In this document underlining indicates new text and striking through indicates deleted text.



# STRATA TITLE LAW AMENDMENT LAW DIFC LAW NO. 11 OF 2018

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#### STRATA TITLE LAW

A LAW TO PROVIDE FOR THE CREATION, ADMINISTRATION AND MANAGEMENT OF STRATA TITLE PartPART 1—PRELIMINARY: GENERAL

#### 1. Title

This Law ismay be cited as the "Strata Title Law Amendment Law DIFC Law No. 11 of 2018".

#### 2. Legislative Aauthority

This Law is made by the Ruler-of Dubai.

#### 3. Application of thethis Law

This Law applies to <u>R</u>real <u>P</u>property that is the subject of a <u>Strata Scheme</u> within the jurisdiction of the <u>DIFC</u>.

#### 4. Purpose of this Law

The purpose of this Law is to extend the benefits of <u>R</u>registration under the Real Property Law (DIFC Law No. 4 of 2007) to units (calledof Real Property ("Lots") in this Law "lots") in <u>S</u>strata <u>D</u>developments, and in particular:

- (a) to provide for the  $\underline{R}_{\underline{r}}$  egistration of  $\underline{S}_{\underline{s}}$  trata-developments Schemes under the Real Property  $\underline{L}aw$ ;
- (b) to <u>provide for the application of the Real Property Law to Strata Developments and</u> guarantee ownership of <u>Lotsunits</u> in <u>S</u>strata <u>D</u>developments in the same way that ownership is guaranteed under the Real Property Law;
- (c) to provide for the licensing and regulation of Bodies Corporate;
- (d) to facilitate dealings with <u>Lotsunits</u> in <u>Ss</u>trata <u>Dd</u>evelopments, the <u>Registration of Real Property Rights and Real Property Interests;</u>
- (e) to facilitate the day-to-day administration of <u>the Operation of S</u>strata <u>D</u>developments <u>and the licensing and regulation of Body Corporate Managers;</u>
- (f) to help-resolve disputes between Oowners, Body Corporate Managers and third parties of lots-in Setrata Delevelopments; and
- (g) to allow for Sstrata Ddevelopments to be developed to occur in orderly stages.

#### 5. Date of enactment

This Law is enacted on the date specified in the  $\underline{E}$ -enactment  $\underline{N}$ -notice for the  $\underline{i}$ n respect of this Law.

#### 6. Date of commencement

This Law comes into force on the date specified in the **Eenactment Nnotice** for the Law.

#### 7. Applicability of other laws

(1) This Law is to be construed with the Real Property Law, to the intent in that the provisions of that lawthe Real Property Law apply to real property in strata plans registeredall Lots, Real Property

- Rights and Real Property Interests Registered under this Law.
- (2) Dubai <u>Rreal property-Estate Llaws</u> do not apply to <u>S</u>strata <u>Developmentsplans- Rregistered under this Law.</u>
- (3) Subject to Article 56(3), the Companies Law (DIFC Law No. 3 of 2006) does not apply to <u>Bb</u>odies <u>C</u>eorporate 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)(1) For the purposes of clarification, and without limiting paragraph (1), in this Law "Real Peroperty" includes the land on which a buildingStrata Development is erected or proposed to be erected.
- (2) Schedule 1 contains the Model By-laws.
- (3) Schedule 2 contains:
  - (a) <u>the Rules of Interpretation applying to this Law; and</u>
  - (b) a list of defined terms used in this Law. <u>Terms that are capitalised in this Law have the meanings as so ascribed in Schedule 2, and if not defined in Schedule 2, have the meanings as so ascribed in the Real Property Law.</u>

#### PartPART 2-: STRATA SCHEMES

## <u>Chapter 1 - Division of real property by strata planCHAPTER 1</u> - <u>DIVISION OF REAL PROPERTY BY</u> STRATA PLAN

#### 9. Division of <u>Rreal Pproperty by Sstrata Pplan</u>

- (1) Real <u>P</u>property for which one <u>(1)</u> or more <u>F</u>folios <u>of the Register</u> have been created under the Real Property Law may be divided into <u>L</u>lots, or into <u>L</u>lots and <u>C</u>eommon <u>P</u>property, by registering a <u>S</u>strata <u>P</u>plan as provided in this Part <u>2</u>.
- (2) If the <u>Real Peroperty</u> to be divided by a <u>Setrata Pelan</u> is comprised in <u>two (2)</u> or more <u>Feloios-of the Register</u>, the <u>Registration of the Setrata Pelan effects any necessary consolidation of the <u>Real Peroperty contained in such Folios without the need for the Registration of any plan of <u>consolidation</u>.</u></u>
- (3) Real <u>P</u>property may be divided both vertically and horizontally under this Law, but vertical division into more than one <u>stratum(1)</u> vertical levels (or <u>stratums)</u> is not a necessary <u>feature\_requirement</u> of a <u>S</u>strata <u>planDevelopment</u>.
- (4) If <u>R</u>real <u>P</u>property is divided vertically, a <u>L</u>lot may be created entirely on one (1) level, or partially on one (1) level and partially on another or others <u>levels</u>. A <u>Lot may comprise a number of parts</u> within the Strata Development and such parts need not be contiguous.
- (5) A Strata Development may have more than one (1) layer of division and Strata Plan with the Strata

  Development being first divided into Principal Lots and Principal Common Property by a Principal

  Strata Plan and secondly one (1) or more Principal Lots being further divided into Lots and

  Common Property by a secondary Strata Plan or secondary Strata Plans.
- (6) A Body Corporate is established by operation of this Law for each Strata Scheme upon Registration of a Strata Plan.
- (5)(7) Subject to planning controls, different areas within a strata plan may be and the requirements of the DIFCA, the Master Developer and the Registrar, designated Lots and Common Property within a Strata Development may be designated for different uses Permitted Uses (for example, one area(1) area within the Strata Development may be designated for residential use, another for commercial use, and another for retail use).
- (6)(8) The Permitted Use of the Lots in a Strata Development must be specified in the Strata

  Management Statement and the Permitted Use of the Common Property must be specified on the Strata Plan.
- (7)(9) 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. The Owner must not use a Lot or any part of Common Property for any other use than the Permitted Use.
- (8)(10) No change to the Permitted Use of a Lot or permit it to be so used the Common Property may be made unless such change is made by way of Extraordinary Resolution and with the prior written approval of the Master Developer and the Registrar.

# <u>Chapter 2 - Requirements for registration of plan-CHAPTER 2 - REQUIREMENTS FOR REGISTRATION</u> OF A STRATA PLAN

#### 10. Requirements for Sstrata Pplan

- (1) A <u>S</u>strata <u>P</u>plan must:
  - (a) state the name of the <u>S</u>strata <u>S</u>scheme;

- (b) delineate the external surface boundaries of the <u>siteStrata Development</u> and the location of the <u>B</u>buildings or proposed <u>B</u>buildings in <u>a Staged Strata Scheme, in relation to those boundaries:</u>
- (c) state the folio or folios of the Register for the site and clearly depict the location of the site Strata Development;
- (d) <u>include a drawing illustrating clearly depict</u> the <u>L</u>lots and distinguishing them by numbers or other symbols;
- (e) define the boundaries of each <u>L</u>lot;
- (f) <u>showstate</u> the <u>approximate</u> area of each <u>L</u>lot <u>calculated in accordance with the Regulations;</u>
- (g) state the <u>unitLot</u> <u>Eentitlement of each Llot</u>;
- (h) indicate (if it is the case) that a <u>L</u>tot is an <u>Aaccessory L</u>tot and identify the <u>principal Primary L</u>tot with which it is associated;
- (i) if parking easements are to be created on registration of the strata plan:
- (i) delineate the parking bays as Lots or Accessory Lots;
- (j) if, immediately before Registration of a Strata Plan, a Real Property Right was Registered in the Folio or Folios for the Strata Development, then, subject to Article 10(1)(k), on Registration of the Strata Plan the Lots and the Common Property shall be burdened and benefitted by such Real Property Right and the Registrar may register the Real Property Right in the Folio for each Lot and for the Common Property created on Registration of the Strata Plan;
- (k) if, immediately before the Registration of the Strata Plan, a part of the Strata Development was subject to a Real Property Right and another part of the Strata Development was not subject to such Real Property Right, on Registration of the Strata Plan the applicable Lots and parts of the Common Property shall be burdened and benefitted by such Real Property Right and the Registrar may Register the Real Property Right in the Folio for the Lot or Lots and/or the Common Property that corresponds most closely to the part of the Strata Development over which the Real Property Right was granted;
- (1) if Easements and/or Covenants are to be created on Registration of the Strata Plan:
  - (i)  $\frac{\text{(ii)}}{\text{define}}$  or describe the rights of access to be conferred by the  $\underline{\text{E}}\text{-e}$  as ements; and
  - (ii) <u>(iii)</u> define other <u>E</u>easements and <u>C</u>eovenants (other than <u>S</u>statutory <u>E</u>easements) that are to be created on <u>R</u>registration of the <u>Strata P</u>plan and to which any part of the <u>siteStrata Development</u> is to be <u>subjectbenefitted or</u> burdened by;
- $\frac{\text{(k)}(m)}{m}$  state the name of the <u>B</u>body <u>C</u>eorporate to be formed on <u>R</u>registration of the <u>Strata P</u>plan and its address for service;
- (1)(n) be accompanied by the proposed first Strata Management Statement for the Strata Scheme in the form required by the Registrar by laws of the body corporate, or else indicate that the first by-laws are to be those set out in Schedule 1; and
- (o) be accompanied by the proposed first By-laws of the Body Corporate, or else indicate in

the Strata Management Statement that the first By-laws are to be the Model By-laws;

(p) comply with the Regulations and the Directives of the Registrar; and

(m)(q) contain <u>such</u> other information and features <u>as</u> required by the Registrar <u>from time</u> to time.

- (2) If a <u>L</u>lot is separated from another <u>L</u>lot, or from <u>C</u>eommon <u>P</u>eroperty, by a <u>B</u>boundary <u>S</u>structure, the boundary is, unless otherwise stipulated in the <u>S</u>strata <u>P</u>elan, the centre of the <u>B</u>boundary Sstructure.
- (3) Despite <del>paragraph (2)</del><u>Article 10(2)</u>, <u>unless otherwise approved by the Registrar</u>:
  - (a) any windows (whether fixed or sliding) that are on the exterior wall of a <u>L</u>lot and enclosed within a space such as a balcony, are part of the Llot; and
  - (b) any other windows that are on the exterior wall of a <u>Ll</u>ot are <u>Ceommon P</u>property.
- (4) A <u>S</u>strata <u>P</u>plan must be endorsed with or accompanied by a certificate of a <u>duly</u> <u>qualifiedLicensed S</u>surveyor, in a form approved by the Registrar, certifying that the <u>Strata Plan</u> <u>has been prepared in accordance with this Law and that information contained in the Strata Plan is accurate and complete and that the <u>B</u>building or <u>B</u>buildings shown on the <u>Strata P</u>plan are <u>wholly</u> within the boundaries of the <u>siteStrata Development</u> or that any encroachment beyond those boundaries is legally permitted.</u>
- (5) In this Article 10, "Llot" includes a Llot within a Bbuilding that is yet to be constructed or completed.

#### 11. Lodgement and Rregistration of Strata Pplan

- (1) A <u>S</u>strata <u>P</u>plan has no legal effect unless and until it is <u>R</u>registered.
- (2) A <u>Ss</u>trata <u>Pp</u>lan <u>mustmay</u> be lodged with the Registrar for <u>Rregistration by the Developer within one (1) month from Building Completion or such other period as approved by the Registrar. A Developer who breaches this Article 11(2) commits a contravention of this Law.</u>
- (3) The Strata Pplan must be accompanied by:
  - subject to paragraph (4), Article 11(4), a certificate issued by the Relevant planning Aauthority that the Relevant Aauthority has approved the Strata Delevelopment and the construction of the siteBuilding;
  - (b) any other documents that may be required by the Registrar; and
  - (c) the P<del>p</del>rescribed F<del>f</del>ee.
- (4) Where the <u>DIFCA</u>, the <u>Master Developer or a Relevant</u> Authority has assented through a notification to the strata subdivision of a <u>B</u>building or a class of buildings without needing planning approval, the <u>as-built</u> building plans as approved by the <u>R</u>relevant <u>building A</u>authority may constitute the <u>S</u>strata <u>P</u>plan for the purposes of Article 10, if they are accompanied by a certificate from a <u>duly qualified-Licensed S</u>surveyor:
  - (a) setting out the information required by Article 10; and
  - (b) certifying that the plans are submitted Strata Plan is correct and that the separate areas within the Bbuilding accord with the areas that the Registered freehold Oowner of the Real Peroperty on which the Bbuilding stands has sold or agreed to sell.
- (5) If satisfied that the requirements for Registration have been complied with, the Registrar must

- register the Strata Pplan.
- (6) If a Strata Plan has not been lodged with the Registrar for Registration by the Developer within one
  (1) month from Building Completion or such other period as approved by the Registrar, the
  Register may make an Order that an interim Body Corporate be established by the Developer pending Registration of the Strata Plan.
- (5)(7) If the Register makes an Order that an interim Body Corporate be established by the Developer the Registrar shall specify in the Order what requirements the Developer must satisfy during such period which may include the calling of the first General Meeting, the election of the Management Committee and the appointment of a Body Corporate Manager notwithstanding the Body Corporate shall not be established until the Strata Plan is Registered.

#### 12. Mortgages

- (1) If, immediately before <u>R</u>registration of a <u>S</u>rtrata <u>P</u>plan, a <u>M</u>mortgage was <u>R</u>registered in the <u>F</u>folio or <u>F</u>folios of the <u>Register</u> for the entire <u>siteStrata Development</u>, then on <u>R</u>registration of the <u>S</u>trata <u>P</u>plan the Registrar must register the <u>M</u>mortgage in the <u>F</u>folio for each <u>L</u>lot created on <u>R</u>registration of the <u>S</u>trata <u>P</u>plan.
- (2) If, immediately before the <u>Rregistration</u> of the <u>S</u>-strata <u>P</u>-plan, a part of the <u>siteStrata Development</u> was subject to one (1) <u>M</u>-mortgage and another part of the <u>siteStrata Development</u> was subject to another <u>M</u>-mortgage, the Registrar must <u>recordRegister</u> each <u>M</u>-mortgage in the <u>F</u>-folio <u>of the Register</u>-for the <u>L</u>-lot that corresponds most closely to the part of the <u>siteStrata Development</u> over which the <u>M</u>-mortgage was <u>givengranted</u>.
- (3) When acting under paragraph (1), the <u>The</u> Registrar must not <u>recordRegister</u> the <u>M</u>mortgage in the <u>F</u>folio of the <u>Register</u> for the <u>C</u>eommon <u>P</u>property.

#### 13. Effect of Rregistration

- (1) A Rregistered Sstrata Pplan forms part of the Real Property Register.
- (2) On R<del>r</del>egistration of the S<del>s</del>trata P<del>p</del>lan, the Registrar must create F<del>f</del>olios <del>of the Register f</del>or:
  - (a) each <u>L</u>lot created by the <u>planRegistration of the Strata Plan</u>; and
  - (b) the <u>Ceommon P</u>property.
- (3) When creating a <u>F</u>folio of the Register for a <u>L</u>lot, the Registrar must:
  - (a) if the <u>original ownerDeveloper</u> still owns the <u>L</u>lot, <u>recordRegister</u> the <u>original</u> <u>ownerDeveloper</u> as the <u>registered freehold ownerOwner</u> of that <u>L</u>lot;
  - (b) if the <u>original ownerDeveloper</u> has transferred the <u>Llot</u>, and the <u>Prospective Purchaser</u> has Registered such Real Property Interest in the Off Plan Register, the Registrar must recordRegister as the registered freehold ownerOwner the personProspective Purchaser who, at the time of creation of the <u>Ffolio</u>, appears to the Registrar to be the freehold owneras the Prospective Purchaser in the Off Plan Register upon written confirmation from the Developer that the Prospective Purchaser has fully complied with its obligations under the Sale and Purchase Agreement; and
  - (c) record on the Folio that ownership of the Ltot maythat ownership of the Lot is subject to the benefits and burdens created under the Master Community Declaration and any Sale and Purchase Agreement, Principal Strata Management Statement or similar document applying to the Lot, as applicable:

- (i) 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.
- When creating a <u>F</u>folio of the <u>Register</u> for the <u>Ceommon P</u>property, the Registrar must record Register the <u>B</u>body Ceorporate as the <u>Rregistered freehold Oowner.</u>
- (5) The following provisions apply to the <u>F</u>folio of the Register-for the <u>C</u>eommon <u>P</u>property:
  - (a) <u>E</u>easements (other than <u>S</u>statutory <u>E</u>easements), <u>C</u>eovenants and <u>C</u>eaveats affecting the <u>siteStrata Development</u> are to be <u>recordedRegistered</u> in the <u>F</u>folio;
  - (b) dealings with the <u>Ceommon Paroperty</u> by the <u>Bbody Ceorporate</u> of a kind authorised under this Law are to be <u>Registeredrecorded</u> in the <u>Ffolio</u>;
  - (c) the initial Strata Management Statement of the Body Corporate is to be Registered on the Folio;
  - (e)(d) if the initial <u>B</u>by-laws of the <u>B</u>body <u>C</u>eorporate are not the model <u>B</u>by-laws in <u>S</u>chedule <u>1</u>, that fact is to be <u>recorded</u> <u>Registered</u> in the <u>F</u>folio and any changes to <u>B</u>by-laws are to be <u>recorded</u> <u>Registered</u> in the <u>folioS</u> <u>trata Management Statement</u>; and
  - $\frac{\text{(d)}(e)}{\text{any amendments to the }}$  and the Strata Management Statement are to be recorded Registered in the Ffolio.

#### Chapter 3 - The common property CHAPTER 3 - THE COMMON PROPERTY

#### 14. Common property

- (1) Subject to paragraph (2), Article 14(2), the Ceommon Peroperty consists of:
  - (a) parts of the <u>siteStrata Development</u> (including <u>B</u>buildings or parts of <u>B</u>buildings and improvements) that are not within a  $\underline{L}$ lot; and
  - (b) the <u>S</u>service <u>I</u>infrastructure <u>notwithstanding it may be located within or accessed</u> through a Lot.
- (2) A part of the <u>S</u>service <u>I</u>infrastructure within a <u>L</u>lot, <u>and</u>, <u>that</u> solely relate<u>s</u>d to supplying services to the <u>L</u>lot, is <u>C</u>eommon <u>P</u>property only if it is within a <u>B</u>boundary <u>S</u>structure separating the <u>L</u>lot from another <u>L</u>lot or from <u>C</u>eommon <u>P</u>property or is part of a network that services more than one (1) Lot.

#### 15. Ownership of Ceommon Pproperty

- (1) <u>AThe Bbody Ceorporate holds ownership of the Ceommon Pproperty in trust for the Oowners-of in the lotsStrata Scheme</u>.
- (2) The Oowners of the lots are, in equity, tenants in common of the Ceommon Pproperty in shares proportionate to the unitLot Eentitlements of their respective Llots.
- (3) An Oowner's interest in a Liot is inseparable and indefeasible from the Oowner's interest in the Common Poroperty, so that:
  - (a) a dealing with the Ltot affects, without express mention, the Lot Owner's interest in the

#### Ceommon Pproperty; and

- (b) an Oowner cannot separately deal with or dispose of the Oowner's interest in the Common Poroperty in any manner whatsoever.
- (c) The-A Bbody Ceorporate may must not Mmortgage or charge the Ceommon Pproperty, but otherwise may deal with the Ceommon Pproperty on behalf of the Oowners of the lots as authorised under this Law.

#### 16. Rights and responsibilities for <u>Ceommon P</u>property

- (1) The <u>A Bbody Ceorporate has a separate legal personality and</u> may sue and be sued for rights and liabilities related to the <u>Ceommon Pproperty</u> as if the <u>Bbody Ceorporate</u> were the owner and occupier of the <u>Ceommon Pproperty</u>.
- (2) If athe Bbody Ceorporate grants rights of exclusive occupation of a part of the common propertyan Exclusive Use Right with respect to another person, the body corporate's part of the Common Property to an Owner, the Body Corporate's rights and liabilities as occupier of with respect to that part of the Ceommon Property are, while the right of exclusive occupation Exclusive Use Right continues, vested in the other personOwner subject to the terms of the Strata Management Statement and Exclusive Use By-law granting such Exclusive Use Right.

#### 17. Disposal of interest in Ceommon Pproperty

- (1) If authorised by <u>an Eextraordinary Resolution</u>, <u>and approved in writing by the Registrar</u>, a <u>Bbody Ceorporate may:</u>
  - (a) sell or otherwise dispose of part of the Ceommon Pproperty; or
  - (b) grant or amend a lease over part of the Ceommon P<del>p</del>roperty.
- (2) An <u>I</u>\*instrument to give effect to a <u>transaction\_disposal</u> under <u>this</u> Article <u>17(1)(a)</u> or a lease under <u>Article 17(1)(b)</u> may <u>be registered</u> only <u>be Registered</u>, if accompanied by:
  - (a) a copy of the <u>Extraordinary Rresolution</u> authorising the transaction certified under the <u>B</u>body <u>C</u>eorporate's <u>common sealstamp</u>;
  - (b) if planning or subdivision approval is required by law, a certificate from the  $\underline{\mathbf{R}}_{\mathbf{r}}$  elevant  $\underline{\mathbf{A}}_{\mathbf{u}}$  thority certifying that it has approved the transaction; and
  - (c) if the transaction is for the sale or disposal of part of the <u>Ceommon Pproperty</u>, an amendment to the <u>Strata Pplan showing the new boundaries of the Strata Scheme</u>.

