

NOTICE OF SPECIAL GENERAL MEETING RESOLUTIONS AND EXPLANATORY NOTES

Owners Corporation No. 4,8 — Convesso/Concavo Shared Residential Plan of Subdivision PS615760X-4,8

Premises: Convesso and Concavo Apartments, 8&9 Waterside Place and 848–892 Bourke Street, Docklands VIC 3008

Date of Issue: 20 September 2026

Resolution 1 — Removal of Existing Committee Members

Proposed Ordinary Resolution:

That the Owners Corporation resolves by ordinary resolution that, with immediate effect upon the passing of this resolution, all current members of the Committee of Owners Corporation No. 4,8 Plan of Subdivision PS615760X-4,8 be removed from office, that their positions as committee members be declared vacant, and that any and all executive offices, sub-committee appointments, delegations, and authorities held by those individual committee members by virtue of their appointment to the Committee be wholly revoked and terminated.

Resolution 2 — Election of Newly Constituted Committee

Proposed Ordinary Resolution:

That, conditional upon the passing of Resolution 1, the Owners Corporation resolves by ordinary resolution to elect a newly constituted Committee of Owners Corporation No. 4,8 Plan of Subdivision PS615760X-4,8 to hold office for the balance of the current annual cycle until the conclusion of the next Annual General Meeting, with such Committee to comprise not less than 3 and not more than 12 eligible candidates elected from:

1. those financial lot owners or properly authorised lot owner representatives who have submitted written nominations prior to the commencement of this Special General Meeting; and
2. those eligible financial lot owners or properly authorised lot owner representatives nominated from the floor of the meeting;

provided that if the total number of eligible nominations exceeds 12 candidates, the chairperson shall conduct a formal ballot in accordance with governing strata procedures, wherein the 12 candidates receiving the highest number of votes shall be declared duly elected to the Committee.

Resolution 3 — Consequential Administrative and Operational Authorities

Proposed Ordinary Resolution:

That the Owners Corporation resolves by ordinary resolution to grant comprehensive administrative, operational, and executive authority to the newly elected Committee of Owners Corporation No. 4,8 Plan of Subdivision PS615760X-4,8, and to direct and authorise the newly constituted Committee, its nominated office bearers, and any appointed managing agent acting under its lawful instruction, to perform all acts, execute all instruments, and take all necessary, proper, or desirable measures to effect an orderly governance transition, secure scheme assets, regularise financial operations, and implement the resolutions passed at this meeting.

Authorisation to Update Statutory Registers and Notify Service Providers

That the incoming Committee be authorised and directed to:

1. immediately update the official register of committee members, minute books, and governance records of Owners Corporation No. 4,8 to reflect the removal of the former committee members and the election of the new Committee;
2. issue formal written notice within 24 hours of the close of this meeting to the appointed Owners Corporation Manager (Bluestone OCM Pty Ltd) (OR Current OCM), the facilities manager, building management personnel, panel contractors, financial institutions, insurance brokers, and retained legal practitioners, advising of the reconstituted Committee membership and providing updated authorisations and contact protocols;
3. revoke all prior financial delegations, authorisations to incur expenditure, electronic funds transfer access, bank account signing powers, and instructions given to or held by the removed committee members, and establish revised bank mandates requiring the authorisation of designated members of the newly elected Committee; and
4. instruct all retained third-party contractors, project consultants, legal representatives, and service providers that no instructions, directions, or commitments regarding Owners Corporation property, common funds, or ongoing contractual disputes may be taken from any former committee member, and that all directives must emanate solely from the newly elected Committee or its formally authorised delegate.

Direction to Secure and Transfer Books, Accounts, and Records

That the incoming Committee be authorised and directed to:

1. issue formal written demands requiring the immediate delivery, custody, and transfer to the incoming Committee, within 5 business days of written request, of all physical and electronic property, books, files, digital folders, registers, passwords, correspondence, financial records, and operational accounts of Owners Corporation No. 4,8 currently in the possession, power, or control of the former committee members, the Owners Corporation Manager, or related agents;
2. specifically require the preservation, assembly, and production of all material files pertaining to:
 1. the Building Condition Report No. BCR 27668 prepared by Mabi dated 26 July 2022, including all underlying inspection notes, consultant defect schedules, and photographic logs;

