corporate or Committee as the case may be. Other functions which may be contracted to the Secretary by the Body Corporate may also include but are not limited to keeping minutes of all General meetings of the Body Corporate and keeping minutes of meetings held by the Committee of the Body Corporate. If the Secretary is not an elected member of the Body Corporate Committee, the Secretary shall have the right to attend and be heard at Body Corporate Committee meetings, but shall not have a vote at such meetings. If the Secretary does not own a Unit within the Drummond Street Apartment Complex, the Secretary shall have the right to attend and be heard at all General meetings of the Body Corporate but shall not have a vote at such meetings.
- (a) The Secretary shall in each year prepare a statement of financial position showing the Body Corporate's financial dealings during that year, and shall, within 6 months after each Annual General Meeting, send a copy of the latest balance sheet to every Unit Owner.
- (b) The Secretary and any other person(s) or body duly authorised by Body Corporate may in the name of and on behalf of the Body Corporate issue certificates pursuant to Section 147 (3) (b) of the Act to any person authorised in writing by any Unit Owner to request such a certificate or the purchaser or mortgagee of any Unit.

- (c) The contract services of the Secretary may also include (but are not limited to) those listed in Regulation 11 of the Unit Titles Regulations, and may also include the ability to enter into contracts on behalf of the Body Corporate as detailed in Regulation 17 (2) and Regulation 17 (5) of the Unit Titles Regulations, where these are contracted to the Secretary to perform by the Chairperson or the Body Corporate Committee and where such performance required of the Secretary has been approved by a General meeting of the Body Corporate.

31.3 A Property Manager or Property Managing Company (who may or may not be a Unit Owner) may be appointed by the Body Corporate from time to time, for such term and upon such conditions as the Body Corporate may approve, which conditions may include a right to terminate for non-performance. Any Property Manager so appointed may also be removed by the Body Corporate, either at a subsequent Annual General Meeting, or at an Extraordinary General Meeting called for that purpose. At any such meeting, the Property Manager shall have the right to attend and be heard.

31.4 **Function of a Property Manager**

The function of the Property Manager shall be to carry out, at the frequency specified, those recurring caretaking, cleaning and minor repair duties as specified in writing, by the Body Corporate, at the time of appointment. The Property Manager shall also be responsible for implementing the Body Corporate's 10 year maintenance plan, for arranging for urgent maintenance to be carried out as and when required, and shall carry out such other contract services as may from time to time be contracted to the Property Manager by the Body Corporate, but without delegating any duties or functions of the Body Corporate or Committee which otherwise remain the primary responsibility of the Body Corporate or Committee as the case may be.

32. Dispute Resolution

- 32.1 Each Unit Owner or Occupier and members of the Committee shall use their best endeavours to avoid disputes, and shall at all times act in a manner which promotes harmony and cooperation among members of the Body Corporate and among the occupants of the Units. Each of them will actively, openly and in good faith discuss any dispute or difference arising out of and from these Rules or the provisions of the Act, with a view to a speedy resolution.
- 32.2 In respect of disputes between Unit Owners or Occupiers that are not able to be resolved in accordance with the principles of Rule 32.1, these shall initially be referred to the Committee, and any party to the dispute may make such a referral. Any Committee member having an interest in the dispute or associated with a party to the dispute shall be disqualified from participation in the referral. The Committee shall have power, after having heard the parties to the dispute, to rule upon and resolve the dispute, and provided that all parties to the dispute accept this ruling, the Committee's decision shall be final and binding on all parties to the dispute. Should any party to the dispute, not accept or not comply with the Committee's ruling, then any party to the dispute may refer it for resolution in accordance with the Dispute Resolution procedures detailed in Sections 171-176 of the Act. Alternatively, the Committee may, if it sees fit to do so, refer the dispute for resolution in accordance with the Dispute Resolution procedures detailed in Sections 171-176 of the Act.
- 32.3 In respect of disputes between the Committee on the one hand and a Unit Owner or Occupier on the other, or between the Body Corporate on the one hand and a Unit Owner or Occupier on the other, if such disputes cannot be resolved by reference to these Rules or to the provisions of the Act, then the dispute shall be referred to the appropriate Tribunal or Court for resolution in accordance with the Dispute Resolution procedures detailed in Sections 171-176 of the Act.