#### Chapter 4 - Easements CHAPTER 4 - EASEMENTS

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

- (1) Easements of lateral and subjacent support exist between <u>L</u>tots or <u>parts of and the Ceommon P</u>property for which the support is necessary and <u>L</u>tots or <u>parts of and the Ceommon P</u>property capable of providing the support.
- (2) An <u>E</u>easement of shelter exists entitling the <u>an Oowner of a lot</u> to have the <u>lotits Lot</u> sheltered by <u>B</u>buildings and structures on the <u>siteStrata Development</u>.
- (3) Easements exist over the Llots and Ceommon Pproperty in favour of the Bbody Ceorporate and each the Oowners of lots to the extent reasonably necessary for the installation, maintenance, operation, repair and replacement of Service Iinfrastructure and the Operation of the Common Property.

- (4) The <u>Statutory E</u>easements in <u>paragraphs (1), (2) and (3) Articles 18(1), 18(2) and 18(3) confer and impose all ancillary rights and obligations reasonably necessary to make them effective, including the right <u>of a Body Corporate and each Owner</u> to enter <u>real property</u>the <u>Lots and the Common Property</u> burdened by the <u>E</u>easements in order to ensure continued enjoyment of the <u>E</u>easements.</u>
- (5) The rights conferred by the <u>Statutory Eeasements in paragraphs (1), (2) and (3) Articles 18(1), 18(2) and 18(3) cannot be exercised in a way that unreasonably interferes with the enjoyment of a <u>L</u>lot or the <u>Ceommon P</u>property.</u>

#### 19. Creation by <u>B</u>body <u>C</u>eorporate of <u>E</u>easements and <u>C</u>eovenants

- (1) If authorised by <u>E</u>extraordinary <u>R</u>resolution, <u>and approved in writing by the Registrar</u>, a <u>B</u>resolution, <u>and approved in writing by the Registrar</u>, a <u>B</u>resolution, <u>and approved in writing by the Registrar</u>, a <u>B</u>resolution, <u>and approved in writing by the Registrar</u>, a <u>B</u>resolution, <u>and approved in writing by the Registrar</u>, a <u>B</u>resolution, <u>and approved in writing by the Registrar</u>, a <u>B</u>resolution is a <u>R</u>resolution in <u>R</u> resolution in <u>R</u>
  - (a) grant an  $\underline{E}$  easement burdening the  $\underline{C}$  eommon  $\underline{P}$  property, or accept the grant of an  $\underline{E}$  easement for the benefit of the  $\underline{C}$  eommon  $\underline{P}$  property;
  - (b) enter into a <u>C</u>eovenant burdening the <u>C</u>eommon <u>P</u>property or for the benefit of the <u>C</u>eommon <u>P</u>property; or
  - (c) surrender an <u>E</u>easement or <u>C</u>eovenant for the benefit of the <u>C</u>eommon <u>P</u>property, or accept the surrender of an <u>E</u>easement or <u>C</u>eovenant burdening the <u>C</u>eommon <u>P</u>property.
- (2) An <u>I</u>instrument to give effect to a transaction under this Article <u>19</u> may only be <u>R</u>registered if accompanied by:
  - (a) a copy of the <u>R</u>resolution authorising the transaction certified under the <u>B</u>body <u>C</u>eorporate's <u>common sealstamp</u>;
  - (b) if planning approval is required by law, a certificate from the  $\underline{Rr}$ elevant  $\underline{Ar}$ uthority certifying that it has approved the transaction;
  - (c) if the Registrar considers necessary, a plan of the <u>E</u>easement; and
  - (d) any other documents required by the Registrar.

#### 20. Commencement of Eeasements and Ceovenants

- (1) Statutory  $\underline{E}$ easements come into force on the  $\underline{R}$ registration of the  $\underline{S}$ trata  $\underline{P}$ plan.
- Easements and Ceovenants that are included in the Strata Pplan and that burden real property comprised in the sitethe Strata Development, come into force on the Registration of the Strata Pplan.
- (3) An <u>E</u>easement or <u>C</u>eovenant created by a transaction authorised under this Chapter comes into force on <u>R</u>registration of the <u>I</u> $\dot{}$ nstrument under which the <u>E</u>easement or <u>C</u>eovenant is created.

#### Chapter 5 Unit entitlements CHAPTER 5 - LOT ENTITLEMENTS

#### 21. Unit Lot Eentitlements

- (1) Each <u>Llot</u> created by a <u>Strata Pplan has a <u>unit\_Lot Eentitlement</u>, expressed as a percentage or fraction of the aggregate <u>of the unit\_Lot Eentitlements</u> of all <u>Llots\_in the planStrata Scheme</u>. The <u>Lot Entitlement of a Lot is calculated by dividing the area of such Lot by the aggregate of the area of all of the Lots in the Strata Scheme in accordance with this Law. The Lot Entitlements shall be specified in the Strata Management Statement.</u></u>
- (2) A unitLot Eentitlement:

- (a) may be a general unit-Lot Eentitlement operating for all the purposes of this Law; or
- (b) may be a special <u>unit</u> <u>Lot</u> <u>E</u>entitlement operating for any one <u>(1)</u> or more specific purposes, such as (but not limited to) <u>determining</u> the following:
  - (i) <u>for fixing</u> the proportionate <u>eontribution Service Charges payable to be made</u> by the <u>O</u>owner <u>of the lot</u> to the <u>B</u>body <u>C</u>eorporate;
  - (ii) <u>for fixing</u> the <u>Oowner</u>'s proportionate interest in the <u>C</u>eommon <u>P</u>property;
  - (iii) for fixing the number of votes to be exercisable by the Oowner of the lot at a Ogeneral Mmeeting of the Bbody Coorporate; and
  - (iv)  $\frac{\text{for fixing the proportion of the } \underline{Bb}\text{ody }\underline{C}\text{eorporate's income to be apportioned to the } \underline{Obwner-of the lot}$ .
- (3) The <u>contributionService Charges</u> under <u>paragraph (2)(b)(i) Article 21(2)(b)(i)</u> may take into account the ways in which the <u>Oowner's</u> use or occupation of a <u>Llot</u> contributes to matters such as (but not limited to) the following:
  - (a) the beneficial use of the Common Property by the Owners;
  - $\frac{\text{(a)}(b)}{\text{(b)}}$  the use, wear and tear on the <u>Ceommon P</u>eroperty;
  - (b)(c) the consumption of shared facilities; and
  - $\underline{\text{(e)}(d)}$  the insurance premiums payable by the  $\underline{\text{Bb}}$ ody  $\underline{\text{Ce}}$  or porate.
- (4) If a <u>L</u>lot has a special <u>unit Lot Eentitlement</u> for a particular purpose, it must also have a general <u>unit Lot Eentitlement</u> for other purposes. <u>Where relevantUnless otherwise stated</u>, a reference in this Law to the <u>unit Lot Eentitlement 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 <u>unit Lot Eentitlement</u> of such the Llot.</u>
- (5) The <u>unit-Lot Eentitlement</u>, or a particular class of <u>unit-Lot Eentitlement</u>, may be the same for each <u>L</u>lot or may vary from <u>L</u>lot to <u>L</u>lot.
- (6) <u>Unit-Lot Eentitlements must be fixed determined</u> on a fair and equitable basis and approved by the Registrar prior to the Registration of the Strata Plan.

#### 22. Change of unit Lot Eentitlements

- (1) The <u>unit-Lot Eentitlements of the lots</u> created by <u>the Registration of a Strata P</u>plan may be changed <u>with the prior written approval of the Registrar</u>:
  - (a) by <u>E</u>extraordinary <u>R</u>resolution of thea <u>B</u>body <u>C</u>eorporate;
  - (b) by an Oorder of the Registrar under Part 8; or
  - (c) if the total <u>unit Lot Eentitlements of all of the Lłots subject to the change</u> are not affected, by agreement between the <u>Oowners of the Lłots subject to the change</u> and with the consent of the <u>Rregistered Mmortgagees</u> and <u>lesseesOccupiers</u> of the <u>L</u>lots.
- (2) The Registrar may dispense with a lessee's Mortgagee's and Occupier's consent under paragraph (1)(c) Article 22(1)(c) if satisfied that the lessee's Mortgagee's or Occupier's interests would not be prejudiced by the change of unit-Lot Eentitlement or if the lessee Mortgagee's or Occupier has unreasonably withheld consent.
- (3) A change of unit Lot Eentitlements under paragraph (1) Article 22(1) does not take effect until the

 $\frac{\text{planStrata Management Statement}}{\text{planStrata Management Statement}}$  is changed by  $\underline{R}_{\text{reg}}$  is registration of an amendment including the change.

(4) This Article does not limit other ways in which unit Lot Eentitlements may change under this Law.

#### Chapter 6 - Amendment of strata plan CHAPTER 6 - AMENDMENT OF STRATA PLAN

#### 23. Amendment of Strata Pplan

A <u>S</u>strata <u>P</u>plan may be amended by <u>R</u>registration of an amendment under this Chapter <u>subject to the</u> approval of the Registrar.

#### 24. Application for amendment

- (1) An application for <u>Registration</u> of an amendment to a <u>Setrata Pelan</u> may be made:
  - (a) if the <u>a Bbody Ceorporate</u> is authorised by <u>Sspecial Resolution</u> to make the application, by the <u>Bbody Ceorporate</u>; or
  - (b) jointly by the  $\underline{O}_{\Theta}$  wners of  $\underline{L}_{\Theta}$  to affected by the amendment.
- (2) The application must be accompanied by the following:
  - (a) if the application is made by the <u>a B</u>body <u>C</u>eorporate, a copy of the <u>Special R</u>resolution authorising the application certified under the <u>B</u>body <u>C</u>eorporate's <u>common seal</u>company stamp;
  - (b) if the amendment affects the boundaries of <u>Ll</u>ots or <u>C</u>eommon <u>P</u>property:
    - (i) a-an amended Strata Pplan showing the amendment certified, in a form approved by the Registrar, by a Licensed duly qualified Surveyor;
    - (ii) a certificate of approval from any <u>Relevant Aauthority</u> whose approval to the amendment is required; and
    - (iii) evidence that the <u>Rregistered Mmortgagees</u> of any <u>L</u>lots affected by the amendment consent to the amendment;
  - (c) if the amendment affects  $\frac{\text{unit}}{\text{Lot}}$   $\frac{\text{E}}{\text{e}}$ ntitlements, a revised schedule of  $\frac{\text{Lot}}{\text{E}}$
  - (d) the <u>P</u>prescribed <u>F</u>fee.
- (3) The Registrar may dispense with a <u>Rregistered Mmortgagee</u>'s consent under <del>paragraph</del> (2)(b)(iii) Article 24(2)(b)(iii)</del> if satisfied that the <u>Mmortgagee</u>'s interests would not be prejudiced by <u>Rregistration</u> of the amendment or that the <u>Mmortgagee</u> has unreasonably withheld consent.

#### 25. Acquisition of Rereal Property by Body Ceorporate

- (1) If authorised by <u>E</u>extraordinary <u>R</u>resolution, a <u>B</u>body <u>C</u>eorporate may acquire <u>R</u>real <u>P</u>property to <u>and</u> incorporate it <u>ininto</u> the <u>siteStrata Development</u>.
- (2) If the <u>Real Poproperty</u> is not already <u>Registered under the Real Property Law</u>, the transaction for the acquisition is may not to be completed until a <u>Ffolio of the Register</u> is created for the <u>Real Poproperty</u>.
- (3) A transfer to give effect to an acquisition under this Article 25 may be Registered only if

#### approved by the Registrar and accompanied by:

- (a) a copy of the <u>Extraordinary R</u>resolution authorising the acquisition, certified under the <u>B</u>body <u>C</u>eorporate's <u>common seal</u>stamp; and
- (b) an application for amendment to the <u>Strata Pp</u>lan in accordance with this Chapter incorporating the <u>Real Pproperty in the Strata Development</u>.
- (4) On <u>Registration</u> of the transfer, the <u>Real Peroperty merges</u> with the <u>siteStrata Development</u> to form <u>Ceommon Peroperty or Ceommon Peroperty and Leots in accordance with the amendment to the <u>Strata Peroperty and approved by the Registrar.</u></u>

# <u>Chapter 7 Divesting of real property for public purposes</u> <u>CHAPTER 7 - DIVESTING OF REAL PROPERTY FOR PUBLIC PURPOSES</u>

#### 26. Divesting of Rreal Property designated for public purposes

- (1) This Article applies where, in a <u>Strata P</u>plan approved by the <u>R</u>relevant <u>A</u>authority, part of <u>C</u>eommon <u>P</u>property is <u>designated dedicated by the Master Developer</u> for roads, streets, road reserves, road-widening, drainage reserves, or for any other public use.
- (2) The <u>AuthorityMaster Developer</u> may lodge with the Registrar a request in the approved form to be <u>R</u>registered as <u>Oo</u>wner of that part of the <u>C</u>eommon <u>P</u>property.
- (3) If satisfied that the request relates to the part of the <u>Real P</u>property shown in the <u>Strata P</u>plan, the Registrar must <u>recordRegister</u> the <u>AuthorityMaster Developer</u> as <u>registered freehold the O</u>owner of that part of the <u>Ceommon P</u>property and make an appropriate recording in the <u>Ffolio of the Register for the Ceommon P</u>property.
- (4) On <u>R</u>registration:
  - (a) that part of the <u>Ceommon Pproperty vests in the Authority Master Developer as a Lot</u> free from all interests (including free of any prior Exclusive Use Rights) affecting it;
  - (b) where any of those interests prior Real Property Interests are Registered, the Registrar must cancel their Registration; and
  - (c) <u>if the Registrar considers it appropriate</u>, the Registrar must create a new <u>F</u>folio <del>of the Register for the balance of the Ceommon Pproperty.</del>

#### Chapter 8 - Consolidation of plans CHAPTER 8 - CONSOLIDATION OF STRATA PLANS

#### 27. Consolidation of Strata Pplans

Two (2) or more <u>S</u>strata <u>P</u>plans may be consolidated under this Chapter <u>8</u>.

#### 28. Application for consolidation

- (1) An application to the Registrar for the approval of the consolidation of two (2) or more Setrata Pplans may be made to the Registrar by the respective Bbodies Ceorporate forof the relevant Setrata Sechemes each of which must have passed an Extraordinary Resolution resolving to consolidate.
- (2) The Registrar may reject such application, or grant its approval subject to such conditions as the Registrar considers appropriate, should the Registrar consider that not approving the proposed

consolidation, or granting its approval subject to such conditions on the proposed consolidation, as the case may be, is in the best interest of the Strata Development.

#### (2)(3) The application must be accompanied by the following:

- (a) copies of the <u>R</u>resolutions authorising the application, each certified under the common sealcompany stamp of the <u>B</u>body <u>C</u>eorporate by which it was passed to be an <u>E</u>extraordinary <u>R</u>resolution of the <u>B</u>body <u>C</u>eorporate;
- (b) a consolidated <u>Strata P</u>plan to be substituted for the existing <u>registered\_Strata P</u>plans <u>of</u> <u>the Strata Schemes to be consolidated certified</u>, in a form approved by the Registrar, by a <u>duly qualified\_Licensed S</u>surveyor;
- (c) the written consents of all owners and registered mortgagees of lotsRegistered Mortgagees of Lots;
- (d) a certificate of approval issued by any <u>Relevant Aauthority</u> whose consent to the consolidation is required;
- (e) a revised schedule of unit Lot Eentitlements; and
- (f) the  $\underline{P}_{\overline{p}}$  rescribed  $\underline{F}_{\overline{f}}$  ee.
- (3)(4) The consolidated <u>Strata P</u>plan must show the name of the <u>S</u>strata <u>S</u>scheme to be formed by the consolidation and the address of the <u>B</u>body <u>C</u>eorporate to be formed by the consolidation.
- (4)(5) The Registrar may dispense with a <u>Registered Mmortgagee</u>'s consent under <del>paragraph</del> (2)(e)Article 28(3)(c) if satisfied that the <u>Mmortgagee</u>'s interests would not be prejudiced by the consolidation or that the <u>Mmortgagee</u> has unreasonably withheld consent.

#### 29. How consolidation is effected

- (1) The If the Registrar approves the consolidation, the Registrar may consolidate the Strata Pplans by:
  - (a) cancelling the existing <u>Strata P</u>plans and the existing <u>F</u>folios in the <u>Register</u> for the <u>S</u>strata <u>S</u>schemes; and
  - (b) registering the new <u>Strata</u> <u>P</u>plan and creating new <u>F</u>folios in the <u>Register</u> for the consolidated <u>Strata</u> <u>Sscheme</u>.
- (2) The issue of new <u>Ff</u>olios <u>of the Register</u> does not affect <u>M</u>mortgages over the <u>L</u>lots in the <u>S</u>strata <u>S</u>scheme, and those <u>Mortgages R</u>registered on the previous <u>F</u>folios are to be transferred to the <u>new newly created F</u>folios.

#### 30. Effect of consolidation

On consolidation of the <u>Strata P</u>plans, the <u>B</u>bodies <u>C</u>eorporate that applied for the consolidation are dissolved and their assets and liabilities vest in the <u>new B</u>body <u>C</u>eorporate formed on <u>R</u>registration of the new <u>Strata P</u>plan.

#### Chapter 9 Collective sale of site CHAPTER 9 - COLLECTIVE SALE OF STRATA DEVELOPMENT

#### 31. Collective **S**sale **R**resolution

(1) This Article applies to a <u>Resolution</u> (in this Chapter called a "<u>Ceollective Sale Resolution</u>") to sell the <u>siteentire Strata Development including all of the Lots</u> and <u>any property on it the Common</u>

#### Property.

- (2) A <u>Ceollective Seale Resolution</u> may only be passed at a duly convened <u>General Meneting where</u> no less than ninety per cent (90%) of the <u>members of the body corporateOwners attend either</u> personally or by proxy, and must be <u>passed by way of an Eextraordinary Resolution of such Owners present.</u>
- (3) A <u>Ceollective Ssale Resolution must specify:</u>
  - (a) the proposed method of and timing of the sale;
  - (b) the method of distributing the proceeds of sale <u>between the Owners</u>;
  - (c) the hoped for agreed minimum sale price; and
  - (d) that no binding contract for sale may be entered into until 4three (3) months after the passing of the Extraordinary Rresolution.
- (4) Any Oowner or Mortgagee who opposes the sale, or a registered mortgagee, may apply to the BoardRegistrar within 1three (3) months of the passing of the resolution Extraordinary 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 <u>Extraordinary R</u>resolution, and specifying those terms.
- (5) If an <u>O</u>owner or <u>M</u>mortgagee acts under <u>paragraph (4),Article 31(4)</u>, the <u>B</u>body <u>C</u>eorporate must not act on the <u>Extraordinary R</u>resolution unless and until the <u>BoardRegistrar</u> has made an <u>O</u>order allowing the sale to proceed.
- (6) The <u>BoardRegistrar</u> may make the <u>Oorder that it considers appropriate in the circumstances.</u>
- (7) The Board's-Registrar's Oorder binds all Oowners, Mmortgagees and other persons with an interest in the siteStrata Development.
- (8) This Article is subject to any Regulations governing the proceedings before the <u>BoardRegistrar</u>, including any requirements for notice to be given and any circumstances the <u>BoardRegistrar</u> must take into account when considering its decision.
- (9) If the Registrar approves the sale, an Owner or Mortgagee that acted under Article 31(4) may, within thirty (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 Registrar must comply with the order.

#### 32. Collective sale procedures

- (1) This Article applies where a <u>Ceollective Seale Resolution has been passed and:</u>
  - (a) no application has been made to the BoardRegistrar under Article 31; or
  - (b) an application has been made but the BoardRegistrar has rejected it and has ordered the sale to proceed.
- (2) The A Bbody Ceorporate may proceed with the sale in accordance with the terms of the Collective Sale Rresolution or (if different from the Collective Sale Rresolution) the Board's Registrar's Oerder.
- (3) The <u>A Bbody Ceorporate may appoint up to 3 of its membersa Body Corporate Manager</u> to represent it and all the Oowners.

- (4) The appointees acting together A Body Corporate Manager may execute all <u>I</u>instruments and dealings necessary or convenient to give effect to the <u>Collective Sale Registrar's Oorder.</u>

  Registrar's Oorder.
- (5) On production of a copy of the <u>Collective Sale Resolution</u> or the <u>Oor</u>der, and a copy of the appointment of the <u>representativesBody Corporate Manager</u>, 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 CHAPTER 10 - TERMINATION OF STRATA SCHEME

#### 33. Termination by Rresolution of Bbody Ceorporate

- (1) A <u>B</u>body <u>C</u>eorporate may, by <u>E</u>extraordinary <u>R</u>resolution, resolve to terminate the <u>S</u>rata <u>planScheme</u>.
- (2) The A Bbody Ceorporate gives effect to its Extraordinary Rresolution by applying to the Registrar for cancellation of the planStrata Scheme under Article 35.
- (3) If it resolves to terminate the <u>planStrata Scheme</u>, the <u>B</u>body <u>C</u>eorporate must also appoint as liquidator a person who is <u>registeredlicensed</u> as an insolvency practitioner under <u>Part 9 of the DIFC Insolvency Law (DIFC Law No. 7 of 2004)</u>.
- (4) The liquidator must do whatever is reasonably possible to ensure that the following events occur, to the optimum lawful advantage of the Bbody Ceorporate:
  - (a) the sale or disposition of the Bbody Ceorporate's property;
  - (b) the discharge of the Bbody Ceorporate's liabilities;
  - (c) the identification of persons liable for discharging the <u>B</u>body <u>C</u>eorporate's liabilities and their proportionate liability; and
  - (d) the distribution of the  $\underline{Bb}$ ody  $\underline{C}$ eorporate's assets and the proportionate entitlement of each person under that distribution.

