Annex B



Strata Title Law

DIFC Law No. 5 of 2007

# STRATA TITLE LAW

# TABLE OF CONTENTS

1.	Title	1
2.	Legislative authority	1
3.	Application of the Law	1
4.	Purpose of this Law	1
5.	Date of enactment	2
6.	Date of commencement	2
7.	Applicability of other laws	2
8.	Interpretation	2
9.	Division of real property by strata plan	3
10.	Requirements for strata plan	4
11.	Lodgment and registration of plan	5
12.	Mortgages	6
13.	Effect of registration	6
14.	Common property	8
15.	Ownership of common property	8
16.	<b>Rights and responsibilities for common property</b>	9
17.	Disposal of interest in common property	9
18.	Statutory easements	9
19.	Creation by body corporate of easements and covenants	10
20.	Commencement of easements and covenants	11
21.	Unit entitlements	11
22.	Change of unit entitlements	12

23.	Amendment of plan	13
24.	Application for amendment	13
25.	Acquisition of real property by body corporate	14
26.	Divesting of real property designated for public purposes	14
27.	Consolidation of plans	15
28.	Application for consolidation	15
29.	How consolidation is effected	16
30.	Effect of consolidation	16
31.	Collective sale resolution	16
32.	Collective sale procedures	17
33.	Termination by resolution of body corporate	18
34.	Termination by Court	19
35.	Registrar's cancellation of plan on application of body corporate	19
36.	Cancellation of plan following order of Court	20
37.	Effect of cancellation	20
38.	Registration of cancellation	20
39.	Reinstatement of buildings	21
40.	Apportionment of statutory charge	22
41.	Staged development schemes	23
42.	Form and contents of scheme	23
43.	Application for planning approval	25
44.	Approval of scheme in principle	25
45.	Lodgment of staged development scheme	26
46.	Commencement of scheme	26
47.	Development rights	26
48.	Progressive development	27
49.	Application for variation of scheme	27
50.	Registration of variation	29

51.	Variation of scheme by Court	29
52.	Court order	31
53.	Implied term in contract for sale of lot or proposed lot in staged development scheme	31
54.	Acquisition of real property subject to registered scheme	32
55.	Name of strata scheme	32
56.	Establishment, regulation and register of bodies corporate	33
57.	Division and merger of bodies corporate	33
58.	Common seal	34
59.	Membership of body corporate	35
60.	General meetings of body corporate, including first annual general meeting	36
61.	Voting at general meeting	38
62.	Voting on behalf of persons under disability	38
63.	Committee of management	38
64.	Fiduciary duty of committee members	40
65.	Appointment of manager	40
66.	Functions of body corporate	40
67.	Administrative fund	41
68.	Contributions	41
69.	Certificates by body corporate	42
70.	Proceedings on behalf of owners	43
71.	Subrogation of contractual rights	43
72.	Roll to be kept by body corporate	43
73.	Postbox and noticeboard	44
74.	Appointment of administrator	44
75.	Power to make by-laws	45
76.	Limitations on by-law making power	46
77.	Registration and commencement of changes to by-laws	47

78.	Legal effect of by-laws	47
79.	Exclusive use by-laws	48
80.	Compliance notices	49
81.	Enforcement by Board	49
82.	When copies of by-laws must be provided	50
83.	Body corporate taken to have insurable interest in certain property	50
84.	Insurance of buildings, etc, by body corporate	50
85.	Owner or occupier may be required to comply with requirement to ensure that insurance may be obtained on reasonable terms	51
86.	Other insurance	52
87.	Insurance by owner of lot	52
88.	Default by body corporate in relation to insurance	53
89.	Production of policies of insurance for inspection	53
90.	Application for relief	54
91.	Mediation	54
92.	Notice of application	55
93.	Investigations	55
94.	Power to dismiss proceedings	56
95.	Powers to obtain information	56
96.	Power of entry	57
97.	Obstruction	57
98.	Orders by Registrar in relation to breaches of this Law or the by-laws	57
99.	Interim orders	58
100.	Order in relation to common property	58
101.	Order in relation to acquiring personal property	58
102.	Order to make or pursue insurance claim	59
103.	Order varying rate of penalty interest	59

104.	Order to supply information or documents	59
105.	Order in relation to animals	60
106.	Order in relation to by-laws	60
107.	Order granting licence	61
108.	Order making by-laws	61
109.	Order invalidating proceedings	62
110.	Order reallocating unit entitlements	62
111.	Order varying amount or manner of payment of contributions	62
112.	Order varying amount of insurance	63
113.	Order appointing administrator	63
114.	Order convening meeting of members of body corporate	64
115.	Order invalidating special resolution	65
116.	Order terminating contract for services to the body corporate	65
117.	Order relating to structural alteration or addition to lot	65
118.	Order in relation to development contemplated by staged development scheme	66
119.	Order imposing penalty for breach of by-law	66
120.	Order for exemption from various statutory requirements	67
121.	Copy of order to be served	67
122.	Penalty for contravention	68
123.	Enforcement of orders	68
124.	Enforcement of orders for payment of money	69
125.	Order may have effect as resolution of body corporate	69
126.	Recording of certain orders	69
127.	Registrar may determine questions relating to title to real property	70
170		70
128.	Interested persons	
129.	Right of appeal to Board	71

130.	Powers of Board on appeal	72
131.	Right of appeal to Court	72
132.	Powers and protection of the Registrar	72
133.	Certificates issued by body corporate	72
134.	Action to be taken by the Registrar for registration, etc, of documents	73
135.	Use of lots and accessory lots	73
136.	Rights and remedies conferred by this Law to be in addition to those existing apart from this Law	74
137.	Easements not affected by unity of ownership	74
138.	Service, etc, of notices	74
139.	Service on body corporate	75
140.	Service on owners of lots	75
141.	Powers of entry in certain cases	76
142.	Power of entry by authority	76
143.	Registrar's directives	76
144.	Offences against this Law	77
145.	Authority may make Regulations	77

# Schedule 1

1.	Duty to keep lot in good order and repair	79
2.	Prohibited conduct	79
3.	Duty to allow access for maintenance and repair of common property	80
4.	Duty to pay rates and taxes	80
5.	Vehicles	80
6.	Reasonable behaviour	81
7.	Duty to provide information	81
8.	Keeping animals	81

# Schedule 2

1.	Rules of interpretation	82
2.	Defined terms	83

# STRATA TITLE LAW

# A LAW TO PROVIDE FOR THE CREATION, ADMINISTRATION AND MANAGEMENT OF STRATA TITLE

#### PART 1—PRELIMINARY

## 1. Title

This Law is the Strata Title Law.

## 2. Legislative authority

This Law is made by the Ruler of Dubai.

## **3.** Application of the Law

This Law applies to real property within the jurisdiction of the DIFC.

### 4. Purpose of this Law

The purpose of this Law is to extend the benefits of registration under the Real Property Law (DIFC Law No. 4 of 2007) to units (called in this Law "lots") in strata developments, and in particular:

- (a) to provide for the registration of strata developments;
- (b) to guarantee ownership of units in strata developments in the same way that ownership is guaranteed under the Real Property Law;
- (c) to facilitate dealings with units in strata developments;

- (d) to facilitate the day-to-day administration of strata developments;
- (e) to help resolve disputes between owners of lots in strata developments; and
- (f) to allow strata development to occur in orderly stages.

#### 5. Date of enactment

This Law is enacted on the date specified in the enactment notice for the Law.

#### 6. Date of commencement

This Law comes into force on the date specified in the enactment notice for the Law.

## 7. Applicability of other laws

- (1) This Law is to be construed with the Real Property Law, to the intent that the provisions of that law apply to real property in strata plans registered under this Law.
- (2) Dubai real property laws do not apply to strata plans registered under this Law.
- (3) Subject to Article 56(3), the Companies Law (DIFC Law No. 3 of 2006) does not apply to bodies corporate established under this Law.

#### 8. Interpretation

- (1) Terms used in this Law that are defined in the Real Property Law have the same meaning in this Law as they have in that law.
- (2) For the purposes of clarification, and without limiting paragraph (1), in this Law "real property" includes land on which a building is erected or proposed to be erected.
- (3) Schedule 2 contains:
  - (a) Rules of Interpretation applying to this Law; and

(b) a list of defined terms used in this Law.

## **PART 2 - STRATA SCHEMES**

### Chapter 1 - Division of real property by strata plan

#### 9. Division of real property by strata plan

- (1) Real property for which one or more folios of the Register have been created under the Real Property Law may be divided into lots, or into lots and common property, by registering a strata plan as provided in this Part.
- (2) If the real property to be divided by a strata plan is comprised in 2 or more folios of the Register, the registration of the strata plan effects any necessary consolidation of the real property.
- (3) Real property may be divided both vertically and horizontally under this Law, but vertical division into more than one stratum is not a necessary feature of a strata plan.
- (4) If real property is divided vertically, a lot may be created entirely on one level, or partially on one level and partially on another or others.
- (5) Subject to planning controls, different areas within a strata plan may be designated for different uses (for example, one area may be designated for residential use, another for commercial use, and another for retail use).
- (6) Where a strata plan shows, expressly or by necessary implication, the use for which a lot is designated, the registered owner must not use the lot for another use, or permit it to be so used.

## Chapter 2 - Requirements for registration of plan

#### **10.** Requirements for strata plan

- (1) A strata plan must:
  - (a) state the name of the strata scheme;
  - (b) delineate the external surface boundaries of the site and the location of the buildings or proposed buildings in relation to those boundaries;
  - (c) state the folio or folios of the Register for the site and the location of the site;
  - (d) include a drawing illustrating the lots and distinguishing them by numbers or other symbols;
  - (e) define the boundaries of each lot;
  - (f) show the approximate area of each lot;
  - (g) state the unit entitlement of each lot;
  - (h) indicate (if it is the case) that a lot is an accessory lot and identify the principal lot with which it is associated;
  - (i) if parking easements are to be created on registration of the strata plan:
    - (i) delineate the parking bays;
    - (ii) define or describe the rights of access to be conferred by the easements; and
    - (iii) define other easements and covenants (other than statutory easements) that are to be created on registration of the plan and to which any part of the site is to be subject;
  - (j) state the name of the body corporate to be formed on registration of the plan and its address for service;
  - (k) be accompanied by the proposed first by-laws of the body corporate, or else indicate that the first by-laws are to be those set out in Schedule 1; and

- (l) contain other information and features required by the Registrar.
- (2) If a lot is separated from another lot, or from common property, by a boundary structure, the boundary is, unless otherwise stipulated in the strata plan, the centre of the boundary structure.
- (3) Despite paragraph (2):
  - (a) any windows (whether fixed or sliding) that are on the exterior wall of a lot and enclosed within a space such as a balcony, are part of the lot; and
  - (b) any other windows that are on the exterior wall of a lot are common property.
- (4) A strata plan must be endorsed with or accompanied by a certificate of a duly qualified surveyor, in a form approved by the Registrar, certifying that the building or buildings shown on the plan are within the boundaries of the site or that any encroachment beyond those boundaries is legally permitted.
- (5) In this Article, "lot" includes a lot within a building that is yet to be constructed or completed.

# 11. Lodgment and registration of plan

- (1) A strata plan has no legal effect unless and until it is registered.
- (2) A strata plan may be lodged with the Registrar for registration.
- (3) The plan must be accompanied by:
  - (a) subject to paragraph (4), a certificate issued by the relevant planning authority that the authority has approved the development of the site;
  - (b) any other documents that may be required by the Registrar; and
  - (c) the prescribed fee.

- (4) Where the Authority has assented through a notification to the strata subdivision of a building or a class of buildings without needing planning approval, the building plans as approved by the relevant building authority may constitute the strata plan for the purposes of Article 10, if they are accompanied by a certificate from a duly qualified surveyor:
  - (a) setting out the information required by Article 10; and
  - (b) certifying that the plans are correct and that the separate areas within the building accord with the areas that the registered freehold owner of the real property on which the building stands has sold or agreed to sell.
- (5) If satisfied that the requirements for registration have been complied with, the Registrar must register the plan.

#### 12. Mortgages

- (1) If, immediately before registration of a strata plan, a mortgage was registered in the folio or folios of the Register for the entire site, then on registration of the plan the Registrar must register the mortgage in the folio for each lot created on registration of the plan.
- (2) If, immediately before the registration of the strata plan, a part of the site was subject to one mortgage and another part of the site was subject to another mortgage, the Registrar must record each mortgage in the folio of the Register for the lot that corresponds most closely to the part of the site over which the mortgage was given.
- (3) When acting under paragraph (1), the Registrar must not record the mortgage in the folio of the Register for the common property.

