



# ***Strata Titles Act 1985 (as amended)***

## ***Fact Sheet***

### **Schedule 1**

#### **Governance by-laws**

1. **Duties of owner**

- (1) The owner of a lot must —
  - (a) immediately carry out all work that may be ordered under a written law in respect of the lot other than such work as may be for the benefit of the building generally and pay all rates, taxes, charges, outgoings and assessments that may be payable in respect of the lot;
  - (b) maintain and repair the lot, and keep it in a state of good condition, reasonable wear and tear, and damage by fire, storm, tempest or act of God excepted.
- (1A) The owner of a lot must —
  - (a) notify in writing the strata company immediately on becoming the owner of the lot, including in the notice the owner's address for service for the purposes of this Act; and
  - (b) if required in writing by the strata company, notify the strata company of any mortgage or other dealing in connection with the lot, including in the case of a lease of a lot, the name of the lessee and the term of the lease.

2. ***Deleted by No. 30 of 2018 s. 88.***

3. **Power of strata company regarding sub meters**

- (1) If the supply of gas or electricity to a lot is regulated by means of a sub meter, the strata company may require the owner or occupier of the lot to pay the strata company by way of security for the payment of charges arising through the sub meter an amount not exceeding \$200 and, if any amount so paid is applied by the strata company under sub-law (3), to pay such further amount or amounts by way of such security as may be necessary to maintain the amount of the security as, subject to this sub-law, the strata company may require.
- (2) The strata company must lodge every sum received under this by-law to the credit of an interest-bearing ADI account and all interest accruing in respect of amounts so received must, subject to this by-law, be held on trust for the owner or occupier who made the payment.

- (3) If the owner or occupier of a lot in respect of which a sub meter is used for the supply of gas or electricity refuses or fails to pay any charges due for the supply of gas or electricity to that lot, the strata company may apply in payment of those charges all, or such part as is necessary, of any amount paid to the strata company by that owner or occupier under this by-law, including any interest that may have accrued in respect of that amount.
- (4) If a person who has paid an amount under this by-law to a strata company satisfies the strata company that the person is no longer the owner or occupier of a lot and that the strata company no longer has any liability or contingent liability for the supply of gas or electricity to that lot during the period when that person was an owner or occupier of the lot, the strata company must refund to that person the amount then held on the person's behalf under this by-law.

4. **Constitution of council**

- (1) The powers and duties of the strata company must, subject to any restriction imposed or direction given at a general meeting, be exercised and performed by the council of the strata company and a meeting of the council at which a quorum is present is competent to exercise all or any of the authorities, functions or powers of the council.
- (2) Until the first annual general meeting of the strata company, the owners of all the lots constitute the council.
- (3) If there are not more than 3 lots in the scheme, the council consists of all of the owners of the lots and, if there are more than 3 lots in the scheme, the council consists of not less than 3 nor more than 7 of the owners of the lots, as is determined by the strata company.
- (4) If there are more than 3 lots in the scheme, the members of the council must be elected at each annual general meeting of the strata company or, if the number of lots in the scheme increases to more than 3, at an extraordinary general meeting convened for the purpose.
- (6) If there are co-owners of a lot, 1 only of the co-owners is eligible to be, or to be elected to be, a member of the council and the co-owner who is so eligible must be nominated by the co-owners, but, if the co-owners fail to agree on a nominee, the co-owner who owns the largest share of the lot is the nominee or, if there is no co-owner who owns the largest share of the lot, the co-owner whose name appears first in the certificate of title for the lot is the nominee.
- (8) Except if the council consists of all the owners of lots in the scheme, the strata company may by special resolution remove any member of the council before the expiration of the member's term of office.
- (9) A member of the council vacates office as a member of the council —
  - (a) if the member dies or ceases to be an owner or co-owner of a lot; or

