



General meetings

The following outlines the provisions of the *Body Corporate and Community Management Act 1997* (the BCCM Act) and the *Body Corporate and Community Management (Standard Module) Regulation 2008* (the Standard Module) which regulate body corporate general meetings. It is not an exhaustive guide to general meetings. The legislation should be consulted as the primary reference.

Types of general meetings

Following the first annual general meeting, there are two types of general meetings which can be held by a body corporate.

1. Annual general meeting

The body corporate must hold an annual general meeting (AGM) within three months after the end of each financial year for the scheme. At the AGM owners consider the financial position and direction of the body corporate, and elect the committee for the next year.

The agenda for an AGM must provide for:

- the presentation of the statement of accounts for the previous financial year
- adopting the administrative and sinking funds budgets for the next financial year
- determining the contributions to be paid by lot owners for the financial year
- determining whether the statement of accounts for the next financial year are to be audited
- reviewing each insurance policy held by the body corporate.

The agenda must also include motions proposed by the committee or submitted by lot owners. An owner submitting a motion for consideration at an AGM must ensure that the secretary receives the motion before the end of the financial year immediately preceding the meeting.

Refer to the *Financial management* factsheet for the definition of financial year in this context.

2. Extraordinary general meeting

An extraordinary general meeting (EGM) can be held at any time throughout the year. An EGM must be called if a notice requesting the meeting:

- is signed by or for the owners of at least 25 per cent of all the lots included in the scheme, and
- includes the motions which the owners propose to be considered at the meeting
- is given to the secretary, or in the secretary's absence, the chairperson.

An EGM must be called within 14 days after the notice requesting the meeting is given to the secretary. The body corporate must hold the EGM within six weeks of receiving the notice requesting the meeting.

Submitting motions

All lot owners have the right to submit motions. If a motion is submitted, it must be included on the agenda of the next general meeting on which it is practicable to include the motion.

Calling a general meeting

A member of the committee, including a non-voting member may call a general meeting only if the member is specifically authorised by a resolution of the committee to call the particular meeting.

The notice must state the time and place of the proposed meeting, and must:

- contain an agenda for the meeting prepared by the committee. The agenda must include:
 - the substance of the motions proposed by the committee for consideration at the meeting
 - the substance of the motions submitted by owners and required to be included in the agenda
 - a motion to confirm the minutes of the previous general meeting
- include a proxy form
- include a voting paper which must:
 - state each motion to be considered at the meeting, including a motion with alternatives

- state the name and lot number of the person proposing the motion (if the motion is not proposed by the committee)
- state the type of resolution required for each motion
- enable a voter to record a written vote on each motion to be considered at the meeting
- be accompanied by an explanatory schedule if necessary
- include secret voting documentation if necessary.

Additionally, the notice of an annual general meeting must contain a copy of the Register of reserved issues.

A general meeting may pass a resolution on a motion only if the motion is included as an item of business on the agenda and is stated in the voting papers accompanying the notice of the meeting. An exception applies to a procedural motion for the conduct of the meeting, a motion to amend a motion, or a motion to correct minutes of a general meeting.

Motions with alternatives

This type of motion is used to combine all motions dealing with the same issue which have been received by the body corporate for consideration at a general meeting. There are two components to this type of motion, the motion itself and the alternatives.

The motion is submitted by the committee and it identifies the issue to be dealt with. The alternatives are the motions received by the body corporate proposing certain action in relation to the issue. The agenda and the voting paper for the general meeting should list the alternatives under the committee's motion.

Additional material must be included in the notice of a general meeting where a motion with alternatives is listed on the agenda. This material must be included in the explanatory schedule and includes:

- for each alternative, the words of the actual motion as submitted to the body corporate
- instructions on the method of voting on this type of motion
- enable a voter to record a written vote on each motion to be considered at the meeting
- be accompanied by an explanatory schedule if necessary
- include secret voting documentation if necessary.

Note: the requirements for voting on a motion with alternatives are different to those for other motions.

A voter may vote either:

- for the motion, by voting for the motion and for one of the alternatives listed under the motion
- against the motion.

If the motion is passed, the alternative with the most votes is the decision of the body corporate.