# 13. Effect of registration

- (1) A registered strata plan forms part of the Register.
- (2) On registration of the strata plan, the Registrar must create folios of the Register for:
  - (a) each lot created by the plan; and

- (b) the common property.
- (3) When creating a folio of the Register for a lot, the Registrar must:
  - (a) if the original owner still owns the lot, record the original owner as the registered freehold owner of that lot;
  - (b) if the original owner has transferred the lot, the Registrar must record as the registered freehold owner the person who, at the time of creation of the folio, appears to the Registrar to be the freehold owner; and
  - (c) record that ownership of the lot may:
    - be subject to the benefits and burdens created under any building sales agreement, co-owners association constitution, master community declaration, or similar document applying to the lot; and
    - (ii) include a proportionate interest in any common property associated with the development of which the building forms part.
- (4) When creating a folio of the Register for the common property, the Registrar must record the body corporate as the registered freehold owner.
- (5) The following provisions apply to the folio of the Register for the common property:
  - (a) easements (other than statutory easements), covenants and caveats affecting the site are to be recorded in the folio;
  - (b) dealings with the common property by the body corporate of a kind authorised under this Law are to be recorded in the folio;
  - (c) if the initial by-laws of the body corporate are not the model by-laws, that fact is to be recorded in the folio and any changes to by-laws are to be recorded in the folio; and
  - (d) any amendments to the plan are to be recorded in the folio.

## **Chapter 3 - The common property**

## 14. Common property

- (1) Subject to paragraph (2), the common property consists of:
  - (a) parts of the site (including buildings or parts of buildings and improvements) that are not within a lot; and
  - (b) the service infrastructure.
- (2) A part of the service infrastructure within a lot, and solely related to supplying services to the lot, is common property only if it is within a boundary structure separating the lot from another lot or from common property.

## 15. Ownership of common property

- (1) The body corporate holds the common property in trust for the owners of the lots.
- (2) The owners of the lots are, in equity, tenants in common of the common property in shares proportionate to the unit entitlements of their respective lots.
- (3) An owner's interest in a lot is inseparable from the owner's interest in the common property, so that:
  - (a) a dealing with the lot affects, without express mention, the interest in the common property; and
  - (b) an owner cannot separately deal with or dispose of the owner's interest in the common property.
- (4) The body corporate may not mortgage or charge the common property, but otherwise may deal with the common property on behalf of the owners of the lots as authorised under this Law.

## 16. Rights and responsibilities for common property

- (1) The body corporate may sue and be sued for rights and liabilities related to the common property as if the body corporate were the owner and occupier of the common property.
- (2) If the body corporate grants rights of exclusive occupation of a part of the common property to another person, the body corporate's rights and liabilities as occupier of that part of the common property are, while the right of exclusive occupation continues, vested in the other person.

# 17. Disposal of interest in common property

- (1) If authorised by extraordinary resolution, a body corporate may:
  - (a) sell or otherwise dispose of part of the common property; or
  - (b) grant or amend a lease over part of the common property.
- (2) An instrument to give effect to a transaction under this Article may be registered only if accompanied by:
  - (a) a copy of the resolution authorising the transaction certified under the body corporate's common seal;
  - (b) if planning or subdivision approval is required by law, a certificate from the relevant authority certifying that it has approved the transaction; and
  - (c) if the transaction is for the sale or disposal of part of the common property, an amendment to the plan showing the new boundaries.

#### **Chapter 4 - Easements**

#### **18.** Statutory easements

(1) Easements of lateral and subjacent support exist between lots or parts of the common property for which the support is necessary and lots or parts of the common property capable of providing the support.

- (2) An easement of shelter exists entitling the owner of a lot to have the lot sheltered by buildings and structures on the site.
- (3) Easements exist over the lots and common property in favour of the body corporate and the owners of lots to the extent reasonably necessary for the installation, maintenance, operation, repair and replacement of service infrastructure.
- (4) The easements in paragraphs (1), (2) and (3) confer and impose all ancillary rights and obligations reasonably necessary to make them effective, including the right to enter real property burdened by the easements in order to ensure continued enjoyment of the easements.
- (5) The rights conferred by the easements in paragraphs (1), (2) and (3) cannot be exercised in a way that unreasonably interferes with the enjoyment of a lot or the common property.

## **19.** Creation by body corporate of easements and covenants

- (1) If authorised by extraordinary resolution, a body corporate may:
  - (a) grant an easement burdening the common property, or accept the grant of an easement for the benefit of the common property;
  - (b) enter into a covenant burdening the common property or for the benefit of the common property; or
  - surrender an easement or covenant for the benefit of the common property, or accept the surrender of an easement or covenant burdening the common property.
- (2) An instrument to give effect to a transaction under this Article may only be registered if accompanied by:
  - (a) a copy of the resolution authorising the transaction certified under the body corporate's common seal;
  - (b) if planning approval is required by law, a certificate from the relevant authority certifying that it has approved the transaction;
  - (c) if the Registrar considers necessary, a plan of the easement; and

(d) any other documents required by the Registrar.

## 20. Commencement of easements and covenants

- (1) Statutory easements come into force on the registration of the plan.
- (2) Easements and covenants that are included in the plan and that burden real property comprised in the site, come into force on the registration of the plan.
- (3) An easement or covenant created by a transaction authorised under this Chapter comes into force on registration of the instrument under which the easement or covenant is created.

# **Chapter 5 – Unit entitlements**

## 21. Unit entitlements

- (1) Each lot created by a plan has a unit entitlement, expressed as a percentage or fraction of the aggregate unit entitlement of all lots in the plan.
- (2) A unit entitlement:
  - (a) may be a general unit entitlement operating for all the purposes of this Law; or
  - (b) may be a special unit entitlement operating for any one or more specific purposes, such as (but not limited to) the following:
    - (i) for fixing the proportionate contribution to be made by the owner of the lot to the body corporate;
    - (ii) for fixing the owner's proportionate interest in the common property;
    - (iii) for fixing the number of votes to be exercisable by the owner of the lot at a general meeting of the body corporate;
    - (iv) for fixing the proportion of the body corporate's income to be apportioned to the owner of the lot.

- (3) The contribution under paragraph (2)(b)(i) may take into account the ways in which the owner's use or occupation of a lot contributes to matters such as (but not limited to) the following:
  - (a) wear and tear on the common property;
  - (b) consumption of shared facilities;
  - (c) insurance premiums payable by the body corporate.
- (4) If a lot has a special unit entitlement for a particular purpose, it must also have a general unit entitlement for other purposes. Where relevant, a reference in this Law to the unit entitlement of the lot is to be taken as a reference to the special unit entitlement, but otherwise is to be taken to be a reference to the general unit entitlement of the lot.
- (5) The unit entitlement, or a particular class of unit entitlement, may be the same for each lot or may vary from lot to lot.
- (6) Unit entitlements must be fixed on a fair and equitable basis.

#### 22. Change of unit entitlements

- (1) The unit entitlements of the lots created by a plan may be changed:
  - (a) by extraordinary resolution of the body corporate;
  - (b) by order under Part 8; or
  - (c) if the total unit entitlements of the lots subject to the change are not affected, by agreement between the owners of the lots and with the consent of the registered mortgagees and lessees of the lots.
- (2) The Registrar may dispense with a lessee's consent under paragraph (1)(c) if satisfied that the lessee's interests would not be prejudiced by the change of unit entitlement or if the lessee has unreasonably withheld consent.
- (3) A change of unit entitlements under paragraph (1) does not take effect until the plan is changed by registration of an amendment including the change.
- (4) This Article does not limit other ways in which unit entitlements may change under this Law.

# Chapter 6 - Amendment of strata plan

## 23. Amendment of plan

A strata plan may be amended by registration of an amendment under this Chapter.

## 24. Application for amendment

- (1) An application for registration of an amendment to a strata plan may be made:
  - (a) if the body corporate is authorised by special resolution to make the application, by the body corporate; or
  - (b) jointly by the owners of lots affected by the amendment.
- (2) The application must be accompanied by the following:
  - (a) if the application is made by the body corporate, a copy of the resolution authorising the application certified under the body corporate's common seal;
  - (b) if the amendment affects the boundaries of lots or common property:
    - (i) a plan showing the amendment certified, in a form approved by the Registrar, by a duly qualified surveyor;
    - (ii) a certificate of approval from any authority whose approval to the amendment is required; and
    - (iii) evidence that the registered mortgagees of any lots affected by the amendment consent to the amendment;
  - (c) if the amendment affects unit entitlements, a revised schedule of unit entitlements; and
  - (d) the prescribed fee.
- (3) The Registrar may dispense with a registered mortgagee's consent under paragraph (2)(b)(iii) if satisfied that the mortgagee's interests would not be prejudiced by registration of the amendment or that the mortgagee has unreasonably withheld consent.

# 25. Acquisition of real property by body corporate

- (1) If authorised by extraordinary resolution, a body corporate may acquire real property to incorporate it in the site.
- (2) If the real property is not already under the Real Property Law, the transaction for the acquisition is not to be completed until a folio of the Register is created for the real property.
- (3) A transfer to give effect to an acquisition under this Article may be registered only if accompanied by:
  - (a) a copy of the resolution authorising the acquisition, certified under the body corporate's common seal; and
  - (b) an application for amendment to the plan in accordance with this Chapter incorporating the real property in the site.
- (4) On registration of the transfer, the real property merges with the site to form common property or common property and lots in accordance with the amendment to the plan.

## Chapter 7—Divesting of real property for public purposes

## 26. Divesting of real property designated for public purposes

- (1) This Article applies where, in a plan approved by the relevant authority, part of common property is designated for roads, streets, road reserves, roadwidening, drainage reserves, or for any other public use.
- (2) The Authority may lodge with the Registrar a request in the approved form to be registered as owner of that part of the common property.
- (3) If satisfied that the request relates to the part of the real property shown in the plan, the Registrar must record the Authority as registered freehold owner of that part of the common property and make an appropriate recording in the folio of the Register for the common property.

- (4) On registration:
  - (a) that part of the common property vests in the Authority free from all interests affecting it;
  - (b) where any of those interests are registered, the Registrar must cancel their registration; and
  - (c) if the Registrar considers it appropriate, the Registrar must create a new folio of the Register for the balance of the common property.

#### **Chapter 8 - Consolidation of plans**

#### 27. Consolidation of plans

Two or more strata plans may be consolidated under this Chapter.

## 28. Application for consolidation

- (1) An application for the consolidation of two or more strata plans may be made to the Registrar by the bodies corporate for the relevant strata schemes.
- (2) The application must be accompanied by the following:
  - (a) copies of the resolutions authorising the application, each certified under the common seal of the body corporate by which it was passed to be an extraordinary resolution of the body corporate;
  - (b) a consolidated plan to be substituted for the existing registered plans certified, in a form approved by the Registrar, by a duly qualified surveyor;
  - (c) the written consents of all owners and registered mortgagees of lots;
  - (d) a certificate of approval issued by any authority whose consent to the consolidation is required;
  - (e) a revised schedule of unit entitlements; and
  - (f) the prescribed fee.

- (3) The consolidated plan must show the name of the strata scheme to be formed by the consolidation and the address of the body corporate to be formed by the consolidation.
- (4) The Registrar may dispense with a registered mortgagee's consent under paragraph (2)(c) if satisfied that the mortgagee's interests would not be prejudiced by the consolidation or that the mortgagee has unreasonably withheld consent.

## **29.** How consolidation is effected

- (1) The Registrar may consolidate the strata plans by:
  - (a) cancelling the existing plans and the existing folios in the Register for the strata schemes; and
  - (b) registering the new plan and creating new folios in the Register for the consolidated scheme.
- (2) The issue of new folios of the Register does not affect mortgages over the lots in the strata scheme, and those registered on the previous folios are to be transferred to the new folios.

#### **30.** Effect of consolidation

(1) On consolidation of the plans, the bodies corporate that applied for the consolidation are dissolved and their assets and liabilities vest in the body corporate formed on registration of the new plan.

## Chapter 9—Collective sale of site

### **31.** Collective sale resolution

- (1) This Article applies to a resolution (in this Chapter called a "collective sale resolution") to sell the site and any property on it.
- (2) A collective sale resolution may only be passed at a duly convened meeting of the members of the body corporate, and must be an extraordinary resolution.

- (3) A collective sale resolution must specify:
  - (a) the proposed method of and timing of the sale;
  - (b) the method of distributing the proceeds of sale;
  - (c) the hoped-for sale price; and
  - (d) that no binding contract for sale may be entered into until 1 month after the passing of the resolution.
- (4) Any owner who opposes the sale, or a registered mortgagee, may apply to the Board within 1 month of the passing of the resolution for a determination:
  - (a) that the sale not proceed; or
  - (b) that the sale proceed on terms that differ from the terms of the resolution, and specifying those terms.
- (5) If an owner or mortgagee acts under paragraph (4), the body corporate must not act on the resolution unless and until the Board has made an order allowing the sale to proceed.
- (6) The Board may make the order that it considers appropriate in the circumstances.
- (7) The Board's order binds all owners, mortgagees and other persons with an interest in the site.
- (8) This Article is subject to any Regulations governing the proceedings before the Board, including any requirements for notice to be given and any circumstances the Board must take into account when considering its decision.

