



# STRATA TITLE LAW

## DIFC LAW NO. 5 OF 2007

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As amended by

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DIFC Law No. 2 of 2022

Strata Title Law Amendment Law  
DIFC Law No. 11 of 2018

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**PART 1: GENERAL**

**1. Title**

This Law may be cited as the “Strata Title Law DIFC Law No. 5 of 2007”.

**2. Legislative Authority**

This Law is made by the Ruler.

**3. Application of this Law**

This Law applies to Real Property that is the subject of a Strata Scheme within the jurisdiction of the DIFC.

**4. Purpose of this Law**

The purpose of this Law is to extend the benefits of Registration under the Real Property Law DIFC Law No. 10 of 2018 to units of Real Property (“Lots”) in Strata Developments, and in particular:

- (a) to provide for the Registration of Strata Schemes under the Real Property Law;
- (b) to provide for the application of the Real Property Law to Strata Developments and guarantee ownership of Lots in Strata Developments under the Real Property Law;
- (c) to provide for the licensing and regulation of Bodies Corporate;
- (d) to facilitate dealings with Lots in Strata Developments, the Registration of Real Property Rights and Real Property Interests;
- (e) to facilitate the day-to-day administration of the Operation of Strata Developments and the licensing and regulation of Body Corporate Managers;
- (f) to resolve disputes between Owners, Body Corporate Managers and third parties in Strata Developments; and
- (g) to allow for Strata Developments to be developed in orderly stages.

**5. Date of enactment**

This Law is enacted on the date specified in the Enactment Notice in respect of this Law.

**6. Date of commencement**

This Law comes into force on the date specified in the Enactment Notice for the Law.

**7. Applicability of other laws**

- (1) This Law is to be construed with the Real Property Law, in that the provisions of the Real Property Law apply to all Lots, Real Property Rights and Real Property Interests Registered under this Law.
- (2) Dubai Real Estate Laws do not apply to Strata Developments Registered under this Law.
- (3) Subject to Article 56(3), the Companies Law does not apply to Bodies Corporate established under this Law.

**8. Interpretation**

- (1) For the purposes of clarification, in this Law “Real Property” includes the land on which a Strata Development is erected or proposed to be erected.
- (2) Schedule 1 contains the Model By-laws.
- (3) Schedule 1 contains:
  - (a) the Rules of Interpretation applying to this Law; and
  - (b) a list of defined terms used in this Law.

Terms that are capitalised in this Law have the meanings as so ascribed in Schedule 1, and if not defined in Schedule 1, have the meanings as so ascribed in the Real Property Law.

**PART 2: STRATA SCHEMES**

**CHAPTER 1 - DIVISION OF REAL PROPERTY BY STRATA PLAN**

**9. Division of Real Property by Strata Plan**

- (1) Real Property for which one (1) or more Folios have been created under the Real Property Law may be divided into Lots, or into Lots and Common Property, by registering a Strata Plan as provided in this Article 9(1).
- (2) If the Real Property to be divided by a Strata Plan is comprised in two (2) or more Folios, the Registration of the Strata Plan effects any necessary consolidation of the Real Property contained in such Folios without the need for the Registration of any plan of consolidation.
- (3) Real Property may be divided both vertically and horizontally under this Law, but vertical division into more than one (1) vertical levels (or stratum) is not a necessary requirement of a Strata Development.
- (4) If Real Property is divided vertically, a Lot may be created entirely on one (1) level, or partially on one (1) level and partially on another or other levels. A Lot may comprise a number of parts 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.
- (7) Subject to planning controls, 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 Permitted Uses (for example, one (1) area within the Strata Development may be designated for residential use, another for commercial use, and another for retail use).
- (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.
- (9) The Owner must not use a Lot or any part of Common Property for any other use than the Permitted Use.
- (10) No change to the Permitted Use of a Lot or 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.

**CHAPTER 2 - REQUIREMENTS FOR REGISTRATION OF A STRATA PLAN**

**10. Requirements for Strata Plan**

- (1) A Strata Plan must:
  - (a) state the name of the Strata Scheme;
  - (b) delineate the external surface boundaries of the Strata Development and the location of the Buildings, or proposed Buildings in a Staged Strata Scheme, in relation to those boundaries;
  - (c) clearly depict the location of the Strata Development;

- (d) clearly depict the Lots and distinguish them by numbers or other symbols;
  - (e) define the boundaries of each Lot;
  - (f) state the area of each Lot calculated in accordance with the Regulations;
  - (g) state the Lot Entitlement of each Lot;
  - (h) indicate (if it is the case) that a Lot is an Accessory Lot and identify the Primary Lot with which it is associated;
  - (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)(j), 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;
  - (l) if Easements and/or Covenants are to be created on Registration of the Strata Plan:
    - (i) define or describe the rights of access to be conferred by the Easements; and
    - (ii) define other Easements and Covenants (other than Statutory Easements) that are to be created on Registration of the Strata Plan and to which any part of the Strata Development is to be benefitted or burdened by;
  - (m) state the name of the Body Corporate to be formed on Registration of the Strata Plan and its address for service;
  - (n) be accompanied by the proposed first Strata Management Statement for the Strata Scheme in the form required by the Registrar;
  - (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
  - (q) contain such other information and features as required by the Registrar from time to time.
- (2) If a Lot is separated from another Lot, or from Common Property, by a Boundary Structure, the boundary is, unless otherwise stipulated in the Strata Plan, the centre of the Boundary Structure.
- (3) Despite Article 10(2), unless otherwise approved by the Registrar:
- (a) any windows (whether fixed or sliding) that are on the exterior wall of a Lot and enclosed within a space such as a balcony, are part of the Lot; and
  - (b) any other windows that are on the exterior wall of a Lot are Common Property.

- (4) A Strata Plan must be endorsed with or accompanied by a certificate of a Licensed Surveyor, in a form approved by the Registrar, certifying that the Strata Plan has been prepared in accordance with this Law and that information contained in the Strata Plan is accurate and complete and that the Building or Buildings shown on the Strata Plan are wholly within the boundaries of the Strata Development or that any encroachment beyond those boundaries is legally permitted.
- (5) In this Article 10, "Lot" includes a Lot within a Building that is yet to be constructed or completed.

**11. Lodgement and Registration of Strata Plan**

- (1) A Strata Plan has no legal effect unless and until it is Registered.
- (2) A Strata Plan must be 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. A Developer who breaches this Article 11(1) commits a contravention of this Law.
- (3) The Strata Plan must be accompanied by:
  - (a) subject to Article 11(4), a certificate issued by the Relevant Authority that the Relevant Authority has approved the Strata Development and the construction of the Building;
  - (b) any other documents that may be required by the Registrar; and
  - (c) the Prescribed Fee.
- (4) Where the DIFCA, the Master Developer or a Relevant Authority has assented through a notification to the strata subdivision of a Building without needing planning approval, the as-built building plans as approved by the Relevant Authority may constitute the Strata Plan for the purposes of Article 10, if they are accompanied by a certificate from a Licensed Surveyor:
  - (a) setting out the information required by Article 10; and
  - (b) certifying that the submitted Strata Plan is correct and that the separate areas within the Building accord with the areas that the Registered freehold Owner of the Real Property on which the Building stands has sold or agreed to sell.

If satisfied that the requirements for Registration have been complied with, the Registrar must register the Strata Plan.

- (5) 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 Registrar may make an Order that an interim Body Corporate be established by the Developer pending Registration of the Strata Plan.
- (6) If the Registrar 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 Registration of a Strata Plan, a Mortgage was Registered in the Folio or Folios for the entire Strata Development, then on Registration of the Strata Plan the Registrar must register the Mortgage in the Folio for each Lot created on Registration of the Strata Plan.

- (2) If, immediately before the Registration of the Strata Plan, a part of the Strata Development was subject to one (1) Mortgage and another part of the Strata Development was subject to another Mortgage, the Registrar must Register each Mortgage in the Folio for the Lot that corresponds most closely to the part of the Strata Development over which the Mortgage was granted.
- (3) The Registrar must not Register the Mortgage in the Folio for the Common Property.

**13. Effect of Registration**

- (1) A Registered Strata Plan forms part of the Real Property Register.
- (2) On Registration of the Strata Plan, the Registrar must create Folios for:
  - (a) each Lot created by the Registration of the Strata Plan; and
  - (b) the Common Property.
- (3) When creating a Folio for a Lot, the Registrar must:
  - (a) if the Developer still owns the Lot, Register the Developer as the Owner of that Lot;
  - (b) if the Developer has transferred the Lot, and the Prospective Owner has Registered such Real Property Interest in the Off Plan Register, the Registrar must Register as the Owner the Prospective Owner who, at the time of creation of the Folio, appears as the Prospective Owner in the Off Plan Register upon written confirmation from the Developer that the Prospective Owner has fully complied with its obligations under the Sale and Purchase Agreement; and
  - (c) record on the Folio of the Lot that 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.
- (4) When creating a Folio for the Common Property, the Registrar must Register the Body Corporate as the Registered Owner.
- (5) The following provisions apply to the Folio for the Common Property:
  - (a) Easements (other than Statutory Easements), Covenants and Caveats affecting the Strata Development are to be Registered in the Folio;
  - (b) dealings with the Common Property by the Body Corporate of a kind authorised under this Law are to be Registered in the Folio;
  - (c) the initial Strata Management Statement of the Body Corporate is to be Registered on the Folio;
  - (d) if the initial By-laws of the Body Corporate are not the Model By-laws in Schedule 1, that fact is to be Registered in the Folio and any changes to By-laws are to be Registered in the Strata Management Statement; and
  - (e) any amendments to the Strata Plan and the Strata Management Statement are to be Registered in the Folio.