Explanatory schedule

The explanatory schedule forms part of the notice of a general meeting and includes material about motions on the agenda for a general meeting and includes the following:

- an explanatory note of no longer than 300 words about a motion given to the body corporate by the submitter of the motion
- for an annual general meeting, an explanatory note that a proposed administrative fund budget or a proposed sinking fund budget may be adjusted (see *Financial management factsheet*)
- for a motion with alternatives, the motions submitted to the body corporate and voting instructions
- for a motion proposing changing the regulation module to apply to the scheme, an explanatory note in the approved form (BCCM Form 19, available from the BCCM Office) explaining the effect of the proposed change.

Secret ballot

A motion on the agenda of a general meeting may be decided by secret voting which conceals the identity of the voter. There are some motions which must be voted on by secret ballot, including a motion about the authorisation of a person as a letting agent, or a motion about the engagement of a person as a service contractor if the person is to be a caretaking service contractor. The committee or the body corporate in a general meeting may also decide that any other motion should be decided by secret ballot.

The Standard Module specifies the process for conducting a secret ballot, including the appointment of a returning officer. A returning officer cannot be the owner of a lot in the scheme, or a body corporate manager, service contractor, letting agent, or a person who is their associate.

Holding a general meeting

Quorum

A quorum is the minimum number of people who must be present before a general meeting can commence and is at least 25 per cent of the number of voters for the meeting, except that if there are:

- three or more voters for the meeting, at least two voters must be present personally; and
- less than three voters for the meeting, at least one voter must be present personally.

A voter for a general meeting includes an individual whose name is entered on the body corporate roll as the owner of a lot; the representative of a lot owner; or the nominee of a corporate owner. A voter may be present at a general meeting personally, by proxy, by written voting paper (or by electronic voting paper if permitted by the body corporate). If a quorum is not present within 30 minutes of the time scheduled to start the meeting, the meeting must be adjourned to be held at the same place, on the same day and at the same time, in the next week.

Chairing the meeting

The elected chairperson must chair every general meeting at which he/she is present. If the chairperson is absent from the general meeting, or there is a vacancy in the office of chairperson, or a chairperson has not been chosen, the persons present with a right to vote at the meeting elect a person to chair the meeting.

A body corporate manager who has been authorised to exercise the powers of the chairperson may advise and help the elected chairperson, but may only chair a general meeting if:

- the elected chairperson is absent or there is a vacancy in the office of chairperson, and the body corporate manager is elected to chair the meeting, or
- the body corporate manager is the only person forming a quorum at an adjourned meeting.

The duties and powers of the person chairing the meeting include:

- ruling a motion out of order.
- declaring the result of voting on motions and the committee elections.

A motion must be ruled out of order if:

- the motion, if carried, would conflict with the legislation or the body corporate by-laws
- the motion, if carried, would be unlawful or unenforceable for another reason
- the substance of the motion was not included on the agenda for the meeting.

The person chairing the meeting must give reasons for ruling a motion out of order, which must be recorded in the minutes. The persons present and entitled to vote may, by ordinary resolution, reverse a ruling.

When declaring the result of voting on motions at the general meeting, the person chairing the meeting must state the votes for, against and abstentions on the motion. When declaring the result of an election for a committee position, the person chairing the meeting must state the number of votes cast for each candidate.

Voting at general meeting

A voter for a general meeting may vote on a motion (other than a motion to be decided by secret ballot) personally, by proxy, by written voting paper, or by electronic vote (if electronic voting is permitted by the body corporate). A voter may vote on a motion to be decided by secret ballot by written vote or by electronic vote (if electronic voting is permitted by the body corporate).

If the owner of a lot owes a body corporate debt at the time of the meeting, a person cannot vote on behalf of that lot on a motion (other than on a motion requiring a resolution without dissent) or for choosing a member of the committee.

Voting personally

A person votes personally at a general meeting by show of hands or by giving completed voting papers to the secretary (or if the secretary is not present, the person chairing the meeting before the start of the meeting) unless:

- a ballot is required by the legislation or the body corporate by-laws
- the person chairing the meeting decides a ballot is necessary to ensure an accurate count of votes.

Voting by proxy

A proxy is a person who represents a voter at a general meeting. The proxy:

- must be in the approved form (BCCM Form 6, available from the BCCM Office)
- cannot be transferred to a third person
- lapses at the end of the body corporate's financial year or at the shorter period stated in the proxy
- may be given by any person who has the right to vote at a general meeting
- must appoint a named individual.