#### **32.** Collective sale procedures

- (1) This Article applies where a collective sale resolution has been passed and:
  - (a) no application has been made to the Board under Article 31; or
  - (b) an application has been made but the Board has rejected it and has ordered the sale to proceed.

- (2) The body corporate may proceed with the sale in accordance with the terms of the resolution or (if different from the resolution) the Board's order.
- (3) The body corporate may appoint up to 3 of its members to represent it and all the owners.
- (4) The appointees acting together may execute all instruments and dealings necessary or convenient to give effect to the resolution or the Board's order.
- (5) On production of a copy of the resolution or the order, and a copy of the appointment of the representatives, neither a purchaser nor the Registrar need enquire whether the requirements of this Chapter have been met.
- (6) This Article is subject to any Regulations governing the sale procedures.

# **Chapter 10 – Termination of plan**

## **33.** Termination by resolution of body corporate

- (1) A body corporate may, by extraordinary resolution, resolve to terminate the strata plan.
- (2) The body corporate gives effect to its resolution by applying to the Registrar for cancellation of the plan under Article 35.
- (3) If it resolves to terminate the plan, the body corporate must also appoint as liquidator a person who is registered as an insolvency practitioner under Part 9 of the DIFC Insolvency Law (DIFC Law No. 7 of 2004).
- (4) The liquidator must do whatever is reasonably possible to ensure that the following events occur, to the optimum lawful advantage of the body corporate:
  - (a) the sale or disposition of the body corporate's property;
  - (b) the discharge of the body corporate's liabilities;
  - (c) the identification of persons liable for discharging the body corporate's liabilities and their proportionate liability; and

(d) the distribution of the body corporate's assets and the proportionate entitlement of each person under that distribution.

## **34.** Termination by Court

- (1) The Court may order that a strata plan be terminated, on grounds the Court considers appropriate.
- (2) An application for an order under paragraph (1) may be made by an owner of a lot, a registered mortgagee of a lot, or the body corporate.
- (3) The Court may require persons to be served with notice of the application.
- (4) The Court may, from time to time, vary any order it makes under this Article, on the application of any person entitled to be heard on the application for the original order.
- (5) No application may be made under this Article where the only reason for the application is that the owners wish to sell all the lots and common property in the plan and:
  - (a) they have not been able to obtain a collective sale resolution under Article 31; or
  - (b) they have been able to obtain such a resolution, but the Board has refused an order for sale.

# 35. Registrar's cancellation of plan on application of body corporate

- (1) The Registrar may cancel a strata plan on application by the body corporate, following a resolution under Article 33.
- (2) The application must be accompanied by the following:
  - (a) a copy of the resolution, certified under the common seal of the relevant body corporate to be an extraordinary resolution of the body corporate;
  - (b) the written consents of all registered mortgagees of lots affected by the application;

- (c) a certificate from any authority whose consent is required for the application; and
- (d) the prescribed fee.
- (3) The Registrar may dispense with a registered mortgagee's consent under paragraph (2)(b) if satisfied that the mortgagee's interests would not be prejudiced by cancellation of the plan or that the mortgagee has unreasonably withheld consent.

## 36. Cancellation of plan following order of Court

- (1) Where the Court orders that a strata plan be terminated, the order must include the steps that are to be taken to have the termination lodged with the Registrar for registration, and the action to be taken by the Registrar to give effect to the order.
- (2) The Registrar must take any action the Court directs.

## **37.** Effect of cancellation

On cancellation of a strata plan:

- (a) the site vests in the former owners of the lots, as tenants in common, in shares proportionate to the respective unit entitlements of their lots;
- (b) the body corporate is dissolved, and any outstanding rights and liabilities of the body corporate attach to the owners in shares proportionate to the respective unit entitlements of their lots; and
- (c) any mortgage or other encumbrance registered over a lot attaches to the interest of the former owner of the lot in the site.

#### **38.** Registration of cancellation

On cancelling a strata plan, the Registrar must:

- (a) cancel existing folios related to the former plan; and
- (b) create a new folio in the Register to give effect to this Chapter.

## Chapter 11— Miscellaneous

## **39.** Reinstatement of buildings

- (1) If a building on the site is damaged or destroyed, a scheme for reinstating the building in whole or in part may be approved under this Article.
- (2) A reinstatement scheme referred to in paragraph (1) may be approved:
  - (a) by agreement in writing between all interested parties; or
  - (b) by order of the Board made on application by an interested party.
- (3) A reinstatement scheme may:
  - (a) direct how insurance money is to be applied;
  - (b) direct payment by the body corporate or any one or more owners of lots;
  - (c) direct changes to the plan;
  - (d) require the body corporate to compensate the owners of lots prejudiced by changes to the plan; and
  - (e) deal with incidental or ancillary matters.

#### (4) The interested parties are:

- (a) the body corporate;
- (b) the insurer;
- (c) the owners and registered mortgagees of lots affected by the scheme;
- (d) any planning authority with jurisdiction over the site; and
- (e) all other persons who appear from the Register to have an interest in the scheme.

# 40. Apportionment of statutory charge

If a liability to an authority exists, and the liability is a charge on the whole or part of the site, then the charge is apportioned among the lots (or the lots in that part of the site) in the same proportions as the unit entitlement of each lot bears to the total unit entitlement of all the lots in the site or that part of the site.

# **PART 3 - STAGED DEVELOPMENT SCHEMES**

#### Chapter 1 - Nature of staged development scheme

#### 41. Staged development schemes

- (1) This Part provides for staged development schemes.
- (2) Where, at the time this Law comes into force, the relevant authority has approved building plans which comply with Article 147 of the Real Property Law and which provide for development in stages, then the development may proceed in those stages despite the provisions of this Part.

# 42. Form and contents of scheme

- (1) A staged development scheme consists of:
  - (a) a master plan for developing real property in stages by a series of strata plans; and
  - (b) a disclosure statement that conforms with the requirements of this Part.
- (2) The master plan forming part of a staged development scheme must:
  - (a) identify the site by reference to the relevant folio of the Register and delineate the site;
  - (b) contain a plan for each proposed stage of the development (identifying its location by reference to the site) that:
    - (i) shows the location of existing and proposed buildings;
    - (ii) identifies the boundaries of the proposed lots and common property; and
    - (iii) indicates proposed construction zones, access zones and the nature of the use that may be made of them; and

- (c) contain any other information or material required by the Registrar.
- (3) A disclosure statement that forms part of a staged development scheme must include:
  - (a) a warning in the form and terms required by the Registrar;
  - (b) the name and address of the developer;
  - (c) a description of the proposed development and the stages in which it is to be carried out;
  - (d) a statement of times for commencing and completing each stage of the proposed development (which may be fixed by reference to the calendar, by reference to the completion of a previous stage of the development, by reference to progress in the sale of lots, or on any other reasonable basis);
  - (e) a schedule of the working hours during which work is to proceed on the second and any subsequent stage of the proposed development;
  - (f) a description of any amenities to be provided as part of the proposed development, and a statement of:
    - (i) the purposes for which the amenities are to be provided;
    - (ii) the extent to which the amenities are to be available for use by the owners and occupiers of lots and their invitees; and
    - (iii) the arrangements for providing and maintaining the amenities and defraying the cost of their provision or maintenance;
  - (g) a schedule of material and finishes to be used in the building work involved in carrying out proposed development work;
  - (h) a schedule of the proposed unit entitlements for each proposed lot as at the completion of each stage of the proposed development; and
  - (i) any other information or materials required by the Registrar.

# Chapter 2 - Approval of scheme in principle

## **43.** Application for planning approval

- (1) Before a staged development scheme may be commenced, the developer under the proposed staged development scheme must apply for, and receive, approval of the scheme in principle from the relevant planning authority.
- (2) The application must be accompanied by:
  - (a) the proposed staged development scheme;
  - (b) any other document required by the authority; and
  - (c) the prescribed fee.
- (3) An application may be made whether the site is wholly undeveloped or partially developed.

## 44. Approval of scheme in principle

- (1) Before approving a proposed staged development scheme in principle, the planning authority may exercise either or both of the following powers:
  - (a) it may require changes to the proposed scheme;
  - (b) it may require the demolition or alteration of buildings on the site of the proposed scheme.
- (2) The authority may:
  - (a) approve the staged development scheme unconditionally;
  - (b) approve the scheme subject to specified conditions, which may include a condition requiring the developer to proceed with the proposed development work in accordance with specified time limits; or
  - (c) refuse to approve the scheme in whole or in part.

- (3) If the authority approves the proposed staged development scheme, it must issue a certificate of approval.
- (4) Unless the authority specifies otherwise, a certificate of approval is required in accordance with this Law in respect of each strata plan by which the various stages of the development are to be implemented.

# **Chapter 3 - Registration of scheme**

#### 45. Lodgment of staged development scheme

- (1) The Registrar may, on application by the developer, register a staged development scheme.
- (2) An application for registration of a staged development scheme must be accompanied by:
  - (a) the staged development scheme;
  - (b) a certificate from the planning authority certifying that the authority has approved the scheme in principle and stating any conditions to which the approval is subject; and
  - (c) the prescribed fee.

#### 46. Commencement of scheme

A staged development scheme comes into force on registration.

#### **Chapter 4 - Development rights**

## 47. Development rights

- (1) The developer under a staged development scheme is entitled to reasonable access to, and use of, the site for:
  - (a) the purposes of carrying out the proposed development; and

- (b) for other purposes related to development stated in the disclosure statement.
- (2) The rights of others in relation to the site (including rights in relation to lots and common property) are subordinate to the rights of the developer under this Article.
- (3) The by-laws cannot limit the rights of the developer under this Article.

## Chapter 5 - Progressive development of real property subject to scheme

## 48. Progressive development

- (1) The real property subject to a staged development scheme is to be progressively developed in stages, in accordance with the master plan.
- (2) The relevant planning authority may refuse to approve a particular stage in a staged development scheme if an earlier stage of the scheme has not been completed as required under the terms of the registered scheme.
- (3) As real property is progressively developed in accordance with a staged development scheme:
  - (a) a strata scheme created at an earlier stage of the development expands to incorporate lots and common property created at later stages of the development; or
  - (b) if the master plan so provides, a new strata scheme that remains separate and independent from the strata scheme or schemes created at earlier stages of the development is established, incorporating the lots and common property created on registration of the strata plan for a later stage of the development.

## **Chapter 6 - Variation of scheme**

## **49.** Application for variation of scheme

(1) The developer under a registered staged development scheme may apply for the scheme to be varied.

- (2) The application is to be made in the first instance to the relevant planning authority.
- (3) The application must indicate how the scheme is to be varied.
- (4) The application must by accompanied by:
  - (a) the written consents of all owners and prospective owners of lots in the scheme; and
  - (b) the prescribed fee.
- (5) The authority may dispense with the consent of an owner or prospective owner if:
  - (a) the authority is satisfied that the owner or prospective owner would not be adversely affected by the variation;
  - (b) the authority is satisfied that the whereabouts of the owner or prospective owner is unknown to, and not reasonably ascertainable by, the applicant; or
  - (c) where less than 25% of the owners and prospective owners have refused or failed to consent, the authority is satisfied that consent has been unreasonably withheld.
- (6) The authority may:
  - (a) approve the variation unconditionally;
  - (b) approve the variation subject to specified conditions; or
  - (c) refuse to approve the variation in whole or in part.
- (7) If the authority approves the variation, a person whose consent was dispensed with may, within 30 days of the approval, apply to the Court for an order revoking the approval. The Court may make the order it considers appropriate, and the authority must comply with the order.

## 50. Registration of variation

- The Registrar may, on application by the developer under a staged development scheme, register a variation that has been approved under Article 49.
- (2) An application for registration of a variation of a staged development scheme must be accompanied by:
  - (a) the proposed scheme as varied, indicating the variations;
  - (b) a certificate issued by the planning authority certifying that the authority has approved the proposed variation and stating any conditions subject to which the approval was granted; and
  - (c) the prescribed fee.
- (3) The variation comes into force on registration.

## 51. Variation of scheme by Court

- (1) The Court may, on application by an interested person, make an order for variation of a staged development scheme if satisfied that it is impossible or impracticable to complete the scheme as proposed in the master plan.
- (2) Each of the following is an interested person:
  - (a) the developer;
  - (b) each owner and each prospective owner of a lot;
  - (c) the Registrar;
  - (d) any mortgagee of a lot;
  - (e) any other person who has, in the Court's opinion, a proper interest in the matter.
- (3) The applicant must give notice of an application under this Article to all interested persons.