**CHAPTER 3 – THE COMMON PROPERTY**

**14. Common property**

- (1) Subject to Article 14(2), the Common Property consists of:
  - (a) parts of the Strata Development (including Buildings or parts of Buildings and improvements) that are not within a Lot; and
  - (b) the Service Infrastructure notwithstanding it may be located within or accessed through a Lot.
- (2) A part of the Service Infrastructure within a Lot, that solely relates to supplying services to the Lot, is Common Property only if it is within a Boundary Structure separating the Lot from another Lot or from Common Property or is part of a network that services more than one (1) Lot.

**15. Ownership of Common Property**

- (1) A Body Corporate holds ownership of the Common Property in trust for the Owners in the Strata Scheme.
- (2) The Owners are, in equity, tenants in common of the Common Property in shares proportionate to the Lot Entitlements of their respective Lots.
- (3) An Owner's interest in a Lot is inseparable and indefeasible from the Owner's interest in the Common Property, so that:
  - (a) a dealing with the Lot affects, without express mention, the Lot Owner's interest in the Common Property; and
  - (b) an Owner cannot separately deal with or dispose of the Owner's interest in the Common Property in any manner whatsoever.
- (4) A Body Corporate must not Mortgage or charge the Common Property, but otherwise may deal with the Common Property on behalf of the Owners as authorised under this Law.

**16. Rights and responsibilities for Common Property**

- (1) A Body Corporate has a separate legal personality and may sue and be sued for rights and liabilities related to the Common Property as if the Body Corporate were the owner and occupier of the Common Property.
- (2) If a Body Corporate grants an Exclusive Use Right with respect to a part of the Common Property to an Owner, the Body Corporate's rights and liabilities with respect to that part of the Common Property are, while the Exclusive Use Right continues, vested in the Owner subject to the terms of the Strata Management Statement and Exclusive Use By-law granting such Exclusive Use Right.

**17. Disposal of interest in Common Property**

- (1) If authorised by an Extraordinary Resolution, and approved in writing by the Registrar, a Body Corporate may:
  - (a) sell or otherwise dispose of part of the Common Property; or
  - (b) grant or amend a lease over part of the Common Property.
- (2) An Instrument to give effect to a disposal under Article 17(1)(a) or a lease under Article 17(1)(b) may only be Registered, if accompanied by:

- (a) a copy of the Extraordinary Resolution authorising the transaction certified under the Body Corporate's stamp;
- (b) if planning or subdivision approval is required by law, a certificate from the Relevant Authority certifying that it has approved the transaction; and
- (c) if the transaction is for the sale or disposal of part of the Common Property, an amendment to the Strata Plan showing the new boundaries of the Strata Scheme.

#### **CHAPTER 4 – EASEMENTS**

##### **18. Statutory Easements**

- (1) Easements of lateral and subjacent support exist between Lots and the Common Property for which the support is necessary and Lots and the Common Property capable of providing the support.
- (2) An Easement of shelter exists entitling an Owner to have its Lot sheltered by Buildings and structures on the Strata Development.
- (3) Easements exist over the Lots and Common Property in favour of a Body Corporate and each Owner to the extent reasonably necessary for the installation, maintenance, operation, repair and replacement of Service Infrastructure and the Operation of the Common Property.
- (4) The Statutory Easements in 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 of a Body Corporate and each Owner to enter the Lots and the Common Property burdened by the Easements in order to ensure continued enjoyment of the Easements.
- (5) The rights conferred by the Statutory Easements in Articles 18(1), 18(2) and 18(3) cannot be exercised in a way that unreasonably interferes with the enjoyment of a Lot or the Common Property.

##### **19. Creation by Body Corporate of Easements and Covenants**

- (1) If authorised by Extraordinary Resolution, and approved in writing by the Registrar, a Body Corporate may:
  - (a) grant an Easement burdening the Common Property, or accept the grant of an Easement for the benefit of the Common Property;
  - (b) enter into a Covenant burdening the Common Property or for the benefit of the Common Property; or
  - (c) surrender an Easement or Covenant for the benefit of the Common Property, or accept the surrender of an Easement or Covenant burdening the Common Property.
- (2) An Instrument to give effect to a transaction under this Article 19 may only be Registered if accompanied by:
  - (a) a copy of the Resolution authorising the transaction certified under the Body Corporate's stamp;
  - (b) if planning approval is required by law, a certificate from the Relevant Authority certifying that it has approved the transaction;
  - (c) if the Registrar considers necessary, a plan of the Easement; and
  - (d) any other documents required by the Registrar.

**20. Commencement of Easements and Covenants**

- (1) Statutory Easements come into force on the Registration of the Strata Plan.
- (2) Easements and Covenants that are included in the Strata Plan and that burden the Strata Development, come into force on the Registration of the Strata Plan.
- (3) An Easement or Covenant created by a transaction authorised under this Chapter comes into force on Registration of the Instrument under which the Easement or Covenant is created.

**CHAPTER 5 – LOT ENTITLEMENTS**

**21. Lot Entitlements**

- (1) Each Lot created by a Strata Plan has a Lot Entitlement, expressed as a percentage or fraction of the aggregate of the Lot Entitlements of all Lots in the Strata Scheme. The 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.
- (2) A Lot Entitlement:
  - (a) may be a general Lot Entitlement operating for all the purposes of this Law; or
  - (b) may be a special Lot Entitlement operating for any one (1) or more specific purposes, such as (but not limited to) determining the following:
    - (i) the proportionate Service Charges payable by the Owner to the Body Corporate;
    - (ii) the Owner's proportionate interest in the Common Property;
    - (iii) the number of votes to be exercisable by the Owner at a General Meeting of the Body Corporate; and
    - (iv) the proportion of the Body Corporate's income to be apportioned to the Owner.
- (3) The Service Charges under Article 21(2)(b)(i) may take into account the ways in which the Owner's use or occupation of a Lot contributes to matters such as (but not limited to) the following:
  - (a) the beneficial use of the Common Property by the Owners;
  - (b) the use wear and tear on the Common Property;
  - (c) the consumption of shared facilities; and
  - (d) the insurance premiums payable by the Body Corporate.
- (4) If a Lot has a special Lot Entitlement for a particular purpose, it must also have a general Lot Entitlement for other purposes. Unless otherwise stated, a reference in this Law to the Lot Entitlement is a reference to the general Lot Entitlement of such Lot.
- (5) The Lot Entitlement, or a particular class of Lot Entitlement, may be the same for each Lot or may vary from Lot to Lot.
- (6) Lot Entitlements must be determined on a fair and equitable basis and approved by the Registrar prior to the Registration of the Strata Plan.

**22. Change of Lot Entitlements**

- (1) The Lot Entitlements created by the Registration of a Strata Plan may be changed with the prior written approval of the Registrar:
  - (a) by Extraordinary Resolution of a Body Corporate;
  - (b) by an Order of the Registrar under Article 110, where an application for relief has been made by an interested party under Article 90; or
  - (c) if the total Lot Entitlements of all of the Lots are not affected, by agreement between the Owners of the Lots subject to the change and with the consent of the Registered Mortgagees and Occupiers of the Lots.
- (2) The Registrar may dispense with a Mortgagee's and Occupier's consent under Article 22(1)(c) if satisfied that the Mortgagee's or Occupier's interests would not be prejudiced by the change of Lot Entitlement or if the Mortgagee's or Occupier has unreasonably withheld consent.
- (3) A change of Lot Entitlements under Article 22(1) does not take effect until the Strata Management Statement is changed by Registration of an amendment including the change.
- (4) This Article does not limit other ways in which Lot Entitlements may change under this Law.

**CHAPTER 6 – AMENDMENT OF STRATA PLAN**

**23. Amendment of Strata Plan**

A Strata Plan may be amended by Registration of an amendment under this Chapter subject to the approval of the Registrar.