#### 34. Termination by Court

- (1) The Court may order that a <u>Sstrata plan Scheme</u> be terminated, on grounds the Court considers appropriate.
- (2) An application for an order under paragraph (1) Article 34(1) may be made by an Oowner, a Mortgagee of a Llot, a registered mortgagee of a lot, or the a Bbody Ceorporate.
- (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.
- No application may be made under this Article where the only reason for the application is that the Oowners wish to sell all the Llots and Common Poroperty in the Strata Polan and:
  - (a) they have not been able to obtain a <u>Ce</u>ollective <u>S</u>sale <u>R</u>resolution under Article 31; or
  - (b) they have been able to obtain such a <u>Collective Sale R</u>resolution, but the <u>BoardRegistrar</u> has refused an order for sale.

#### 35. Registrar's cancellation of Strata Pplan on application of Bbody Ceorporate

- (1) The Registrar may cancel a <u>S</u>strata <u>plan\_Scheme</u> on application by <u>the\_a\_B</u>body <u>C</u>eorporate, following an Extraordinarya Rresolution under Article 33.
- (2) The application must be accompanied by the following:
  - (a) a copy of the <u>Extraordinary Resolution</u>, certified under the <u>common sealstamp</u> of the relevant <u>Bbody Ceorporate</u> to be an <u>Eextraordinary Resolution</u> of the <u>Bbody Ceorporate</u>;
  - (b) the written consents of all registered Mmortgagees of Llots affected by the application;
  - (c) a certificate from any <u>Relevant Aauthority</u> whose consent is required for the application; and
  - (d) the <u>P</u>prescribed <u>F</u>fee.
- (3) The Registrar may dispense with a registered Mmortgagee's consent under paragraph (2)(b) Article 35(2)(b) if satisfied that the Mmortgagee's interests would not be prejudiced by cancellation of the planStrata Scheme or that the Mmortgagee has unreasonably withheld consent.

#### 36. Cancellation of planStrata Scheme following order of Court

- (1) Where the Court orders that a <u>S</u>strata <u>planScheme</u> be terminated, the order must include the steps that are to be taken to have the termination lodged with the Registrar for <u>R</u>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 Sstrata plan Scheme:

- (a) the <u>siteStrata Development</u> vests in the former <u>O</u>ewners of the <u>L</u>lots, as <u>T</u>tenants in <u>C</u>eommon, in shares proportionate to the respective <u>unitLot E</u>entitlements of their <u>L</u>lots;
- (b) the <u>B</u>body <u>C</u>eorporate is dissolved, and any outstanding rights and liabilities of the <u>B</u>body <u>C</u>eorporate attach to the <u>O</u>owners in shares proportionate to the respective <u>unit Lot</u> Eentitlements of their L<del>l</del>ots; and
- (c) any Mmortgage or other encumbrance Registered over a Llot attaches to the interest of the former Oowner of the Llot in the siteStrata Development.

#### 38. Registration of cancellation

On cancelling a <u>S</u>strata <del>plan</del> <u>Scheme</u>, the Registrar must:

- (a) cancel existing <u>F</u>folios related to the former <u>planStrata Scheme</u>; and
- (b) create a new <u>F</u>folio <u>in for</u> the <u>RegisterStrata Development</u> to give effect to this Chapter.

#### Chapter 11 - Miscellaneous CHAPTER 11 - MISCELLANEOUS

#### 39. Reinstatement of Bbuildings

(1) If a <u>B</u><del>b</del>uilding—on <u>within</u> the <u>siteStrata Development</u> is damaged or destroyed, a scheme for reinstating the <u>B</u><del>b</del>uilding in whole or in part may be approved under this Article.

- (2) A reinstatement scheme referred to in paragraph (1) Article 39(1) may be approved:
  - (a) by agreement in writing between all interested parties approved by the Registrar; or
  - (b) by Oorder of the Board Registrar 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 a Bbody Ceorporate or any one (1) or more Oowners of lots;
  - (c) direct changes to the Strata Pplan;
  - (d) require <u>athe Bbody Ceorporate</u> to compensate the <u>Oowners of Llots prejudiced by changes to the Strata Pplan; and</u>
  - (e) deal with incidental or ancillary matters.
- (4) The <u>following are interested parties are under this Article 39</u>:
  - (a) the <u>B</u>body <u>C</u>eorporate;
  - (b) the insurer;
  - (c) the Oowners and registered mortgagees of Ltots affected by the reinstatement scheme;
  - (d) any planning-Relevant Aauthority with jurisdiction over the siteStrata Development; and
  - (e) all other persons who appear from the Register Registrar determines to have an interest in the reinstatement scheme.

#### 40. Apportionment of statutory charge

If a liability to an authority the Master Developer, the DIFCA or any Relevant Authority exists, and the liability is a charge on the whole or part of the <a href="siteStrata Development">siteStrata Development</a>, then the charge is apportioned among the Liots (or the Liots in that part of the <a href="siteStrata Development">siteStrata Development</a>) in the same proportions as the <a href="unit Lot Eentitlement">unit Lot Eentitlement</a> of all the Liots in the <a href="siteStrata">siteStrata Development</a> or that part of the <a href="siteStrata Development">siteStrata Development</a>.

#### PART 3-: STAGED DEVELOPMENTSTRATA SCHEMES

#### Chapter 1 Nature of staged development scheme CHAPTER 1 - NATURE OF STAGED STRATA SCHEME

#### 41. Staged development Strata Schemes

- (1) This Part <u>3 provides for Sstaged developmentStrata Sschemes.</u>
- (2) Where, at the time this Law comes into force, the <u>Reveloyant Authority</u> has approved <u>building plansa</u> form of Strata Plan or Strata Plans which comply with <u>Article 147 of</u> the Real Property Law and which provide for <u>Strata Delevelopment</u> in <u>to occur</u> stages, then the <u>Strata Delevelopment</u> may proceed in those stages despite the provisions of this Part 3.

#### 42. Form and contents of Strata Scheme

- (1) An application for the Sstaged development Strata Sscheme consists of:
  - (a) a master plan Staged Strata Plan for developing real propertythe Strata Development in stages by a series of Strata Pplans; and
  - (b) a <u>Delisclosure Setatement</u> that conforms with the requirements of this Part <u>3</u>.
- (2) The master plan forming part of a staged development scheme Staged Strata Plan for a Staged Strata Scheme must:
  - (a) identify the <u>siteStrata Development</u> by reference to the relevant <u>folio of the RegisterFolio or Folios</u> and delineate the <u>siteboundaries of the Strata Development</u>;
  - (b) contain a <u>separate Strata P</u>plan for each proposed stage of the development (identifying its location by reference to the <u>site)Strata Development</u>) and a <u>Principal Strata Plan if the Strata Development is to be the subject of a Principal Strata Scheme</u> that:
    - (i) shows the location of existing and proposed  $\underline{Bb}$ uildings;
    - (ii) identifies the boundaries of the proposed <u>L</u>lots and <u>C</u>eommon <u>P</u>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 <u>D</u>disclosure <u>S</u>statement that forms part of for a <u>S</u>staged development <u>S</u>trata <u>S</u>scheme must include:
  - (a) a warning to Prospective Owners in the form and terms required by the Registrar;
  - (b) the name and address of the <u>D</u>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 commencingthe estimated construction commencement and completing Building Completion of each stage of the proposed Strata Delevelopment (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 Latots, or on any other reasonable basis in each case as approved by the Registrar);
  - (e) a schedule of the working hours during which work is to proceed on the second and any subsequent stage of the proposed Strata Delevelopment;

- (f) a description of any amenities to be provided <u>as partin each stage</u> of the <u>proposed Strata</u> Delevelopment, 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 Oowners and Ooccupiers of Llots and their invitees in each Strata Scheme; and
  - (iii) the arrangements for providing and maintaining the amenities and defraying the eost the estimated Service Charges in respect of their provision or maintenanceOperation;
- (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  $\frac{L}{L}$  as at the completion of each stage of the  $\frac{L}{L}$  as at the development;  $\frac{L}{L}$  as at the completion of each stage of the  $\frac{L}{L}$  as at the completion of each stage of the  $\frac{L}{L}$  as at the completion of each stage of the  $\frac{L}{L}$  as at the completion of each stage of the  $\frac{L}{L}$  as at the completion of each stage of the  $\frac{L}{L}$  as at the completion of each stage of the  $\frac{L}{L}$  as at the completion of each stage of the  $\frac{L}{L}$  as at the completion of each stage of the  $\frac{L}{L}$  as at the completion of each stage of the  $\frac{L}{L}$  as at the completion of each stage of the  $\frac{L}{L}$  as at the  $\frac{L}{L}$
- (i) a copy of the Strata Management Statement (and Principal Strata Management Statement, if applicable) for the Strata Scheme; and
- (i)(j) any other information or materials required by the Registrar.

# <u>Chapter 2 - Approval of scheme in principle CHAPTER 2 - APPROVAL OF STRATA SCHEME IN</u> PRINCIPLE

#### 43. Application for <u>P</u>planning <u>A</u>approval

- (1) Before a <u>S</u>staged <u>developmentStrata</u> <u>S</u>scheme may be commenced, the <u>D</u>developer <u>under of</u> the proposed <u>S</u>staged <u>development-Strata</u> <u>S</u>scheme must apply for, and receive, approval of the <u>Staged</u> <u>Strata</u> <u>S</u>scheme in principle from the <u>relevant planning authorityRegistrar</u>, the <u>Master Developer and any other Relevant Authorities</u>.
- (2) The application to the Registrar must be accompanied by:
  - (a) the proposed <u>S</u>staged <u>development schemeStrata Plan</u>;
  - (b) any other document required by the authority; and
  - (b) the proposed Disclosure Statement;
  - (c) an approval from the Master Developer and any other Relevant Authorities; and
  - (e)(d) the Pprescribed Ffee.
- (3) An application may be made whether the <u>siteStrata Development</u> is wholly undeveloped or partially developed.

#### 44. Approval of Staged Strata Sscheme in principle

- (1) Before approving a proposed <u>S</u>staged <u>development</u> <u>Strata</u> <u>S</u>scheme in principle, the <u>planning</u> <u>authorityRegistrar</u>, the <u>Master Developer and any other Relevant Authorities</u> may exercise either or both of the following powers:
  - (a) <u>itthey</u> may require changes to the proposed <u>Staged Strata S</u>scheme; <u>and</u>
  - (b) it may require the demolition or alteration of <u>B</u>buildings <u>on within</u> the <u>siteStrata</u> <u>Development</u> of the proposed <u>Staged Strata S</u>scheme.
- (2) The authority may The Registrar, the Master Developer and any other Relevant Authorities may:
  - (a) approve the <u>S</u>staged <del>development</del> <u>S</u>trata <u>S</u>scheme unconditionally;
  - (b) approve the <u>Staged Strata S</u>scheme subject to specified conditions, which may include a condition requiring the <u>D</u>developer to proceed with the proposed development work in accordance with specified time limits; or
  - (c) refuse to approve the <u>Staged Strata S</u>scheme in whole or in part.
- (2)(3) If the authority Registrar, the Master Developer and the other Relevant Authorities each approves the proposed Staged development Strata Scheme, it they must issue a certificate of approval.
- (3)(4) Unless the authorityRegistrar, the Master Developer or the other Relevant Authorities specifies otherwise, a certificate of approval is required in accordance with this Law in respect of each Setrata Pplan by which the various stages of the development are to be implemented.

#### Chapter 3 - Registration of scheme CHAPTER 3 - REGISTRATION OF STAGED STRATA SCHEME

#### 45. Lodgement of Staged development Strata Scheme

- (1) The Registrar may, on application by the <u>D</u>developer, register a <u>S</u>staged <u>development Strata</u> <u>S</u>scheme.
- (2) An application for <u>R</u>registration of a <u>S</u>staged <u>developmentStrata</u> <u>S</u>scheme must be accompanied by:
  - (a) the <u>S</u>staged <u>development Strata</u> <u>schemePlan</u>;
  - (b) the Disclosure Statement;
  - (b)(c) a certificate from the planning authorityMaster Developer and the other Relevant

    Authorities certifying that the authority hasMaster Developer and the other Relevant

    Authorities have approved the Staged Strata Secheme in principle and stating any conditions to which the approval is subject, if any; and

(e)(d) the Pprescribed Ffee.

#### 46. Commencement of Staged Strata Sscheme

A <u>S</u>staged <u>development Strata S</u>scheme comes into force on <u>R</u>registration <u>of the Strata Plan for the first stage</u>.

#### Chapter 4 Development rights CHAPTER 4 - DEVELOPMENT RIGHTS

#### 47. Development rights

- (1) The <u>Ddeveloper under a Sataged development-Strata Sacheme is entitled to reasonable access to, and use of, the siteStrata Development for:</u>
  - (a) the purposes of carrying out the proposed development; and
  - (b) for other purposes related to development stated in the Delisclosure Statement.
- (2) The rights of others in relation to the <u>siteStrata Development</u> (including rights in relation to <u>L</u>lots and <u>C</u>eommon <u>P</u>property) are subordinate to the rights of the <u>D</u>developer under this Article.
- (3) The <u>Strata Management Statement or B</u>by-laws cannot limit the rights of the <u>D</u>developer under this Article.

## <u>Chapter 5 - Progressive development of real property subject to scheme CHAPTER 5 - PROGRESSIVE DEVELOPMENT OF STAGED STRATA DEVELOPMENT</u>

#### 48. Progressive development

- (1) The <u>real propertyStrata Development</u> subject to a <u>S</u>staged <u>development Strata S</u>scheme is to be progressively developed in stages, in accordance with the <u>master planStaged Strata Plan and the Disclosure Statement.</u>
- (2) The relevant planning authorityRegistrar, the Master Developer and the other Relevant Authorities may refuse to approve a particular stage in a Staged development-Strata Scheme if an earlier stage of the Strata Scheme has not been completed as required under the terms of the registered schemeStaged Strata Plan and the Disclosure Statement.
- (3) As <u>real propertythe Strata Development</u> is progressively developed in accordance with a <u>S</u>staged <u>development scheme</u>Strata Plan:

- (a) a <u>S</u>strata <u>S</u>scheme created at an earlier stage of the development expands to incorporate Llots and Ceommon P<del>p</del>roperty created at later stages of the development; or
- (b) if the master planStaged Strata Plan and Disclosure Statement so provides, a new Setrata Secheme that remains separate and independent from the Setrata Secheme or Strata Sechemes created at earlier stages of the development is established, incorporating the Llots and Ceommon Peroperty created on Registration of the Setrata Pelan for a later stage of the development.

#### Chapter 6 - Variation of scheme CHAPTER 6 - VARIATION OF STAGED STRATA SCHEME

#### 49. Application for variation of <u>Staged Strata S</u>scheme

- (1) The <u>Dd</u>eveloper under a <u>Rregistered Staged development Strata Sscheme may apply for the <u>Staged Strata Sscheme</u> to be varied.</u>
- (2) The application is to be made in the first instance to the relevant planning authority Master Developer and the other Relevant Authorities.
- (3) The application must indicate how the <u>Staged Strata S</u>scheme is to be varied.
- (4) The application to the Registrar must by be accompanied by:
  - (a) the written consents of all <u>O</u>owners and <u>P</u>orospective <u>O</u>owners of <u>L</u>lots in the <u>Staged Strata</u> Sscheme; and
  - (b) a certificate from the Master Developer and the other Relevant Authorities certifying that the Master Developer and the other Relevant Authorities have approved the variation to the Staged Strata Scheme in principle and stating any conditions to which the approval is subject, if any; and
  - (b)(c) the <u>P</u>prescribed <u>F</u>fee.
- (5) The authority Registrar may dispense with the consent of an  $\underline{O}$  owner or  $\underline{P}$  prospective  $\underline{O}$  owner if:
  - (a) the <u>authorityRegistrar</u> is satisfied that the <u>Oowner or Pprospective Oowner would not be materially</u> adversely affected by the variation;
  - (b) the <u>authorityRegistrar</u> is satisfied that the whereabouts of the <u>Oowner</u> or <u>P</u>prospective Oowner is unknown to, and not reasonably ascertainable by, the applicant; or
  - where less than twenty five per cent (25%) of the Oowners and Porospective Oowners have refused or failed to consent, the authorityRegistrar is satisfied that consent has been unreasonably withheld.
- (6) The authority Registrar 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 <a href="https://authorityRegistrar">authorityRegistrar</a> approves the variation, a person <a href="https://www.news.org/whose-that refused or failed to consent was dispensed with may, within 30 days of to the approval, variation may apply to the Court for an order revoking the approval. The Court may make the order it considers appropriate, and the <a href="https://authorityRegistrar">authorityRegistrar</a> must comply with the order.

#### 50. Registration of variation

- (1) The Registrar may, on application by the <u>Ddeveloper under a Staged development Strata Sscheme</u>, register a variation that has been approved under Article 49.
- (2) An application for <u>R</u>registration of a variation of a <u>S</u>staged <u>development-Strata S</u>scheme must be accompanied by:
  - (a) the proposed schemeStaged Strata Plan and Disclosure Statement as varied, indicating the variations:
  - (b) a certificate issued by from the planning authority Master Developer and the other Relevant Authorities certifying that the authority has Master Developer and the other Relevant Authorities have approved the proposed variation to the Staged Strata Scheme in principle and stating any conditions subject to which the approval was granted is subject, if any; and
  - (c) the <u>P</u>prescribed <u>F</u>fee.
- (3) The variation comes into force on <u>R</u>registration of the <u>Staged Strata Plan or first Strata Plan after the variation</u>.

#### 51. Variation of Staged Strata Sscheme by Court

- (1) The Court may, on application by an interested <u>personparty</u>, make an order for variation of a <u>S</u>staged <u>development-Strata S</u>scheme if satisfied that it is impossible or impracticable to complete the <u>Staged Strata S</u>scheme as proposed in the <u>master planStaged Strata Plan and Disclosure Statement</u>.
- (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)(2) The applicant must give notice of an application under this Article to all interested personsparties.
- (4)(3) A person entitled to notice An interested party under this Article may appear and be heard in the proceedings.
- (5)(4) The Court may make an order:
  - (a) deferring the time for completion of a particular stage or stages of the <u>Staged Strata</u> <u>S</u>scheme;
  - (b) changing the order in which the various stages of the <u>Staged Strata S</u>scheme are to be completed; or
  - (c) varying the <u>Staged Strata S</u>scheme in other ways to ensure (as far as practicable) its successful completion.
- (6)(5) 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 <u>Staged Strata S</u>scheme; and
- (c) make any other provision the Court considers just and equitable.
- (7)(6) The Court may, on application by an interested <u>personparty</u>, vary or revoke an order <u>of the Registrar</u> under this Article.
- (8)(7) A copy of an order of the Court under this Article (including an order varying or revoking an earlier order) must be served on the Registrar.
- (9)(8) The Registrar must register the order, and on <u>R</u>registration the <u>Staged Strata Scheme is so varied in the manner specified in the order becomes part of the scheme</u>.
- (9) The following are interested parties under this Article 51:
  - (a) the Developer;
  - (b) each Owner and each Prospective Owner of the scheme. a Lot;
  - (c) the Registrar;
  - (d) any mortgagee of a Lot; and
  - (e) any other person who has, in the Court's opinion, a proper interest in the matter.