2. all written communications, formal correspondence, notes of discussions, and electronic records concerning the settlement offer issued by Lendlease dated 6 February 2023 in the amount of \$125,000 excluding GST;
 3. all records, scopes of works, engineer assessments, tender submissions, and contractor quotes regarding the shared swimming pool amenity, including reports from Cranwell Consulting, Dearness Property Services, FOCAL, and associated aquatic engineers; and
 4. all accounting working papers, ledgers, approvals, and minutes concerning the \$320,000 inter-entity loan advanced from the Owners Corporation No. 4 maintenance fund to Owners Corporation No. 8, together with all documentation relating to the \$96,091.34 (OC1 to OC3) prior-year financial adjustment for cleaning expenses; and
3. take all necessary steps, including initiating appropriate administrative or tribunal proceedings, in the event that any former committee member or contracted manager fails, neglects, or refuses to deliver up the complete books, records, and accounts of the Owners Corporation within the stipulated statutory and administrative timeframes.

Explanatory Note on Committee Removal and Governance Performance

This Special General Meeting has been requisitioned by a substantial and concerned group of lot owners who hold serious concerns regarding the ongoing stewardship, transparency, and statutory compliance of the incumbent Committee of Owners Corporation No. 4,8 Plan of Subdivision PS615760X-4,8. The primary objective of Resolution 1 is to reset the executive governance of the shared residential property, restore accountability to the broader ownership base, and install a representative committee committed to acting with due care, diligence, and complete transparency.

Under governing strata principles, committee members are bound by strict statutory duties to act honestly, in good faith, and with reasonable care and diligence in the performance of their functions. These obligations require committee members to exercise active oversight over common property assets, report material commercial matters promptly to all lot owners, avoid conflicts of interest, and ensure that financial resources are managed in strict adherence to corporate budgets and statutory trusts. The factual record reveals that the incumbent Committee has repeatedly failed to discharge these foundational governance duties across several critical areas:

1. **Non-Disclosure of Material Settlement Opportunities:** The Committee failed to communicate to the general body of lot owners the receipt of a formal, written cash settlement offer of \$125,000 excluding GST issued by the original builder, Lendlease, on 6 February 2023. The offer was permitted to lapse on 20 March 2023 without convening an information session, without tabling the offer at a general meeting, and without recording any transparent, reasoned commercial decision for permitting the offer to expire.
2. **Protracted Inaction on Structural and Amenity Defects:** Despite receiving professional condition reports from Mabi in July 2022 detailing extensive pool concourse failures, water ingress, and structural efflorescence beneath the pool slab, the Committee presided over years of cosmetic, ineffective patch repairs. This failure to implement systematic remedial solutions directly caused the accelerated physical

deterioration of the facility, ultimately resulting in the indefinite closure of the swimming pool amenity in January 2026.

3. **Unauthorised Depletion of Capital Funds:** The Committee permitted or acquiesced in the unauthorised extraction of approximately \$320,000 from the Owners Corporation No. 4 maintenance fund to cover an external insurance premium deficit attributable to Owners Corporation No. 8, without obtaining approval from lot owners at a general meeting and without executing enforceable commercial loan agreements or repayment covenants.
4. **Breakdown of Informational Transparency:** Repeated written requests from lot owners seeking access to basic accounting records, expert defect assessments, and contractor tender documents have been met with administrative evasion, protracted delay, or outright resistance by the managing agent and committee leadership.

The cumulative effect of these failures has been the erosion of owner confidence, exposure of the Owners Corporation to escalating capital liabilities, and the forfeiture of valuable legal and commercial recovery rights. Removing the incumbent committee members under Resolution 1 is an essential prerequisite to rectifying these systemic operational defects and restoring integrity to the management of Convesso and Concavo Apartments.

Explanatory Note on Swimming Pool Defect Management and Rectification Contracts

The shared swimming pool and wellness amenity located on the podium level represents one of the development's prime common assets. For more than four years, the management of progressive physical defects within the pool precinct has been characterised by administrative delay, failure to enforce builder obligations, and an utter absence of technical project management.