**24. Application for amendment**

- (1) An application for Registration of an amendment to a Strata Plan may be made:
  - (a) if a Body Corporate is authorised by Special Resolution to make the application, by the Body Corporate; or
  - (b) jointly by the Owners of Lots affected by the amendment.
- (2) The application must be accompanied by the following:
  - (a) if the application is made by a Body Corporate, a copy of the Special Resolution authorising the application certified under the Body Corporate's company stamp;
  - (b) if the amendment affects the boundaries of Lots or Common Property:
    - (i) an amended Strata Plan showing the amendment certified, in a form approved by the Registrar, by a Licensed Surveyor;
    - (ii) a certificate of approval from any Relevant Authority whose approval to the amendment is required; and
    - (iii) evidence that the Registered Mortgagees of any Lots affected by the amendment consent to the amendment;
  - (c) if the amendment affects Lot Entitlements, a revised schedule of Lot Entitlements; and

- (d) the Prescribed Fee.
- (3) The Registrar may dispense with a Registered Mortgagee's consent under Article 24(2)(b)(iii) if satisfied that the Mortgagee's interests would not be prejudiced by Registration of the amendment or that the Mortgagee has unreasonably withheld consent.

**25. Acquisition of Real Property by Body Corporate**

- (1) If authorised by Extraordinary Resolution, a Body Corporate may acquire Real Property and incorporate it into the Strata Development.
- (2) If the Real Property is not already Registered under the Real Property Law, the transaction for the acquisition may not be completed until a Folio is created for the Real Property.
- (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 Extraordinary Resolution authorising the acquisition, certified under the Body Corporate's stamp; and
  - (b) an application for amendment to the Strata Plan in accordance with this Chapter incorporating the Real Property into the Strata Development.
- (4) On Registration of the transfer, the Real Property merges with the Strata Development to form Common Property or Common Property and Lots in accordance with the amendment to the Strata Plan approved by the Registrar.

**CHAPTER 7 – DIVESTING OF REAL PROPERTY FOR PUBLIC PURPOSES**

**26. Divesting of Real Property designated for public purposes**

- (1) This Article applies where, in a Strata Plan approved by the Relevant Authority, part of Common Property is dedicated by the Master Developer for roads, streets, road reserves, road-widening, drainage reserves, or for any other public use.
- (2) The Master Developer may lodge with the Registrar a request in the approved form to be Registered as Owner of that part of the Common Property.
- (3) If satisfied that the request relates to the part of the Real Property shown in the Strata Plan, the Registrar must Register the Master Developer as the Owner of that part of the Common Property and make an appropriate recording in the Folio for the Common Property.
- (4) On Registration:
  - (a) that part of the Common Property vests in the Master Developer as a Lot free from all interests (including free of any prior Exclusive Use Rights) affecting it;
  - (b) where any prior Real Property Interests are Registered, the Registrar must cancel their Registration; and
  - (c) the Registrar must create a new Folio for the balance of the Common Property.

**CHAPTER 8 – CONSOLIDATION OF STRATA PLANS**

**27. Consolidation of Strata Plans**

Two (2) or more Strata Plans may be consolidated under this Chapter 8.

**28. Application for consolidation**

- (1) An application to the Registrar for the approval of the consolidation of two (2) or more Strata Plans may be made by the respective Bodies Corporate of the relevant Strata Schemes 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.
- (3) The application must be accompanied by the following:
  - (a) copies of the Resolutions authorising the application, each certified under the company stamp of the Body Corporate by which it was passed to be an Extraordinary Resolution of the Body Corporate;
  - (b) a consolidated Strata Plan to be substituted for the existing Strata Plans of the Strata Schemes to be consolidated certified, in a form approved by the Registrar, by a Licensed Surveyor;
  - (c) the written consents of all Registered Mortgagees of Lots;
  - (d) a certificate of approval issued by any Relevant Authority whose consent to the consolidation is required;
  - (e) a revised schedule of Lot Entitlements; and
  - (f) the Prescribed Fee.
- (4) The consolidated Strata Plan must show the name of the Strata Scheme to be formed by the consolidation and the address of the Body Corporate to be formed by the consolidation.
- (5) The Registrar may dispense with a Registered Mortgagee's consent under Article 28(3)(c) if satisfied that the Mortgagee's interests would not be prejudiced by the consolidation or that the Mortgagee has unreasonably withheld consent.

**29. How consolidation is effected**

- (1) If the Registrar approves the consolidation, the Registrar may consolidate the Strata Plans by:
  - (a) cancelling the existing Strata Plans and the existing Folios for the Strata Schemes; and
  - (b) registering the new Strata Plan and creating new Folios for the consolidated Strata Scheme.
- (2) The issue of new Folios does not affect Mortgages over the Lots in the Strata Scheme, and those Mortgages Registered on the previous Folios are to be transferred to the newly created Folios.

**30. Effect of consolidation**

On consolidation of the Strata Plans, the Bodies Corporate that applied for the consolidation are dissolved and their assets and liabilities vest in the new Body Corporate formed on Registration of the new Strata Plan.

**CHAPTER 9 – COLLECTIVE SALE OF STRATA DEVELOPMENT**

**31. Collective Sale Resolution**

- (1) This Article applies to a Resolution (in this Chapter called a “Collective Sale Resolution”) to sell the entire Strata Development including all of the Lots and the Common Property.
- (2) A Collective Sale Resolution may only be passed at a duly convened General Meeting where no less than ninety per cent (90%) of the Owners attend either personally or by proxy, and must be passed by way of an Extraordinary Resolution of such Owners present.
- (3) A Collective Sale Resolution must specify:
  - (a) the proposed method of and timing of the sale;
  - (b) the method of distributing the proceeds of sale between the Owners;
  - (c) the agreed minimum sale price; and
  - (d) that no binding contract for sale may be entered into until three (3) months after the passing of the Extraordinary Resolution.
- (4) Any Owner or Mortgagee who opposes the sale may apply to the Registrar within three (3) months of the passing of the 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 Extraordinary Resolution, and specifying those terms.
- (5) If an Owner or Mortgagee acts under Article 31(4), the Body Corporate must not act on the Extraordinary Resolution unless and until the Registrar has made an Order allowing the sale to proceed.
- (6) The Registrar may make the Order that it considers appropriate in the circumstances.
- (7) The Registrar’s Order binds all Owners, Mortgagees and other persons with an interest in the Strata Development.
- (8) This Article is subject to any Regulations governing the proceedings before the Registrar, including any requirements for notice to be given and any circumstances the Registrar 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 Collective Sale Resolution has been passed and:
  - (a) no application has been made to the Registrar under Article 31; or

- (b) an application has been made but the Registrar has rejected it and has ordered the sale to proceed.
- (2) A Body Corporate may proceed with the sale in accordance with the terms of the Collective Sale Resolution or (if different from the Collective Sale Resolution) the Registrar's Order.
- (3) A Body Corporate may appoint a Body Corporate Manager to represent it and all the Owners.
- (4) A Body Corporate Manager may execute all Instruments and dealings necessary or convenient to give effect to the Collective Sale Resolution or the Registrar's Order.
- (5) On production of a copy of the Collective Sale Resolution or the Order, and a copy of the appointment of the Body Corporate Manager, 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 STRATA SCHEME**

### **33. Termination by Resolution of Body Corporate**

- (1) A Body Corporate may, by Extraordinary Resolution, resolve to terminate the Strata Scheme.
- (2) A Body Corporate gives effect to its Extraordinary Resolution by applying to the Registrar for cancellation of the Strata Scheme under Article 35.
- (3) If it resolves to terminate the Strata Scheme, the Body Corporate must also appoint as liquidator a person who is licensed as an insolvency practitioner under the Insolvency Law.
- (4) The liquidator must do whatever is reasonably possible to ensure that the following events occur, to the optimum lawful advantage of the Body Corporate:
  - (a) the sale or disposition of the Body Corporate's property;
  - (b) the discharge of the Body Corporate's liabilities;
  - (c) the identification of persons liable for discharging the Body Corporate's liabilities and their proportionate liability; and
  - (d) the distribution of the Body Corporate's assets and the proportionate entitlement of each person under that distribution.

### **34. Termination by Court**

- (1) The Court may order that a Strata Scheme be terminated, on grounds the Court considers appropriate.
- (2) An application for an order under Article 34(1) may be made by an Owner, a Mortgagee of a Lot, or a Body Corporate.
- (3) The Court may require persons to be served with notice of the application.
- (4) The Court may, from time to time, vary any order it makes under this Article, on the application of any person entitled to be heard on the application for the original order.
- (5) No application may be made under this Article where the only reason for the application is that the Owners wish to sell all the Lots and Common Property in the Strata Plan and:
  - (a) they have not been able to obtain a Collective Sale Resolution under Article 31; or

- (b) they have been able to obtain such a Collective Sale Resolution, but the Registrar has refused an order for sale.

**35. Registrar's cancellation of Strata Scheme on application of Body Corporate**

- (1) The Registrar may cancel a Strata Scheme on application by a Body Corporate, following an Extraordinary Resolution under Article 33.
- (2) The application must be accompanied by the following:
  - (a) a copy of the Extraordinary Resolution, certified under the stamp of the relevant Body Corporate to be an Extraordinary Resolution of the Body Corporate;
  - (b) the written consents of all Mortgagees of Lots affected by the application;
  - (c) a certificate from any Relevant Authority whose consent is required for the application; and
  - (d) the Prescribed Fee.
- (3) The Registrar may dispense with a Mortgagee's consent under Article 35(2)(b) if satisfied that the Mortgagee's interests would not be prejudiced by cancellation of the Strata Scheme or that the Mortgagee has unreasonably withheld consent.