#### Chapter 7 - Enforcement of scheme CHAPTER 7 - ENFORCEMENT OF STAGED STRATA SCHEME

#### 52. Court Oorder

- (1) The Court may, on application by an interested <u>personparty</u>, make an order (including, if appropriate, a mandatory injunction) requiring the <u>D</u>developer under a <u>S</u>staged <u>development-Strata S</u>scheme to complete the <u>Strata S</u>scheme in accordance with the terms of the <u>schemeStaged Strata Plan and Disclosure Statement.</u>
- (2) The following are interested personsparties under this Article 52:
  - (a) an Oowner or Pprospective Oowner of a Llot;
  - (b) a <u>B</u>body <u>C</u>eorporate for a <u>S</u>strata <u>S</u>scheme within the <u>S</u>staged <u>development-Strata S</u>scheme;
  - (c) the <u>Rrelevant planning Aauthorityies;</u>
  - (d) any mortgagee of a <u>L</u>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 Llot or proposed Llot in Sstaged development-Strata Sscheme

- (1) The Developer must provide each Prospective Owner with a copy of the Staged Strata Plan and the Disclosure Statement prior to the Prospective Owner entering into the Sale and Purchase Agreement.
- (1)(2) The Developer under a <u>S</u>staged <u>development Strata S</u>scheme warrants to any person who enters into a <u>eontractSale and Purchase Agreement</u> to purchase a <u>L</u>lot or a proposed <u>L</u>lot in the <u>Staged Strata S</u>scheme that the development will be carried out in accordance with the <u>schemeStaged Strata Plan</u>

#### and Disclosure Statement.

- In the event that the Developer fails to provide a Prospective Owner with a copy of the Staged Strata

  Plan and the Disclosure Statement that complies with the requirements in Article 42 prior to the

  Prospective Owner entering into the Sale and Purchase Agreement, the Sale and Purchase

  Agreement shall be voidable at the election of the Prospective Owner who may terminate such Sale
  and Purchase Agreement and receive a full refund of all moneys paid by the Prospective Owner
  under the Sale and Purchase Agreement and the Prospective Owner may make a claim for damages
  arising from the Developer's non-compliance and the termination of the Sale and Purchase
  Agreement.
- In the event that the information provided to a Prospective Owner in the Staged Strata Plan and the Disclosure Statement is materially incomplete or inaccurate, the Sale and Purchase Agreement shall be voidable at the election of the Prospective Owner who may terminate such Sale and Purchase Agreement and receive a full refund of all moneys paid by the Prospective Owner under the Sale and Purchase Agreement, and the Prospective Owner may make a claim for damages arising from the Developer's breach of warranty and the termination of the Sale and Purchase Agreement. In the event that that the Sale and Purchase Agreement has been completed by the Prospective Owner, the Prospective Purchaser may make a claim for damages arising from the Developer's breach of warranty in accordance with this Article 53.
- (2)(5) A warranty under paragraph (1)Article 53(2):
  - (a) is enforceable in the same way as a contractual warranty; butand
  - (b) cannot be limited or excluded by contract.
- (3)(6) Without limiting the damages that may be recovered for breach of the warranty under paragraph (1)Article 53(2), the owner of a lotOwner may recover damages for the deferment or loss of a reasonably expected capital appreciation of the lotLot that would have resulted from completion of the development in accordance with the terms of the schemeStaged Strata Plan and Disclosure Statement.

# <u>Chapter 8 - Transfer of title to real property subject to registered scheme</u> <u>CHAPTER 8 - TRANSFER OF TITLE TO LOTS SUBJECT TO REGISTERED STAGED STRATA SCHEME</u>

#### 54. Acquisition of <u>Rreal Property</u> subject to <u>Rregistered Staged Strata S</u>cheme

- (1) This Article applies where a person acquires <u>Real Pproperty-subject to within a Registered Setaged developmentStrata Secheme from the Deleveloper under the scheme, or from a person who acquired the Real Pproperty from the Deleveloper under or prior purchaser within the Staged Strata Secheme, and the Real Pproperty is yet to be developed in accordance with the Staged Strata Secheme.</u>
- (2) The person who acquires the <u>R</u>real <u>P</u>property becomes bound to develop the <u>R</u>real <u>P</u>property in accordance with the <u>schemeStaged Strata Plan and Disclosure Statement</u>, and the rights and obligations of the <u>D</u>developer under the <u>schemeStaged Strata Plan and Disclosure Statement</u>, so far as they relate to the <u>R</u>real <u>P</u>property, <u>the subject to the of the acquisition</u>, pass to the person who acquires the <u>R</u>real <u>P</u>property.

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

#### 55. Name of Strata Sscheme

- (1) The name of a <u>S</u>strata <u>S</u>scheme is the name shown on the <u>R</u>registered <u>Strata P</u>plan.
- (2) The name must be a name approved by the Registrar.

#### **PART 5-: BODIES CORPORATE**

# <u>Chapter 1 - Establishment of body corporate</u> <u>CHAPTER 1 - ESTABLISHMENT OF BODY</u> CORPORATE

#### 56. Establishment, regulation and register of **Bbodies Ceorporate**

- (1) On <u>Registration of a Setrata Pelan</u>, a <u>Bbody Ceorporate</u> is established under the name <u>Strata Corporation No. ......approved by the Registrar in accordance</u> with the addition of the name of the strata scheme Article 55.
- (2) A <u>B</u>body <u>C</u>eorporate established under this Article:
  - (a) has perpetual succession and a common seal; and
  - (b) may sue or be sued in its corporate nameown capacity.
- (3) The Registrar may regulate the activities of <u>B</u>bodies <u>C</u>eorporate, including by deciding that specific provisions of the Companies Law (<del>DIFC Law No. 4 of 2006</del>) are to apply to <u>B</u>bodies <u>C</u>eorporate.
- (4) The Registrar is to establish and maintain a register of <u>B</u>bodies <u>C</u>eorporate established under this Law.
- (5) A <u>Bbody Ceorporate</u> 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 **B**bodies **C**eorporate

- (1) A <u>B</u>body <u>C</u>eorporate may be divided into <u>two (2)</u> or more separate <u>B</u>bodies <u>C</u>eorporate by <u>E</u>extraordinary <u>R</u>resolution <u>with the approval of the Registrar</u>.
- (2) Any rights and liabilities that had accrued to the <u>a B</u>body <u>C</u>eorporate before the division attach jointly and severally to the Bbodies Ceorporate formed by the division.
- (3) Upon the division of a Body Corporate, the Lot Entitlements of the previous Strata Scheme shall be apportioned between the newly created Strata Schemes with the Lot Entitlements for each new Strata Scheme comprising the aggregate of the Lot Entitlements of the Lots within such Strata Scheme or such other apportionment as approved by the Registrar.
- (3)(4) Two (2) or more <u>Bb</u>odies <u>Ceorporate</u> established in relation to the same <u>Principal Strata</u> <u>S</u>scheme may merge to form a single <u>B</u>body <u>Ceorporate</u> <u>by Extraordinary Resolution of</u> each Strata Scheme with the approval of the Registrar.
- (4)(5) Any rights and liabilities that had accrued to the <u>Bb</u>odies <u>Ceorporate</u> subject to the merger before the merger attach to the <u>Bb</u>ody <u>Ceorporate</u> formed by the merger.
- (5)(6) Upon the merger of two (2) or more Bodies Corporate, the Lot Entitlements for the newly created Strata Scheme shall be the aggregate of the Lot Entitlements of the merged Strata Schemes or such other apportionment as approved by the Registrar.
- (6)(7) The division of a <u>B</u>body <u>C</u>eorporate, or the merger of <u>B</u>bodies <u>C</u>eorporate, does not take effect until the <u>division or merger</u> is recorded in the folio or folios of the common property <u>newly created Strata Plan or Strata Plans</u>, and the <u>newly created Strata Management Statement or Strata Management Statements are Registered by the Registrar to give effect</u>

- to the division of merger and a new Folio or Folios of the newly delineated Common Property have been issued by the Registrar.
- (7)(8) If two (2) or more <u>B</u>bodies <u>C</u>eorporate <u>or Principal Lots</u> are established <u>in relation to within a Principal Strata Scheme</u>, the <u>same scheme</u>, <u>constituent documents Principal Strata Management Statement</u> for the <u>bodies corporate Principal Body Corporate</u> must be <u>lodged Registered</u> with the Registrar.
- (8)(9) The constituent documents Principal Strata Management Statement:
  - <u>must define the functions and responsibilities of each Bbody Ceorporate and Principal Lot Owner, as applicable;</u>
  - (a)(b) <u>must</u>, in doing so, may create an administrative hierarchy with one (1) or more <u>B</u>bodies <u>C</u>eorporate <u>and Principal Lot Owner</u>, as applicable, at each level of the hierarchy;
  - (b)(c) must provide for the resolution of disputes between the <u>B</u>bodies <u>C</u>eorporate <u>and</u> <u>Principal Lot Owner, as applicable;</u> and
  - (e)(d) must ensure that the powers of a <u>B</u>body <u>C</u>eorporate under this Law insofar as they relate to a <u>L</u>lot within the <u>Strata S</u>scheme are directly exercisable in relation to each <u>L</u>lot within the <u>Strata S</u>scheme by one, and only one, <u>B</u>body <u>C</u>eorporate.

#### Chapter 2 - Common seal CHAPTER 2 - BODY CORPORATE'S STAMP

#### 58. Common Seal Body Corporate's Stamp

- (1) A <u>B</u>body <u>C</u>eorporate's <u>eommon sealstamp</u> must include the <u>B</u>body <u>C</u>eorporate's name.
- (2) The seal A Body Corporate's stamp is not to be affixed to a document unless its use has been authorised by an Oordinary 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 or its Body Corporate Manager if the Body Corporate Manager has been granted the delegated authority to affix the stamp to certain classes of documents by way Ordinary Resolution.
- (3) The affixing of the seala Body Corporate's stamp 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).the Body Corporate Manager.
- (4) The A Bbody Ceorporate and its Body Corporate Manager must take reasonable steps to prevent unauthorised use of the sealBody Corporate's stamp.
- (5) If a document appears to bear the common seal of a <u>Bbody Ceorporate's name</u> and the affixing of the <u>sealstamp</u> appears to have been attested as required by this Article:
  - (a) a person dealing with the <u>Bbody Ceorporate</u> without notice of irregularity is entitled to assume that the <u>sealBody Corporate</u>'s stamp was duly affixed; and
  - (b) in any legal proceedings, it is to be presumed, in the absence of evidence to the contrary, that the sealBody Corporate's stamp was duly affixed.
- (6) This Article is not to be taken to imply that a <u>B</u>body <u>C</u>eorporate cannot act through agents and without the use of its <u>sealBody Corporate</u>'s <u>stamp</u>.

## Chapter 3 — Membership and general meetings CHAPTER 3 – MEMBERSHIP AND GENERAL MEETINGS

#### 59. Membership of <u>B</u>body <u>C</u>eorporate

- (1) In the case of a <u>S</u>strata <u>S</u>scheme for which a single <u>B</u>body <u>C</u>eorporate is constituted, each <u>owner Owner of a lot</u> is a member of the <u>B</u>body <u>C</u>eorporate and <u>E</u>entitled to <u>V</u>vote personally or by <u>P</u>proxy at <u>G</u>general <u>M</u>meetings of the members of the body corporate.
- (2) In the case of a <u>Principal S</u>strata <u>S</u>scheme for which <u>two (2)</u> or more <u>Principal Lot Owners</u> and/or <u>B</u>bodies <u>C</u>eorporate are constituted, <u>the membershipeach Principal Lot Owner</u> 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 <u>Law.</u>Body Corporate shall be a member of the Principal Body Corporate.
- (3) If a registered Mmortgagee is in possession of a Ltot in accordance with the Real Property Law, the Mmortgagee is entitled to exercise any voting rights the Oowner may have, to the exclusion of the Oowner's rights provided that the Mortgagee is not in default of its obligations under the Strata Management Statement including the obligation to pay Services Charges in accordance with the provisions contained therein and this Law.

#### 60. General Mmeetings of a Bbody Ceorporate, including first annual General Mmeeting

- (1) The <u>original ownerDeveloper</u> must arrange for the first annual <u>General meeting Meeting</u> of the a Bbody Ceorporate to be held:
  - (a) within three (3) months after the formation of the Bbody Ceorporate; or
  - (b) promptly after <u>R</u>\*egistration of the transfer of <u>L</u>!ots totalling at least <u>fifty per cent</u> (50%) of the <u>unit Lot Ee</u>ntitlements of the <u>Strata Scheme</u>,

whichever is the earlier.

- (2) At the first annual <u>general meeting</u>General Meeting, the <u>original ownerDeveloper</u> must hand to the <u>body corporateBody Corporate</u>:
  - (a) all plans, specifications, consents, certificates, diagrams and other documents (including policies of insurance) obtained or received by the <a href="https://example.com/owner/Developer">owner/Developer</a> relating to the <a href="https://example.com/owner/Developer">Secheme</a>;
  - (b) without limiting paragraph (2)(a), Article 60(2)(a), all certificates and warranties obtained or received by the owner Developer and relating to Strata Sscheme or any building works, plant or equipment forming part of the strata scheme Building;
  - (c) the <u>S</u>strata <u>R</u>roll and any notices or other records relating to the <u>S</u>strata <u>S</u>scheme, if they are in the <u>owner'sDeveloper's</u> possession or under the <u>owner'sDeveloper's</u> control;
  - (d) all accounting records and financial statements; and
  - (e) any other document or item relating to the <u>S</u>strata <u>S</u>scheme or any building <u>works</u>, plant or equipment on the <u>strata schemeBuilding</u> that is prescribed by the Regulations.
- (3) An original owner A Developer who fails to comply with the obligations under paragraph or (2) Article 60(1) or 60(2) commits an offence against a contravention of this Law.

| (4) | At the first annual <u>G</u> eneral <u>M</u> meeting, and at each annual <u>G</u> eneral <u>M</u> meeting thereafter, |
|-----|---|
|     | the Bbody Ceorporate must elect from its members a Management Committee in accordance                                 |
|     | with Article 63(1)(a) and appoint a Licensed Body Corporate Manager under Article 65 for                              |
|     | the following year. Nothing in this Article prevents the Body Corporate from re-electing one                          |
|     | (1) or more of the Committee Members from the previous year or re-appointing the same                                 |
|     | Body Corporate Manager. 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.
- (5) The A Bbody Ceorporate may allocate delegate to the office bearers Management Committee and its Body Corporate Manager certain the duties and responsibilities appropriate to their position, but those duties and responsibilities must not conflict with the duties and responsibilities of the Body Corporate under this Law. Such delegation does not absolve a Body Corporate of its duties and responsibilities under this Law which shall survive any such delegation.
- (6) An annual <u>G</u>general <u>M</u>meeting of <u>the a B</u>body <u>C</u>eorporate (other than the first annual <u>G</u>general <u>M</u>meeting) must be held <u>twelve (12)</u> months after each previous annual <u>G</u>general <u>M</u>meeting.
- (7) The committee of management or the secretary to a body corporate Management Committee may call a special <u>General Management of the a Body Cerrorate 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 Owners.</u>
- (8) The secretary to the body corporate The Body Corporate Manager must, at least twenty one (21) days before a General Mmeeting of the body corporate, give to each member of the body corporateOwner written notice:
  - (a) setting out the date, time and place of the <u>meetingGeneral Meeting</u>, being a <u>working day in the DIFC at a time no earlier than seven (7) pm</u>;
  - (b) stating the nature of the business to be transacted; and
  - (c) if a <u>Sspecial Resolution</u> or <u>Eextraordinary Resolution</u> is to be put before the meeting, setting out the terms of the proposed <u>Resolution</u>.
- (9) In a case where a <u>L</u>tot is owned jointly or in common by <u>two (2)</u> or more persons, the notice may be addressed to the co-owners together and given or sent to any one of them.
- (10) The <u>original ownerDeveloper</u> is to be regarded as the <u>secretary to the Bbody Ceorporate</u> Manager until the <u>Bbody Ceorporate</u> appoints a person to <u>that positionperform such</u> function.
- (11) No General Meeting shall occur unless a quorum is present when the General Meeting commences. Subject to Article 60(13), the quorum necessary for the holding of any General

- Meeting shall be fifteen per cent (15%) of the Lot Entitlements of the Owners Entitled to Vote.
- (12) Subject to Article 60(13), if, within thirty (30) minutes after the time appointed for the commencement of the General Meeting, a quorum is not present, the General Meeting shall be adjourned to the same day in the following week at the same place and time and, if at such adjourned General Meeting the Owners present and Entitled to Vote shall constitute a quorum.
- (13) The quorum required to pass an Extraordinary Resolution at a General Meeting or adjourned

  General Meeting shall be forty per cent (40%) of the Lot Entitlements of the Owners

  Entitled to Vote.

## 61. Voting at Ggeneral Mmeeting

- (1) A member of the body corporate An Owner that is an Owner that is Entitled to Vote may vote personally—or, by written ballot or by Pproxy on matters arisingany motion for decisiona Resolution at a General Mmeeting.
- (2) Subject to paragraph (3), Article 61(3), voting may shall be by show of hands, (where each vote received by emailwritten ballot or made by fax. Proxy shall be counted as a show of hand).
- (3) If a poll is demanded, voting by any Owner, subject to Article 61(6) in respect of a Principal Strata Scheme and Article 61(7), the value on an Owner's vote is proportionate to the unit Lot Eentitlement of the member's Owner's Llot.
- (4) Co owners An Owner that comprises more than one (1) person or entity may vote by Pproxy appointed by them jointlythe co-owners or entity. The Pproxy may be one (1) of themselvesthe co-owners or a representative of the entity. In the absence of a Pproxy, co-owners are not entitled to vote on a show of hands (except on a motion for an extraordinary resolution). However, any one (1) 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 Llot.
- (5) A Proxy must be given in the form approved by the Registrar and the original delivered to the Body Corporate Manager no less than three (3) days prior to the General Meeting.
- (6) In the case of a Principal Strata Scheme for which two (2) or more Principal Lot Owners and/or Bodies Corporate are constituted, the voting rights of the members of a Body Corporate shall be equal notwithstanding their Lot Entitlements or otherwise as approved by the Registrar and Registered in the Principal Strata Management Statement lodged with the Registrar under this Law.
- (7) Notwithstanding the provisions of this Article 61, in the event that the Developer, or a party related to or under the control of the Developer, retains ownership of more than fifty per cent (50%) of the Lots and/or the Lot Entitlements, the value of the Developer's vote shall be equal to one (1) half of the Lot Entitlements of the Developer's Lots.

#### 62. Voting on behalf of persons under disability

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

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

## Chapter 4 - Management CHAPTER 4 - MANAGEMENT

## 63. Management Committee of management

- (1) A <u>Bbody Ceorporatemay must</u>, by <u>Oordinary Rresolution</u>:
  - (a) appoint from its <u>membersOwners</u> a <u>Management Ceommittee of management</u> to transact business on behalf of the B<del>b</del>ody Ceorporate;
  - (b) change the membership of a Management Ceommittee of management;
  - (c) overrule a decision of the <u>Management Ceommittee of management</u> (to the extent it has not been acted on); or
  - (d) remove a committee of management from office replace the Management Committee or any Committee Member at any time.
- (2) Subject to paragraph (3), a committee of management Article 63(3), a Management Committee may exercise any powers of the Bbody Ceorporate.
- (3) However, a <u>Management Ceommittee of management cannot exercise powers:</u>
  - (a) in excess of any <u>delegated authority granted to it by the Body Corporate by Resolution, or any limitations and directions imposed by the Bbody Ceorporate in general meeting, including those imposed under the Strata Management Statement for the Strata Scheme;</u>
  - (b) that may only be exercised by  $\underline{Sspecial\_Resolution}$  or  $\underline{Eextraordinary}$   $\underline{Rresolution}$  of the  $\underline{Bbody}$   $\underline{Ceorporate}$ ; or
  - (c) that are prohibited by the Regulations or not approved by the Registrar.
- (4) A Management Ceommittee of management:
  - (a) Subject to Article 64(4)(c), must consist comprise of not less than five (5)

    Committee Members and no more than of at least seven (7) persons Committee

    Members, or such other number of Committee Members as approved by the

    Registrar (unless there are less than ten (10) members—Owners of in the Bbody

    Ceorporate, in which case it must consist of no less than at least three (3)

    persons Committee Members);
  - (b) may consist of <u>Committee M</u>members representing <u>sectional interests</u>different uses in the <u>Strata Ss</u>cheme<del>.</del>;
  - (b)(c) in respect of a Principal Strata Scheme, will comprise the Owner of each Principal

    Lot, or in the case a Principal Lot is a Strata Scheme, the Body Corporate of such

    Strata Scheme represented by its Body Corporate Manager or Committee

    Representative.
- (5) The chairperson, secretary and treasurer elected under Article 60(4) are ex officio members of the committee of management Each Management Committee shall by majority vote of the Committee Members elect a Committee Representative who shall represent the Management Committee and the Body Corporate in its dealing with the Body Corporate Manager, the Master Developer and the other Relevant Authorities.
- (6) The Committee Representative shall have no power or authority to bind the Management Committee or the Body Corporate.
- (7) The Management Committee may replace the Committee Representative at any time by

- majority vote of the Committee Members.
- (6)(8) Subject to any rules to the contrary determined by the <u>B</u>body <u>C</u>eorporate in <u>a G</u>general <u>M</u>meeting and the provisions of the Strata Management Statement of the Strata Scheme:
  - (a) a majority of the total number of the members of the committee of management Committee Members constitutes a quorum of the Management Ceommittee; and
  - (b) a decision in which a majority of the <u>Committee M</u>members present at a meeting of the <u>Management Ceommittee</u> agree is a decision of the <u>Management Ceommittee</u>.
- (7)(9) Any rules determined by the <u>a B</u>body <u>C</u>eorporate under <del>paragraph (6)</del>Article 63(8) must be fair and reasonable.
- (8)(10) The committee Body Corporate Manager must keep proper minutes of its the Management Committee's meetings and proceedings and must make them available on request for inspection by any member of the body corporate an Owner.

## 64. Fiduciary duty of Ceommittee Mmembers

- (1) Committee Members of the committee of management—owe a fiduciary duty to the body corporate Body Corporate and the Committee Members and must at all times act with integrity, in the best interest of the Body Corporate and in a manner that avoids conflicts of interest and is in accordance with the Regulations and the Directives of the Registrar.
- (2) The Registrar may at any time issue an Order for the replacement of the Management Committee or any Committee Member should the Registrar consider that the Management Committee or Committee Member is in breach of its members fiduciary duty or are not performing their functions in accordance with this Law.
- (3) Provided always that a Committee Member satisfies its fiduciary duty to the Body Corporate, the Body Corporate and the Owners collectively do indemnify and keep harmless the Committee Member against any loss, damages or claims that may be incurred by a Committee Member arising from the Committee Member performing its function on the Management Committee.