- (4) A person entitled to notice under this Article may appear and be heard in the proceedings.
- (5) The Court may make an order:
  - (a) deferring the time for completion of a particular stage or stages of the scheme;
  - (b) changing the order in which the various stages of the scheme are to be completed; or
  - (c) varying the scheme in other ways to ensure (as far as practicable) its successful completion.
- (6) An order under this Article may also:
  - (a) provide for the payment of compensation in addition to, or instead of, damages or compensation to which a person would be otherwise entitled;
  - (b) vary rights and obligations arising under this Law in relation to the scheme; and
  - (c) make any other provision the Court considers just and equitable.
- (7) The Court may, on application by an interested person, vary or revoke an order under this Article.
- (8) A copy of an order under this Article (including an order varying or revoking an earlier order) must be served on the Registrar.
- (9) The Registrar must register the order, and on registration the order becomes part of the scheme.

## **Chapter 7 - Enforcement of scheme**

#### 52. Court order

- (1) The Court may, on application by an interested person, make an order (including, if appropriate, a mandatory injunction) requiring the developer under a staged development scheme to complete the scheme in accordance with the terms of the scheme.
- (2) The following are interested persons:
  - (a) an owner or prospective owner of a lot;
  - (b) a body corporate for a strata scheme within the staged development scheme;
  - (c) the relevant planning authority;
  - (d) any mortgagee of a lot;
  - (e) any other person who has, in the Court's opinion, a proper interest in the matter.

# 53. Implied term in contract for sale of lot or proposed lot in staged development scheme

- (1) The developer under a staged development scheme warrants to any person who enters into a contract to purchase a lot or a proposed lot in the scheme that the development will be carried out in accordance with the scheme.
- (2) A warranty under paragraph (1):
  - (a) is enforceable in the same way as a contractual warranty; but
  - (b) cannot be limited or excluded by contract.

(3) Without limiting the damages that may be recovered for breach of the warranty under paragraph (1), the owner of a lot may recover damages for the deferment or loss of a reasonably expected capital appreciation of the lot that would have resulted from completion of the development in accordance with the terms of the scheme.

#### Chapter 8 - Transfer of title to real property subject to registered scheme

## 54. Acquisition of real property subject to registered scheme

- (1) This Article applies where a person acquires real property subject to a registered staged development scheme from the developer under the scheme, or from a person who acquired real property from the developer under the scheme, and the real property is yet to be developed in accordance with the scheme.
- (2) The person who acquires the real property becomes bound to develop the real property in accordance with the scheme, and the rights and obligations of the developer under the scheme, so far as they relate to real property subject to the acquisition, pass to the person who acquires the real property.

#### **PART 4 - NAME OF STRATA SCHEME**

### 55. Name of strata scheme

- (1) The name of a strata scheme is the name shown on the registered plan.
- (2) The name must be a name approved by the Registrar.

## **PART 5 - BODIES CORPORATE**

### Chapter 1 - Establishment of body corporate

#### 56. Establishment, regulation and register of bodies corporate

- (1) On registration of a strata plan, a body corporate is established under the name Strata Corporation No. ..... with the addition of the name of the strata scheme.
- (2) A body corporate established under this Article:
  - (a) has perpetual succession and a common seal; and
  - (b) may sue or be sued in its corporate name.
- (3) The Registrar may regulate the activities of bodies corporate, including by deciding that specific provisions of the Companies Law (DIFC Law No. 4 of 2006) are to apply to bodies corporate.
- (4) The Registrar is to establish and maintain a register of bodies corporate established under this Law.
- (5) A body corporate must provide the Registrar with any information (including, but not limited to financial information) the Registrar considers appropriate to form part of the register.
- (6) The Registrar is to make the register available for public inspection at reasonable times and on payment of a reasonable fee.

## 57. Division and merger of bodies corporate

- (1) A body corporate may be divided into 2 or more separate bodies corporate by extraordinary resolution.
- (2) Any rights and liabilities that had accrued to the body corporate before the division attach jointly and severally to the bodies corporate formed by the division.

- (3) Two or more bodies corporate established in relation to the same scheme may merge to form a single body corporate.
- (4) Any rights and liabilities that had accrued to the bodies corporate subject to the merger before the merger attach to the body corporate formed by the merger.
- (5) The division of a body corporate, or the merger of bodies corporate, does not take effect until the division or merger is recorded in the folio or folios of the common property.
- (6) If 2 or more bodies corporate are established in relation to the same scheme, constituent documents for the bodies corporate must be lodged with the Registrar.
- (7) The constituent documents:
  - (a) must define the functions and responsibilities of each body corporate and, in doing so, may create an administrative hierarchy with one or more bodies corporate at each level of the hierarchy;
  - (b) must provide for the resolution of disputes between the bodies corporate; and
  - (c) must ensure that the powers of a body corporate under this Law insofar as they relate to a lot within the scheme are directly exercisable in relation to each lot within the scheme by one, and only one, body corporate.

## **Chapter 2 - Common seal**

## 58. Common seal

- (1) A body corporate's common seal must include the body corporate's name.
- (2) The seal is not to be affixed to a document unless its use has been authorised by an ordinary resolution (or where, under this Law, another kind of resolution is required, then that kind of resolution) of the body corporate or its committee of management.

- (3) The affixing of the seal must be attested by at least 2 members of the body corporate (unless there is only one member, in which case the affixing must be attested by that member).
- (4) The body corporate must take reasonable steps to prevent unauthorised use of the seal.
- (5) If a document appears to bear the common seal of a body corporate and the affixing of the seal appears to have been attested as required by this Article:
  - (a) a person dealing with the body corporate without notice of irregularity is entitled to assume that the seal was duly affixed; and
  - (b) in any legal proceedings, it is to be presumed, in the absence of evidence to the contrary, that the seal was duly affixed.
- (6) This Article is not to be taken to imply that a body corporate cannot act through agents and without the use of its seal.

## **Chapter 3 - Membership and general meetings**

## 59. Membership of body corporate

- (1) In the case of a strata scheme for which a single body corporate is constituted, each owner of a lot is a member of the body corporate and entitled to vote personally or by proxy at general meetings of the members of the body corporate.
- (2) In the case of a strata scheme for which 2 or more bodies corporate are constituted, the membership and the voting rights of the members of a body corporate are determined in accordance with the constituent documents for the body corporate lodged with the Registrar under this Law.
- (3) If a registered mortgagee is in possession of a lot in accordance with the Real Property Law, the mortgagee is entitled to exercise any voting rights the owner may have, to the exclusion of the owner's rights.

# 60. General meetings of body corporate, including first annual general meeting

- (1) The original owner must arrange for the first annual general meeting of the body corporate to be held:
  - (a) within 3 months after the formation of the body corporate; or
  - (b) promptly after registration of the transfer of lots totaling at least 50% of the unit entitlements,

whichever is the earlier.

- (2) At the first annual general meeting, the original owner must hand to the body corporate:
  - (a) all plans, specifications, consents, certificates, diagrams and other documents (including policies of insurance) obtained or received by the owner relating to the strata scheme;
  - (b) without limiting paragraph (2)(a), all certificates and warranties obtained or received by the owner and relating to scheme or any building, plant or equipment forming part of the strata scheme;
  - (c) the strata roll and any notices or other records relating to the strata scheme, if they are in the owner's possession or under the owner's control;
  - (d) all accounting records and financial statements; and
  - (e) any other document or item relating to the strata scheme or any building, plant or equipment on the strata scheme that is prescribed by the Regulations.
- (3) An original owner who fails to comply with the obligations under paragraph(1) or (2) commits an offence against this Law.
- (4) At the first annual general meeting, and at each annual general meeting thereafter, the body corporate must elect from its members the following office bearers:

- (a) chairperson;
- (b) secretary; and
- (c) treasurer.
- (5) Subject to Article 60(10), the same person cannot be:
  - (a) both chairperson and secretary; or
  - (b) both chairperson and treasurer.
- (6) The body corporate may allocate to the office bearers the duties and responsibilities appropriate to their position, but those duties and responsibilities must not conflict with the duties and responsibilities under this Law.
- (7) An annual general meeting of the body corporate (other than the first annual general meeting) must be held 12 months after each previous annual general meeting.
- (8) The committee of management or the secretary to a body corporate may call a special general meeting of the body corporate at any time and must do so if required by not less than one-third of the total number of members of the body corporate.
- (9) The secretary to the body corporate must, at least 21 days before a general meeting of the body corporate, give to each member of the body corporate written notice:
  - (a) setting out the date, time and place of the meeting;
  - (b) stating the nature of the business to be transacted; and
  - (c) if a special or extraordinary resolution is to be put before the meeting, setting out the terms of the proposed resolution.
- (10) In a case where a lot is owned jointly or in common by 2 or more persons, the notice may be addressed to the co-owners together and given or sent to any one of them.
- (11) The original owner is to be regarded as the secretary to the body corporate until the body corporate appoints a person to that position.

## 61. Voting at general meeting

- (1) A member of the body corporate may vote personally or by proxy on matters arising for decision at a general meeting.
- (2) Subject to paragraph (3), voting may be by show of hands, by email or by fax.
- (3) If a poll is demanded, voting is proportionate to the unit entitlement of the member's lot.
- (4) Co-owners may vote by proxy appointed by them jointly. The proxy may be one of themselves. In the absence of a proxy, co-owners are not entitled to vote on a show of hands (except on a motion for an extraordinary resolution). However, any one co-owner may require a poll, and on the poll a co-owner is entitled to voting rights proportionate to the co-owner's interest in the lot.

## 62. Voting on behalf of persons under disability

If a member of a body corporate is a minor or is under some other legal disability, the member's voting rights may be exercised by:

- (a) a guardian; or
- (b) a person who is duly authorised to administer the member's property.

## **Chapter 4 - Management**

## **63.** Committee of management

- (1) A body corporate may, by ordinary resolution:
  - (a) appoint from its members a committee of management to transact business on behalf of the body corporate;
  - (b) change the membership of a committee of management;
  - (c) overrule a decision of the committee of management (to the extent it has not been acted on); or
  - (d) remove a committee of management from office.

- (2) Subject to paragraph (3), a committee of management may exercise any powers of the body corporate.
- (3) However, a committee of managment cannot exercise powers:
  - (a) in excess of any limitations and directions imposed by the body corporate in general meeting;
  - (b) that may only be exercised by special or extraordinary resolution of the body corporate; or
  - (c) that are prohibited by the Regulations.
- (4) A committee of management:
  - (a) must consist of at least 7 persons (unless there are less than 10 members of the body corporate, in which case it must consist of at least 3 persons); and
  - (b) may consist of members representing sectional interests in the scheme.
- (5) The chairperson, secretary and treasurer elected under Article 60(4) are ex officio members of the committee of management.
- (6) Subject to any rules to the contrary determined by the body corporate in general meeting:
  - (a) a majority of the total number of the members of the committee of management constitutes a quorum of the committee; and
  - (b) a decision in which a majority of the members present at a meeting of the committee agree is a decision of the committee.
- (7) Any rules determined by the body corporate under paragraph (6) must be fair and reasonable.
- (8) The committee must keep proper minutes of its proceedings and must make them available on request for inspection by any member of the body corporate.

## 64. Fiduciary duty of committee members

Members of the committee of management owe a fiduciary duty to the body corporate and its members.

## 65. Appointment of manager

- (1) The body corporate may appoint a manager and may delegate to the manager functions related to the administration, management and control of the common property.
- (2) A manager is subject to control and direction by the body corporate acting in general meeting or through a committee of management.

### **Chapter 5 - Functions and duties**

#### 66. Functions of body corporate

- (1) A body corporate established for a strata scheme has the following functions:
  - (a) to enforce the by-laws;
  - (b) to administer, manage and control the common property;
  - (c) to maintain in good condition and serviceable repair:
    - (i) the common property;
    - (ii) all installations, facilities and service infrastructure, regardless of whether they are on common property or lots;
  - (d) to establish and maintain (where appropriate) suitable lawns and gardens on the common property;
  - (e) to maintain the insurance required under this Law and any further insurance that may be required by special resolution of the owners; and
  - (f) to carry out any other functions ancillary to its functions under this Law, including functions that benefit the owners and occupiers.

(2) If 2 or more bodies corporate are established for a strata scheme, the functions referred to in paragraph (1) are to be divided between them in accordance with the relevant constituent documents. If those documents fail adequately to divide the functions, then each body corporate is to be jointly and severally liable to carry out all the functions, but with the right to recover financial expenditure from each other according to each's proportion of the aggregate unit entitlement.

#### 67. Administrative fund

- (1) A body corporate must maintain a fund for the purpose of meeting its financial obligations under this Law.
- (2) All income must be paid into the fund and all expenditure must be made from the fund.
- (3) The body corporate must maintain the fund at a level sufficient to meet reasonably foreseeable expenditure, including expenditure to maintain the building, its facilities, and the service infrastructure in the short and long term.
- (4) If required by ordinary resolution or by the Regulations, the body corporate must subdivide the fund into separate parts, one related to recurrent expenditure and the other related to capital expenditure.