**36. Cancellation of Strata Scheme following order of Court**

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

**37. Effect of cancellation**

On cancellation of a Strata Scheme:

- (a) the Strata Development vests in the former Owners of the Lots, as tenants in common, in shares proportionate to the respective Lot Entitlements of their Lots;
- (b) the Body Corporate is dissolved, and any outstanding rights and liabilities of the Body Corporate attach to the Owners in shares proportionate to the respective Lot Entitlements of their Lots; and
- (c) any Mortgage or other encumbrance Registered over a Lot attaches to the interest of the former Owner of the Lot in the Strata Development.

**38. Registration of cancellation**

On cancelling a Strata Scheme, the Registrar must:

- (a) cancel existing Folios related to the former Strata Scheme; and
- (b) create a new Folio for the Strata Development to give effect to this Chapter.

**CHAPTER 11 – MISCELLANEOUS**

**39. Reinstatement of Buildings**

- (1) If a Building within the Strata Development is damaged or destroyed, a scheme for reinstating the Building in whole or in part may be approved under this Article.
- (2) A reinstatement scheme referred to in Article 39(1) may be approved:
  - (a) by agreement in writing between all interested parties approved by the Registrar; or
  - (b) by Order of the 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 a Body Corporate or any one (1) or more Owners;
  - (c) direct changes to the Strata Plan;
  - (d) require a Body Corporate to compensate the Owners of Lots prejudiced by changes to the Strata Plan; and
  - (e) deal with incidental or ancillary matters.
- (4) The following are interested parties under this Article 39:
  - (a) the Body Corporate;
  - (b) the insurer;
  - (c) the Owners and registered Mortgagees of Lots affected by the reinstatement scheme;
  - (d) any Relevant Authority with jurisdiction over the Strata Development; and
  - (e) all other persons who the Registrar determines to have an interest in the reinstatement scheme.

**40. Apportionment of statutory charge**

If a liability to the Master Developer, the DIFCA or any Relevant Authority exists, and the liability is a charge on the whole or part of the Strata Development, then the charge is apportioned among the Lots (or the Lots in that part of the Strata Development) in the same proportions as the Lot Entitlement of each Lot bears to the total Lot Entitlement of all the Lots in the Strata Development or that part of the Strata Development.

**PART 3: STAGED STRATA SCHEMES**

**CHAPTER 1 – NATURE OF STAGED STRATA SCHEME**

**41. Staged Strata Schemes**

- (1) This Article provides for Staged Strata Schemes.
- (2) Where, at the time this Law comes into force, the Relevant Authority has approved a form of Strata Plan or Strata Plans which comply with the Real Property Law and which provide for Strata Development to occur in stages, then the Strata Development may proceed in those stages despite the provisions of this Article 41.

**42. Form and contents of Staged Strata Scheme**

- (1) An application for the Staged Strata Scheme consists of:
  - (a) a Staged Strata Plan for developing the Strata Development in stages by a series of Strata Plans; and
  - (b) a Disclosure Statement that conforms with the requirements of this Article 42.
- (2) The Staged Strata Plan for a Staged Strata Scheme must:
  - (a) identify the Strata Development by reference to the relevant Folio or Folios and delineate the boundaries of the Strata Development;
  - (b) contain a separate Strata Plan for each proposed stage of the development (identifying its location by reference to the Strata Development) and a Principal Strata Plan if the Strata Development is to be the subject of a Principal Strata Scheme that:
    - (i) shows the location of existing and proposed Buildings;
    - (ii) identifies the boundaries of the proposed Lots and Common Property; and
    - (iii) indicates proposed construction zones, access zones and the nature of the use that may be made of them; and
  - (c) contain any other information or material required by the Registrar.
- (3) A Disclosure Statement for a Staged Strata 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 Developer;
  - (c) a description of the proposed development and the stages in which it is to be carried out;
  - (d) a statement of the estimated construction commencement and Building Completion of each stage of the Strata Development (which may be fixed by reference to the calendar, by reference to the completion of a previous stage of the development, by reference to progress in the sale of Lots, or on any other reasonable basis 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 Strata Development;
  - (f) a description of any amenities to be provided in each stage of the Strata Development, and a statement of:

- (i) the purposes for which the amenities are to be provided;
- (ii) the extent to which the amenities are to be available for use by the Owners and Occupiers of Lots in each Strata Scheme; and
- (iii) the arrangements for providing and maintaining the amenities and the estimated Service Charges in respect of their Operation;
- (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 Lot Entitlements for each proposed Lot as at the completion of each stage of the Strata Development;
- (i) a copy of the Strata Management Statement (and Principal Strata Management Statement, if applicable) for the Strata Scheme; and
- (j) any other information or materials required by the Registrar.

## CHAPTER 2 – APPROVAL OF STAGED STRATA SCHEME IN PRINCIPLE

### 43. Application for Planning Approval

- (1) Before a Staged Strata Scheme may be commenced, the Developer of the proposed Staged Strata Scheme must apply for, and receive, approval of the Staged Strata Scheme in principle from the Registrar, the Master Developer and any other Relevant Authorities.
- (2) The application to the Registrar must be accompanied by:
  - (a) the proposed Staged Strata Plan;
  - (b) the proposed Disclosure Statement;
  - (c) an approval from the Master Developer and any other Relevant Authorities; and
  - (d) the Prescribed Fee.
- (3) An application may be made whether the Strata Development is wholly undeveloped or partially developed.

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

- (1) Before approving a proposed Staged Strata Scheme in principle, the Registrar, the Master Developer and any other Relevant Authorities may exercise either or both of the following powers:
  - (a) they may require changes to the proposed Staged Strata Scheme; and
  - (b) it may require the demolition or alteration of Buildings within the Strata Development of the proposed Staged Strata Scheme.
- (2) The Registrar, the Master Developer and any other Relevant Authorities may:
  - (a) approve the Staged Strata Scheme unconditionally;
  - (b) approve the Staged Strata Scheme subject to specified conditions, which may include a condition requiring the Developer to proceed with the proposed development work in accordance with specified time limits; or
  - (c) refuse to approve the Staged Strata Scheme in whole or in part.

- (3) If the Registrar, the Master Developer and the other Relevant Authorities each approves the proposed Staged Strata Scheme, they must issue a certificate of approval.
- (4) Unless the Registrar, 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 Strata Plan by which the various stages of the development are to be implemented.

### **CHAPTER 3 – REGISTRATION OF STAGED STRATA SCHEME**

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

- (1) The Registrar may, on application by the Developer, register a Staged Strata Scheme.
- (2) An application for Registration of a Staged Strata Scheme must be accompanied by:
  - (a) the Staged Strata Plan;
  - (b) the Disclosure Statement;
  - (c) a certificate from the Master Developer and the other Relevant Authorities certifying that the Master Developer and the other Relevant Authorities have approved the Staged Strata Scheme in principle and stating any conditions to which the approval is subject, if any; and
  - (d) the Prescribed Fee.

#### **46. Commencement of Staged Strata Scheme**

A Staged Strata Scheme comes into force on Registration of the Strata Plan for the first stage.

### **CHAPTER 4 – DEVELOPMENT RIGHTS**

#### **47. Development rights**

- (1) The Developer under a Staged Strata Scheme is entitled to reasonable access to, and use of, the Strata Development for:
  - (a) the purposes of carrying out the proposed development; and
  - (b) for other purposes related to development stated in the Disclosure Statement.
- (2) The rights of others in relation to the Strata Development (including rights in relation to Lots and Common Property) are subordinate to the rights of the Developer under this Article.
- (3) The Strata Management Statement or By-laws cannot limit the rights of the Developer under this Article.

### **CHAPTER 5 – PROGRESSIVE DEVELOPMENT OF STAGED STRATA DEVELOPMENT**

#### **48. Progressive development**

- (1) The Strata Development subject to a Staged Strata Scheme is to be progressively developed in stages, in accordance with the Staged Strata Plan and the Disclosure Statement.
- (2) The Registrar, the Master Developer and the other Relevant Authorities may refuse to approve a particular stage in a Staged Strata Scheme if an earlier stage of the Strata Scheme has not been completed as required under the terms of the Staged Strata Plan and the Disclosure Statement.
- (3) As the Strata Development is progressively developed in accordance with a Staged Strata Plan:

- (a) a Strata Scheme created at an earlier stage of the development expands to incorporate Lots and Common Property created at later stages of the development; or
- (b) if the Staged Strata Plan and Disclosure Statement so provides, a new Strata Scheme that remains separate and independent from the Strata Scheme or Strata Schemes created at earlier stages of the development is established, incorporating the Lots and Common Property created on Registration of the Strata Plan for a later stage of the development.