- (b) on receipt by the strata company of a written notice of the member's resignation from the office of member; or
  - (c) at the conclusion of an annual general meeting of the strata company at which an election of members of the council takes place and at which the member is not elected or re-elected; or
  - (d) in a case where the member is a member of the council by reason of there being not more than 3 owners of lots in the scheme, on an election of members of the council (as a result of there being an increase in the number of owners to more than 3) at which the member is not elected; or
  - (e) if the member is removed from office under sub-by-law (8); or
  - (f) if the Tribunal orders that the member's appointment is revoked and the member is removed from office.
- (10) The remaining members of the council may appoint a person eligible for election to the council to fill a vacancy in the office of a member of the council, other than a vacancy arising under sub-by-law (9)(c) or (d), and any person so appointed holds office, subject to this by-law, for the balance of the predecessor's term of office.

Note for this sub-by-law:

By-law 6(3A) provides for the filling of vacancies in the offices of chairperson, secretary and treasurer.

- (11) Except if 1 person is the owner of all of the lots in the scheme, a quorum of the council is 2 if the council consists of 3 or 4 members; 3, if it consists of 5 or 6 members; and 4, if it consists of 7 members.
- (12) The continuing members of the council may act even if there is a vacancy in the council, but so long as the number of members is reduced below the number fixed by these by-laws as the quorum of the council, the continuing members or member of the council may act for the purpose of increasing the number of members of the council or convening a general meeting of the strata company, but for no other purpose.
- (13) All acts done in good faith by the council, even if it is afterwards discovered that there was some defect in the appointment or continuance in office of any member of the council, are as valid as if that member had been duly appointed or had duly continued in office.

## 5. Election of council at general meeting

The procedure for nomination and election of members of a council must be in accordance with the following rules —

- (1) The meeting must determine, in accordance with the requirements of by-law 4(3) the number of persons of whom the council is to consist.
- (2) The chairperson must call on those persons who are present at the meeting in person or by proxy and entitled to nominate candidates to nominate candidates for election to the council.



- (3) A nomination is ineffective unless supported by the consent of the nominee to the nomination, given —
  - (a) in writing, and furnished to the chairperson at the meeting; or
  - (b) orally by a nominee who is present at the meeting in person or by proxy.
- (4) When no further nominations are forthcoming, the chairperson —
  - (a) if the number of candidates equals the number of members of the council determined in accordance with the requirements of by-law 4(3), must declare those candidates to be elected as members of the council;
  - (b) if the number of candidates exceeds the number of members of the council as so determined, must direct that a ballot be held.
- (5) If a ballot is to be held, the chairperson must —
  - (a) announce the names of the candidates; and
  - (b) cause to be furnished to each person entitled to vote and present in person or by proxy, a blank form in respect of each lot in respect of which the person is entitled to vote for use as a ballot form.
- (6) A person who is entitled to vote must complete a valid ballot form by —
  - (a) writing on the form the names of candidates, equal in number to the number of members of the council so that no name is repeated; and
  - (b) indicating on the form the number of each lot in respect of which the person's vote is cast and whether the person so votes as owner or first mortgagee of each such lot or as proxy of the owner or first mortgagee; and
  - (c) signing the ballot form; and
  - (d) returning it to the chairperson.
- (7) The chairperson, or a person appointed by the chairperson, must count the votes recorded on valid ballot forms in favour of each candidate.
- (8) Subject to sub-by-law (9), candidates, being equal in number to the number of members of the council determined in accordance with by-law 4(3), who receive the highest numbers (in terms of lots or unit entitlements as required under the *Strata Titles Act 1985* section 122) of votes are to be declared elected to the council.
- (9) If the number (in terms of lots or unit entitlements as required under the *Strata Titles Act 1985* section 122) of votes recorded in favour of any candidate is the lowest of the numbers of votes referred to in sub-by-law (8) and —
  - (a) that number equals the number of votes recorded in favour of any other candidate; and
  - (b) if each of those candidates were to be declared elected the number of persons elected would exceed the number of persons required to be elected,as between those candidates, the election must be decided by a show of hands of those entitled to vote and present in person or by proxy.