Physical Defect Progression and Amenity Closure

The physical issues affecting the swimming pool facility were formally catalogued in Building Condition Report No. BCR 27668, undertaken by Mabi on 26 July 2022. That comprehensive assessment identified extensive, severe defects across the pool concourse, structural pillars, drainage systems, and underlying carpark slabs:

1. **Pool Pillars (Report Items 144, 145, and 146):** Mabi observed that the mosaic wall tiles across all swimming pool pillars were heavily calcified, bowed, drummy, and actively dislodging from the precast substrate. These failures were categorised as significant builder-attributed defects requiring substantial structural and substrate repairs, carrying initial indicative repair estimates exceeding \$5,000 per pillar.
2. **Perimeter Drainage and Balance Tank Ingress (Report Item 147):** The report identified active water leaks originating from the assumed balance tank area and the pool's stainless steel perimeter drain. Water was observed discharging in active streams behind the metal drain profiles in a manner contrary to original engineering design, pointing directly to membrane rupture or compromised waterproofing junctions.
3. **Underside Structural Leakage (Report Items 93 and 94):** Inspection of the Level 6a carpark ceiling directly below the swimming pool revealed active water penetration through structural pipe penetrations, accompanied by heavy calcification,

efflorescence build-up, and extensive concrete slab cracking. Mabi cautioned that water travelling through slab cracks posed grave risks of long-term structural deterioration and recommended immediate, intrusive investigations by a structural engineer, including the removal of acoustic insulation panels obscuring the suspended soffit.

4. **Plant Room Deterioration and Grate Corrosion (Report Items 82, 83, and 150):** Severe salt deposits, efflorescence, and premature corrosion were documented across equipment within the pool plant room, alongside heavily corroded pool deck drainage grates.

Notwithstanding Mabi's explicit recommendations for builder intervention and comprehensive engineering diagnostics, the Committee failed to hold the builder accountable or commission comprehensive structural rectification. Instead, superficial, piecemeal remedial tiling works were undertaken. In January 2026, subsequent independent investigations by Dearness Property Services revealed that these interim patch repairs had "clearly failed", revealing completely drummy tiles, broken and missing grout, failed perimeter caulking, a water-saturated screed bed, and a ruptured, flimsy waterproofing membrane. As classifiable under applicable building tolerances, the prior remedial works were formally assessed as non-compliant, forcing the indefinite physical closure of the pool amenity in January 2026 due to severe safety and structural hazards.

Rectification Quotations and Escalating Financial Liabilities

As a direct consequence of the Committee's failure to address the pool defects competently between 2022 and 2025, the scope of works required to restore the amenity has grown exponentially, shifting from minor localised repairs to complete structural stripping and rebuilding. The financial liabilities now confronting lot owners have escalated dramatically:

1. **Commercial Rectification Tenders:** On 9 September 2025, FOCAL submitted a detailed rectification quotation amounting to \$231,231.00. On 2 February 2026, Dearness Property Services submitted an alternative remedial quotation of \$212,210.00 to strip all concourse tiles and screed down to the bare structural slab, re-engineer drainage falls, apply high-performance waterproofing systems, and completely re-tile the concourse and pillars. Latest (29/09/26) tenders and contract pricing stands at \$742,452.5 (unspecified if exclusive of gst) via correspondence from Bluestone for Neoscape
2. **Ancillary Professional Expenditures:** In addition to prime building contracts, the Owners Corporation has incurred, and continues to face, substantial secondary costs, including specialist pool consultant fees from Cranwell Consulting (detailed across Report No. 1 of 3 February 2025 and Report No. 2 of 19 March 2025), aquatic structural engineering fees, and project management retainers.
3. **Complete Absence of Financial Recovery:** Because the Committee failed to act upon the builder's settlement offer in 2023 or pursue formal dispute resolution before the statutory builder liability periods became contested, the entirety of these multi-hundred-thousand-dollar liabilities now threatens to fall directly upon lot owners via substantial special levies.

A reconstituted Committee is urgently required to assume direct control over the pool rectification programme, subject the competing tenders to rigorous independent technical

scrutiny, ensure proper procurement governance, and formulate an equitable funding strategy that minimises unnecessary financial calls upon lot owners.

Explanatory Note on the Lendlease Settlement Offer and Missed Recovery

A central pillar of the governance collapse within Owners Corporation No. 4,8 concerns the handling of the formal settlement offer presented by the original builder, Lendlease, in early 2023. The total concealment of this commercial offer from the ownership base represents a profound breach of representative governance.