## 65. Appointment of **Body Corporate M**manager

- (1) The A Bbody Ceorporate may must appoint a Licensed Body Corporate Mmanager and may delegate to the Body Corporate Mmanager functions related to the administration, management and control of the common property Operation of the Common Property.
- (2) The Registrar reserves the right to review and approve the management agreement to be entered between a Body Corporate and the Body Corporate Manager. Unless otherwise approved by the Registrar, no management agreement entered into between a Body Corporate and the Body Corporate Manager may exceed two (2) years in duration (including any renewal term).
- (2)(3) A <u>Body Corporate</u> Manager is <u>at all times</u> subject to <u>the</u> control and direction by the <u>B</u>body <u>C</u>eorporate <u>acting in general meeting or through a committee of management, the Management Committee and the Registrar.</u>
- (4) Subject to Article 65(5), a Body Corporate Manager may perform functions and exercise any powers of the Body Corporate that have been delegated to the Body Corporate Manager.
- (5) A Body Corporate Manager cannot exercise powers:

- (a) in excess of any delegated authority granted to it by the Body Corporate, or any limitations and directions imposed by the Body Corporate, including those imposed under the Strata Management Statement for the Strata Scheme; or
- (b) that are prohibited by the Regulations or not approved by the Registrar.
- (6) Nothing contained in Article 65(5) will prevent a Body Corporate Manager from taking action in an emergency or that is necessary to prevent risk to the health and safety of the occupants in the Strata Development or damage to the Strata Development notwithstanding such action may not have been authorised by the Management Committee or the Body Corporate by way of Resolution or otherwise.
- (7) If a Body Corporate is established for a Strata Scheme within a Principal Strata Scheme, unless otherwise approved by the Registrar, the Body Corporate Manager for the Strata Scheme shall be the same as the Body Corporate Manager for the Principal Strata Scheme.

  If the Principal Lot Owners are unable to unanimously agree upon the appointment of the Body Corporate Manager for the Principal Strata Scheme such appointment shall be made by the Registrar.
- (8) A Body Corporate Manager owes a fiduciary duty to the Body Corporate and the Body Corporate Manager and must at all times act with integrity, in the best interest of the Body Corporate, in accordance with international best practice and in a manner that avoids conflicts of interest and is in accordance with the Regulations and the Directives of the Registrar. A standing Body Corporate Manager may tender for reappointment by the Body Corporate however must recluse itself from the tendering process which shall be undertaken by the Management Committee.
- (9) The Registrar may at any time issue an Order for the termination and replacement of a Body
  Corporate Manager should the Registrar consider that the Body Corporate Manager is in
  breach of its fiduciary duty, is not performing its functions in accordance with this Law or to
  an appropriately high standard commeasure with industry standards, or the Body Corporate
  Manager's continued appointment is not in the interest of the Strata Scheme.
- (10) Any Order for the termination and replacement of a Body Corporate Manager shall take effect without liability to the Body Corporate notwithstanding the term of the appointment of the Body Corporate Manager may not have expired as at the time of such termination.
- (3)(11) In lieu of issuing an Order for the termination and replacement of a Body Corporate Manager should the Registrar consider that the Body Corporate Manager is in breach of its fiduciary duty, is not performing its functions in accordance with this Law or to an appropriately high standard commeasure with industry standards, the Registrar may impose a fine on the Body Corporate Manager for such breach should the Registrar consider that the actions of the Body Corporate Manager do not justify termination.

## Chapter 5 Functions and duties CHAPTER 5 - FUNCTIONS AND DUTIES

## 66. Functions of **Bbody Ceorporate**

- (1) A <u>Bbody Ceorporate established for a strata scheme has shall perform</u> the following functions:
  - (a) to-enforce the Strata Management Statement and the Bby-laws;
  - (b) to administer, manage and control the common property operate the Common Property and Service Infrastructure to an appropriately high standard commensurate with industry standards and in compliance with the Regulations, the Directives of the Registrar and applicable law;

- (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)(c) to—maintain the—<u>all</u> insurances required under this Law, the Regulations, the

  <u>Directives of the Registrar and applicable law</u> and any further additional insurances
  that may be required—<u>by special resolution of the owners under the Strata</u>

  <u>Management Statement or by Special Resolution of the Owners</u>; and
- $\frac{(f)(d)}{d}$  to carry out any other functions ancillary to its functions under this Law, including functions that benefit the Oowners and Ooccupiers.
- (2) If two (2) or more Bbodies Ceorporate are established for a Sstrata Sscheme, subject to the provisions of the Strata Management Statement: 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.
  - (a) each Body Corporate is responsible to perform the functions referred to in Article 66(1) in respect of its own Common Property; and
  - (g)(b) the Principal Body Corporate is responsible to perform the functions referred to in Article 66(1) in respect of the Principal Common Property.

## 67. Administrative fund General Fund and Reserve Fund

- (1) A <u>Bbody Ceorporate</u> must maintain a <u>fundGeneral Fund and a Reserve Fund</u> 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.
- The Bbody Ceorporate must maintain the General Ffund 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 its obligations to pay General Fund Expenses and must maintain the Reserve Fund at a level sufficient to meet its obligations to pay Reserve Fund Expenses in accordance with this Article 67, the requirements of the Regulations and the Directives of the Registrar.
- (3) 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. A Body Corporate Manager must, at intervals as determined appropriate by the Registrar, procure the preparation of a Reserve Fund Forecast by a supplier approved by the Registrar to determine the amount that needs to be raised and held in the Reserve Fund for the payment of Reserve Fund Expenses. The Body Corporate Manager must submit a copy of the Reserve Fund Forecast to the Registrar for approval.
- (4) A Body Corporate Manager shall deposit all amounts received from Owners into the Operating Account and must apply:

- (a) all amounts attributable to General Fund Expenses to the General Fund; and
- (b) all amounts attributable to Reserve Fund Expenses to the Reserve Fund.
- (5) Unless otherwise approved by the Registrar, a Body Corporate may not utilise any monies from the Reserve Fund to pay for General Fund Expenses.
- (6) All payments from the Operating Account made by the Body Corporate, or the Body Corporate Manager on behalf of the Body Corporate, must be authorised in writing by the Committee Representative, or the Registrar, and be made strictly in accordance with the Directives.
- (7) A Body Corporate Manager shall, in respect of each Operating Year, prepare the financial statements for that Operating Year in accordance with the requirements of the Regulations and the Directives of the Registrar and provide a copy of such financial statements to the Registrar.
- (8) A Body Corporate Manager shall arrange for the independent auditing of the financial statements as soon as practicable after their preparation and provide a copy to the Management Committee and the Registrar.

#### 68. Contributions Service Charges

- (1) The A Bbody Ceorporate shall on an annual basis in advance may from time to time-levy on the Oowners contributions Service Charges in respect of the Llots to raise amounts funds that the body corporate decides are necessary to meet the anticipated expenditure General Fund Expenses and maintain the Reserve Fund at an appropriately high level as approved by the Registrar.
- (2) The contributions are to be proportionate to the unit entitlements of the lots A Body Corporate Manager must prepare an annual budget for the raising of Service Charges and submit a copy of such budget to the Registrar for approval prior to the levying of the Service Charges for the Operating Year. The Registrar may direct a Body Corporate to vary the budget should the Registrar consider that the budget, or any part thereof, is excessive or insufficient to enable the Strata Development to be Operated to an appropriately high standard. Nothing contained in this Article 68(2) confers any obligation on the Registrar to approve the annual budget for the raising of Service Charges of a Body Corporate nor any liability on the Registrar should the budget be insufficient to Operate the Strata Development to an appropriately high standard.
- (3) Subject to Article 68(4) in respect of a Principal Strata Scheme, and Article 21(3), the Service Charges are to be apportioned between the Owners proportionate to the Lot Entitlements of the Lots.
- (4) The Principal Body Corporate shall raise Services Charges to meet the anticipated General Fund Expenses and maintain the Reserve Fund with respect to the Principal Common Areas and apportion such expenses between the Principal Lot Owners on the basis of beneficial use, and as approved by the Registrar.
- (3)(5) A contributionService Charge falls due for payment on a date fixed by the a Bbody Ceorporate. The A Bbody Ceorporate must give the Oowners at least thirty (30) days' notice of the amount and when it is due.
- (4)(6) The Oowner of the Llot as at the due date for payment is liable for the contributionService Charge, and any person who later becomes an Oowner before the contributionService Charge is paid becomes jointly and severally liable for payment.
- (5)(7) If a contribution Service Charge for which an Oowner or other person is liable under paragraph (4) Article 68(5) is not paid, the Oowner or other person is taken to have failed to

- comply with a requirement of this Law for as long as the contributionService Charge remains unpaid.
- (6)(8) Interest accrues on overdue <u>contributionsService Charges</u> at a rate fixed by <u>Oordinary Resolution of the Bbody Ceorporate. The rate of interest must be fixed on a fair and reasonable basis and be approved by the Registrar.</u>
- (7) The rate of interest must be fixed on a fair and reasonable basis.
- (9) If at any time the Registrar considers that the Service Charges raised by a Body Corporate are not sufficient to enable the Strata Development to be Operated to an appropriately high standard the Registrar may make an Order directing the Body Corporate to raise a special Service Charge to fund the deficiency and the Body Corporate will do so in accordance with such Order.
- (10) A Developer shall not raise Service Charges against any Owners for any period prior to Building Completion and hand-over of the Lots to the Prospective Owners.

## 69. Certificates by **B**body **C**eorporate

- (1) The A Bbody Ceorporate must, on application by an Oowner or a person authorised in writing by an Oowner, and payment of the Prescribed Fee, certify:
  - (a) the amount of any contributionService Charge payable by the Oowner;
  - (b) the due date for payment of the contributionService Charge;
  - (c) any amount by way of unpaid contributionService Charge that remains outstanding;
  - (d) the amount of any other liability to the <u>Bbody Ceorporate</u> that remains outstanding from the <u>Oowner or any breach notices served on the Owner by the Body Corporate;</u>
  - (e) details of:
    - (i) insurances maintained by the <u>Bbody Ceorporate</u>;
    - (ii) proposed works by the Bbody Ceorporate;
    - (iii) notices served on the <u>B</u>body <u>C</u>eorporate requiring work to be done on the <u>C</u>eommon <u>P</u>property;
    - (iv) contingent liabilities of the <u>B</u>body <u>C</u>eorporate; and
    - (v) threatened or current legal proceedings against the Bbody Ceorporate; and
  - (f) any information required by the Regulations.
- (2) A certificate under paragraph (2)Article 69(1) is, in favour of a person dealing with the Oowner, conclusive evidence of the matters certified.

## Chapter 6 - Miscellaneous CHAPTER 6 - MISCELLANEOUS

#### 70. Proceedings on behalf of Oowners

<u>The A Bbody Ceorporate</u> may take proceedings as agent for the <u>O</u>ewners of any one (1) or more <u>L</u>lots in the <u>S</u>strata <u>S</u>scheme for damages in relation to, or for rectification of, any building work done in relation to the <u>S</u>strata <u>S</u>scheme, whether the work was done before or after <u>R</u>registration of the <u>S</u>strata <u>S</u>scheme.

#### 70A. Developer's Obligation to Rectify Defects

- (1) The Developer is responsible for repairing, rectifying or replacing all defective building works, materials, equipment and installations (including mechanical, electrical, sanitary and drainage works and the like) in the Strata Development of a non-structural nature as notified to the Developer by the Body Corporate Manager and/or the affected Owner(s) within such one (1) year from the date of Building Completion.
- (2) The Developer is responsible for repairing, rectifying or replacing all defective building works, materials, equipment and installations (including mechanical, electrical, sanitary and drainage works and the like) in the Strata Development of a structural nature for a period of ten (10) years from the date of Building Completion as notified to the Developer by the Body Corporate Manager and/or the affected Owner(s) within such ten (10) year period.
- (3) Upon receipt of notification from a Body Corporate or the affected Owner(s) of the defects under Article 70A(1) and Article 70A(2), the Developer shall promptly rectify such defects in accordance with industry standards.
- (4) The effect of this Article 70A shall survive the transfer of any Lot and apply notwithstanding any contractual provision between the Developer and the Owner to the contrary.
- (5) If the Developer fails to comply with its obligations under Article 70A(1) and/or Article 70A(2) a Body Corporate and/or the affected Owner(s) may apply to the Registrar for an Order against the Developer enforcing the Developer's obligations Article 70A(1) and/or Article 70A(2) as applicable.

## 71. Subrogation of Ceontractual Reights

- (1) Without affecting the generality of Article 70, or in any way limiting the obligations of the Developer to rectify defective workmanship or materials under Article 70A, if:
  - (a) building work was carried out for the D<del>d</del>eveloper; and
  - (b) the building work proves defective,

the  $\underline{Bb}$ ody  $\underline{C}$ eorporate is subrogated to the  $\underline{Dd}$ eveloper's contractual rights to damages in respect of those defects.

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

#### 72. Strata Roll to be kept by Bbody Ceorporate

- (1) The A Bbody Ceorporate Manager must on behalf of the Body Corporate maintain a Strata Rroll containing the following particulars:
  - (a) the <u>Strata P</u>plan number allocated by the Registrar;
  - (b) the name-and, address and contact numbers of the Oowner of each Llot;
  - (c) the name and contact numbers of the Occupier of each Lot;
  - (e)(d) the name and address of the Body Corporate Manager and any agent of suppliers

appointed by the body corporate to carry outperform any of its-functions or provide services in relation to the Strata Sscheme.

- (d) the name and address of any lessee of a lot notified to the body corporate.
- (2) The A Bbody Ceorporate Manager must base the Strata Rroll on the best information reasonably available to it, acting diligently.
- (3) The <u>Strata R</u>roll must be kept in the form of a written record or a computer record from which a written record may be reproduced a copy provided to the Registrar on an annual basis or earlier if so requested by the Registrar at any time.

## 73. Post\_box and notice\_board

- (1) A <u>B</u>body <u>C</u>eorporate must:
  - (a) maintain a post\_box; or
  - (b) make suitable alternative arrangements for the receipt of mail.
- (2) The A Bbody Ceorporate must maintain a noticeboard for the display of notices and other material of interest to the Oowners or and Ooccupiers of lots. The noticeboard must be in a suitable position, as determined by the Bbody Ceorporate.

## Chapter 7 - Appointment of administrator CHAPTER 7 - APPOINTMENT OF ADMINISTRATOR

#### 74. Appointment of Aadministrator

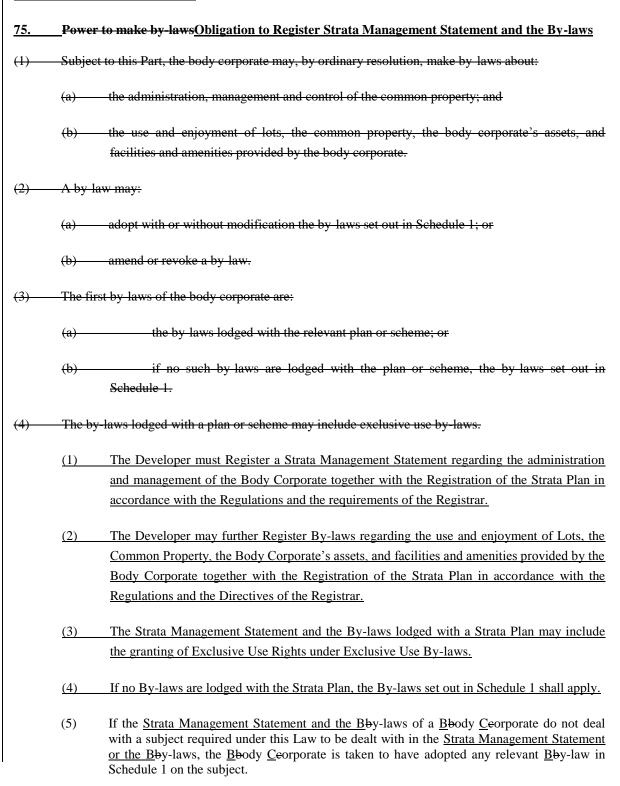
- (1) The <u>CourtRegistrar</u> may, on application by an interested <u>personparty</u>, appoint an <u>Aadministrator of athe Bbody Ceorporate's affairs, for a fixed period or until further Court order.</u>
- (2) The <u>CourtRegistrar</u> may make the appointment on terms and conditions that it considers appropriate.
- (3) The <u>Aadministrator</u> is to be remunerated on a basis determined by the <u>CourtRegistrar</u>, and the <u>Aadministrator</u>'s remuneration and expenses are payable from the <u>Bbody Ceorporate</u>'s administrative fundGeneral Fund.
- (4) During the appointment, the <u>Aadministrator</u> is exclusively entitled to exercise the powers and functions of the <u>Bbody Ceorporate</u> (or such of those powers and functions as the <del>Court</del>Registrar may determine).
- (5) Subject to paragraph (6), Tethe Andministrator may delegate to any personBody Corporate Manager 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)(6) The CourtRegistrar may, on the application of an interested personparty, remove or replace the Andministrator.
- (8)(7) If a person is appointed, removed or replaced as an <u>Aadministrator</u>, the person must, within <u>seven (7)</u> days, give the Registrar written notice of the appointment, removal or replacement.
- (9)(8) <u>In this Article, "interested person" means The following are interested parties under this Article 74:</u>

## STRATA TITLE LAW AMENDMENT LAW

- (a) the <u>B</u>body <u>C</u>eorporate;
- (b) a creditor of the <u>B</u>body <u>C</u>eorporate; orand
- (c) the  $\underline{O}$ owner or a  $\underline{R}$ registered  $\underline{M}$ mortgagee of a  $\underline{L}$ lot.

## PART 6-: STRATA MANAGEMENT STATEMENT AND BY-LAWS

# <u>Chapter 1 - Making of by-laws</u> <u>CHAPTER 1 - REGISTRATION OF STRATA MANAGEMENT STATEMENT AND BY-LAWS</u>



- (6) If a <u>B</u>by-law adopted under <u>paragraph (5)Article 75(5)</u> is inconsistent with one or more <u>provisions of the Registered Strata Management Statement or the B</u>by-laws<u>made by the body corporate</u>, then to the extent of the inconsistency the <u>adopted B</u>by-law <u>adopted under Article 75(5) shall prevails</u>.
- (7) The first <u>Strata Management Statement and the B</u>by-laws of <u>the a B</u>body <u>C</u>eorporate come into operation on the <u>Registration of the Strata P</u>plan-or scheme.

## 76. Limitations on by law making powerStrata Management Statement and By-laws

- (1) Subject to paragraph-Article 76(2), a byStrata Management Statement or By-law cannot:
  - (a) modify a <u>S</u>statutory <u>E</u>easement or prohibit or restrict the enjoyment of a <u>S</u>statutory Eeasement; or
  - (b) restrict an  $\underline{O}$  ewner's right to use, deal with or dispose of a  $\underline{L}$  tot, unless the restriction:
    - (i) is necessary to preserve the character of the <u>Strata S</u>scheme; and
    - (ii) is made in accordance with a <u>D</u>disclosure <u>S</u>statement included in the <u>Strata S</u>scheme.; and
    - (iii) is approved by the Registrar;
  - (c) impose a penalty or fine on an Owner in respect of any breach of a Strata

    Management Statement or any By-law that has not been approved by the Registrar;

    or
  - (d) charge an Owner any fee for the provision of any service performed by the Body

    Corporate or the Body Corporate Manager under the Strata Management

    Statement, By-law or otherwise that has not been approved by the Registrar.
- (2) A <u>Strata Management Statement or B</u>by-law may impose a minimum term for the leasing of Llots.
- (3) A by law is A provision of a Strata Management Statement or By-law may be determined by the Registrar to be void if:
  - (a) it is unreasonable;
  - (b) it adversely and unfairly discriminates against any  $\underline{O}$  ewner,  $\underline{M}$  mortgagee or  $\underline{O}$  eccupier of a lot;
  - (c) it adversely affects the health, welfare or safety of any Oowner or Ooccupier of a lot: or
  - (d) it is inconsistent with the provisions of a schemethis Law.

# 77. Registration and commencement of changes to bythe Strata Management Statement and the By-laws

(1) If a <u>Bbody Ceorporate varies the Strata Management Statement or varies or makes a Bbylaw, the Bbody Ceorporate must, within three (3) months after passing the <u>Resolution for making the bythe variation of the Strata Management Statement or variation or creation of the By-law, lodge an application for <u>Registration of the by lawvariation or creation</u> with the Registrar:</u></u>

- (a) attaching a copy of the  $\underline{R}$ resolution (including the text of the  $\underline{by\ law}$ variation or creation); and
- (b) stating the date of the <u>R</u>resolution<del>, if not clear on its face</del>.
- (2) If the application is not lodged <u>for Registration with the Registrar</u> within <u>three (3)</u> months, the <u>Registrar</u> within <u>three (3)</u> months,
- (3) A byvariation to the Strata Management Statement or variation of creation of 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 byRegisters the amended Strata Management Statement or By-law.