#### 68. Contributions

- (1) The body corporate may from time to time levy on the owners contributions in respect of the lots to raise amounts that the body corporate decides are necessary to meet anticipated expenditure.
- (2) The contributions are to be proportionate to the unit entitlements of the lots.
- (3) A contribution falls due for payment on a date fixed by the body corporate. The body corporate must give the owners at least 30 days' notice of the amount and when it is due.
- (4) The owner of the lot as at the due date for payment is liable for the contribution, and any person who later becomes an owner before the contribution is paid becomes jointly and severally liable for payment.

- (5) If a contribution for which an owner or other person is liable under paragraph
  (4) is not paid, the owner or other person is taken to have failed to comply with a requirement of this Law for as long as the contribution remains unpaid.
- (6) Interest accrues on overdue contributions at a rate fixed by ordinary resolution of the body corporate.
- (7) The rate of interest must be fixed on a fair and reasonable basis.

## 69. Certificates by body corporate

- (1) The body corporate must, on application by an owner or a person authorised in writing by an owner, certify:
  - (a) the amount of any contribution payable by the owner;
  - (b) the due date for payment of the contribution;
  - (c) any amount by way of unpaid contribution that remains outstanding;
  - (d) the amount of any other liability to the body corporate that remains outstanding from the owner;
  - (e) details of:
    - (i) insurances maintained by the body corporate;
    - (ii) proposed works by the body corporate;
    - (iii) notices served on the body corporate requiring work to be done on the common property;
    - (iv) contingent liabilities of the body corporate; and
    - (v) threatened or current legal proceedings against the body corporate; and
  - (f) any information required by the Regulations.
- (2) A certificate under paragraph (2) is, in favour of a person dealing with the owner, conclusive evidence of the matters certified.

## **Chapter 6 - Miscellaneous**

## 70. Proceedings on behalf of owners

The body corporate may take proceedings as agent for the owners of any one or more lots in the strata scheme for damages in relation to, or for rectification of, any building work done in relation to the strata scheme, whether the work was done before or after registration of the strata scheme.

## 71. Subrogation of contractual rights

- (1) Without affecting the generality of Article 70, if:
  - (a) building work was carried out for the developer; and
  - (b) the building work proves defective,

the body corporate is subrogated to the developer's contractual rights to damages in respect of those defects.

- (2) The body corporate may recover damages under this Article on its own behalf (so far as the defects relate to common property) or on behalf of owners of lots affected by the defects.
- (3) The body corporate's right of subrogation under this Article does not operate to the exclusion of the developer's rights and, if both the body corporate and the developer take action to recover damages for breach of contract, the damages must be apportioned between them in appropriate proportions.

## 72. Roll to be kept by body corporate

- (1) The body corporate must maintain a roll containing the following particulars:
  - (a) the plan number allocated by the Registrar;
  - (b) the name and address of the owner of each lot;
  - (c) the name and address of any agent appointed by the body corporate to carry out any of its functions in relation to the scheme;

- (d) the name and address of any lessee of a lot notified to the body corporate.
- (2) The body corporate must base the roll on the best information reasonably available to it, acting diligently.
- (3) The roll must be kept in the form of a written record or a computer record from which a written record may be reproduced.

## 73. Postbox and noticeboard

- (1) A body corporate must:
  - (a) maintain a postbox; or
  - (b) make suitable alternative arrangements for the receipt of mail.
- (2) The body corporate must maintain a noticeboard for the display of notices and other material of interest to the owners or occupiers of lots. The noticeboard must be in a suitable position, as determined by the body corporate.

## **Chapter 7 - Appointment of administrator**

## 74. Appointment of administrator

- (1) The Court may, on application by an interested person, appoint an administrator of the body corporate's affairs, for a fixed period or until further Court order.
- (2) The Court may make the appointment on terms and conditions that it considers appropriate.
- (3) The administrator is to be remunerated on a basis determined by the Court, and the administrator's remuneration and expenses are payable from the body corporate's administrative fund.
- (4) During the appointment, the administrator is exclusively entitled to exercise the powers and functions of the body corporate (or such of those powers and functions as the Court may determine).

- (5) Subject to paragraph (6), the administrator may delegate to any person any powers and functions conferred under this Article.
- (6) The administrator may not delegate any powers and function to the body corporate, unless the body corporate has applied for the administration.
- (7) The Court may, on the application of an interested person, remove or replace the administrator.
- (8) If a person is appointed, removed or replaced as an administrator, the person must, within 7 days, give the Registrar written notice of the appointment, removal or replacement.
- (9) In this Article, "interested person" means:
  - (a) the body corporate;
  - (b) a creditor of the body corporate; or
  - (c) the owner or a registered mortgagee of a lot.

## PART 6 - BY-LAWS

#### **Chapter 1 - Making of by-laws**

## 75. Power to make by-laws

- (1) Subject to this Part, the body corporate may, by ordinary resolution, make bylaws about:
  - (a) the administration, management and control of the common property; and
  - (b) the use and enjoyment of lots, the common property, the body corporate's assets, and facilities and amenities provided by the body corporate.

- (2) A by-law may:
  - (a) adopt with or without modification the by-laws set out in Schedule 1; or
  - (b) amend or revoke a by-law.
- (3) The first by-laws of the body corporate are:
  - (a) the by-laws lodged with the relevant plan or scheme; or
  - (b) if no such by-laws are lodged with the plan or scheme, the by-laws set out in Schedule 1.
- (4) The by-laws lodged with a plan or scheme may include exclusive use by-laws.
- (5) If the by-laws of a body corporate do not deal with a subject required under this Law to be dealt with in the by-laws, the body corporate is taken to have adopted any relevant by-law in Schedule 1 on the subject.
- (6) If a by-law adopted under paragraph (5) is inconsistent with one or more bylaws made by the body corporate, then to the extent of the inconsistency the adopted by-law prevails.
- (7) The first by-laws of the body corporate come into operation on the registration of the plan or scheme.

## 76. Limitations on by-law making power

- (1) Subject to paragraph (2), a by-law cannot:
  - (a) modify a statutory easement or prohibit or restrict the enjoyment of a statutory easement; or
  - (b) restrict an owner's right to use, deal with or dispose of a lot, unless the restriction:
    - (i) is necessary to preserve the character of the scheme; and
    - (ii) is made in accordance with a disclosure statement included in the scheme.
- (2) A by-law may impose a minimum term for the leasing of lots.

- (3) A by-law is void if:
  - (a) it is unreasonable;
  - (b) it adversely and unfairly discriminates against any owner, mortgagee or occupier of a lot;
  - (c) it adversely affects the health, welfare or safety of any owner or occupier of a lot; or
  - (d) it is inconsistent with the provisions of a scheme.

## 77. Registration and commencement of changes to by-laws

- (1) If a body corporate makes a by-law, the body corporate must, within 3 months after passing the resolution for making the by-law, lodge an application for registration of the by-law with the Registrar:
  - (a) attaching a copy of the resolution (including the text of the by-law); and
  - (b) stating the date of the resolution, if not clear on its face.
- (2) If the application is not lodged within 3 months, the resolution lapses.
- (3) A by-law comes into force on the day the Registrar registers the by-law in the Register or a later date stated in the by-law.

### 78. Legal effect of by-laws

A by-law binds each of the following:

- (a) the body corporate;
- (b) the owner of a lot;
- (c) the occupier of a lot;
- (d) an invitee of the owner or occupier of a lot;
- (e) a mortgagee of a lot.

## **Chapter 2 - Exclusive use by-laws**

### 79. Exclusive use by-laws

- (1) The body corporate may, by extraordinary resolution, make (and later amend or rescind) a by-law giving the owner of a lot exclusive rights to the use and enjoyment of, or other special rights in relation to, the common property or part of the common property.
- (2) An exclusive use by-law:
  - (a) must unambiguously identify the part of the common property to which the by-law applies; and
  - (b) may impose conditions (which may include conditions requiring the owner to make a payment or periodic payments to the body corporate, or to the owners of other lots, or both).
- (3) An exclusive use by-law may give rights to and impose obligations on the owner of a lot only if the owner agrees in writing before the by-law is made.
- (4) An exclusive use by-law is taken, in the absence of other specific provision in the by-law for maintenance, to make the owner of the lot responsible for maintenance of the part of the common property over which the rights are conferred by the by-law.
- (5) An exclusive use by-law may authorise or require the owner who has the benefit of the by-law to make specific improvements to part of the common property. The improvements may consist of or include installing particular fixtures or making particular changes to the relevant part of the common property. Unless it expressly provides otherwise, an exclusive use by-law does not authorise the owner to make improvements or changes to the common property.
- (6) If an exclusive use by-law imposes a monetary liability:
  - (a) the liability may be recovered as a debt; and

- (b) the liability is enforceable jointly and severally against the person who was the owner of the lot when the liability arose and a successor in title.
- (7) An exclusive use by-law lapses 5 years after it was made, unless renewed by extraordinary resolution of the body corporate.

## **Chapter 3 - Enforcement of by-laws**

### 80. Compliance notices

- (1) If the owner or occupier of a lot contravenes a by-law, the body corporate may give notice (which must be in writing) requiring the person:
  - (a) in the case of a continuing contravention, to refrain from further contravention; and
  - (b) in any case, to take specified action to remedy the contravention within a specified period (which must be at least 30 days) stated in the notice.
- (2) The body corporate may, in addition to or instead of taking action under paragraph (1), apply for relief under Part 8.

## 81. Enforcement by Board

- (1) If the owner or occupier of a lot fails to comply with a notice under this Chapter, the body corporate may apply to the Board for an order enforcing the relevant by-law.
- (2) In proceedings taken under paragraph (1), the Board may exercise either or both of the following powers:
  - (a) impose a fine on the person in default;
  - (b) make other orders the Board considers appropriate to enforce the bylaw.
- (3) A fine imposed by the Board under this Article is recoverable by the body corporate as a debt.

- (4) A person must comply with an order under paragraph 2(b).
- (5) The Board may adjourn proceedings under this Article and refer the matter to be dealt with in proceedings under Part 8.

## Chapter 4 - Copies of by-laws to be provided

#### 82. When copies of by-laws must be provided

- (1) The body corporate must, at the written request of the owner or occupier of a lot or a person authorised by the owner or occupier to make the request, provide a copy of the current by-laws.
- (2) The owner of a lot must, before entering into a contract to sell, mortgage or lease the lot, provide the purchaser, mortgagee or lessee with a copy of the current by-laws.
- (3) The body corporate may charge a reasonable fee for providing a copy of the by-laws.

### **PART 7 - INSURANCE**

## 83. Body corporate taken to have insurable interest in certain property

The body corporate is taken to have an insurable interest in property that it is required by or under this Law to insure.

### 84. Insurance of buildings, etc, by body corporate

- (1) The body corporate for a strata scheme must insure:
  - (a) the buildings and any other improvements on the common property; and
  - (b) any building divided by the plan.

- (2) The policy of insurance:
  - (a) must cover:
    - (i) damage from fire (whether deliberate or accidental), storm, tempest, explosion, equipment malfunction, or other risks prescribed by the Regulations; and
    - (ii) costs incidental to the reinstatement or replacement of the buildings, including the cost of removing debris and the fees of architects and other professional advisers; and
  - (b) must provide for the reinstatement or repair of the buildings and improvements to their condition when new.
- (3) A body corporate that breaches paragraph (1) or (2) commits an offence against this Law.
- (4) Despite any provision of the insurance policy, the body corporate (and not the owner of a lot) is liable to pay:
  - (a) any excess under an insurance policy taken out by the body corporate under this Article; and
  - (b) any contribution that has to be made to the cost of reinstatement or repair because the insurance was not adequate.

# 85. Owner or occupier may be required to comply with requirement to ensure that insurance may be obtained on reasonable terms

- (1) If the body corporate is unable to obtain insurance for a building or part of it on reasonable terms because:
  - (a) the owner or occupier of a lot is carrying on a particular activity on the lot; or
  - (b) work is required in relation to the lot to reduce the insurance risk to a reasonable level,

then the body corporate may, by written notice given to the owner, require the owner to ensure that the activity ceases or to have the work carried out (as the case requires) as expeditiously as necessary to allow insurance to be obtained without undue further risk.

(2) A notice under this Article must give the owner the option of paying any additional insurance premium payable in the event of the continuance of the activity or the non-performance of the work.

## 86. Other insurance

- (1) A body corporate must maintain public risk insurance (covering accidental death, personal injury and property damage) over the common property for an amount at least equal to a minimum prescribed by Regulation.
- (2) A body corporate may insure against:
  - (a) loss from dishonesty, negligence or other wrongful conduct; or
  - (b) other risks.