The properly completed proxy form must be given to the secretary before the start of the general meeting, or before an earlier time determined by the body corporate. The earlier time cannot be more than 24 hours before the time fixed for the meeting.

Restrictions on proxy use include:

- a person must not hold more than one proxy if there are less than 20 lots in the scheme
- a person must not hold proxies greater in number than 5 per cent of the lots if there are 20 or more lots in the scheme
- a body corporate manager or an associate of a body corporate manager cannot exercise a proxy
- a vote by proxy cannot be exercised on a motion to engage a person as a body corporate manager or a service contractor, or to authorise a person as a letting agent
- a vote by proxy cannot be exercised on a ballot for the election of a member of the committee
- a vote by proxy cannot be exercised if the owner submits a written vote on the motion.

Voting by casting a written vote

A voter may submit a written vote by completing the voting papers and giving them to the secretary before the start of the general meeting. A written vote:

- can be given by hand, by post or by facsimile
- may be withdrawn by the voter at any time before the result of the motion is declared
- cannot be withdrawn by a proxy.

Voting by casting an electronic vote

A voter may cast an electronic vote if the body corporate has decided by ordinary resolution that voters may record votes electronically. An electronic vote is sent to the secretary in accordance with a requirement of the *Electronic Transactions (Queensland) Act 2001* and the instructions accompanying the voting papers for the meeting.

Procedural requirements

The secretary must make available for inspection by voters at a general meeting:

- the body corporate roll
- a list of the people who have the right to vote at the meeting
- all proxy forms and voting papers.

A motion may be amended by the people present who have a right to vote at the meeting. However, a person who is not present personally or by proxy, but who has cast a written or electronic vote on the

motion and has the right to vote, must be taken to have voted against the amendment. Those who are not present either personally or by proxy and have not cast a written or electronic vote on the motion must not be counted as voting for or against the motion. An amendment cannot change the subject matter of the motion.

The body corporate must keep full and accurate minutes of each general meeting. Full and accurate minutes include:

- the date, time and place of the meeting
- the voting results on motions, including the votes for and against and abstentions
- if there is an election, the number of votes cast for each candidate.

The minutes of a general meeting must be given to each lot owner within 21 days of the meeting. A motion to confirm the minutes of the last general meeting must be on the agenda of the next general meeting held.

General meeting resolutions

Ordinary resolution

The motion is passed only if the votes counted for the motion are more than the votes counted against the motion.

Examples:

- adoption of administrative and sinking fund budgets
- fixing the annual body corporate contributions.

Note: each lot owner usually has one vote on a motion to be decided by ordinary resolution. However, a person entitled to vote may ask for a poll for the counting of votes according to the contribution schedule lot entitlements for the scheme. For more information please refer to the 'Lot entitlements' fact sheet.

Majority resolution

The motion is passed only if the votes counted for the motion are more than 50 per cent of the lots for which persons are entitled to vote on the motion.

Example:

- Required transfer of the letting agent's management rights.

Special resolution

The motion is passed only if:

- a. at least two-thirds of the votes cast are in favour of the motion
- b. the number of votes counted against the motion are not more than 25 per cent of the number of lots in the scheme
- c. the total of the contribution schedule lot entitlements for votes counted against the motion is not more than 25 per cent of the total of the contribution schedule lot entitlements for all lots included in the scheme.

Examples:

- The consent to record a new community management statement (CMS) if the only difference in the new statement is either:
 - in the by-laws (other than exclusive use by-laws), or
 - the identification of a different regulation module.

Resolution without dissent

The motion is passed only if no vote is counted against the motion.

Examples:

- A proposal to sell or dispose of part of common property.
- The consent to record a new CMS to change a lot entitlement schedule.

The Office of the Commissioner for Body Corporate and Community Management (BCCM Office)

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Copies of the *Body Corporate and Community Management Act 1997*, the regulation modules, and any amendments can be accessed for free via the Office of the Parliamentary Council at: www.legislation.qld.gov.au/Acts_SLs/Acts_SL.htm or purchased from SDS, Ground Floor, Mineral House, 41 George Street, Brisbane. SDS Customer Service can be contacted on: 07 3118 6900 or 1800 679 778 or at: www.publications.qld.gov.au.

Disclaimer

The laws referred to in this guide are complex and various qualifications may apply in different circumstances. The information in this factsheet does not constitute legal advice. You are encouraged to obtain independent legal or financial advice if you are unsure of how these laws apply to your situation.

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