## 78. Legal effect of Strata Management Statement and the Bby-laws

The Strata Management Statement and A-the Bby-laws binds each of the following:

- (a) the <u>Bbody Ceorporate</u>;
- (b) the Oowner of a lot;
- (c) the Ooccupier of a lot;
- (d) an invitee of the Oowner or Ooccupier;
- (e) a Mortgagee of a <u>L</u><del>l</del>ot.

## Chapter 2 - Exclusive use by-laws CHAPTER 2 - EXCLUSIVE USE BY-LAWS

## 79. Exclusive use **B**<del>b</del>y-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.
- (1) Prior to Registration of the Strata Plan, the Developer may grant an Exclusive Use Right over designated Common Property subject to the approval of the Registrar, the Master Developer and any other Relevant Authorities.
- (2) Following Registration of the Strata Plan, a Body Corporate may, by Extraordinary Resolution, grant an Exclusive Use Right over designated Common Property subject to the approval of the Registrar, the Master Developer and any other Relevant Authorities.
- (3) As soon as practicable and no later than thirty (30) days after the granting of an Exclusive

  <u>Use Right, the Body Corporate shall Register an Exclusive Use By-law to give effect to such grant.</u>

#### (2)(4) An Eexclusive Uuse Bby-law:

- (a) must unambiguously identify the part of the <u>Ceommon Pproperty</u> to which the <u>Exclusive Use Rightby-law</u> applies; and
- (b) may impose conditions (which may include conditions requiring the <u>O</u>ewner to make a payment or periodic payments to the <u>B</u>eody <u>C</u>eorporate, or to the <u>O</u>ewners of other <u>L</u>lots, or both).
- (3)(5) An Eexclusive <u>U</u>use <u>B</u>by-law may give rights to and impose obligations on the <u>O</u>owner of a <u>the benefitting L</u>tot only if the <u>O</u>owner agrees in writing before the <u>Exclusive Use B</u>by-law is made.

- (4)(6) An Eexclusive <u>U</u>use <u>by lawRight</u> is taken, in the absence of other specific provision in the <u>Exclusive Use B</u>by-law for <u>maintenancethe day to day Operation</u>, to make the <u>O</u>owner of the <u>benefitting L</u>tot responsible for <u>maintenancethe day to day Operation</u> of the part of the <u>C</u>eommon <u>P</u>property over which the <u>rights are Exclusive Use Right is</u> conferred by the <u>Exclusive Use B</u>by-law.
- (5)(7) An exclusive use by Exclusive Use By-law may authorise or require the Owner who has the benefit of the by law Exclusive Use Right to make specific improvements to part of the Ceommon Property. The improvements may consist of or include installing particular fixtures or making particular changes to the relevant part of the Ceommon Property. Unless it expressly provides otherwise, an Eexclusive Uuse by law Right does not authorise the Owner to make improvements or changes to the Ceommon Property.
- (6)(8) If an Eexclusive Uuse by lawRight 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 Oowner of the L<del>l</del>ot 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.
- (9) Subject to Article 79(10), an Exclusive Use Right is perpetual in nature and does not lapse provided the Owner complies with its obligations under the Exclusive Use By-law.
- (10) The Registrar may at any time issue an Order suspending or terminating an Exclusive Use
  Right if the Owner fails to comply with the conditions upon which the Exclusive Use Right
  was granted or otherwise fails to comply with its obligations under this Law.

# Chapter 3 — Enforcement of by laws CHAPTER 3 – ENFORCEMENT OF STRATA MANAGEMENT STATEMENT AND THE BY-LAWS

## 80. Compliance notices

- (1) If the <u>O</u>owner or <u>O</u>occupier—of a lot contravenes a <u>byan obligation under the Strata</u>

  <u>Management Statement or By</u>-law, the <u>B</u>body <u>C</u>eorporate 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 thirty (30) days) stated in the notice.
- (2) The A Bbody Ceorporate may, in addition to or instead of taking action under paragraph Article 80(1), apply for relief under Part 8.

## 81. Enforcement by Board Registrar

- (1) If the <u>O</u>ewner or <u>O</u>eccupier <u>of a lot</u> fails to comply with a notice under this Chapter, <u>the a</u> <u>B</u>body <u>C</u>eorporate may apply to the <u>BoardRegistrar</u> for an <u>O</u>erder enforcing the relevant <u>provision of the Strata Management Statement or B</u>by-law.
- (2) In proceedings taken under paragraph-Article 81(1), the BoardRegistrar may exercise either or both of the following powers:
  - (a) impose a fine on the person in default;

- (b) make other <u>Oo</u>rders the <u>BoardRegistrar</u> considers appropriate to enforce the relevant provision of the Strata Management Statement or B<del>b</del>y-law.
- (3) A fine imposed by the <u>BoardRegistrar</u> under this Article is recoverable by the <u>Bbody</u> <u>Ceorporate as a debt.</u>
- (4) A person must comply with an Oorder under paragraph 2(b)Article 81(2).
- (5) The BoardRegistrar may-adjourn proceedings, in lieu of making an Order under this Article and, refer the matter to be dealt with in proceedings by the Court under Part 89.

# Chapter 4 Copes of by laws to be provided CHAPTER 4 - COPIES OF STRATA MANAGEMENT STATEMENT AND THE BY-LAWS TO BE PROVIDED

## 82. When copies of Strata Management Statement and the Bby-laws must be provided

- (1) The A Bbody Ceorporate must, at the written request of the Oowner or Ooccupier of a lot or a person authorised by the Oowner or Ooccupier to make the request, provide a copy of the current Strata Management Statement and the Bby-laws.
- (2) The Oowner of a lot must, before entering into a contract to sell, Mmortgage or lease the its Liot, provide the purchaser, Mmortgagee or lessee Occupier with a copy of the current Strata Management Statement and the Bby-laws.
- (3) The A Bbody Ceorporate may charge a reasonable fee for providing a copy of the Strata Management Statement and the Bby-laws.

#### PART 7 - INSURANCE PART 7: INSURANCE

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

The A Bbody Ceorporate 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 a Bbody Ceorporate

- (1) The A Bbody Ceorporate for a Strata Scheme must insure:
  - (a) the <u>B</u>buildings and any other improvements on the <u>C</u>eommon <u>P</u>property; and
  - (b) any B<del>b</del>uilding divided by the Strata P<del>p</del>lan.
- (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 <u>full</u> reinstatement or replacement of the <u>B</u>buildings, including the cost of removing debris and the fees of architects and other professional advisers; and
  - (b) must provide for the <u>full</u> reinstatement or repair of the <u>B</u>buildings and improvements to their condition when new.
- (3) A <u>B</u>body <u>C</u>eorporate that breaches <u>paragraph Article 84(1)</u> or <u>84(2)</u> commits <u>an offence against a contravention of this Law.</u>
- (4) Despite any provision of the insurance policy, thea Bbody Ceorporate (and not the owner of a lotindividual Owner affected, other than to the extend it is obliged to pay Service Charges) is liable to pay:
  - (a) any excess under an insurance policy taken out by the <u>B</u>body <u>C</u>eorporate under this Article; and
  - (b) any <u>eontributionService Charge</u> that has to be made to the cost of reinstatement or repair because the insurance was not adequate.

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

- (1) If thea <u>B</u>body <u>C</u>eorporate is unable to obtain insurance for a <u>B</u>building or part of it on reasonable terms because:
  - (a) the  $\underline{O}$  ewner or  $\underline{O}$  eccupier of a lot is carrying on a particular activity on the  $\underline{L}$  lot; or
  - (b) work is required in relation to the Llot to reduce the insurance risk to a reasonable level,

then the <u>B</u>body <u>C</u>eorporate may, by written notice given to the <u>O</u>owner, require the <u>O</u>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 Oowner 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 <u>B</u>body <u>C</u>eorporate must maintain public risk insurance (covering accidental death, personal injury and property damage) over the <u>C</u>eommon <u>P</u>property for an amount at least equal to a minimum prescribed by Strata Regulation.
- (2) A <u>B</u>body <u>C</u>eorporate may insure against:
  - (a) loss from dishonesty, negligence or other wrongful conduct; or
  - (b) other risks.
  - (b) office bearers professional indemnity insurance; and
  - (c) any other risks that a prudent Body Corporate should insure against or otherwise as required by the Registrar.

## 87. Insurance by Oowner of Llot

- (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 is solely responsible to insure the Owner's contents of its Lot and bears full responsibility for any loss suffered arising from any failure to adequately insure such contents.
- (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 <u>B</u>body <u>C</u>eorporate in relation to insurance

- (1) If a <u>B</u>body <u>C</u>eorporate is in breach of its obligation to take out and maintain insurance, the <u>O</u>owner or <u>M</u>mortgagee of any <u>L</u>lot may take out and maintain the required insurance on reasonable terms and conditions.
- (2) The insurance may be taken out in the <u>B</u>body <u>C</u>eorporate's name or in the <u>O</u>owner's or

Mmortgagee's name.

(3) The Owner or Mmortgagee may recover the costs incurred under this Article from the Bbody Ceorporate as a debt (and, in the case of the Owner, may set off the amount against any liabilities of the Owner to the Bbody Ceorporate).

## 89. Production of policies of insurance for inspection

- (1) At the request of thean Oowner-of, a lot, the Bbody Ceorporate must allow the Oowner to inspect the policies of insurance currently maintained by the Bbody Ceorporate under this Law.
- (2) The <u>B</u>body <u>C</u>eorporate need not comply with a request if it has previously allowed the <u>O</u>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 CHAPTER 1 - APPLICATIONS FOR RELIEF

#### 90. Application for relief

- (1) An application for relief under this Part may made by an interested party and:
  - (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 <u>Pprescribed Ffee</u>.
- (2) In any proceedings under this Part, the Registrarinterested party may apply to the BoardRegistrar for directions on any matter arising in the course of the proceedings.

#### 91. Mediation

- (1) The Registrar must not accept an application for an Oorder 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 <u>Aapplication</u>

- (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  $\underline{Bbody Ceorporate}$ ; and
  - (b) any other person who would, in the Registrar's opinion, be adversely affected if the relief sought were granted.
- (2) The Bbody Ceorporate must, after receiving notice under this Article, give a copy of the notice to:
  - (a) every owner directly affected by the application Owner;
  - (b) every <u>M</u>mortgagee who has given written notice of the <u>M</u>mortgagee's interest to the <u>B</u>body Ceorporate; and
  - (c) every Oeccupier 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 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 Oorder 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: any person whom the Registrar considers to have or to claim an interest in the matter; and
    - (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)Article 95(1)(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 a contravention of this Law.

#### 96. Power of entry

- (1) <u>Subject to compliance with applicable law, Tthe Registrar</u> (or a delegate of the Registrar) may enter on any <u>siteStrata Development</u>, and any <u>L</u>lot, to which an application relates to carry out an investigation.
- (2) The power conferred by <del>paragraph</del>-Article 96(1) may be exercised at any reasonable time after notice of the proposed entry has been given to the <u>B</u>body <u>C</u>eorporate and to the <u>O</u>owner of any <u>L</u>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 CHAPTER 3 — SPECIFIC FORMS OF RELIEF

# 98. Orders by Registrar in relation to <u>breachescontraventions</u> of this Law or the <u>Strata Management</u> <u>Statement or the Bby-laws</u>

- (1) If, on an application for relief under this Part, the Registrar is satisfied that a personparty has contravened or failed to comply with a requirement of this Law, the Strata Management Statement or the Bby-laws, the Registrar may make an Oorder:
  - (a) requiring a personparty to take, or refrain from taking, any specified action;
  - (b) requiring a <u>personparty</u> to pay any <u>contributionsService Charges</u> properly levied by <u>the a B</u>body <u>Ceorporate or any other amount the Registrar considers is validly due and payable by such party;</u> 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 Oorder:

- (a) may require immediate compliance or fix a period for compliance; and
- (b) may be made subject to any conditions the Registrar considers appropriate.
- (3) Without limiting the generality of Article 98(1), and elsewhere in this Law, the Registrar has the power to issue Orders under Articles 99 to 120.

## 99. Interim Oorders

- (1) An Oorder 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 Oerder is made on an interim basis, it operates for a period (not exceeding three (3) months) fixed in the Oerder and may be renewed from time to time for a further period (not exceeding three (3) months).

## 100. Order in relation to Ceommon Pproperty

If, on an application by the  $\underline{O}$ owner-of a lot for relief under this Part, the Registrar is satisfied that the  $\underline{a}$   $\underline{B}$ body  $\underline{C}$ eorporate has unreasonably failed to implement a proposal by an  $\underline{O}$ owner:

(a) for repairing damage to the  $\underline{C}$ eommon  $\underline{P}$ property or other property of the  $\underline{B}$ body  $\underline{C}$ eorporate; or

(b) for making alterations to the <u>Ceommon Pproperty</u>,

the Registrar may  $\underline{O}$  order the  $\underline{B}$  body  $\underline{C}$  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 Oowner-of a lot for relief under this Part, the Registrar is satisfied that an acquisition or proposed acquisition of personal property by athe Bbody Ceorporate is unreasonable, the Registrar may Oorder:
  - (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 <u>Bbody Ceorporate</u> sell or dispose of it within a specified time and deal with any proceeds of sale as directed in the <u>Oo</u>rder.
- (2) If, on an application for relief under this Part, the Registrar is satisfied that the <u>a Bbody Ceorporate</u> has unreasonably refused to acquire personal property for the benefit of <u>O</u>ewners and <u>O</u>eccupiers of <u>L</u>lots, the Registrar may <u>O</u>erder the <u>B</u>body <u>C</u>eorporate 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 <u>a B</u>body <u>C</u>eorporate has unreasonably refused to make or pursue an insurance claim in respect of property insured by the <u>B</u>body <u>C</u>eorporate, the Registrar may <u>O</u>order the <u>B</u>body <u>C</u>eorporate 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  $\underline{Bb}$ ody  $\underline{Ce}$ orporate for late payment of a  $\underline{contributionService\ Charge}$  is unreasonable, the Registrar may make an  $\underline{Oe}$ 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 <u>a Bbody Ceorporate</u>, or an officer of the body corporate the Body Corporate Manager:

- (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 Oorder the Bbody Ceorporate, or the officer, Body Corporate Manager 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 <u>O</u>ewner or <u>O</u>eccupier of a lot is keeping an animal on a <u>L</u>lot or <u>C</u>eommon <u>P</u>eroperty, contrary to the Strata Management Statement and the Bey-laws; or
  - (b) an animal kept on a <u>L</u>lot or <u>Ceommon Pproperty</u> causes a nuisance, hazard or unreasonable interference with the use or enjoyment of a <u>L</u>lot or <u>Ceommon Pproperty</u>,

the Registrar may Oorder the person keeping the animal to remove the animal from the <u>siteStrata</u> Development within a specified time and thereafter to keep the animal away from the <u>siteStrata</u> Development.

(2) The Registrar may, instead of making an Oorder for removal of the animal in the case mentioned in

paragraph Article 105(1)(b), Oorder 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 Strata Management Statement and the Bby-laws

- (1) If, on an application for relief under this Part, the Registrar is satisfied that a <u>provision of the Strata</u> Management Statement or Bby-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
  - should not have been made having regard to the interests of the Oowners and Ooccupiers of Liots in the use and enjoyment of the Liots and Common Property,

the Registrar may make an Oorder under this Article.

- (2) An Oorder under this Article may:
  - (a) declare the <u>provision of the Strata Management Statement or B</u>by-law to be invalid;
  - (b) repeal the by law; or
  - (b) vary the provision of the Strata Management Statement or By-law as the Registrar considers appropriate; or
  - (c) reinstate any former <u>provision of the Strata Management Statement or B</u>by-law amended or repealed by the <u>provision of the Strata Management Statement or B</u>by-law in question.
- (3) An Oorder under this Article has effect in accordance with its terms.

## 107. Order granting Exclusive Use Right or licence

- (1) If, on an application by the  $\underline{O}_{\Theta}$  wner-of a lot for relief under this Part, the Registrar is satisfied that:
  - (a) <u>aan Exclusive Use Right or other form of licence</u> of a particular kind in relation to the <u>Ceommon Pproperty</u> is necessary for the reasonable use or enjoyment of the <u>Ll</u>ot;
  - (b) such <u>an Exclusive Use Right or other form of licence</u> could be granted without unduly interfering with the rights of <u>O</u>ewners or <u>O</u>eccupiers of other <u>L</u>lots to the use and enjoyment of their <u>L</u>lots and the <u>C</u>eommon <u>P</u>eroperty; and
  - (c) thea Bbody Ceorporate has unreasonably refused to grant such a Exclusive Use Right or other form of licence,

the Registrar may make an  $\underline{Oo}$  order conferring rights in terms specified in the  $\underline{Oo}$  or the  $\underline{Oo}$  or the  $\underline{Ll}$  ot.

(2) An Oorder under this Article operates as if it were an Exclusive Use Right or other form of licence granted by the Bbody Ceorporate.

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

If, on an application by an Oowner for relief under this Part, the Registrar is satisfied that the a Bbody Ceorporate has unreasonably refused to make a Bby-law that is reasonably required for the proper enjoyment of a Llot or Ceommon Pproperty, or the proper administration of a Strata Secheme, the Registrar may make an Oorder in the terms on which the Bby-law should have been made.

(2) An Oerder under this Article operates as a Bey-law and (to the extent of the inconsistency) prevails over any other Bey-law with which it is inconsistent.

## 109. Order invalidating proceedings

- (1) If, on an application by an Oowner for relief under this Part, the Registrar is satisfied that the provisions of this Law, the Strata Management Statement or the Bby-laws have not been complied with in relation to the calling or conduct of a General Mmeeting-of the members of the body corporate, the Registrar may, by Oorder, invalidate a Resolution of (including an election held by) the personsOwners present at the General Mmeeting.
- (2) The Registrar need not make an Oorder under paragraph Article 109(1) if satisfied:
  - (a) that the failure to comply with the provisions of this Law, the Strata Management Statement or the Bby-laws did not prejudicially affect any person; or
  - (b) that the <u>R</u>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 <u>twenty eight (28)</u> days after the date of the <u>General Mmeeting</u>.

## 110. Order reallocating unit Lot Eentitlements

If, on application for relief under this Part, the Registrar is satisfied that the <u>unit\_Lot Eentitlements of Llots</u> or, if various classes of <u>unit\_Lot Eentitlements</u> have been <u>fixed\_determined</u>, the <u>unit\_Lot Eentitlements</u> of a particular class, have been <u>fixed\_determined</u>, on a basis that is not fair and equitable, the Registrar may, by <u>order\_Order</u> under this Article, <u>redetermine unit entitlements\_reapportion the Lot Entitlements</u>, or <u>unit\_Lot Eentitlements</u> of the relevant class, on a basis that the Registrar considers fair and equitable.

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

- (1) If, on an application for relief under this Part, the Registrar is satisfied that the contributions Service

  Charges to be levied by the a Bbody Ceorporate under this Law are inadequate or excessive, the Registrar may, by Oorder:
  - (a) redetermine the contributions Service Charges 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 Oorder, 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 Service Charges determined by the Bbody Ceorporate is unreasonable, the Registrar may, by Oorder, redetermine the manner in which the contributions Service Charges 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 a Bbody Ceorporate has taken out insurance is unreasonable, the Registrar may Oorder the Bbody Ceorporate to increase or decrease the amount of the insurance.

#### 113. Order appointing Aadministrator

- (1) If, on an application for relief under this Part, the Registrar is satisfied:
  - (a) that the a Bbody Ceorporate has failed in the proper performance of a duty; and

- (b) the applicant has a proper interest in the due performance of the duty; and
- $\frac{(e)}{(b)}$  the circumstances are sufficiently serious to justify the appointment of an <u>A</u>administrator under this Article,

the Registrar may, by Oorder, appoint an Aadministrator.

- (2) The appointment of an Aadministrator:
  - (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 <u>Aadministrator</u> out of the funds of the <u>Bbody Ceorporate</u>) the Registrar specifies in the Oorder.
- (3) The <u>Aadministrator</u> has, in accordance with the terms of the <u>Oorder</u>, power:
  - (a) to administer the affairs of the <u>B</u>body <u>C</u>eorporate generally; or
  - (b) to carry out the function or functions of the <u>B</u>body <u>C</u>eorporate, the <u>Management Committee</u> and/or <u>its officers</u>the Body Corporate Manager specified in the Oorder.
- (4) If an <u>Aadministrator</u> has power to administer the affairs of the <u>Bbody Ceorporate generally</u>, the <u>Aadministrator</u>'s powers operate to the exclusion of the powers of the <u>Bbody Ceorporate and its officers</u>, the Management Committee and the Body Corporate Manager.
- (5) If an <u>Aadministrator</u> has power to carry out a specified function or functions, the powers of the <u>B</u>body <u>C</u>eorporate are excluded so far as they relate to those functions.
- (6) An act or omission of an <u>Aadministrator</u> done or made in the course of exercising powers under this Article is to be regarded as an act or omission of the <u>Bbody Ceorporate</u>.
- (7) The <u>Aadministrator</u> must give the <u>Bbody Ceorporate</u> 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 Bbody Ceorporate

- (1) If, on an application for relief under this Part, the Registrar is satisfied that thea Bbody Ceorporate has failed to hold a Ggeneral Mmeeting of its members as required under this Law-or, the Strata Management Statement and the Bby-laws, the Registrar may, by Oorder, appoint a person to convene a Ggeneral Mmeeting of the members of the Bbody Ceorporate.
- (2) The Oorder may:
  - (a) provide for the giving of notice of the General Mmeeting;
  - (b) appoint a person to preside at the <u>General M</u>meeting;
  - (c) provide (in an appropriate case) that the <u>General M</u>meeting is to be treated as the first <u>General M</u>meeting of the <u>B</u>body <u>C</u>eorporate (even though the time for holding that meetingthe first General Meeting may have expired); and
  - (d) deal with the business to be placed before the <u>General M</u>meeting and any incidental or consequential matters.
- (3) The provisions of an Oorder under this Article prevail over inconsistent provisions of this Law-or the by, the Strata Management Statement and the By-laws.