## 87. Insurance by owner of lot

- (1) The owner of a mortgaged lot may insure the lot for the amount secured (at the date of any future loss) by the mortgages over the lot.
- (2) When paying a claim under such a policy, the insurer:
  - (a) must make any payments under the policy to the mortgagees whose interests are noted in the policy in the order of their respective priorities; and
  - (b) is liable to pay the least of:
    - (i) the amount stated in the policy; or
    - (ii) the amount of the loss; or
    - (iii) an amount sufficient, at the date of the payment, to discharge the mortgages.

- (3) If the amount so paid by the insurer equals the amount necessary to discharge a mortgage over the lot, the insurer is entitled to an assignment of the mortgage. If the amount is only a proportion of the amount necessary to discharge a mortgage over the lot, the insurer is entitled to a transfer of that proportion of the mortgagee's interest.
- (4) Money received under such a policy of insurance is not liable to be brought into contribution with any other money received under another policy of insurance, unless the other policy is in respect of damage to the same lot and relates to the same mortgage debt.

### 88. Default by body corporate in relation to insurance

- (1) If a body corporate is in breach of its obligation to take out and maintain insurance, the owner or mortgagee of any lot may take out and maintain the required insurance on reasonable terms and conditions.
- (2) The insurance may be taken out in the body corporate's name or in the owner's or mortgagee's name.
- (3) The owner or mortgagee may recover the costs incurred under this Article from the body corporate as a debt (and, in the case of the owner, may set off the amount against any liabilities of the owner to the body corporate).

### 89. Production of policies of insurance for inspection

- (1) At the request of the owner of a lot, the body corporate must allow the owner to inspect the policies of insurance currently maintained by the body corporate under this Law.
- (2) The body corporate need not comply with a request if it has previously allowed the owner to inspect the policies and the request is not, in the circumstances of the case, reasonable.

## PART 8—DISPUTE RESOLUTION

#### **Chapter 1 - Applications for relief**

#### 90. Application for relief

- (1) An application for relief under this Part:
  - (a) must be made in writing to the Registrar;
  - (b) must set out in detail the grounds on which the applicant claims relief;
  - (c) must state the general nature of the relief that the applicant seeks; and
  - (d) must be accompanied by the prescribed fee.
- (2) In any proceedings under this Part, the Registrar may apply to the Board for directions on any matter arising in the course of the proceedings.

#### 91. Mediation

- (1) The Registrar must not accept an application for an order under this Part unless satisfied that:
  - (a) mediation of the matter has been attempted but was unsuccessful;
  - (b) mediation is unnecessary or inappropriate in the circumstances; or
  - (c) the Regulations dispense with the need for mediation.
- (2) If a matter is appropriate for mediation and mediation has not been attempted, the Registrar must inform the applicant that the applicant should arrange for mediation.
- (3) The applicant may apply to the Registrar for mediation in accordance with the Registrar's own procedures, or may make other arrangements for the mediation.

## 92. Notice of application

- (1) If the Registrar accepts an application for relief under this Part, the Registrar must give written notice of the application, the grounds of the application and the nature of relief sought to:
  - (a) the body corporate; and
  - (b) any other person who would, in the Registrar's opinion, be adversely affected if the relief sought were granted.
- (2) The body corporate must, after receiving notice under this Article, give a copy of the notice to:
  - (a) every owner directly affected by the application;
  - (b) every mortgagee who has given written notice of the mortgagee's interest to the body corporate; and
  - (c) every occupier who would be directly affected if the relief sought were granted.
- (3) The Registrar may allow the amendment of an application for relief under this Part on conditions the Registrar considers appropriate.

## **Chapter 2 - Powers and procedures**

## 93. Investigations

- (1) The Registrar may conduct the investigations the Registrar considers necessary to properly determine an application for relief under this Part.
- (2) The Registrar may (but need not) hold a hearing to receive evidence and representations.
- (3) In conducting an investigation, the Registrar:
  - (a) must proceed as expeditiously and with as little formality and technicality as is consistent with the requirements of this Law and the proper investigation of the matter;

- (b) is not bound by the rules of evidence and may gather information in any way the Registrar considers appropriate; and
- (c) may, subject to this Law and the rules of natural justice, determine the procedures to be followed.

## 94. Power to dismiss proceedings

- (1) The Registrar may dismiss an application for relief under this Part if the Registrar considers that:
  - (a) the application is frivolous, vexatious, misconceived or lacking in substance; or
  - (b) the applicant has, without reasonable excuse, failed to comply with an order or direction given by the Registrar.
- (2) If the Registrar dismisses an application before notice of the application is given under this Part, notice of the application is not required to be given.

#### 95. Powers to obtain information

- (1) For the purposes of an investigation, the Registrar may exercise any or all of the following powers:
  - (a) require the attendance before the Registrar of:
    - (i) any person whom the Registrar considers to have or to claim an interest in the matter; or
    - (ii) any person resident or (in the case of a corporation) incorporated in the DIFC; and
  - (b) require any person referred to in paragraph (a) to produce books, papers and documents.
- (2) The Registrar may inspect any books, papers or documents produced, retain them for as long as the Registrar considers necessary, and make copies of any of them or any of their contents.
- (3) The Registrar may require any person appearing before the Registrar:

- (a) to make an oath or affirmation to answer relevant questions truthfully; and
- (b) to answer relevant questions.
- (4) A person who, without reasonable excuse, refuses or fails to comply with a requirement under this Article commits an offence against this Law.

#### 96. Power of entry

- (1) The Registrar (or a delegate of the Registrar) may enter on any site, and any lot, to which an application relates to carry out an investigation.
- (2) The power conferred by paragraph (1) may be exercised at any reasonable time after notice of the proposed entry has been given to the body corporate and to the owner of any lot that is to be entered.

### 97. Obstruction

A person must not obstruct or hinder the Registrar (or a delegate of the Registrar) in the exercise of powers under this Part.

#### **Chapter 3 - Specific forms of relief**

#### 98. Orders by Registrar in relation to breaches of this Law or the by-laws

- (1) If, on an application for relief under this Part, the Registrar is satisfied that a person has contravened or failed to comply with a requirement of this Law or the by-laws, the Registrar may make an order:
  - (a) requiring a person to take, or refrain from taking, any specified action;
  - (b) requiring a person to pay any contributions properly levied by the body corporate; or
  - (c) requiring a party to the proceedings to pay monetary compensation (not exceeding a prescribed amount, if an amount is prescribed) to another party to the proceedings.

- (2) An order:
  - (a) may require immediate compliance or fix a period for compliance; and
  - (b) may be made subject to any conditions the Registrar considers appropriate.

## 99. Interim orders

- (1) An order under this Chapter may be made on an interim basis if necessary to preserve the subject matter of the application, or to prevent prejudice to a party while the application is being investigated and determined.
- (2) If an order is made on an interim basis, it operates for a period (not exceeding 3 months) fixed in the order and may be renewed from time to time for a further period (not exceeding 3 months).

### 100. Order in relation to common property

If, on an application by the owner of a lot for relief under this Part, the Registrar is satisfied that the body corporate has unreasonably failed to implement a proposal by an owner:

- (a) for repairing damage to the common property or other property of the body corporate; or
- (b) for making alterations to the common property,

the Registrar may order the body corporate to make or allow the repairs or alterations, on terms and conditions the Registrar considers reasonable.

#### 101. Order in relation to acquiring personal property

- (1) If, on application by the owner of a lot for relief under this Part, the Registrar is satisfied that an acquisition or proposed acquisition of personal property by the body corporate is unreasonable, the Registrar may order:
  - (a) if the property has not yet been acquired, that the property be not acquired; or

- (b) if the property has been acquired, that the body corporate sell or dispose of it within a specified time and deal with any proceeds of sale as directed in the order.
- (2) If, on an application for relief under this Part, the Registrar is satisfied that the body corporate has unreasonably refused to acquire personal property for the benefit of owners and occupiers of lots, the Registrar may order the body corporate to acquire the property.

## 102. Order to make or pursue insurance claim

If, on an application for relief under this Part, the Registrar is satisfied that the body corporate has unreasonably refused to make or pursue an insurance claim in respect of property insured by the body corporate, the Registrar may order the body corporate to make or pursue the claim.

#### 103. Order varying rate of penalty interest

If, on an application for relief under this Part, the Registrar is satisfied that the rate of interest fixed by a body corporate for late payment of a contribution is unreasonable, the Registrar may make an order varying the rate of interest and remitting accrued interest wholly or in part.

### 104. Order to supply information or documents

If, on an application for relief under this Part, the Registrar is satisfied that the body corporate, or an officer of the body corporate:

- (a) has wrongfully withheld information to which the applicant is entitled; or
- (b) has refused or failed to make available for inspection records that the applicant is entitled to inspect,

the Registrar may order the body corporate, or the officer, to provide the information or to make the record available for inspection.

## **105.** Order in relation to animals

- (1) If, on an application for relief under this Part, the Registrar is satisfied that:
  - (a) the owner or occupier of a lot is keeping an animal on a lot or common property, contrary to the by-laws; or
  - (b) an animal kept on a lot or common property causes a nuisance, hazard or unreasonable interference with the use or enjoyment of a lot or common property,

the Registrar may order the person keeping the animal to remove the animal from the site within a specified time and thereafter to keep the animal away from the site.

(2) The Registrar may, instead of making an order for removal of the animal in the case mentioned in paragraph (1)(b), order the person keeping the animal to take specified action that will in the Registrar's opinion avoid the nuisance, hazard or unreasonable interference.

#### 106. Order in relation to by-laws

- (1) If, on an application for relief under this Part, the Registrar is satisfied that a by-law:
  - (a) was made without power;
  - (b) was not made in accordance with this Law or any other requirement that should have been observed; or
  - (c) should not have been made having regard to the interests of the owners and occupiers of lots in the use and enjoyment of the lots and common property,

the Registrar may make an order under this Article.

- (2) An order under this Article may:
  - (a) declare the by-law to be invalid;
  - (b) repeal the by-law; or

- (c) reinstate any former by-law amended or repealed by the by-law in question.
- (3) An order under this Article has effect in accordance with its terms.

### **107.** Order granting licence

- (1) If, on an application by the owner of a lot for relief under this Part, the Registrar is satisfied that:
  - (a) a licence of a particular kind in relation to the common property is necessary for the reasonable use or enjoyment of the lot;
  - (b) such a licence could be granted without unduly interfering with the rights of owners or occupiers of other lots to the use and enjoyment of their lots and the common property; and
  - (c) the body corporate has unreasonably refused to grant such a licence,

the Registrar may make an order conferring rights in terms specified in the order on the owner or occupier for the time being of the lot.

(2) An order under this Article operates as if it were a licence granted by the body corporate.

#### **108.** Order making by-laws

- (1) If, on an application by an owner for relief under this Part, the Registrar is satisfied that the body corporate has unreasonably refused to make a by-law that is reasonably required for the proper enjoyment of a lot or common property, or the proper administration of a scheme, the Registrar may make an order in the terms on which the by-law should have been made.
- (2) An order under this Article operates as a by-law and (to the extent of the inconsistency) prevails over any other by-law with which it is inconsistent.

## 109. Order invalidating proceedings

- (1) If, on an application by an owner for relief under this Part, the Registrar is satisfied that the provisions of this Law or the by-laws have not been complied with in relation to the calling or conduct of a meeting of the members of the body corporate, the Registrar may, by order, invalidate a resolution of (including an election held by) the persons present at the meeting.
- (2) The Registrar need not make an order under paragraph (1) if satisfied:
  - (a) that the failure to comply with the provisions of this Law or the bylaws did not prejudicially affect any person; or
  - (b) that the resolution would have been passed, or the election would have had the same result, even if the provisions had been complied with.
- (3) An application seeking relief under this Article must be made within 28 days after the date of the meeting.

#### 110. Order reallocating unit entitlements

If, on application for relief under this Part, the Registrar is satisfied that the unit entitlements of lots or, if various classes of unit entitlements have been fixed, the unit entitlements of a particular class, have been fixed on a basis that is not fair and equitable, the Registrar may, by order under this Article, redetermine unit entitlements or unit entitlements of the relevant class on a basis that the Registrar considers fair and equitable.

#### 111. Order varying amount or manner of payment of contributions

- (1) If, on an application for relief under this Part, the Registrar is satisfied that the contributions to be levied by the body corporate under this Law are inadequate or excessive, the Registrar may, by order:
  - (a) redetermine the contributions on a basis that the Registrar considers reasonable; and
  - (b) give directions in relation to payment of any additional amount that becomes payable as a result of the order, or the refund of any amount overpaid.

(2) If, on an application for relief under this Part, the Registrar is satisfied that the manner of payment of contributions determined by the body corporate is unreasonable, the Registrar may, by order, redetermine the manner in which the contributions are to be paid.

#### 112. Order varying amount of insurance

If, on an application for relief under this Part, the Registrar is satisfied that the amount for which the body corporate has taken out insurance is unreasonable, the Registrar may order the body corporate to increase or decrease the amount of the insurance.