## CHAPTER 6 – VARIATION OF STAGED STRATA SCHEME

### 49. Application for variation of Staged Strata Scheme

- (1) The Developer under a Registered Staged Strata Scheme may apply for the Staged Strata Scheme to be varied.
- (2) The application is to be made in the first instance to the Master Developer and the other Relevant Authorities.
- (3) The application must indicate how the Staged Strata Scheme is to be varied.
- (4) The application to the Registrar must be accompanied by:
  - (a) the written consents of all Owners and Prospective Owners of Lots in the Staged Strata Scheme;
  - (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
  - (c) the Prescribed Fee.
- (5) The Registrar may dispense with the consent of an Owner or Prospective Owner if:
  - (a) the Registrar is satisfied that the Owner or Prospective Owner would not be materially adversely affected by the variation;
  - (b) the Registrar is satisfied that the whereabouts of the Owner or Prospective Owner is unknown to, and not reasonably ascertainable by, the applicant; or
  - (c) where less than twenty five per cent (25%) of the Owners and Prospective Owners have refused or failed to consent, the Registrar is satisfied that consent has been unreasonably withheld.
- (6) The 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 Registrar approves the variation, a person that refused or failed to consent to the variation may 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.

### 50. Registration of variation

- (1) The Registrar may, on application by the Developer under a Staged Strata Scheme, register a variation that has been approved under Article 49.

- (2) An application for Registration of a variation of a Staged Strata Scheme must be accompanied by:
  - (a) the proposed Staged Strata Plan and Disclosure Statement as varied, indicating the variations;
  - (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
  - (c) the Prescribed Fee.
- (3) The variation comes into force on Registration of the Staged Strata Plan or first Strata Plan after the variation.

**51. Variation of Staged Strata Scheme by Court**

- (1) The Court may, on application by an interested party, make an order for variation of a Staged Strata Scheme if satisfied that it is impossible or impracticable to complete the Staged Strata Scheme as proposed in the Staged Strata Plan and Disclosure Statement.
- (2) The applicant must give notice of an application under this Article to all interested parties.
- (3) An interested party under this Article may appear and be heard in the proceedings.
- (4) The Court may make an order:
  - (a) deferring the time for completion of a particular stage or stages of the Staged Strata Scheme;
  - (b) changing the order in which the various stages of the Staged Strata Scheme are to be completed; or
  - (c) varying the Staged Strata Scheme in other ways to ensure (as far as practicable) its successful completion.
- (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 Staged Strata Scheme; and
  - (c) make any other provision the Court considers just and equitable.
- (6) The Court may, on application by an interested party, vary or revoke an order of the Registrar under this Article.
- (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.
- (8) The Registrar must register the order, and on Registration the Staged Strata Scheme is so varied in the manner specified in the order.
- (9) The following are interested parties under this Article 51:
  - (a) the Developer;
  - (b) each Owner and each Prospective Owner of 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 STAGED STRATA SCHEME**

**52. Court Order**

- (1) The Court may, on application by an interested party, make an order (including, if appropriate, a mandatory injunction) requiring the Developer under a Staged Strata Scheme to complete the Strata Scheme in accordance with the terms of the Staged Strata Plan and Disclosure Statement.
- (2) The following are interested parties under this Article 52:
  - (a) an Owner or Prospective Owner of a Lot;
  - (b) a Body Corporate for a Strata Scheme within the Staged Strata Scheme;
  - (c) the Relevant Authorities;
  - (d) any Mortgagee of a Lot;
  - (e) any other person who has, in the Court's opinion, a proper interest in the matter.

**53. Implied term in contract for sale of Lot or proposed Lot in Staged Strata Scheme**

- (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.
- (2) The Developer under a Staged Strata Scheme warrants to any person who enters into a Sale and Purchase Agreement to purchase a Lot or a proposed Lot in the Staged Strata Scheme that the development will be carried out in accordance with the Staged Strata Plan and Disclosure Statement.
- (3) 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.

- (4) 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 Owner may make a claim for damages arising from the Developer's breach of warranty in accordance with this Article 53.
- (5) A warranty under Article 53(2):
  - (a) is enforceable in the same way as a contractual warranty; and
  - (b) cannot be limited or excluded by contract.
- (6) Without limiting the damages that may be recovered for breach of the warranty under Article 53(2), the Owner may recover damages for the deferment or loss of a reasonably expected capital appreciation of the Lot that would have resulted from completion of the development in accordance with the terms of the Staged Strata Plan and Disclosure Statement.

## **CHAPTER 8 – TRANSFER OF TITLE TO LOTS SUBJECT TO REGISTERED STAGED STRATA SCHEME**

### **54. Acquisition of Real Property subject to Registered Staged Strata Scheme**

- (1) This Article applies where a person acquires Real Property within a Registered Staged Strata Scheme from the Developer, or from a person who acquired the Real Property from the Developer or prior purchaser within the Staged Strata Scheme, and the Real Property is yet to be developed in accordance with the Staged Strata Scheme.
- (2) The person who acquires the Real Property becomes bound to develop the Real Property in accordance with the Staged Strata Plan and Disclosure Statement, and the rights and obligations of the Developer under the Staged Strata Plan and Disclosure Statement, so far as they relate to the Real Property the subject of the acquisition, pass to the person who acquires the Real Property.

**PART 4: NAME OF STRATA SCHEME**

**55. Name of Strata Scheme**

- (1) The name of a Strata Scheme is the name shown on the Registered Strata Plan.
- (2) The name must be a name approved by the Registrar.

**PART 5: BODIES CORPORATE****CHAPTER 1 – ESTABLISHMENT OF BODY CORPORATE****56. Establishment, regulation and register of Bodies Corporate**

- (1) On Registration of a Strata Plan, a Body Corporate is established under the name approved by the Registrar in accordance with Article 55.
- (2) A Body Corporate established under this Article:
  - (a) has perpetual succession; and
  - (b) may sue or be sued in its own capacity.
- (3) The Registrar may regulate the activities of Bodies Corporate, including by deciding that specific provisions of the Companies Law are to apply to Bodies Corporate.
- (4) The Registrar is to establish and maintain a register of Bodies Corporate established under this Law.
- (5) A Body Corporate must provide the Registrar with any information (including, but not limited to financial information) the Registrar considers appropriate to form part of the register.

**57. Division and merger of Bodies Corporate**

- (1) A Body Corporate may be divided into two (2) or more separate Bodies Corporate by Extraordinary Resolution with the approval of the Registrar.
- (2) Any rights and liabilities that had accrued to a Body Corporate before the division attach jointly and severally to the Bodies Corporate 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.
- (4) Two (2) or more Bodies Corporate established in relation to the same Principal Strata Scheme may merge to form a single Body Corporate by Extraordinary Resolution of each Strata Scheme with the approval of the Registrar.
- (5) Any rights and liabilities that had accrued to the Bodies Corporate subject to the merger before the merger attach to the Body Corporate formed by the merger.
- (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.
- (7) The division of a Body Corporate, or the merger of Bodies Corporate, does not take effect until the newly created Strata Plan or Strata Plans, and the newly created Strata Management Statement or Strata Management Statements are Registered by the Registrar to give effect to the division of merger and a new Folio or Folios of the newly delineated Common Property have been issued by the Registrar.
- (8) If two (2) or more Bodies Corporate or Principal Lots are established within a Principal Strata Scheme, the Principal Strata Management Statement for the Principal Body Corporate must be Registered with the Registrar.
- (9) The Principal Strata Management Statement:
  - (a) must define the functions and responsibilities of each Body Corporate and Principal Lot Owner, as applicable;

- (b) must create an administrative hierarchy with one (1) or more Bodies Corporate and Principal Lot Owner, as applicable, at each level of the hierarchy;
- (c) must provide for the resolution of disputes between the Bodies Corporate and Principal Lot Owner, as applicable; and
- (d) must ensure that the powers of a Body Corporate under this Law insofar as they relate to a Lot within the Strata Scheme are directly exercisable in relation to each Lot within the Strata Scheme by one, and only one, Body Corporate.

## **CHAPTER 2 – BODY CORPORATE’S STAMP**

### **58. Body Corporate’s Stamp**

- (1) A Body Corporate’s stamp must include the Body Corporate’s name.
- (2) A Body Corporate’s stamp is not to be affixed to a document unless its use has been authorised by an Ordinary Resolution (or where, under this Law, another kind of Resolution is required, then that kind of Resolution) of the Body Corporate or its 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 a Body Corporate’s stamp must be attested by the Body Corporate Manager.
- (4) A Body Corporate and its Body Corporate Manager must take reasonable steps to prevent unauthorised use of the Body Corporate’s stamp.
- (5) If a document appears to bear a Body Corporate’s name and the affixing of the stamp appears to have been attested as required by this Article:
  - (a) a person dealing with the Body Corporate without notice of irregularity is entitled to assume that the Body Corporate’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 Body Corporate’s stamp was duly affixed.
- (6) This Article is not to be taken to imply that a Body Corporate cannot act through agents and without the use of its Body Corporate’s stamp.