## 115. Order invalidating-special Resolutions

- (1) If, on an application for relief under this Part, the Registrar is satisfied:
  - (a) that the applicant is a member of the <u>B</u>body <u>C</u>eorporate who did not vote, either personally or by <u>P</u>proxy, in support of a <u>special R</u>resolution of the <u>B</u>body <u>C</u>eorporate; and
  - (b) that the  $\underline{\mathbf{R}}_{\mathbf{f}}$  esolution is unreasonable or oppressive,

the Registrar may make an Oorder invalidating the Resolution.

(2) An application for relief under this Article must be made within <u>twenty eight (28)</u> days after the date of the <u>R</u>resolution to which it relates.

## 116. Order terminating contract for services to the a Bbody Ceorporate

- (1) If, on an application for relief under this Part, the Registrar is satisfied that an agreement for the provision of services to the a Bbody Ceorporate, including an agreement for the provision of services by the Body Corporate Manager:
  - (a) is unfair to the owners of 25% or more any of the lots Owners; or
  - (b) is for an excessively long term,

the Registrar may make an Oorder terminating the agreement, varying the commercial terms 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 Ltot or Common Property

- (1) If, on an application for relief under this Part, the Registrar is satisfied that:
  - (a) a consent, approval or authorisation of <u>athe Bbody Ceorporate</u> is required under the <u>Strata Management Statement and the Bby-laws for making a structural alteration or addition to a <u>L</u>lot <u>or the Common Property</u>; and</u>
  - (b) the consent, approval or authorisation has been unreasonably withheld,

the Registrar may make an  $\underline{O}$  or der authorising the relevant structural alteration or addition to the  $\underline{L}$  to or the Common Property on terms and conditions specified in the  $\underline{O}$  or der.

(2) If, on an application for relief under this Part, the Registrar is satisfied that a structural alteration or addition to a <u>Llot or the Common Property</u> is being, or has been, made contrary to the <u>Strata Management Statement and the Bby-laws</u>, the Registrar may <u>O</u>order the <u>O</u>owner of the <u>Llot or the Common Property</u> to its former condition.

## 118. Order in relation to development contemplated by Staged development Strata Scheme

- (1) If, on an application for relief under this Part, the Registrar is satisfied that a <u>D</u>developer under a <u>S</u>staged <u>developmentStrata</u> <u>S</u>scheme (or an agent, employee or contractor acting on behalf of the Ddeveloper) is carrying out, or has carried out, work contrary to the requirements of:
  - (a) the relevant <u>Delisclosure Setatement</u> for the <u>Strata Secheme</u>; or
  - (b) <u>Strata Management Statement and the B</u>by-laws relevant to the way the work is to be carried out,

- the Registrar may Oorder the Odeveloper to ensure compliance with those requirements and, if necessary, to take specified action to remedy past non-compliance.
- 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 <u>S</u>staged <u>development Strata</u> <u>S</u>scheme, the Registrar may make an <u>O</u>order restraining the person from further obstructing the work.

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

- (1) A <u>B</u>body <u>C</u>eorporate may apply to the Registrar for an <u>O</u>order that a person bound by the <u>Strata</u> <u>Management Statement and the B</u>by-laws pay a penalty to the <u>B</u>body <u>C</u>eorporate for breach of a <u>byBy</u>-law.
- (2) A person bound by the <u>Strata Management Statement and the B</u>by-laws may apply to the Registrar for an <u>O</u>order that the <u>B</u>body <u>C</u>eorporate pay a penalty to the applicant for breach of a <u>B</u>by-law.
- (3) The Registrar may make an Oorder for the payment of a penalty on an application under this Article if satisfied that:
  - (a) the  $\underline{Bby}$ -law provides for a penalty for breach; and
  - (b) the person against whom the  $\underline{O}$  order is sought has wilfully breached the  $\underline{B}$  by-law.
- (4) The Regulations may prescribe the maximum penalty that the Registrar may impose under this Article.
- On application under this Article, the Registrar may Oorder the payment of the costs of the application by or against the applicant.

## 119A. Order for Registration of a Lien

- (1) A Body Corporate may apply to the Registrar for an Order that the Registrar record a lien over a Lot by way of Registered Caveat in favour of the Body Corporate where the Owner of the Lot is in breach of its obligations (including payment obligations) under this Law and the Strata Management Statement.
- (2) An application under this Article 119A does not in any way restrict or prevent a Body Corporate pursuing such other remedies against the defaulting Owner under applicable law including the Body Corporate seeking an order from the Court for the sale of the Lot should the Owner be in breach of its obligation to pay Service Charges and other payment obligations under this Law and such breach continues for a period of twelve (12) months.

## 120. Order for exemption from various statutory requirements

- (1) A <u>B</u>body <u>C</u>eorporate may apply to the Registrar for an <u>O</u>order exempting the <u>B</u>body <u>C</u>eorporate from:
  - (a) the requirement to hold insurance of a particular kind;
  - (b) the requirement to prepare and maintain a Strata R<del>r</del>oll; or
  - (c) the requirement to maintain a post\_box.
- (2) The Registrar may only make an Oerder exempting a Bbody Ceorporate from the requirement to hold insurance of a particular kind if satisfied that the exemption would not be against the interests of any Oewner.
- (3) An Oorder under this Article may be lodged with the Registrar, who must record it in the Ffolio of

the Register for the Ceommon Pproperty.

(4) An Oorder under this Article does not take effect until the Registrar records it in accordance with paragraph (3)Article 120(3).

# <u>Chapter 4 Service and enforcement of orders-CHAPTER 4 - SERVICE AND ENFORCEMENT OF ORDERS</u>

## 121. Copy of Oorder to be served

- (1) An Oorder 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 Oorder on:
  - (a) the applicant for relief;
  - (b) the relevant Bbody Ceorporate;
  - (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 Oorder.
- (3) In this Article, "Oorder" includes:
  - (a) the variation of an Oorder;
  - (b) an interim Oorder; and
  - (c) the renewal or revocation of an interim Oorder.

## 122. Penalty for contravention

- (1) A person must not contravene an Oorder under this Part to do or refrain from doing a specified act.
- (2) A person who breaches paragraph-Article 122(1) commits an offence against a contravention of this Law.

#### 123. Enforcement of Oorders

- (1) If a person is required by an <u>O</u>order under this Part to take specified action, and the person fails to comply with the <u>O</u>order within the time allowed by the <u>O</u>order, any other person with a proper interest in the matter may apply to the Registrar for an <u>O</u>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 Oerder cannot be made under this Article if the time for commencing an appeal against the original Oerder has not yet expired or, if an appeal has been commenced, until the appeal has been determined or discontinued.
- (3) An appeal against an Oorder under paragraph Article 123(1) lies to the BoardCourt under the provisions of Part 9. The BoardCourt may make any order it considers appropriate regarding

implementation of the Oorder while the appeal is being pursued.

## 124. Enforcement of Oorders for payment of money

- (1) If the Registrar makes an Oorder for the payment of money, the Oorder may be registered in the Court.
- (2) Proceedings for the enforcement of an Oorder Registered under paragraph Article 124(1) may be taken as if the direction were a judgment of the Court.

## 125. Order may have effect as Rresolution of Bbody Ceorporate

- (1) An Oorder under this Part may provide that the Oorder or a specified part of the Oorder is to have effect as an Eextraordinary Resolution, a Sepecial Resolution or an Oordinary Resolution of the Body Ceorporate.
- (2) If an <u>O</u>order contains such a provision, it operates, or the specified part of the <u>O</u>order operates, as an <u>E</u>oxtraordinary <u>R</u>resolution, a <u>S</u>special <u>R</u>resolution or an <u>O</u>ordinary <u>R</u>resolution of the <u>B</u>body <u>C</u>eorporate accordingly.

## Chapter 5 - Miscellaneous CHAPTER 5 - MISCELLANEOUS

## 126. Recording of certain Oorders

- (1) If an Oorder under this Part affects:
  - (a) the administration of a Strata Sscheme; or
  - (b) the rights of Oowners or Ooccupiers of Llots,

the Registrar must record the  $\underline{O}$  order in the  $\underline{F}$  folio of the Register for the  $\underline{C}$  common  $\underline{P}$  property or in the  $\underline{F}$  folio of the Register for the affected  $\underline{L}$  to (as the case may be).

- (2) The Registrar may:
  - (a) on his or her the Registrar's own initiative; or
  - (b) on application by an interested personparty and on payment of the Pprescribed Ffee,

cancel any recording Registration made under paragraph (1) Article 126(1) if satisfied that the Oorder does not affect or has ceased to affect the real property Common Property or the Lot to which it purports to relate.

- (3) For the purposes of paragraph (2), this Part 8, each of the following is an interested person party:
  - (a) the <u>D</u>developer;
  - (b) the <u>B</u>body <u>C</u>eorporate;
  - (c) each Oowner and each Pprospective Oowner of a lot;
  - (d) each occupier of a Llot;
  - (e) the <u>Rrelevant planning Aauthoritiesy;</u>
  - (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 $\underline{\mathbf{R}}$ real $\underline{\mathbf{P}}$ property

The Registrar may determine any question of title to  $\underline{R}_{\underline{r}}$  eal  $\underline{P}_{\underline{p}}$  roperty that arises in the course of proceedings before the Registrar under this Law.

## PART 9—: APPEALS

#### 128. Interested persons

The following are interested parties under this Part 9:

- (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; and
- (d) any other person prescribed by the Regulations as an interested party 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.

## 131.128. Right of appeal to Court

- (1) The following are interested parties under this Part 9:
  - (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; and
  - (d) any other person prescribed by the Regulations as an interested party in relation to a decision or order of a specified kind.
- (2) An appeal lies from the Board to the CourtAn interested party may appeal to the Court against a decision or Order made by the Registrar on an application under this Law:
  - (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.
- (3) An appeal is commenced by lodging with the Registrar a notice of appeal, accompanied by the Prescribed Fee, within thirty (30) days after the date of the Order.
- (4) A notice of appeal lodged under Article 128(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.
- (5) On receiving a notice of appeal, the Registrar must forward to the Court:

- (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 parties.
- (6) The Court must give written notice of the appeal, and the time and place appointed by the Court for hearing the appeal, to all interested parties.
- (7) 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.

#### 129. Powers of Court on appeal

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

## PART 10—: MISCELLANEOUS

#### 132.130. 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 Lawdeems necessary, for or in connection with, or reasonably incidental to, the exercise and performance of his powers and functions, inclusive of the power of delegation, subject to the applicable decision making procedures.
- (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.

## 133.131. Certificates issued by Bbody Ceorporate

If a certificate is issued under the a Bbody Ceorporate's common sealstamp:

- (a) certifying that a particular <u>R</u>resolution was passed by the <u>B</u>rody <u>C</u>eorporate on a date specified in the certificate; and
- (b) certifying the nature of the  $\underline{Rresolution}$ ,

the Registrar is entitled to rely on the certificate and is not bound to inquire whether the  $\underline{R}$  resolution has been duly passed.

#### 134.132. Action to be taken by the Registrar for Rregistration, etc., of Ddocuments

- (1) When the Registrar registers a <u>Strata P</u>plan or <u>Strata S</u>scheme, an amendment or variation to a <u>Strata P</u>plan or <u>Strata S</u>scheme, or cancellation of a <u>Strata P</u>plan or <u>Strata S</u>scheme, the Registrar must take action to ensure that persons searching relevant <u>F</u>folios of the <u>Register</u> receive notice of the <u>Strata P</u>plan, <u>Strata S</u>scheme, amendment, variation or cancellation.
- When the Registrar receives an application, notice or other document relating to a particular <u>Strata</u> <u>S</u>scheme, the Registrar must take action to ensure that a person searching the <u>F</u>folio-of the <u>Register</u> relating to the <u>C</u>eommon <u>P</u>property of the <u>Strata S</u>scheme receives notice of the application, notice or other document.

#### 135.133. Use of Llots and Aaccessory Llots

- (1) The Oowner or Ooccupier of a lot established by a Strata Sscheme under this Law must not use the lotLot or permit its use:
  - (a) for a purpose other than a purpose for which the lot is established its Permitted Use as indicated in the relevant <u>Rregistered Strata Pplan</u> or seheme; or <u>Strata Management</u> Statement;
  - (b) contrary to a restriction indicated in the relevant <u>R</u>registered <u>Strata P</u>plan or <u>Strata Management Statement;</u> or <u>scheme.</u>
  - (c) in any manner other than for such purpose as permitted by the Master Developer.
- (2) A <u>L</u>lot that is designated on the <u>S</u>strata <u>P</u>plan as an <u>A</u>accessory <u>L</u>lot cannot be dealt with separately from the <u>principalPrimary L</u>lot with which it is associated, and a dealing with the <u>principalPrimary L</u>lot necessarily effects (without express mention) a corresponding dealing with the <u>A</u>accessory <u>L</u>lot.
- (3) For the avoidance of doubt, any Accessory Lot where the Permitted Use of such Accessory Lot is for car parking purposes, the change of the Permitted Use of such Accessory Lot to any other use, and the transfer of such Accessory Lot separately from its Primary Lot, is strictly prohibited unless

otherwise approved by the Master Developer, the Registrar and the other applicable Relevant Authorities, which approval may be withheld in their absolute discretion.

#### 136.134. 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.

## 137.135. Easements not affected by unity of ownership

Unity of ownership does not destroy an  $\underline{\underline{E}}$ easement created or implied in relation to  $\underline{\underline{L}}$ lots, or  $\underline{\underline{L}}$ lots and  $\underline{\underline{C}}$ eommon  $\underline{\underline{P}}$ property, under this Law.

#### 138.136. 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 <u>I</u>instrument by which the person became the <u>registered Oo</u>wner, or in any Ceaveat 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 Articles, 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 5pmfive (5) pm on any day in the place of service, then it is to be treated as being served or given on the next business day.

## 139.137. Service on Bbody Ceorporate

- (1) The address for service of a  $\underline{Bbody}$   $\underline{Ceorporate}$  is the  $\underline{Bbody}$   $\underline{Ceorporate}$ 's address for service as shown on the Sstrata Pplan.
- (2) The Registrar may, on application by the <u>a B</u>body <u>C</u>eorporate, change the address for service of the <u>B</u>body <u>C</u>eorporate. If the Registrar changes the address for service, the Registrar must record the new address on the <u>S</u>strata <u>P</u>plan.
- In addition to any other method of service, a notice or document may be served on, or given to, the <u>a</u> <u>B</u>body <u>C</u>eorporate by serving it on or giving it to <u>a member of the committee of management the Body Corporate Manager.</u>
- (4) This Article does not limit the way in which notices may be served in court proceedings.

## 140.138. Service on Oowners-of lots

(1) If a notice or document is to be served on or given to the owners of lots Owners generally, it may be

served on or given to the body corporate a Body Corporate as representative of all the owners Owners. In that case:

- (a) the body corporate Body Corporate must take reasonable steps to bring the notice or document to the attention of all the owners Owners; and
- (b) the notice or document is taken to have been served on or given to each <u>ownerOwner</u>.
- (2) This Article does not limit the way in which notices may be served in court proceedings.

#### 141.139. Powers of entry in certain cases

- (1) If the Registrar or a <u>personparty</u> authorised by the Registrar (called collectively in this Article "an authorised <u>personparty</u>") believes on reasonable grounds that <del>an offence against a contravention of this Law or a breach of the <u>Strata Management Statement or the Bby-laws has been, or is being, committed on any part of the <u>siteStrata Development</u>, the authorised <u>personparty</u> may at any reasonable time after giving reasonable notice to the <u>Ooccupier</u>, enter the relevant part of the <u>siteStrata Development</u> to ascertain whether the offence or breach has been or is being committed.</del></u>
- (2) The authorised <del>person may party shall, when exercising a power under paragraph (1), Article 139(1), be accompanied by:</del>
  - (a) a member of the body corporate's committee of management;
  - (a) the Registrar;
  - (b) the Body Corporate Manager;
  - (c) a Committee Member;
  - (b)(d) the Aadministrator, if any, of the Strata Sscheme; or
  - (c)(e) any other person the authorised personRegistrar considers appropriate.
- (3) A person who obstructs or hinders an authorised <u>personparty</u> (or a person accompanying the authorised <u>personparty</u>) acting under this Article, commits <u>an offence against a contravention of this Law.</u>

## 142.140. Power of entry by Relevant Aauthority

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

#### 143.141. Registrar's Ddirectives

- (1) The Registrar may issue <u>Defirectives</u>, not inconsistent with this Law, relating to the requirements to be followed in lodging, registering, recording, or serving <u>I</u>\*nstruments, plans and other documents under this Law.
- (2) In issuing the <u>Delirectives</u>, the Registrar must have regard to:
  - (a) the purpose of this Law; and
  - (b) the principle that a person's  $\underline{R}$  registered interest is not to be adversely affected except with the person's consent.
- (3) Without limiting paragraph (1), Article 141(1), the Registrar's <u>Delirectives</u> may provide for any of the following:

- (a) the form and content of and the requirements for <u>I</u>\*nstruments, documents and plans;
- (b) the number of copies of <u>I</u>instruments, documents and plans to be lodged;
- (c) the need for lodging consents, certificates and other documents;
- (d) the signing of <u>I</u>instruments (including in electronic form and by codes);
- (e) the practice of carrying forward Registered interests onto new Efolios-of the Register;
- (f) requiring the provision of parking spaces for the exclusive use of Owners or Occupiers of
  Lots used for commercial, retail or residential purposes;
- (g) imposing limitations on the powers of the Management Committee;
- (h) prescribing fees to be charged by the Registrar;
- (i) providing for the imposition of a fine for an offence, and fixing the amount; and
- (f)(i) the time and method of paying fees and charges.
- (4) The Registrar's Delirectives must be complied with unless the Registrar dispenses with compliance.

### 144.142. Offences against Contraventions of this Law

A person who commits an offence against a contravention of this Law is liable to the penalty specified under Regulations made under Article 1435 or as ordered by the Registrar.

### 145.143. Authority DIFCA may make Regulations

- (1) The <u>AuthorityDIFCA</u> 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), Article 143(1), the Authority DIFCA 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) (a) regulating the Registrar's practice in relation to matters arising under this Law; and
  - (e)(b) 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 Llot in good order and repair

- (1) The Oowner-of a lot must keep buildings and structural all improvements on the its

  Littin a state of good repair and to a standard in keeping with other buildings and structural improvements on the site the Common Property.
- (2) The Oowner must:
  - (a) carry out any work in relation to the <u>Oo</u>wner's <u>L</u>lot that the <u>Oo</u>wner is required to carry out by:
    - (i) an Relevant Aauthority; or
    - (ii) thea Bbody Ceorporate; and
  - (b) comply with all security procedures and <u>D</u>directives implemented and issued by the <u>B</u>body <u>C</u>eorporate or any person acting on behalf of the <u>B</u>body <u>C</u>eorporate.

### 2. Prohibited conduct

The <u>O</u>owner or <u>O</u>occupier-of a lot must not, without the <u>B</u>body <u>C</u>eorporate's prior written permission, do any of the following:

- (a) use the  $\underline{L}$ Iot, or permit its use, in a way that causes a nuisance to the  $\underline{O}$ owner or  $\underline{O}$ occupier of any other  $\underline{L}$ Iot;
- (b) make structural, mechanical or electrical alterations to a <u>L</u>+ot;
- (c) place or do anything on any part of the <u>Ceommon Pproperty or any part of</u> the <u>Lot</u> which, in the opinion of the <u>B</u>body <u>Ceorporate</u>, is aesthetically displeasing or undesirable when viewed from the <u>outside of the building</u>Common Property;
- (d) place any television aerials or satellite dishes on <u>any Lot or Common Property including on any the balcony or terrace area or</u> the exterior of the B<del>b</del>uilding;
- (e) place or hang any washing or laundry or any other items on <u>the Common Property or</u> any part of the <u>L</u>lot or common property where it is visible from the <u>outside of the buildingCommon Property;</u>
- (f) store any material, or do or permit to be done any dangerous act on the <a href="httlot">lot</a>Lot or on the <a href="httlot">Ceommon</a> <a href="httlot">Pproperty</a> that may increase the <a href="httlot">Bbody</a> <a href="httlot">Ceorporate's insurance premiums</a>.

### 3. Duty to allow access for maintenance and repair of Ceommon Pproperty

- (1) The A Bbody Ceorporate is entitled to reasonable access to a Ltot for the purpose of maintaining, repairing or replacing the Ceommon Peroperty and Service Linfrastructure.
- (2) A person authorised by the  $\underline{\underline{B}}$  Body  $\underline{\underline{C}}$ eorporate may enter the  $\underline{\underline{L}}$  to for that purpose:

- (a) after giving to the <u>Oo</u>ccupier of the <u>L</u>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 Oowner-of a lot must promptly pay all rates, fees and charges that may be payable in relation to the Llot.