Terms of the Settlement Offer and Administrative Inaction

Following the delivery of the Mabi Building Condition Report in mid-2022, protracted negotiations were initiated with Lendlease regarding documented common property defects across the towers, carpark, podium, and pool amenities. On 6 February 2023, Lendlease issued a formal, written settlement proposal. The verbatim terms of that settlement offer were as follows:

“Lendlease will pay the Owners Corporation \$125,000 excluding GST in full and final settlement of any and all claims arising out of or in connection with the Project”

The offer explicitly stipulated that it was:

“open for acceptance until 5pm, 20 March 2023”.

Despite the unequivocal deadline and the substantial sum involved, the documentary record reveals an astonishing course of administrative inaction and suppression:

1. **Concealment from Lot Owners:** The existence, terms, and expiry date of the \$125,000 offer were never disclosed to lot owners in any AGM notice pack, annual management report, or circular during 2023, 2024, or 2025. Lot owners were deliberately deprived of the opportunity to evaluate whether to accept the funds, counter-propose a higher figure, or instruct legal counsel to preserve claims.
2. **Absence of Deliberative Records:** There are no formal committee minutes, detailed resolutions, or reasoned legal opinions recording why the offer was neither accepted, negotiated, nor legally extended prior to 5.00 pm on 20 March 2023.
3. **Administrative Lapsing:** The Committee and its managing agent permitted the offer to quietly lapse by effluxion of time, forfeiting an immediate \$125,000 cash injection that was specifically available to offset common defect rectification costs.

Financial and Legal Prejudice to Lot Owners

The failure to secure the Lendlease settlement has caused immediate, severe financial prejudice to all lot owners within Owners Corporation No. 4,8:

1. **Direct Loss of \$125,000 in Defect Mitigation Capital:** Had the offer been accepted, or used as a baseline to negotiate a targeted contribution towards pool rectification, the Owners Corporation would have had \$125,000 in external capital available to

offset the pool contracts at the time quoted between \$212,210 and \$231,231, or \$ 865,909.06 (Pool info session 03/08/26) or \$742,452.5 (26/09/26) (unspecified if exclusive of gst and further costs). Instead, the net funding gap must now be borne entirely by the lot owners themselves.

2. **Compromised Legal Posture:** By permitting the offer to expire without preserving legal rights, executing standstill agreements, or filing timely proceedings in the appropriate tribunal, the Committee allowed statutory warranty periods to expire, severely weakening the Owners Corporation's leverage to compel builder contributions for the failed screed, membrane, and pool pillar assemblies.
3. **Special Levy Exposure:** With the pool amenity closed and requiring immediate capital reconstruction, the loss of builder contributions forces the Owners Corporation to contemplate emergency special levies against owners, an outcome directly attributable to the incumbent Committee's mishandling of the 2023 settlement window.

The newly elected Committee will be instructed to immediately review all historical correspondence, seek qualified legal advice on whether any residual claims remain actionable, and assess the personal and professional liabilities arising from the forfeiture of these settlement funds.

Explanatory Note on Maintenance Fund Inter-Entity Loan and Financial Administration

In addition to physical defect mismanagement, the financial administration of Owners Corporation No. 4,8 has been severely compromised by irregular inter-entity fund transfers that circumvent established statutory budgeting procedures.

Insurance Budgeting Deficit and Fund Transfer

Under governing strata legislation, a maintenance fund is a dedicated capital reserve established solely for the purpose of funding capital replacement, structural repairs, and the long-term maintenance of common property assets. Monies accumulated within a maintenance fund are held subject to statutory restrictions and cannot be lawfully raided to cover operational revenue shortfalls or the administrative expenses of third-party entities.

During the 2025 financial period, a critical failure occurred in the formulation and approval of operational budgets. Specifically, the annual insurance premium payable at the inception of the financial year was entirely omitted from the operating budget for Owners Corporation No. 8. When the premium notice fell due, Owners Corporation No. 8 was confronted with an immediate cash deficit amounting to several hundred thousand dollars. Rather than rectifying the budgeting omission through lawful administrative channels—such as convening an extraordinary general meeting to approve a supplementary operational levy—the incumbent administration orchestrated an emergency transfer of approximately \$320,000 from the Owners Corporation No. 4 maintenance fund to cover the deficit.