## **CHAPTER 3 – MEMBERSHIP AND GENERAL MEETINGS**

### **59. Membership of Body Corporate**

- (1) In the case of a Strata Scheme for which a single Body Corporate is constituted, each Owner is a member of the Body Corporate and Entitled to Vote personally or by Proxy at General Meetings.
- (2) In the case of a Principal Strata Scheme for which two (2) or more Principal Lot Owners and/or Bodies Corporate are constituted, each Principal Lot Owner and Body Corporate shall be a member of the Principal Body Corporate.
- (3) If a Mortgagee is in possession of a Lot in accordance with the Real Property Law, the Mortgagee is entitled to exercise any voting rights the Owner may have, to the exclusion of the Owner’s rights 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 Meetings of a Body Corporate, including first annual General Meeting**

- (1) The Developer must arrange for the first annual General Meeting of a Body Corporate to be held:

- (a) within three (3) months after the formation of the Body Corporate; or
  - (b) promptly after Registration of the transfer of Lots totalling at least fifty per cent (50%) of the Lot Entitlements of the Strata Scheme,
- whichever is the earlier.
- (2) At the first annual General Meeting, the Developer must hand to the Body Corporate:
    - (a) all plans, specifications, consents, certificates, diagrams and other documents (including policies of insurance) obtained or received by the Developer relating to the Strata Scheme;
    - (b) without limiting Article 60(2)(a), all certificates and warranties obtained or received by the Developer and relating to Strata Scheme or any building works, plant or equipment forming part of the Building;
    - (c) the Strata Roll and any notices or other records relating to the Strata Scheme, if they are in the Developer's possession or under the Developer's control;
    - (d) all accounting records and financial statements; and
    - (e) any other document or item relating to the Strata Scheme or any building works, plant or equipment on the Building that is prescribed by the Regulations.
  - (3) A Developer who fails to comply with the obligations under Article 60(1) or 60(2) commits a contravention of this Law.
  - (4) At the first annual General Meeting, and at each annual General Meeting thereafter, the Body Corporate 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.
  - (5) A Body Corporate may delegate to the Management Committee and its Body Corporate Manager certain duties, but those duties must not conflict with the duties 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 General Meeting of a Body Corporate (other than the first annual General Meeting) must be held twelve (12) months after each previous annual General Meeting.
  - (7) The Management Committee may call a special General Meeting of a Body Corporate at any time and must do so if required by not less than one-third of the Owners.
  - (8) The Body Corporate Manager must, at least twenty one (21) days before a General Meeting, give to each Owner written notice:
    - (a) setting out the date, time and place of the General Meeting, being a working day in the DIFC at a time no earlier than seven (7) pm;
    - (b) stating the nature of the business to be transacted; and
    - (c) if a Special Resolution or Extraordinary Resolution is to be put before the meeting, setting out the terms of the proposed Resolution.
  - (9) In a case where a Lot is owned jointly or in common by two (2) or more persons, the notice may be addressed to the co-owners together and given or sent to any one of them.
  - (10) The Developer is to be regarded as the Body Corporate Manager until the Body Corporate appoints a person to perform such 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 General Meeting**

- (1) An Owner that is an Owner that is Entitled to Vote may vote personally, by written ballot or by Proxy on any motion for a Resolution at a General Meeting.
- (2) Subject to Article 61(3), voting shall be by show of hands (where each vote received by written ballot or made by Proxy shall be counted as a show of hand).
- (3) If a poll is demanded 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 Lot Entitlement of the Owner's Lot.
- (4) An Owner that comprises more than one (1) person or entity may vote by Proxy appointed by the co-owners or entity. The Proxy may be one (1) of the co-owners or a representative of the entity. In the absence of a Proxy, co-owners are not entitled to vote on a show of hands. 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 Lot.
- (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 an Owner is a minor or is under some other legal disability, the Owner's voting rights may be exercised by:

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

**CHAPTER 4 – MANAGEMENT**

**63. Management Committee**

- (1) A Body Corporate must, by Ordinary Resolution:

- (a) appoint from its Owners a Management Committee to transact business on behalf of the Body Corporate;
  - (b) change the membership of a Management Committee;
  - (c) overrule a decision of the Management Committee (to the extent it has not been acted on); or
  - (d) replace the Management Committee or any Committee Member at any time.
- (2) Subject to Article 63(3), a Management Committee may exercise any powers of the Body Corporate.
- (3) However, a Management Committee cannot exercise powers:
  - (a) in excess of any delegated authority granted to it by the Body Corporate by Resolution, or any limitations and directions imposed by the Body Corporate, including those imposed under the Strata Management Statement for the Strata Scheme;
  - (b) that may only be exercised by Special Resolution or Extraordinary Resolution of the Body Corporate; or
  - (c) that are prohibited by the Regulations or not approved by the Registrar.
- (4) A Management Committee:
  - (a) subject to Article 63(5), must comprise of not less than five (5) Committee Members and no more than seven (7) Committee Members, or such other number of Committee Members as approved by the Registrar (unless there are less than ten (10) Owners in the Body Corporate, in which case it must consist of no less than three (3) Committee Members);
  - (b) may consist of Committee Members representing different uses in the Strata Scheme;
  - (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) 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.
- (8) Subject to any rules to the contrary determined by the Body Corporate in a General Meeting and the provisions of the Strata Management Statement of the Strata Scheme:
  - (a) a majority of the Committee Members constitutes a quorum of the Management Committee; and
  - (b) a decision in which a majority of the Committee Members present at a meeting of the Management Committee agree is a decision of the Management Committee.
- (9) Any rules determined by a Body Corporate under Article 63(8) must be fair and reasonable.

- (10) The Body Corporate Manager must keep proper minutes of the Management Committee's meetings and proceedings and must make them available on request for inspection by an Owner.

**64. Fiduciary duty of Committee Members**

- (1) Committee Members owe a fiduciary duty to the 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 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 Manager**

- (1) A Body Corporate must appoint a Licensed Body Corporate Manager and may delegate to the Body Corporate Manager functions related to the 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).
- (3) A Body Corporate Manager is at all times subject to the control and direction by the Body Corporate, the Management Committee and the Registrar.
- (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 recuse 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 commensurate 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.
- (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 commensurate 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 – MANAGEMENT

### 66. Functions of Body Corporate

- (1) A Body Corporate shall perform the following functions:
  - (a) enforce the Strata Management Statement and the By-laws;
  - (b) 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) maintain all insurances required under this Law, the Regulations, the Directives of the Registrar and applicable law and any additional insurances that may be required under the Strata Management Statement or by Special Resolution of the Owners; and
  - (d) to carry out any other functions ancillary to its functions under this Law, including functions that benefit the Owners and Occupiers.
- (2) If two (2) or more Bodies Corporate are established for a Strata Scheme, subject to the provisions of the Strata Management Statement:
  - (a) each Body Corporate is responsible to perform the functions referred to in Article 66(1) in respect of its own Common Property; and
  - (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. General Fund and Reserve Fund

- (1) A Body Corporate must maintain a General Fund and a Reserve Fund for the purpose of meeting its financial obligations under this Law.
- (2) A Body Corporate must maintain the General Fund at a level sufficient to meet 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) 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. Service Charges**

- (1) A Body Corporate shall on an annual basis in advance levy on the Owners Service Charges in respect of the Lots to raise funds necessary to meet the anticipated General Fund Expenses and maintain the Reserve Fund at an appropriately high level as approved by the Registrar.
- (2) 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 Property and apportion such expenses between the Principal Lot Owners on the basis of beneficial use, and as approved by the Registrar.
- (5) A Service Charge falls due for payment on a date fixed by a Body Corporate. A Body Corporate must give the Owners at least thirty (30) days' notice of the amount and when it is due.
- (6) The Owner of the Lot as at the due date for payment is liable for the Service Charge, and any person who later becomes an Owner before the Service Charge is paid becomes jointly and severally liable for payment.

- (7) If a Service Charge for which an Owner or other person is liable under Article 68(5) is not paid, the Owner or other person is taken to have failed to comply with a requirement of this Law for as long as the Service Charge remains unpaid.
- (8) Interest accrues on overdue Service Charges at a rate fixed by Ordinary Resolution of the Body Corporate. The rate of interest must be fixed on a fair and reasonable basis and be approved by the Registrar.
- (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 Body Corporate**

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

### **CHAPTER 6 – MISCELLANEOUS**

#### **70. Proceedings on behalf of Owners**

A Body Corporate may take proceedings as agent for the Owners of any one (1) or more Lots in the Strata Scheme for damages in relation to, or for rectification of, any building work done in relation to the Strata Scheme, whether the work was done before or after Registration of the Strata Scheme.

**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(4) 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 Contractual Rights**

- (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(1), if:
  - (a) building work was carried out for the Developer; and
  - (b) the building work proves defective,the Body Corporate is subrogated to the Developer's contractual rights to damages in respect of those defects.
- (2) The Body Corporate may recover damages under this Article on its own behalf (so far as the defects relate to Common Property) or on behalf of Owners of Lots affected by the defects.
- (3) The Body Corporate's right of subrogation under this Article does not operate to the exclusion of the Developer's rights and, if both the Body Corporate and the Developer take action to recover damages for breach of contract, the damages must be apportioned between them in appropriate proportions.