### 5. Vehicles

- (1) The Oowner of a lot must observe and ensure that their visitors and guests:
  - (a) observe any road signs on the Ceommon Pproperty;
  - (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 (1) vehicle to occupy more than one (1) parking bay; and
  - (e) do not park trucks, trailers, boats or heavy vehicles on the <u>Ceommon P</u>property without the prior written consent of the <u>B</u>body <u>C</u>eorporate or a person authorised by it.
- (2) The <u>B</u>body <u>C</u>eorporate may authorise any vehicle parked or used in contravention of paragraph (1)<u>By-law 5(1)</u> to be removed or towed away, at the risk and expense of the Oowner of the vehicle.
- (3) The <u>driving and parking</u> of vehicles on the <u>Ceommon Pproperty</u> is entirely at the Oewner's risk.

### 6. Reasonable behaviour

- (1) The <u>Ooccupier-of a lot</u> must not behave in a way likely to interfere with the reasonable use and enjoyment of another <u>L</u>lot or the <u>Ceommon P</u>property.
- (2) An Oowner or Ooccupier 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 Llot or the Ceommon Poroperty.

### 7. Duty to provide information

The  $\underline{O}$ owner-of a lot must promptly give the  $\underline{B}$ body  $\underline{C}$ eorporate written notice of any change in the ownership of the  $\underline{L}$ lot.

### 8. Keeping animals

- (1) Subject to subclause (2), By-law 8(2), the Ooccupier of a lot must not, without the Bbody Ceorporate's written approval:
  - (a) bring an animal onto, or keep an animal on, the  $\underline{L}$ tot or the  $\underline{C}$ eommon  $\underline{P}$ property; or

## STRATA TITLE LAW AMENDMENT LAW

- (b) permit an invitee to bring an animal onto, or keep an animal on, the  $\underline{L}$ tot or the  $\underline{C}$ eommon  $\underline{P}$ property.
- (2) <u>Subclause (1)By-law 8(1)</u> 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 provided, 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;
  - (e)(a) a statutory provision includes a reference to the statutory provision as amended or re-enacted from time to time;
  - (d)(b) a "person" includes any natural person, body corporate or body unincorporate, including a company, partnership, unincorporated association, government or state;
  - (e)(c) an obligation to publish or cause to be published a particular document includes shall, unless expressly provided otherwise in this Law, include publishing or causing to be published in printed or electronic form;
  - (f)(d) a "day" means a calendar day, unless expressly stated otherwise. If an obligation falls on a calendar day which is either a Friday or Saturday, or an official public holiday, the obligation shall take place on the next calendar day which is a business day business day means a normal working day in the DIFC;
  - (e) a "week" shall mean a calendar week or seven (7) days, whichever is applicable in the circumstances;
  - (f) a "month" shall mean a calendar month or a period of thirty (30) days where the reference in the Law is to a period of one (1) month;
  - (g) a ealendar "year" shall mean a period of means three hundred and sixty five (365) days and a "calendar year" shall mean a year of the Gregorian calendar;
  - (g) a year of the Gregorian calendar;
  - (h) <u>a reference to the masculine gender includes the feminine and vice versa;</u>
  - (i) \$\\$\\$\\$\\$\\$\\$\ a\\$\ reference to United States Dollars unless the contrary intention appears;
  - (i) the singular includes shall include the plural and vice versa;
  - (j) "dollar" or "\$" is a reference to United States Dollars unless the contrary intention appears; and
  - (k) Headingsthis Law includes any Regulations made under this Law.
- (2) The headings in this Law do not affect its interpretation.
- (3) A reference in this Law to a Part, Chapter, Article or Schedule by number only, and without further identification, is a reference to the Part, Chapter, Article or Schedule of that number in this Law.

- (4) Reference in an Article or other division of this Law to an Article by number or letter only, and without further identification, is a reference to the Article of that number or letter contained in the Article or other division of this Law in which that reference occurs.
- (5) Unless the context otherwise requires, where this Law refers to an enactment, the reference is to that enactment as amended from time to time, and includes a reference to that enactment as extended or applied by or under another enactment, including any other provision of that enactment.
- (3)(6) References <u>i</u>In this Law, a reference to <u>Registering or recording</u> an <u>I</u>instrument or information in the <u>F</u>folio of the <u>Register</u> is a reference to <u>Registering or recording</u> it in (or in the case of a <u>F</u>folio kept in paper form, on) <u>on</u> the <u>F</u>folio of the <u>Register</u> for the <u>L</u>lot or <u>L</u>lots concerned.

### 1A. Legislation in the DIFC

References to any legislation and Guidance in this Law shall be construed in accordance with the following provisions:

- (a) Federal Law is law made by the federal government of the United Arab Emirates:
- (b) Dubai Law is law made by the Ruler, as applicable in the Emirate of Dubai;
- (c) DIFC Law is law made by the Ruler (including, by way of example, this Law), as applicable in the DIFC;
- (d) this Law is the Strata Title Law Amendment Law, DIFC Law No. 11 of 2018 made by the Ruler;
- (e) the Regulations are legislation made by the Board of Directors of the DIFCA under this Law and are binding in nature;
- (f) the Enactment Notice is the enactment notice pursuant to which this Law is brought into force; and
- (g) Guidance is indicative and non-binding and may comprise (i) guidance made and issued by the Registrar under this Law or the Regulations; and (ii) any standard or code of practice issued by the Board of Directors of the DIFCA which has not been incorporated into the Regulations.

### 2. Defined terms

In this Law, unless the context indicates otherwise:

| Term <u>s</u>                     | Definition <u>s</u>  |
|-----------------------------------|--|
| Aaccessory Llot                   | means a lotan accessory Lot that is intended to be used in association with another lot (being the "principalPrimary Ltot"), for purposes such as storage or parking but not for human occupation as a residence, shop, or the like; |
| administrative fund Administrator | means a fund established by a body corporate to meet recurrent and capital expenditure by the body corporate;an administrator appointed by the Registrar under Article 74.   |
| Authority                         | means the DIFC Authority established under Dubai Law No. 9 of 2004;  |
| Board of Directors of the DIFCA   | means the Strata Titles Board constituted under a Regulation   |

| Торто                                | Definitions   |
|--------------------------------------|---|
| Term <u>s</u>                        | Definitions  made by the Authority; the governing body of the DIFCA.  |
| <u>B</u> body <u>C</u> eorporate     | means—a body corporate formed under this Law; A reference in this Law to a Body Corporate includes a reference to a Principal Body Corporate unless expressly excluded.   |
| Body Corporate Manager               | a manager appointed by a Body Corporate to assist the Body Corporate with its administrative obligations in accordance with this Law including the procurement and supervision of service providers. A reference in this Law to a Body Corporate Manager includes a reference to a Principal Body Corporate Manager unless expressly excluded.                                |
| <u>B</u> boundary <u>S</u> structure | means a wall, floor or ceiling separating a <u>L</u> lot from another <u>L</u> lot or <u>from the C</u> eommon <u>P</u> property;   |
| Building                             | includes a building that is to be erected or that is partially completed; within the Strata Development.  |
| Building Completion                  | the completion of the Building in accordance with the requirements of the Master Developer and the other Relevant Authorities enabling occupation by Owners.  |
| <del>by</del> By-laws                | means-the by-laws made under Part 6;  |
| Caveat                               | has the meaning given to it in the Real Property Law.   |
| Ceollective Seale Resolution         | means a Resolution made under Article 31.   |
| Committee Member                     | a member of the Management Committee.   |
| Committee Representative             | a representative of the Management Committee elected under Article 63(5).   |
| <u>C</u> eommon <u>P</u> property    | for a <u>S</u> strata <u>S</u> scheme means:  |
|                                      | (a) (i) the shared areas and facilities designated under Article 14; and  |
|                                      | (b) (ii)—all other property administered by the <u>B</u> body <u>C</u> eorporate for the relevant <u>Strata S</u> scheme,   |
|                                      | but does not include real propertyparts of the Strata  Development designated for future development in the master plana Staged Strata Plan for a Sstaged development  Strata Sscheme; A reference in this Law to Common Property includes a reference to Principal Common Property unless expressly excluded.  |
| Companies Law                        | the Companies Law DIFC Law No. 5 of 2018.   |
| Court                                | means the DIFC Court; as established under Dubai Law.   |
| Covenant                             | has the meaning given to it in the Real Property Law.   |
| Developer                            | means the person by or on whose behalf a plan or scheme is lodged for registration; the developer of the Strata Development and by or on whose behalf a Strata Plan is lodged for Registration being the person or entity Registered as the freehold Owner of the Strata Development immediately before the Registration of a Strata Plan relating to the Strata Development. |
| DIFC                                 | meansmaster community known as the Dubai International Financial Centre;  |

| Term <u>s</u>                               | Definition <u>s</u>  |
|---|--|
| <u>DIFCA</u>                                | the DIFC Authority established under Dubai Law.  |
| <u>Directive</u>                            | a directive issued by the Registrar under Article 141.   |
| Disclosure Statement                        | a disclosure statement for a Staged Strata Scheme prepared in accordance with Article 42(3).   |
| <u>Dubai Real Estate Laws</u>               | all laws, regulations, circulars and the like issued by the Government of Dubai or any Relevant Authority in respect of land and/or real estate rights or interests outside of the DIFC.   |
| <u>Easement</u>                             | has the meaning given to it in the Real Property Law.  |
| Entitled to Vote                            | an Owner that has paid all Service Charges and is in compliance with its obligations under the Strata Management Statement and this Law.   |
| Exclusive Use By-law                        | a By-law that records the granting of an Exclusive Use Right under Article 79.   |
| Eexclusive <u>U</u> use by law <u>Right</u> | means a by law giving the granting to an Oowner of a lotthe exclusive rights to the use and enjoyment of, or other special rights in relation to, the whole or part of the Ceommon Pproperty; subject to the conditions of the respective Exclusive Use By-law and this Law. |
| <u>E</u> extraordinary <u>R</u> resolution  | means—a resolution passed at a duly convened General Mmeeting—of the members of the body corporate by at least ninety per cent (90%) of the membersOwners present and Eentitled to V=vote at thesuch General Mmeeting;   |
| <u>Folio</u>                                | has the meaning given to it in the Real Property Law.  |
| General Fund                                | the general fund established by a Body Corporate in accordance with Article 67 to fund General Fund Expenses.  |
| Law   | means any enacted law or regulations made under it;  |
| General Fund Expenses                       | all costs, expenses, fees and other outgoings incurred by a Body Corporate in Operating the Common Areas and administering the Body Corporate which are the responsibility of the Body Corporate under this Law (other than Reserve Fund Expenses).                          |
| General Meeting                             | a general meeting of a Body Corporate held in accordance with Article 60.  |
| Guidance                                    | has the meaning given in Article 1A(g) of Schedule 2 to this Law.  |
| Insolvency Law                              | the Insolvency Law DIFC Law No. 3 of 2009.   |
| Instrument                                  | has the meaning given to it in the Real Property Law.  |
| Licensed Body Corporate Manager             | a Body Corporate Manager licensed by the applicable Relevant Authorities to manage Bodies Corporate in the DIFC and approved by the Registrar.   |
| <u>Licensed Surveyor</u>                    | a surveying company licensed to prepare Strata Plans within the Emirate of Dubai and approved by the Registrar.  |
| <u>L</u> łot                                | in respect of a site, means the whole or any part of the sitedesignated area within a Strata Development allocated for separate ownership, occupation and/or use by the Oowner of the Ltot or by a person deriving rights of   |

| Term <u>s</u>                | Definition <u>s</u>   |
|------------------------------|---|
|                              | occupation from the Oowner; A reference in this Law to a Lot includes a reference to a Principal Lot and an Accessory Lot unless expressly excluded.  |
| Lot Entitlement              | the proportional share of the Common Property allocated to a Lot as calculated in accordance with Article 21.   |
| Management Committee         | a committee of management elected by the Owners under Article 63(1)(a).   |
| Master Community Declaration | has the meaning given to it in the Real Property Law.   |
| Master Developer             | DIFC Investments LLC or its affiliate, nominees, assigns, transferees, successors or successors-in-title or any other entity or Relevant Authority as may assume responsibility for the development, management or control of the Master Community from time to time. |
| Model By-laws                | means the model by-laws set out in Schedule 1.  |
| <u>Mortgage</u>              | has the meaning given to it in the Real Property Law.   |
| Mortgagee                    | has the meaning given to it in the Real Property Law.   |
| Occupier                     | any occupier, tenant, licensee or person with any other right of possession or occupation (including any mortgagee in possession) of a Lot or the Common Property (or any part thereof).  |
| Off Plan Register            | has the meaning given to it in the Real Property Law.   |
| Operating Account            | the bank account opened and maintained by a Body Corporate with a licensed bank in the UAE approved by the Registrar for the purpose of holding the General Fund and Reserve Fund in accordance with this Law.  |
| Operating Year               | the period commencing on 1 January and expiring on 31  December every year (or such other yearly period as may be determined by the Registrar from time to time).   |
| <u>Operation</u>             | the use, administration, control, operation, management, insurance, maintenance, repair, refurbishment, replacement and (where necessary) renovation and renewal and "Operate", "Operating" and "Operational" shall have corresponding meanings.                      |
| <u>Order</u>                 | an order of the Registrar under this Law which is binding on the interested parties to whom the order applies as specified in the order.  |
| Oordinary R≠esolution        | of a body corporate means a resolution of a Body Corporate passed at a duly convened General Mmeeting of the members of the body corporate by a majority of the votes of membersOwners present and voting at the such General Mmeeting.                               |
| original owner               | means the person registered as the freehold owner of the site immediately before the registration of a plan relating to the site;   |
| <u>O</u> owner               | means, in relation to a Llot, the person Registered as freehold Oowner in the Strata Scheme under the Real Property Law, and "Owners" means all of any of the Owners within the Strata Scheme as the context so   |

| Terms  | Definitions   |
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| _  | determines.   |
| <del>plan</del> Permitted Use                  | means:  |
|  | (i) a strata plan; or   |
|  | (ii) the master plan for a staged development scheme; the permitted use of a Lot and/or Common Property as approved by the Master Developer and the other Relevant Authorities.   |
| Prescribed Fee                                 | the fee prescribed by the Registrar from time to time.  |
| <del>principal<u>Primary</u> <u>L</u>lot</del> | means the Llot with which an Aaccessory Llot is associated; as specified in the Strata Management Statement.  |
| Principal Body Corporate                       | a Body Corporate for a Principal Strata Scheme established upon Registration of a Principal Strata Plan.  |
| Principal Common Property                      | the Common Property in a Principal Strata Scheme.   |
| Principal Lot                                  | a Lot in a Principal Strata Scheme.   |
| Principal Strata Management Statement          | a Strata Management Statement Registered in respect of a Principal Strata Scheme.   |
| Principal Strata Plan                          | a Strata Plan that divides Real Property into Principal Lots and Principal Common Property.   |
| Principal Strata Scheme                        | a Strata Scheme created upon the Registration of a Principal Strata Plan.   |
| <u>P</u> prospective <u>O</u> owner            | of a lot in a scheme means a person who has entered into a contractSale and Purchase Agreement to purchase an existing or future Ltot in thea Strata Sscheme;   |
| Proxy  | a duly executed proxy in the form approved by the Registrar from an Owner appointed a person to vote on behalf of the Owner as a General Meeting.   |
| Real Property                                  | has the meaning given to it in the Real Property Law.   |
| Real Property Law                              | means the DIFC-Real Property Law (DIFC Law No. 4 <u>10</u> of 2007);2018.   |
| Real Property Interests                        | has the meaning given to it in the Real Property Law.   |
| Real Property Register                         | has the meaning given to it in the Real Property Law.   |
| Real Property Rights                           | has the meaning given to it in the Real Property Law.   |
| Registrar                                      | means—the Registrar of Real Property appointed underpursuant to Article 12 of the Real Property Law; and is deemed to have the same duties and functions in relation to the administration of this Law as are set out in more detail therein. |
| Register                                       | and "Registered", "Registering" and "Registration"each have the meaning given to them in the Real Property Law.   |
| Regulations                                    | the Strata Title Regulations issued by the DIFCA under Article 143.   |
| scheme   | means:  |
|  | (i) a strata scheme; or   |

| Terms                                    | Definitions  |
|--|--|
| <u>-</u>                                 | (ii) a staged development scheme;  |
| Relevant Authority                       | means as the context requires:   |
|  | (a) the DIFCA;   |
|  | (b) any authority within the DIFC charged with the duty of implementing the policies and laws of the DIFC whose subject matter falls within its authority;   |
|  | (c) the Dubai Creative Clusters Authority:   |
|  | (d) the Government of the UAE;   |
|  | (e) the Government of the Emirate of Dubai;  |
|  | (f) any other ministry, department, local authority or entity having jurisdiction over the Master Community (including any regulator appointed pursuant to any applicable laws); and   |
|  | any service provider approved by the Master Developer and having jurisdiction over the Master Community (including but not limited to the Dubai Electricity and Water Authority).  |
| Reserve Fund                             | the reserve fund established by the Body Corporate in accordance with Article 67 to fund Reserve Fund Expenses.  |
| Reserve Fund Expenses                    | all costs, expenses, fees and other outgoings incurred by a Body Corporate in paying for renewals, repairs and/or replacements of the Common Property of a capital nature, and costs associated with establishing and maintaining the Reserve Fund.              |
| Reserve Fund Forecast                    | a study of the monies required to be collected from the Owners and deposited into the Reserve Fund over a rolling ten (10) year period from the date of the forecast in order to pay for the capital repair, maintenance and replacement of the Common Property. |
| Resolution                               | an Extra Ordinary Resolution, an Ordinary Resolution and a Special Resolution, as the context so provides.   |
| Ruler                                    | the Ruler of the Emirate of Dubai.   |
| Service Charges                          | the service charges to be raised on an annual basis by a Body Corporate to fund the General Fund Expenses and the Reserve Fund Expenses.   |
| Sale and Purchase Agreement              | a sale and purchase agreement or other form of contract that provides for the sale of a Lot from the current Owner of the Lot or the Developer to a Prospective Owner.   |
| Schedule                                 | a schedule to this Law.  |
| <u>S</u> service <u>I</u> infrastructure | means cables, wires, pipes, sewers, drains, ducts, plant and equipment by which:   |
|  | (a) (i)-water, gas, electricity, heating, or conditioned or  |

| Тошия  | Definitions   |
|--|---|
| Term <u>s</u>  | unconditioned air is supplied to a <u>L</u> lot or the <u>C</u> eommon <u>P</u> property;   |
|  | (b) (ii)—a <u>L</u> lot or part of the <u>C</u> eommon <u>P</u> property is connected to a telephone, fax, cable television or other telecommunication service;   |
|  | (c) (iii)—a <u>L</u> lot or part of the <u>C</u> eommon <u>P</u> property is connected to a sewerage or drainage system;  |
|  | (d) (iv) a system for the removal or disposal of waste is provided;   |
|  | (e) (v)—a system designed for fire safety for more than one (1) Llot or for the Ceommon Pproperty is provided; or   |
|  | (f) (vi) other systems or services designed to improve the safety, security or amenity, or enhance the enjoyment, of the Llots or Ceommon Peroperty are provided:   |
| site   | means the whole of the real property included in a plan (including lots and common property);   |
| Sepecial Resolution  | of a body corporate means—a resolution passed at a duly convened General Mmeeting—of the members of the body corporate by at least seventy five per cent (75%) of the membersOwners present and Eentitled to V+ote at the such General Mmeeting;  |
| <u>S</u> staged <del>development</del> <u>Strata</u> <u>S</u> scheme | means—the <u>Strata S</u> scheme for the development of real propertya <u>Strata Development in stages</u> by the <u>R</u> registration of a series of <u>S</u> strata <u>P</u> plans; <u>upon the completion of each stage.</u>  |
| Staged Strata Plan   | a Strata Plan for a Staged Strata Scheme prepared in accordance with Article 42(2).   |
| <u>S</u> statutory <u>E</u> easement                                 | means an <u>E</u> easement under Article 18;  |
| Strata Development   | a development with multiple owners which is the subject of a Strata Scheme or Strata Schemes (including Lots and Common Property).  |
| <u>S</u> strata scheme <u>Management Statement</u>                   | means the complex of lots and common property (together with the system of administration and management) created on the registration of a strata plan; a management statement setting out the rights and obligations of the Owners prepared by the Developer in accordance with the Regulations in the form required by the Registrar to be Registered with the Strata Plan. |
| Strata Plan  | a Survey Plan prepared by a Licensed Surveyor in the form approved by the Registrar that divides the Strata Development or any Real Property within the Strata Development into Lots or into Lots and Common Property. A reference in this Law to a Strata Plan includes a reference to a Principal Strata Plan and a Phased Strata Plan unless expressly excluded.           |
| Strata Roll  | a written record to be maintained by the Body Corporate Manager on behalf of the Body Corporate containing the information specified in Article 72(1).  |

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| Term <u>s</u>         | Definition <u>s</u>  |
|-----------------------|--|
| Strata Scheme         | a management scheme of arrangement created upon the Registration of a Strata Plan including the establishment of a Body Corporate under this Law. A reference in this Law to a Strata Scheme includes a reference to a Principal Strata Scheme and a Staged Strata Scheme unless expressly excluded. |
| Survey Plan           | has the meaning given to it in the Real Property Law.  |
| unit unit entitlement | has the meaning given in Article 21.   |