#### 113. Order appointing administrator

- (1) If, on an application for relief under this Part, the Registrar is satisfied:
  - (a) that the body corporate has failed in the proper performance of a duty;
  - (b) the applicant has a proper interest in the due performance of the duty; and
  - (c) the circumstances are sufficiently serious to justify the appointment of an administrator under this Article,

the Registrar may, by order, appoint an administrator.

- (2) The appointment of an administrator:
  - (a) is not to be made unless the proposed appointee consents in writing to the appointment; and
  - (b) is to be made on the terms and conditions (which may include terms and conditions for remunerating the administrator out of the funds of the body corporate) the Registrar specifies in the order.
- (3) The administrator has, in accordance with the terms of the order, power:
  - (a) to administer the affairs of the body corporate generally; or
  - (b) to carry out the function or functions of the body corporate or its officers specified in the order.

- (4) If an administrator has power to administer the affairs of the body corporate generally, the administrator's powers operate to the exclusion of the powers of the body corporate and its officers.
- (5) If an administrator has power to carry out a specified function or functions, the powers of the body corporate are excluded so far as they relate to those functions.
- (6) An act or omission of an administrator done or made in the course of exercising powers under this Article is to be regarded as an act or omission of the body corporate.
- (7) The administrator must give the body corporate written notice of the exercise of powers under this Article as soon as practicable after the powers are exercised.

### 114. Order convening meeting of members of body corporate

- (1) If, on an application for relief under this Part, the Registrar is satisfied that the body corporate has failed to hold a general meeting of its members as required under this Law or the by-laws, the Registrar may, by order, appoint a person to convene a general meeting of the members of the body corporate.
- (2) The order may:
  - (a) provide for the giving of notice of the meeting;
  - (b) appoint a person to preside at the meeting;
  - (c) provide (in an appropriate case) that the meeting is to be treated as the first general meeting of the body corporate (even though the time for holding that meeting may have expired); and
  - (d) deal with the business to be placed before the meeting and any incidental or consequential matters.
- (3) The provisions of an order under this Article prevail over inconsistent provisions of this Law or the by-laws.

## 115. Order invalidating special resolution

- (1) If, on an application for relief under this Part, the Registrar is satisfied:
  - (a) that the applicant is a member of the body corporate who did not vote, either personally or by proxy, in support of a special resolution of the body corporate; and
  - (b) that the resolution is unreasonable or oppressive,

the Registrar may make an order invalidating the resolution.

(2) An application for relief under this Article must be made within 28 days after the date of the resolution to which it relates.

#### 116. Order terminating contract for services to the body corporate

- (1) If, on an application for relief under this Part, the Registrar is satisfied that an agreement for the provision of services to the body corporate:
  - (a) is unfair to the owners of 25% or more of the lots; or
  - (b) is for an excessively long term,

the Registrar may make an order terminating the agreement or shortening its term.

(2) An order under this Article may also require a party to the agreement to pay a specified amount to another party for the purpose of adjusting the rights of the parties in consequence of the termination or shortening.

#### 117. Order relating to structural alteration or addition to lot

- (1) If, on an application for relief under this Part, the Registrar is satisfied that:
  - (a) a consent, approval or authorisation of the body corporate is required under the by-laws for making a structural alteration or addition to a lot; and
  - (b) the consent, approval or authorisation has been unreasonably withheld,

the Registrar may make an order authorising the relevant structural alteration

or addition to the lot on terms and conditions specified in the order.

(2) If, on an application for relief under this Part, the Registrar is satisfied that a structural alteration or addition to a lot is being, or has been, made contrary to the by-laws, the Registrar may order the owner of the lot to restore the lot to its former condition.

# **118.** Order in relation to development contemplated by staged development scheme

- (1) If, on an application for relief under this Part, the Registrar is satisfied that a developer under a staged development scheme (or an agent, employee or contractor acting on behalf of the developer) is carrying out, or has carried out, work contrary to the requirements of:
  - (a) the relevant disclosure statement for the scheme; or
  - (b) by-laws relevant to the way the work is to be carried out,

the Registrar may order the developer to ensure compliance with those requirements and, if necessary, to take specified action to remedy past noncompliance.

(2) If, on an application for relief under this Part, the Registrar is satisfied that a person has obstructed the proper carrying out of development work contemplated by a staged development scheme, the Registrar may make an order restraining the person from further obstructing the work.

#### 119. Order imposing penalty for breach of by-law

- (1) A body corporate may apply to the Registrar for an order that a person bound by the by-laws pay a penalty to the body corporate for breach of a by-law.
- (2) A person bound by the by-laws may apply to the Registrar for an order that the body corporate pay a penalty to the applicant for breach of a by-law.
- (3) The Registrar may make an order for the payment of a penalty on an application under this Article if satisfied that:
  - (a) the by-law provides for a penalty for breach; and

- (b) the person against whom the order is sought has wilfully breached the by-law.
- (4) The Regulations may prescribe the maximum penalty that the Registrar may impose under this Article.
- (5) On application under this Article, the Registrar may order the payment of the costs of the application by or against the applicant.

## 120. Order for exemption from various statutory requirements

- (1) A body corporate may apply to the Registrar for an order exempting the body corporate from:
  - (a) the requirement to hold insurance of a particular kind;
  - (b) the requirement to prepare and maintain a roll; or
  - (c) the requirement to maintain a postbox.
- (2) The Registrar may only make an order exempting a body corporate from the requirement to hold insurance of a particular kind if satisfied that the exemption would not be against the interests of any owner.
- (3) An order under this Article may be lodged with the Registrar, who must record it in the folio of the Register for the common property.
- (4) An order under this Article does not take effect until the Registrar records it in accordance with paragraph (3).

## **Chapter 4 - Service and enforcement of orders**

## 121. Copy of order to be served

- (1) An order made by the Registrar:
  - (a) must be in writing; and
  - (b) must set out the reasons on which it is based.
- (2) The Registrar must serve a copy of the order on:

- (a) the applicant for relief;
- (b) the relevant body corporate;
- (c) any person who was entitled to make, and made, a written submission to the Registrar in relation to the application; and
- (d) any person who is required to do, or refrain from doing, an act specified by the order.
- (3) In this Article, "order" includes:
  - (a) the variation of an order;
  - (b) an interim order; and
  - (c) the renewal or revocation of an interim order.

## **122.** Penalty for contravention

- (1) A person must not contravene an order under this Part to do or refrain from doing a specified act.
- (2) A person who breaches paragraph (1) commits an offence against this Law.

## 123. Enforcement of orders

- (1) If a person is required by an order under this Part to take specified action, and the person fails to comply with the order within the time allowed by the order, any other person with a proper interest in the matter may apply to the Registrar for an order:
  - (a) authorising the applicant to take the necessary action; and
  - (b) requiring the person in default to reimburse the applicant for the cost of taking the action.
- (2) An order cannot be made under this Article if the time for commencing an appeal against the original order has not yet expired or, if an appeal has been commenced, until the appeal has been determined or discontinued.

(3) An appeal against an order under paragraph (1) lies to the Board under the provisions of Part 9. The Board may make any order it considers appropriate regarding implementation of the order while the appeal is being pursued.

## 124. Enforcement of orders for payment of money

- (1) If the Registrar makes an order for the payment of money, the order may be registered in the Court.
- (2) Proceedings for the enforcement of an order registered under paragraph (1) may be taken as if the direction were a judgment of the Court.

## 125. Order may have effect as resolution of body corporate

- (1) An order under this Part may provide that the order or a specified part of the order is to have effect as an extraordinary resolution, a special resolution or an ordinary resolution of the body corporate.
- (2) If an order contains such a provision, it operates, or the specified part of the order operates, as an extraordinary resolution, a special resolution or an ordinary resolution of the body corporate accordingly.

## **Chapter 5 - Miscellaneous**

#### 126. Recording of certain orders

- (1) If an order under this Part affects:
  - (a) the administration of a scheme; or
  - (b) the rights of owners or occupiers of lots,

the Registrar must record the order in the folio of the Register for the common property or in the folio of the Register for the lots (as the case may be).

- (2) The Registrar may:
  - (a) on his or her own initiative; or

(b) on application by an interested person and on payment of the prescribed fee,

cancel any recording made under paragraph (1) if satisfied that the order does not affect or has ceased to affect the real property to which it purports to relate.

- (3) For the purposes of paragraph (2), each of the following is an interested person:
  - (a) the developer;
  - (b) the body corporate;
  - (c) each owner and each prospective owner of a lot;
  - (d) each occupier of a lot;
  - (e) the relevant planning authority;
  - (f) any other person (including a mortgagee) who has, in the opinion of the Registrar, a proper interest in the matter.

## 127. Registrar may determine questions relating to title to real property

The Registrar may determine any question of title to real property that arises in the course of proceedings before the Registrar under this Law.

### PART 9—APPEALS

## 128. Interested persons

The following persons are "interested persons" for the purposes of this Part:

- (a) the applicant for the decision or order;
- (b) in the case of a decision or order under Part 8, a person who was entitled to make, and made, written submissions to the Registrar in connection with the application for relief;

- (c) in the case of an order, a person required by the order to do, or refrain from doing, a specified act;
- (d) any other person prescribed by the Regulations as an interested person in relation to a decision or order of a specified kind.

## **129.** Right of appeal to Board

- (1) An interested person may appeal to the Board against a decision or order made by the Registrar on an application under this Law.
- (2) An appeal is commenced by lodging with the Registrar a notice of appeal, accompanied by the prescribed fee, within 30 days after the date of the order.
- (3) A notice of appeal lodged under paragraph (3) must specify:
  - (a) the name and address of the appellant;
  - (b) the order appealed against;
  - (c) the grounds of the appeal; and
  - (d) any other prescribed matter.
- (4) On receiving a notice of appeal, the Registrar must forward to the Board:
  - (a) the notice of appeal;
  - (b) the Registrar's records (if any) relating to the decision or order appealed against; and
  - (c) a note of the names and addresses of all interested persons.
- (5) The Board must give written notice of the appeal, and the time and place appointed by the Board for hearing the appeal, to all interested persons.
- (6) In the case of an order made by the Registrar under Part 8:
  - (a) the order cannot be challenged except by way of an appeal under this Part; and
  - (b) the Registrar is not to be a party to the appeal.

## 130. Powers of Board on appeal

- (1) The Board may on application by an interested person stay the operation of an order subject to appeal until the determination of the appeal.
- (2) On an appeal, the Board may:
  - (a) confirm, vary or revoke the decision or order under appeal; and
  - (b) make any further or other decision or order that the Board considers appropriate in the circumstances.
- (3) The Board must give written notice of its decision on an appeal to the Registrar and all interested persons.

## 131. Right of appeal to Court

An appeal lies from the Board to the Court:

- (a) on matters of law; and
- (b) on the ground of a bona fide claim of misconduct or abuse of office by the Registrar or the Board.

## PART 10-MISCELLANEOUS

## 132. Powers and protection of the Registrar

- (1) The Registrar has the power to do whatever the Registrar considers necessary to carry out his or her functions under this Law.
- (2) Neither the Registrar, nor any person acting under the Registrar's authority, is personally liable for any act done or omission made in good faith and in the exercise or purported exercise of powers under this Law.

#### 133. Certificates issued by body corporate

If a certificate is issued under the body corporate's common seal:

- (a) certifying that a particular resolution was passed by the body corporate on a date specified in the certificate; and
- (b) certifying the nature of the resolution,

the Registrar is entitled to rely on the certificate and is not bound to inquire whether the resolution has been duly passed.

## 134. Action to be taken by the Registrar for registration, etc, of documents

- (1) When the Registrar registers a plan or scheme, an amendment or variation to a plan or scheme, or cancellation of a plan or scheme, the Registrar must take action to ensure that persons searching relevant folios of the Register receive notice of the plan, scheme, amendment, variation or cancellation.
- (2) When the Registrar receives an application, notice or other document relating to a particular scheme, the Registrar must take action to ensure that a person searching the folio of the Register relating to the common property of the scheme receives notice of the application, notice or other document.

#### 135. Use of lots and accessory lots

- (1) The owner or occupier of a lot established by a scheme under this Law must not use the lot or permit its use:
  - (a) for a purpose other than a purpose for which the lot is established as indicated in the relevant registered plan or scheme; or
  - (b) contrary to a restriction indicated in the relevant registered plan or scheme.
- (2) A lot that is designated on the strata plan as an accessory lot cannot be dealt with separately from the principal lot with which it is associated, and a dealing with the principal lot necessarily effects (without express mention) a corresponding dealing with the accessory lot.

# **136.** Rights and remedies conferred by this Law to be in addition to those existing apart from this Law

- (1) The rights and remedies conferred by this Law are not exclusive of rights and remedies that may exist apart from this Law.
- (2) If the Court considers that proceedings brought before it could more appropriately have been brought under this Law, the Court may order the claimant to pay the defendant's costs to an extent determined by the Court.

