

PROPOSAL : PROCEDURE TO CHANGE BODY CORPORATE RULES

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The Toiora Body Corporate Rules currently has no clear procedure to change a rule. This proposal is primarily for the Body Corp procedures, but I feel it would be useful for general decision making purposes as well.

Keep in mind that Body Corporate rule changes must comply with the Unit Titles Act, and any other legislation. This also means that we cannot give the body corp any EXTRA powers or duties not allowed by the Act. Rule changes must be lodged with Land Information New Zealand in order to take effect, so this is not simply an internal community matter.

The procedure to change Toiora Body Corporate Rules will be by consensus using the group decision making process, with a few additional requirements and restrictions.

Additional Definitions

Occupier : Person who lives in, uses or works in a property. Includes owners, tenants, children & dependants, flatmates, boarders.

Tenant : Rents property from the landlord. Have signed a Tenancy Agreement, and have rights and obligations under the Tenancies Act.

Boarders / Flatmates : Occupying the property, but not a tenant.

Special Members : Rosemary & Maurice. And possibly whoever lives on the other neighbouring property in the future.

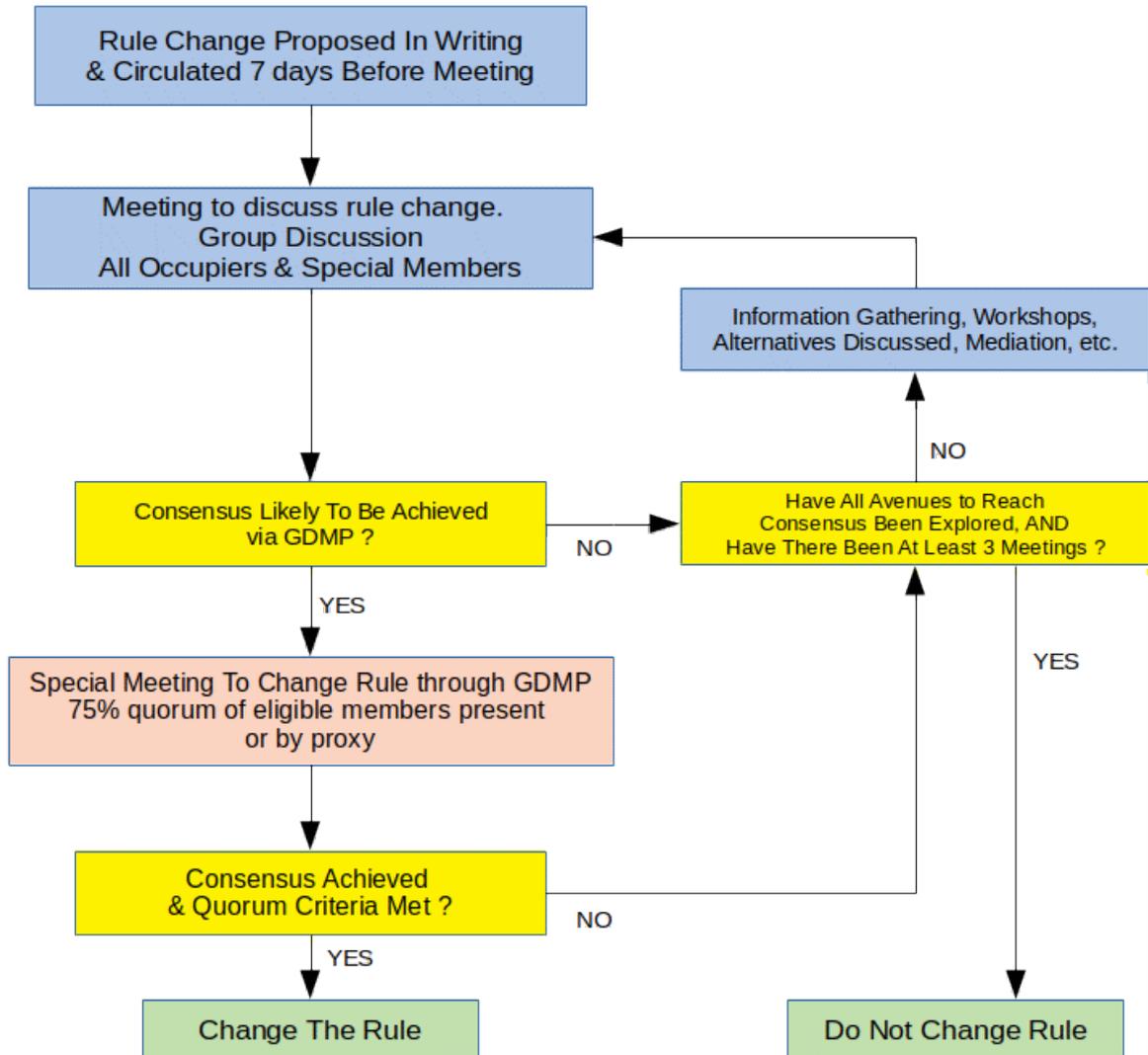
Quorum needed to change body corp rules : 75% of those eligible to participate in this decision making process to be present, or by proxy. Rule change requires consensus within the quorum.

Stand down period : A rule that has been changed cannot be changed again for 12 months. If a rule that is retained through this process, it cannot be challenged again for 12 months.

See next page for flowchart.

Procedure Flowchart – Changing Body Corp Rules

GDMP = Group Decision Making Process



Eligible Members Required For Quorum

All unit owners. Co-owners are counted as separate individuals.

All individual tenants who have signed a tenancy agreement.

Individual special members (Rosemary & Maurice are counted as two individuals)

NOTE: This means tenanted units could have double the number of eligible individuals per unit, but they represent separate interests for owners and tenants