This \$320,000 extraction was executed without:

1. tabling the proposed transfer for consideration or approval by the members of Owners Corporation No. 4 at a general meeting;

2. disclosing the severe budgeting failure that precipitated the cash shortfall;
3. executing a binding, formal loan agreement establishing commercial repayment terms, default provisions, or proper financial guarantees; and
4. giving due regard to the statutory prohibition against misapplying restricted capital maintenance reserves to discharge foreign operating liabilities.

Repayment Obligations and Financial Regularisation

The extraction of \$320,000 from the maintenance fund has placed Owners Corporation No. 4 in a precarious financial condition at the precise moment when extensive capital reserves are required to fund the imminent swimming pool reconstruction:

1. **Critical Liquidity Impairment:** With over approx \$742,291+ excl-gst in immediate pool contractor liabilities pending, the depletion of \$320,000 in capital reserves strips the Owners Corporation of necessary liquidity, exposing lot owners to emergency special levies that would have been entirely avoidable had the maintenance fund remained intact.
2. **Indefinite Recovery Timelines:** To date, no formal, binding schedule has been implemented to guarantee the repayment of the principal sum from Owners Corporation No. 8, nor has commercial interest been accrued and credited to compensate Owners Corporation No. 4 for the loss of investment earnings.
3. **Associated Financial Discrepancies:** The gravity of this transaction is compounded by additional unresolved accounting entries, including an unexplained prior-year financial adjustment of \$96,091.34 relating to cleaning expenses, which appeared in financial statements without substantive explanatory notes or general meeting ratification.

The incoming Committee will make it an urgent priority to perform a forensic accounting review of the \$320,000 transfer and the \$96,091.34 adjustment, formalise enforceable loan and security agreements with Owners Corporation No. 8, mandate an accelerated repayment schedule with commercial interest, and ensure that all maintenance fund assets are restored to lawful capital reserves.

Explanatory Note on Committee Election Procedure and Transitional Authorities

To ensure that the governance of Owners Corporation No. 4,8 is transitioned smoothly and lawfully, Resolution 2 and Resolution 3 establish a clear procedural framework for the election of a new Committee and the immediate exercise of essential administrative powers.

1. **Eligibility and Candidate Nominations:** Any individual who is a registered lot owner of Owners Corporation No. 4,8 or who holds a valid corporate representative authorisation or written power of attorney from a registered lot owner, is eligible to nominate for the Committee, provided that all outstanding fees, levies, and interest owing to the Owners Corporation in respect of their lot are paid in full prior to the meeting. Nominations may be lodged with the Secretary or Manager in writing prior to the meeting, or submitted from the floor during the proceedings.
2. **Voting Thresholds and Methods:** Under governing strata legislation, the removal of the current committee members (Resolution 1), the election of the new committee

members (Resolution 2), and the granting of transitional authority (Resolution 3) are ordinary resolutions, requiring a simple majority of votes cast by eligible financial lot owners present in person, by electronic link, or represented by valid proxy or pre-submitted direct voting paper.

3. **Direct Ballots and Proxy Management:** Lot owners unable to attend the Special General Meeting are strongly encouraged to participate by lodging a directed voting paper or submitting a proxy appointment. In accordance with statutory rules aimed at preventing improper proxy aggregation, no individual proxy holder may vote proxy appointments representing more than 5% of the total lot entitlements within the scheme. Direct voting papers submitted directly to the chairperson or secretary bypass proxy limitations and count fully towards both the 50% statutory quorum and the voting tallies.
4. **Immediate Operational Transition:** Upon declaration of the election results, the outgoing committee members immediately cease to hold office. The incoming Committee will convene its inaugural meeting without delay to appoint executive office bearers (Chairperson, Secretary, and Treasurer), assume direct control of scheme correspondence, issue formal notices to all contractors and banks, and commence the critical work of auditing records, recovering funds, and restoring the common amenities of Convesso and Concavo Apartments.

ISSUED ON BEHALF OF THE CONCERNED LOT OWNERS OF OWNERS CORPORATION NO. 4,8 PLAN OF SUBDIVISION PS615760X-4,8

Dated: 21 September 2026

Convened and submitted by the Requisitioning Lot Owners:

Shaun Megson

Heinz Corona

William Zhang

Colin Young

Xiaoming Huang

For and on behalf of Requisitioning Lot Owners representing greater than 25% of the total lot entitlements of Owners Corporation No. 4,8 PS615760X-4,8.