**72. Strata Roll to be kept by Body Corporate**

- (1) A Body Corporate Manager must on behalf of the Body Corporate maintain a Strata Roll containing the following particulars:
  - (a) the Strata Plan number allocated by the Registrar;
  - (b) the name, address and contact numbers of the Owner of each Lot;
  - (c) the name and contact numbers of the Occupier of each Lot;
  - (d) the name and address of the Body Corporate Manager and any of suppliers appointed to perform any functions or provide services in relation to the Strata Scheme.

- (2) A Body Corporate Manager must base the Strata Roll on the best information reasonably available to it, acting diligently.
- (3) The Strata Roll must be kept in the form of a written record or a computer record from which a written record may be reproduced and 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 Body Corporate must:
  - (a) maintain a post-box; or
  - (b) make suitable alternative arrangements for the receipt of mail.
- (2) A Body Corporate must maintain a noticeboard for the display of notices and other material of interest to the Owners and Occupiers. The noticeboard must be in a suitable position, as determined by the Body Corporate.

**CHAPTER 7 – APPOINTMENT OF ADMINISTRATOR**

**74. Appointment of Administrator**

- (1) The Registrar may, on application by an interested party, appoint an Administrator of a Body Corporate's affairs, for a fixed period or until further Court order.
- (2) The Registrar may make the appointment on terms and conditions that it considers appropriate.
- (3) The Administrator is to be remunerated on a basis determined by the Registrar, and the Administrator's remuneration and expenses are payable from the Body Corporate's General Fund.
- (4) During the appointment, the Administrator is exclusively entitled to exercise the powers and functions of the Body Corporate (or such of those powers and functions as the Registrar may determine).
- (5) The Administrator may delegate to any Body Corporate Manager any powers and functions conferred under this Article.
- (6) The Registrar may, on the application of an interested party, remove or replace the Administrator.
- (7) If a person is appointed, removed or replaced as an Administrator, the person must, within seven (7) days, give the Registrar written notice of the appointment, removal or replacement.
- (8) The following are interested parties under this Article 74:
  - (a) the Body Corporate;
  - (b) a creditor of the Body Corporate; and
  - (c) the Owner or a Registered Mortgagee of a Lot.

**PART 6: STRATA MANAGEMENT STATEMENT AND BY-LAWS****CHAPTER 1 – REGISTRATION OF STRATA MANAGEMENT STATEMENT AND BY-LAWS****75. Obligation to Register Strata Management Statement and the By-laws**

- (1) The Developer must Register a Strata Management Statement regarding the administration and management of the Body Corporate together with the Registration of the Strata Plan in accordance with the Regulations and the requirements of the Registrar.
- (2) The Developer may further Register By-laws regarding the use and enjoyment of Lots, the Common Property, the Body Corporate's assets, and facilities and amenities provided by the Body Corporate together with the Registration of the Strata Plan in accordance with the Regulations and the Directives of the Registrar.
- (3) The Strata Management Statement and the By-laws lodged with a Strata Plan may include the granting of Exclusive Use Rights under Exclusive Use By-laws.
- (4) If no By-laws are lodged with the Strata Plan, the By-laws set out in Schedule 1 shall apply.
- (5) If the Strata Management Statement and the By-laws of a Body Corporate do not deal with a subject required under this Law to be dealt with in the Strata Management Statement or the By-laws, the Body Corporate is taken to have adopted any relevant By-law in Schedule 1 on the subject.
- (6) If a By-law adopted under Article 75(5) is inconsistent with one or more provisions of the Registered Strata Management Statement or the By-laws, then to the extent of the inconsistency the By-law adopted under Article 75(5) shall prevail.
- (7) The first Strata Management Statement and the By-laws of a Body Corporate come into operation on the Registration of the Strata Plan.

**76. Limitations on Strata Management Statement and By-laws**

- (1) Subject to Article 76(2), a Strata Management Statement or By-law cannot:
  - (a) modify a Statutory Easement or prohibit or restrict the enjoyment of a Statutory Easement;
  - (b) restrict an Owner's right to use, deal with or dispose of a Lot, unless the restriction:
    - (i) is necessary to preserve the character of the Strata Scheme;
    - (ii) is made in accordance with a Disclosure Statement included in the Strata 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 Strata Management Statement or By-law may impose a minimum term for the leasing of Lots.
- (3) 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 Owner, Mortgagee or Occupier;
- (c) it adversely affects the health, welfare or safety of any Owner or Occupier; or
- (d) it is inconsistent with the provisions of this Law.

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

- (1) If a Body Corporate varies the Strata Management Statement or varies or makes a By-law, the Body Corporate must, within three (3) months after passing the Resolution for the variation of the Strata Management Statement or variation or creation of the By-law, lodge an application for Registration of the variation or creation with the Registrar:
  - (a) attaching a copy of the Resolution (including the text of the variation or creation); and
  - (b) stating the date of the Resolution.
- (2) If the application is not lodged for Registration with the Registrar within three (3) months, the Resolution lapses.
- (3) A variation to the Strata Management Statement or variation or creation of a By-law comes into force on the day the Registrar Registers the amended Strata Management Statement or By-law.

**78. Legal effect of Strata Management Statement and the By-laws**

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

- (a) the Body Corporate;
- (b) the Owner;
- (c) the Occupier;
- (d) an invitee of the Owner or Occupier;
- (e) a Mortgagee of a Lot.

**CHAPTER 2 – EXCLUSIVE USE BY-LAWS**

**79. Exclusive use By-laws**

- (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 Use Right, the Body Corporate shall Register an Exclusive Use By-law to give effect to such grant.
- (4) An Exclusive Use By-law:
  - (a) must unambiguously identify the part of the Common Property to which the Exclusive Use Right applies; and
  - (b) may impose conditions (which may include conditions requiring the Owner to make a payment or periodic payments to the Body Corporate, or to the Owners of other Lots, or both).

- (5) An Exclusive Use By-law may give rights to and impose obligations on the Owner of the benefitting Lot only if the Owner agrees in writing before the Exclusive Use By-law is made.
- (6) An Exclusive Use Right is taken, in the absence of other specific provision in the Exclusive Use By-law for the day to day Operation, to make the Owner of the benefitting Lot responsible for the day to day Operation of the part of the Common Property over which the Exclusive Use Right is conferred by the Exclusive Use By-law.
- (7) An Exclusive Use By-law may authorise or require the Owner who has the benefit of the Exclusive Use Right to make specific improvements to part of the Common Property. The improvements may consist of or include installing particular fixtures or making particular changes to the relevant part of the Common Property. Unless it expressly provides otherwise, an Exclusive Use Right does not authorise the Owner to make improvements or changes to the Common Property.
- (8) If an Exclusive Use Right imposes a monetary liability:
  - (a) the liability may be recovered as a debt; and
  - (b) the liability is enforceable jointly and severally against the person who was the Owner of the Lot when the liability arose and a successor in title.
- (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 STRATA MANAGEMENT STATEMENT AND THE BY-LAWS

#### 80. Compliance notices

- (1) If the Owner or Occupier contravenes an obligation under the Strata Management Statement or By-law, the Body Corporate may give notice (which must be in writing) requiring the person:
  - (a) in the case of a continuing contravention, to refrain from further contravention; and
  - (b) in any case, to take specified action to remedy the contravention within a specified period (which must be at least thirty (30) days) stated in the notice.
- (2) A Body Corporate may, in addition to or instead of taking action under Article 81(1), apply for relief under Article 90.

#### 81. Enforcement by Registrar

- (1) If the Owner or Occupier fails to comply with a notice under this Chapter, a Body Corporate may apply to the Registrar for an Order enforcing the relevant provision of the Strata Management Statement or By-law.
- (2) In proceedings taken under Article 81(1), the Registrar may exercise either or both of the following powers:
  - (a) impose a fine on the person in default;
  - (b) make other Orders the Registrar considers appropriate to enforce the relevant provision of the Strata Management Statement or By-law.
- (3) A fine imposed by the Registrar under this Article is recoverable by the Body Corporate as a debt.
- (4) A person must comply with an Order under Article 81(2).

- (5) The Registrar may, in lieu of making an Order under this Article, refer the matter to be dealt with by the Court under Article 128.

**CHAPTER 4 – COPIES OF STRATA MANAGEMENT STATEMENT AND THE BY-LAWS TO BE PROVIDED**

**82. When copies of Strata Management Statement and the By-laws must be provided**

- (1) A Body Corporate must, at the written request of the Owner or Occupier or a person authorised by the Owner or Occupier to make the request, provide a copy of the current Strata Management Statement and the By-laws.
- (2) The Owner must, before entering into a contract to sell, Mortgage or lease its Lot, provide the purchaser, Mortgagee or Occupier with a copy of the current Strata Management Statement and the By-laws.
- (3) A Body Corporate may charge a reasonable fee for providing a copy of the Strata Management Statement and the By-laws.