## 137. Easements not affected by unity of ownership

Unity of ownership does not destroy an easement created or implied in relation to lots, or lots and common property, under this Law.

## 138. Service, etc, of notices

- (1) A notice or document may be served on, or given to, a person by delivering it to:
  - (a) the person's address for service;
  - (b) in the case of an individual, the person's place of residence; or
  - (c) in the case of a corporation, the corporation's registered office or principal place of business.
- (2) A person's address shown in any instrument by which the person became the registered owner, or in any caveat lodged by the person, may be treated as the person's address for service.
- (3) A notice or document may also be served on, or given to, a person by means of fax transmission, and is to be treated as served or given on receipt of a confirmation by electronic or other means that it has been received.
- (4) Despite the foregoing paragraphs, the Registrar may direct that a notice be given or served in a specified manner, either in addition to, or in substitution for, the methods under those provisions.

(5) Where a notice or document is served or given in accordance with this Article, on a day that is not a business day, or after 5pm on any day in the place of service, then it is to be treated as being served or given on the next business day.

## **139.** Service on body corporate

- (1) The address for service of a body corporate is the body corporate's address for service as shown on the strata plan.
- (2) The Registrar may, on application by the body corporate, change the address for service of the body corporate. If the Registrar changes the address for service, the Registrar must record the new address on the strata plan.
- (3) In addition to any other method of service, a notice or document may be served on, or given to, the body corporate by serving it on or giving it to a member of the committee of management.
- (4) This Article does not limit the way in which notices may be served in court proceedings.

## 140. Service on owners of lots

- (1) If a notice or document is to be served on or given to the owners of lots generally, it may be served on or given to the body corporate as representative of all the owners. In that case:
  - (a) the body corporate must take reasonable steps to bring the notice or document to the attention of all the owners; and
  - (b) the notice or document is taken to have been served on or given to each owner.
- (2) This Article does not limit the way in which notices may be served in court proceedings.

### 141. Powers of entry in certain cases

- (1) If the Registrar or a person authorised by the Registrar (called collectively in this Article "an authorised person") believes on reasonable grounds that an offence against this Law or a breach of the by-laws has been, or is being, committed on any part of the site, the authorised person may at any reasonable time after giving reasonable notice to the occupier, enter the relevant part of the site to ascertain whether the offence or breach has been or is being committed.
- (2) The authorised person may, when exercising a power under paragraph (1), be accompanied by:
  - (a) a member of the body corporate's committee of management;
  - (b) the administrator, if any, of the scheme; or
  - (c) any other person the authorised person considers appropriate.
- (3) A person who obstructs or hinders an authorised person (or a person accompanying the authorised person) acting under this Article, commits an offence against this Law.

## 142. Power of entry by authority

If a governmental authority, or a person authorised by it, has a power to enter on any part of a site, the authority or person is entitled to enter on any other part of the site to the extent necessary to exercise the power.

#### 143. Registrar's directives

- (1) The Registrar may issue directives, not inconsistent with this Law, relating to the requirements to be followed in lodging, registering, recording, or serving instruments, plans and other documents under this Law.
- (2) In issuing the directives, the Registrar must have regard to:
  - (a) the purpose of this Law; and
  - (b) the principle that a person's registered interest is not to be adversely affected except with the person's consent.

- (3) Without limiting paragraph (1), the Registrar's directives may provide for any of the following:
  - (a) the form and content of and the requirements for instruments, documents and plans;
  - (b) the number of copies of instruments, documents and plans to be lodged;
  - (c) the need for lodging consents, certificates and other documents;
  - (d) the signing of instruments (including in electronic form and by codes);
  - (e) the practice of carrying forward registered interests onto new folios of the Register;
  - (f) the time and method of paying fees and charges.
- (4) The Registrar's directives must be complied with unless the Registrar dispenses with compliance.

#### 144. Offences against this Law

A person who commits an offence against this Law is liable to the penalty specified under Regulations made under Article 145.

## 145. Authority may make Regulations

- (1) The Authority may make Regulations, not inconsistent with this Law, prescribing matters that are necessary or convenient to be prescribed for carrying out or giving effect to this Law.
- (2) Without limiting the generality of paragraph (1), the Authority may make Regulations:
  - (a) requiring the provision of parking spaces for the exclusive use of owners or occupiers of lots used for commercial, retail or residential purposes;
  - (b) imposing limitations on the powers of the committee of management;
  - (c) prescribing fees to be charged by the Registrar;

- (d) regulating the Registrar's practice in relation to matters arising under this Law;
- (e) providing that a contravention of, or failure to comply with, this Law or any of the Regulations is an offence;
- (f) providing for the imposition of a fine for an offence, and fixing the amount; and
- (g) constituting the Strata Titles Board.
- (3) If there is an inconsistency between Regulations made by the Authority and directives made by the Registrar, the Regulations prevail.

# **SCHEDULE 1 - MODEL BY-LAWS**

## 1. Duty to keep lot in good order and repair

- (1) The owner of a lot must keep buildings and structural improvements on the lot in a state of good repair and to a standard in keeping with other buildings and structural improvements on the site.
- (2) The owner must:
  - (a) carry out any work in relation to the owner's lot that the owner is required to carry out by:
    - (i) an authority; or
    - (ii) the body corporate; and
  - (b) comply with all security procedures and directives implemented and issued by the body corporate or any person acting on behalf of the body corporate.

## 2. Prohibited conduct

The owner or occupier of a lot must not, without the body corporate's prior written permission, do any of the following:

- (a) use the lot, or permit its use, in a way that causes a nuisance to the owner or occupier of any other lot;
- (b) make structural, mechanical or electrical alterations to a lot;
- (c) place or do anything on any part of the common property which, in the opinion of the body corporate, is aesthetically displeasing or undesirable when viewed from the outside of the building;

- (d) place any television aerials or satellite dishes on the exterior of the building;
- (e) place or hang any washing or laundry or any other items on any part of the lot or common property where it is visible from the outside of the building;
- (f) store any material, or do or permit to be done any dangerous act on the lot or on the common property that may increase the body corporate's insurance premiums.

## 3. Duty to allow access for maintenance and repair of common property

- (1) The body corporate is entitled to reasonable access to a lot for the purpose of maintaining, repairing or replacing the common property and service infrastructure.
- (2) A person authorised by the body corporate may enter the lot for that purpose:
  - (a) after giving to the occupier of the lot reasonable notice of the intention to exercise the rights of access; or
  - (b) in an emergency, without notice.

#### 4. Duty to pay rates and taxes

The owner of a lot must promptly pay all rates, fees and charges that may be payable in relation to the lot.

## 5. Vehicles

- (1) The owner of a lot must observe and ensure that their visitors and guests:
  - (a) observe any road signs on the common property;
  - (b) do not drive their vehicles in a manner which is unsafe, creates a nuisance, or obstructs the flow of traffic or access to or ingress from parking bays;
  - (c) park vehicles only in designated parking areas;

- (d) do not permit one vehicle to occupy more than one parking bay; and
- (e) do not park trucks, trailers, boats or heavy vehicles on the common property without the prior written consent of the body corporate or a person authorised by it.
- (2) The body corporate may authorise any vehicle parked or used in contravention of paragraph (1) to be removed or towed away, at the risk and expense of the owner of the vehicle.
- (3) The parking of vehicles on the common property is entirely at the owner's risk.

#### 6. Reasonable behaviour

- (1) The occupier of a lot must not behave in a way likely to interfere with the reasonable use and enjoyment of another lot or the common property.
- (2) An owner or occupier of a lot must take reasonable steps to ensure that invitees do not behave in a way likely to interfere with the reasonable use and enjoyment of another lot or the common property.

## 7. Duty to provide information

The owner of a lot must promptly give the body corporate written notice of any change in the ownership of the lot.

### 8. Keeping animals

- (1) Subject to subclause (2), the occupier of a lot must not, without the body corporate's written approval:
  - (a) bring an animal onto, or keep an animal on, the lot or the common property; or
  - (b) permit an invitee to bring an animal onto, or keep an animal on, the lot or the common property.
- (2) Subclause (1) does not apply to guide dogs for persons with impaired sight or hearing.

## **SCHEDULE 2**

## **1.** Rules of Interpretation

- (1) In this Law, unless the context requires otherwise, a reference to:
  - (a) Regulations is a reference to regulations made under this Law;
  - (b) a Schedule is a reference to a Schedule to this Law;
  - (c) a statutory provision includes a reference to the statutory provision as amended or re-enacted from time to time;
  - (d) a person includes any natural person, body corporate or body unincorporate, including a company, partnership, unincorporated association, government or state;
  - (e) an obligation to publish or cause to be published a particular document includes, unless expressly provided otherwise in this Law, publishing or causing to be published in printed or electronic form;
  - (f) a day means a calendar day;
  - (g) a business day means a normal working day in the DIFC;
  - (h) a calendar year means a year of the Gregorian calendar;
  - (i) the masculine gender includes the feminine;
  - (j) \$ is a reference to United States Dollars unless the contrary intention appears;
  - (k) the singular includes the plural and vice versa.
- (2) Headings in this Law do not affect its interpretation.

(3) In this Law, a reference to registering or recording an instrument or information in the folio of the Register is a reference to registering or recording it in (or in the case of a folio kept in paper form, on) the folio of the Register for the lot or lots concerned.

# 2. Defined terms

In this Law, unless the context indicates otherwise:

Term	Definition
accessory lot	means a lot that is intended to be used in association with another lot (the "principal lot"), for purposes such as storage or parking but not for human occupation as a residence, shop, or the like;
administrative fund	means a fund established by a body corporate to meet recurrent and capital expenditure by the body corporate;
Authority	means the DIFC Authority established under Dubai Law No. 9 of 2004;
Board	means the Strata Titles Board constituted under a Regulation made by the Authority;
body corporate	means a body corporate formed under this Law;
boundary structure	means a wall, floor or ceiling separating a lot from another lot or common property;
Building	includes a building that is to be erected or that is partially completed;
by-laws	means the by-laws made under Part 6;

collective sale resolution	means a resolution made under Article 31;
common property	for a strata scheme means:
	(i) the areas designated under Article 14; and
	(ii) all other property administered by the body corporate for the relevant scheme,
	but does not include real property designated for future development in the master plan for a staged development scheme;
Court	means the DIFC Court;
Developer	means the person by or on whose behalf a plan or scheme is lodged for registration;
DIFC	means the Dubai International Financial Centre;
exclusive use by-law	means a by-law giving the owner of a lot exclusive rights to the use and enjoyment of, or other special rights in relation to, the whole or part of the common property;
extraordinary resolution	means a resolution passed at a duly convened meeting of the members of the body corporate by at least 90% of the members present and entitled to vote at the meeting;
Law	means any enacted law or regulations made under it;
lot	in respect of a site, means the whole or any part of the site allocated for separate occupation or use by the owner of the lot or by a person deriving rights of occupation from the owner;

ordinary resolution	of a body corporate means a resolution passed at a duly convened meeting of the members of the body corporate by a majority of the votes of members present and voting at the meeting;
original owner	means the person registered as the freehold owner of the site immediately before the registration of a plan relating to the site;
owner	means, in relation to a lot, the person registered as freehold owner under the Real Property Law;
plan	means: (i) a strata plan; or (ii) the master plan for a staged development scheme;
principal lot	means the lot with which an accessory lot is associated;
prospective owner	of a lot in a scheme means a person who has entered into a contract to purchase an existing or future lot in the scheme;
Real Property Law	means the DIFC Real Property Law (DIFC Law No. 4 of 2007);
Registrar	means the Registrar of Real Property appointed under Article 12 of the Real Property Law;
scheme	means: (i) a strata scheme; or (ii) a staged development scheme;
service infrastructure	means cables, wires, pipes, sewers, drains, ducts, plant and equipment by which:

	(i) water, gas, electricity, heating, or conditioned or unconditioned air is supplied to a lot or the common property;
	(ii) a lot or part of the common property is connected to a telephone, fax, cable television or other telecommunication service;
	(iii) a lot or part of the common property is connected to a sewerage or drainage system;
	(iv) a system for the removal or disposal of waste is provided;
	(v) a system designed for fire safety for more than one lot or for the common property is provided; or
	(vi) other systems or services designed to improve the safety, security or amenity, or enhance the enjoyment, of the lots or common property are provided;
site	means the whole of the real property included in a plan (including lots and common property);
special resolution	of a body corporate means a resolution passed at a duly convened meeting of the members of the body corporate by at least 75% of the members present and entitled to vote at the meeting;
staged development scheme	means the scheme for the development of real property by the registration of a series of strata plans;
statutory easement	means an easement under Article 18;
strata scheme	means the complex of lots and common property (together with the system of administration and management) created on the registration of a strata plan;

## DIFC STRATA TITLE LAW

unit	see "lot";
unit entitlement	has the meaning given in Article 21.