**6. Chairperson, secretary and treasurer of council**

- (1) The members of a council must, at the first meeting of the council after they assume office as such members, appoint a chairperson, a secretary and a treasurer of the council.
- (2) A person —
  - (a) must not be appointed to an office referred to in sub-by-law (1) unless the person is a member of the council; and
  - (b) may be appointed to 1 or more of those offices.
- (3) A person appointed to an office referred to in sub-by-law (1) holds office until the first of the following events happens —
  - (a) the person ceases to be a member of the council under by-law 4(9);
  - (b) receipt by the strata company of a written notice of the person's resignation from that office;
  - (c) another person is appointed by the council to hold that office.
- (3A) The remaining members of the council must appoint a member of the council to fill a vacancy in an office referred to in sub-by-law (1), other than a vacancy arising under by-law 4(9)(c) or (d), and any person so appointed holds office, subject to this by-law, for the balance of the predecessor's term of office.
- (4) The chairperson is to preside at all meetings of the council but, if the chairperson is absent from, or is unwilling or unable to preside at, a meeting, the members of the council present at that meeting can appoint 1 of their number to preside at that meeting during the absence of the chairperson.

**7. Chairperson, secretary and treasurer of strata company**

- (1) Subject to sub-by-law (2), the chairperson, secretary and treasurer of the council are also respectively the chairperson, secretary and treasurer of the strata company.
- (2) A strata company may at a general meeting authorise a person who is not an owner of a lot to act as the chairperson of the strata company for the purposes of that meeting.
- (3) A person appointed under sub-by-law (2) may act until the end of the meeting for which the person was appointed to act.

**8. Meetings of council**

- (1) At meetings of the council, all matters must be determined by a simple majority vote.
- (2) The council may —
  - (a) meet together for the conduct of business and adjourn and otherwise regulate its meetings as it thinks fit, but the council must meet when any member of the council gives to the other members not less than 7 days' notice of a meeting proposed by the member specifying in the notice the reason for calling the meeting; or

- (b) employ or engage, on behalf of the strata company, any person as it thinks is necessary to provide any goods, amenity or service to the strata company; or
  - (c) subject to any restriction imposed or direction given at a general meeting of the strata company, delegate to 1 or more of its members such of its powers and duties as it thinks fit, and at any time revoke the delegation.
- (3) A member of a council may appoint an owner of a lot, or an individual authorised under the *Strata Titles Act 1985* section 136 by a corporation which is an owner of a lot, to act in the member's place as a member of the council at any meeting of the council.
- (4) An owner of a lot or individual may be appointed under sub-bylaw (3) whether or not that person is a member of the council.
- (5) If a person appointed under sub-bylaw (3) is a member of the council the person may, at any meeting of the council, separately vote in the person's capacity as a member and on behalf of the member in whose place the person has been appointed to act.

9. **Powers and duties of secretary of strata company**

The powers and duties of the secretary of a strata company include —

- (a) the preparation and distribution of minutes of meetings of the strata company and the submission of a motion for confirmation of the minutes of any meeting of the strata company at the next such meeting; and
- (b) the giving on behalf of the strata company and of the council of the notices required to be given under the Act; and
- (c) the supply of information on behalf of the strata company in accordance with the *Strata Titles Act 1985* sections 108 and 109; and
- (d) the answering of communications addressed to the strata company; and
- (e) the calling of nominations of candidates for election as members of the council; and
- (f) subject to the *Strata Titles Act 1985* sections 127, 128, 129, 200(2) (f) and (g) the convening of meetings of the strata company and of the council.

10. **Powers and duties of treasurer of strata company**

The powers and duties of the treasurer of a strata company include —

- (a) the notifying of owners of lots of any contributions levied under the *Strata Titles Act 1985*; and

- (b) the receipt, acknowledgment and banking of and the accounting for any money paid to the strata company; and
- (c) the preparation of any certificate applied for under the *Strata Titles Act 1985* section 110; and
- (d) the keeping of the records of account referred to in the *Strata Titles Act 1985* section 101 and the preparation of the statement of accounts referred to in the *Strata Titles Act 1985* section 101.