



# ***Strata Titles Amendment Act 2018***

## ***Fact Sheet***

### **SECTIONS 78 -81**

#### **Scheme Developer**

##### **Section 77 First statutory general meeting**

- (1) The scheme developer of the initial subdivision of land by registration of a strata titles scheme must, within 3 months after registration of the scheme, convene a general meeting of the strata company for the scheme.
- (2) The scheme developer must do so even if the scheme developer is no longer a member of the strata company and even if there are no other members of the strata company.
- (3) If there is another member of the strata company, a member of the strata company may convene the meeting if the scheme developer fails to do so.
- (4) The first statutory general meeting is to be conducted as an annual general meeting of the strata company and the obligations that would usually fall on the strata company fall instead on the scheme developer.
- (5) The person who convenes the meeting is to preside at the meeting or nominate someone to preside at the meeting

##### **Section 78 Key Documents**

- (1) The Scheme developer of a subdivision of land by a Strata Title scheme must ensure that all the key documents for the subdivision that come into the possession or control of the scheme developer are retained and given to the Strata Company at the first statutory general meeting of the Strata Company

##### **Section 79 Disclosure of remuneration and other benefits.**

- (1) This section applies to the following -
  - (a) a contract for the provision of services or amenities to the strata company or to members of the strata company entered into or arranged by a scheme developer for the subdivision or by the strata company;
  - (b) any other contract that binds the strata company;
  - (c) a lease or licence of the common property of the strata titles scheme.
- (2) A scheme developer of a subdivision of land by a strata titles scheme must disclose in writing to the strata company for the scheme the following for each contract, lease or licence to which this section applies —
  - (a) details of any remuneration or other benefit (including savings connected with installation or commissioning of infrastructure for the provision of services under the contract) that the scheme developer or an associate of the scheme developer has received or has a reasonable expectation of receiving arising out of the contract, lease or licence;

- (b) details of any other direct or indirect pecuniary interest that the scheme developer or an associate of the scheme developer has in the contract, lease or licence, other than as a member of the strata company.
- (3) The disclosure —
- (a) must be made as soon as reasonably practicable after the scheme developer becomes aware of the facts giving rise to the requirement to disclose; and
  - (b) must include information as to the value of the remuneration or other benefit.

**Section 80 Defects in scheme buildings or infrastructure**

- (1) On establishment of a strata company for a strata scheme, the strata company is subrogated to all the rights and remedies of the scheme developer in respect of —
- (a) in a strata scheme — each scheme building; and
  - (b) in a strata scheme or survey-strata scheme — infrastructure comprising common property of the scheme.
- (2) If, within 10 years after completion of a scheme building or infrastructure comprising common property of a strata titles scheme, a proposed resolution is put to a strata company about a defect in the scheme building or infrastructure, a member of the strata company must be excluded from voting on the resolution if the member is —
- (a) the scheme developer of a subdivision of land by the strata titles scheme in which the building was constructed or modified; or
  - (b) an associate of such a person.
- (3) If a member is excluded under subsection (2), the unit entitlement of the lot of the member must be disregarded in determining whether the proposed resolution is passed as a resolution of the strata company.

**SECTION 81 Contracting out prohibited**

- (1) A contract or any other agreement or arrangement is of no effect to the extent that it purports to exclude or restrict the operation of this Part.
- (2) A purported waiver of a right, remedy or benefit conferred on a person under this Part is of no effect.