**PART 7: INSURANCE****83. Body Corporate taken to have insurable interest in certain property**

A Body Corporate is taken to have an insurable interest in property that it is required by or under this Law to insure.

**84. Insurance by a Body Corporate**

- (1) A Body Corporate for a Strata Scheme must insure:
  - (a) the Buildings and any other improvements on the Common Property; and
  - (b) any Building divided by the Strata Plan.
- (2) The policy of insurance:
  - (a) must cover:
    - (i) damage from fire (whether deliberate or accidental), storm, tempest, explosion, equipment malfunction, or other risks prescribed by the Regulations; and
    - (ii) costs incidental to the full reinstatement or replacement of the Buildings, including the cost of removing debris and the fees of architects and other professional advisers; and
  - (b) must provide for the full reinstatement or repair of the Buildings and improvements to their condition when new.
- (3) A Body Corporate that breaches Article 84(1) or 84(2) commits a contravention of this Law.
- (4) Despite any provision of the insurance policy, a Body Corporate (and not the individual Owner affected, other than to the extent it is obliged to pay Service Charges) is liable to pay:
  - (a) any excess under an insurance policy taken out by the Body Corporate under this Article; and
  - (b) any Service Charge that has to be made to the cost of reinstatement or repair because the insurance was not adequate.

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

- (1) If a Body Corporate is unable to obtain insurance for a Building or part of it on reasonable terms because:
  - (a) the Owner or Occupier is carrying on a particular activity on the Lot; or
  - (b) work is required in relation to the Lot to reduce the insurance risk to a reasonable level,

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

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

**86. Other insurance**

- (1) A Body Corporate must maintain public risk insurance (covering accidental death, personal injury and property damage) over the Common Property. Where the Regulations prescribe a minimum amount of public risk insurance, a Body Corporate must maintain such insurance for an amount at least equal to the minimum set out in the Regulations.
- (2) A Body Corporate may insure against:
  - (a) loss from dishonesty, negligence or other wrongful conduct;
  - (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 Owner of Lot**

The Owner 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.

**88. Default by Body Corporate in relation to insurance**

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

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

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

**PART 8: DISPUTE RESOLUTION****CHAPTER 1 – APPLICATIONS FOR RELIEF****90. Application for relief**

- (1) An application for relief under this Part may be 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 Prescribed Fee.
- (2) In any proceedings under this Part, the interested party may apply to the Registrar for directions on any matter arising in the course of the proceedings.

**91. Mediation**

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

**92. Notice of Application**

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

**CHAPTER 2 – POWERS AND PROCEDURES****93. Investigations**

- (1) The Registrar may conduct the investigations the Registrar considers necessary to properly determine an application for relief under this Part.
- (2) The Registrar may (but need not) hold a hearing to receive evidence and representations.
- (3) In conducting an investigation, the Registrar:
  - (a) must proceed as expeditiously and with as little formality and technicality as is consistent with the requirements of this Law and the proper investigation of the matter;
  - (b) is not bound by the rules of evidence and may gather information in any way the Registrar considers appropriate; and
  - (c) may, subject to this Law and the rules of natural justice, determine the procedures to be followed.

**94. Power to dismiss proceedings**

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

**95. Powers to obtain information**

- (1) For the purposes of an investigation, the Registrar may exercise any or all of the following powers:
  - (a) require the attendance before the Registrar of any person whom the Registrar considers to have or to claim an interest in the matter; and
  - (b) require any person referred to in 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 a contravention of this Law.

**96. Power of entry**

- (1) Subject to compliance with applicable law, the Registrar (or a delegate of the Registrar) may enter on any Strata Development, and any Lot, to which an application relates to carry out an investigation.

- (2) The power conferred by Article 96(1) may be exercised at any reasonable time after notice of the proposed entry has been given to the Body Corporate and to the Owner of any Lot that is to be entered.

**97. Obstruction**

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

**CHAPTER 3 – SPECIFIC FORMS OF RELIEF**

**98. Orders by Registrar in relation to contraventions of this Law or the Strata Management Statement or the By-laws**

- (1) If the Registrar is satisfied that a party has contravened or failed to comply with a requirement of this Law, the Strata Management Statement or the By-laws, the Registrar may make an Order:
- (a) requiring a party to take, or refrain from taking, any specified action;
  - (b) requiring a party to pay any Service Charges properly levied by a Body Corporate or any other amount the Registrar considers is validly due and payable by such party; or
  - (c) requiring a party to pay monetary compensation (not exceeding a prescribed amount, if an amount is prescribed) to another party.
- (2) An Order:
- (a) may require immediate compliance or fix a period for compliance; and
  - (b) may be made subject to any conditions the Registrar considers appropriate.
- (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 Orders**

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

**100. Order in relation to Common Property**

If, on an application by the Owner for relief under this Part, the Registrar is satisfied that a Body Corporate has unreasonably failed to implement a proposal by an Owner:

- (a) for repairing damage to the Common Property or other property of the Body Corporate;  
or
- (b) for making alterations to the Common Property,

the Registrar may Order the Body Corporate to make or allow the repairs or alterations, on terms and conditions the Registrar considers reasonable.

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

- (1) If, on application by the Owner for relief under this Part, the Registrar is satisfied that an acquisition or proposed acquisition of personal property by a Body Corporate is unreasonable, the Registrar may Order:
- (a) if the property has not yet been acquired, that the property be not acquired; or
  - (b) if the property has been acquired, that the Body Corporate sell or dispose of it within a specified time and deal with any proceeds of sale as directed in the Order.
- (2) If, on an application for relief under this Part, the Registrar is satisfied that a Body Corporate has unreasonably refused to acquire personal property for the benefit of Owners and Occupiers of Lots, the Registrar may Order the Body Corporate to acquire the property.

**102. Order to make or pursue insurance claim**

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

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

If, on an application for relief under this Part, the Registrar is satisfied that the rate of interest fixed by a Body Corporate for late payment of a Service Charge is unreasonable, the Registrar may make an Order varying the rate of interest and remitting accrued interest wholly or in part.

**104. Order to supply information or documents**

If, on an application for relief under this Part, the Registrar is satisfied that a Body Corporate or 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 Order the Body Corporate or the 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 Owner or Occupier is keeping an animal on a Lot or Common Property, contrary to the Strata Management Statement and the By-laws; or
  - (b) an animal kept on a Lot or Common Property causes a nuisance, hazard or unreasonable interference with the use or enjoyment of a Lot or Common Property,

the Registrar may Order the person keeping the animal to remove the animal from the Strata Development within a specified time and thereafter to keep the animal away from the Strata Development.

- (2) The Registrar may, instead of making an Order for removal of the animal in the case mentioned in Article 105(1)(b), Order the person keeping the animal to take specified action that will in the Registrar's opinion avoid the nuisance, hazard or unreasonable interference.

**106. Order in relation to Strata Management Statement and the By-laws**

- (1) If, on an application for relief under this Part, the Registrar is satisfied that a provision of the Strata Management Statement or By-law:
  - (a) was made without power;
  - (b) was not made in accordance with this Law or any other requirement that should have been observed; or
  - (c) should not have been made having regard to the interests of the Owners and Occupiers of Lots in the use and enjoyment of the Lots and Common Property,

the Registrar may make an Order under this Article.

- (2) An Order under this Article may:
  - (a) declare the provision of the Strata Management Statement or By-law to be invalid;
  - (b) vary the provision of the Strata Management Statement or By-law as the Registrar considers appropriate; or
  - (c) reinstate any former provision of the Strata Management Statement or By-law amended or repealed by the provision of the Strata Management Statement or By-law in question.
- (3) An Order 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 Owner for relief under this Part, the Registrar is satisfied that:
  - (a) an Exclusive Use Right or other form of licence of a particular kind in relation to the Common Property is necessary for the reasonable use or enjoyment of the Lot;
  - (b) such an Exclusive Use Right or other form of licence could be granted without unduly interfering with the rights of Owners or Occupiers of other Lots to the use and enjoyment of their Lots and the Common Property; and
  - (c) a Body Corporate has unreasonably refused to grant such Exclusive Use Right or other form of licence,

the Registrar may make an Order conferring rights in terms specified in the Order on the Owner or Occupier of the Lot.

- (2) An Order under this Article operates as if it were an Exclusive Use Right or other form of licence granted by the Body Corporate.

**108. Order making By-laws**

- (1) If, on an application by an Owner for relief under this Part, the Registrar is satisfied that a Body Corporate has unreasonably refused to make a By-law that is reasonably required for the proper enjoyment of a Lot or Common Property, or the proper administration of a Strata Scheme, the Registrar may make an Order in the terms on which the By-law should have been made.
- (2) An Order under this Article operates as a By-law and (to the extent of the inconsistency) prevails over any other By-law with which it is inconsistent.

**109. Order invalidating proceedings**

- (1) If, on an application by an Owner for relief under this Part, the Registrar is satisfied that the provisions of this Law, the Strata Management Statement or the By-laws have not been complied with in relation to the calling or conduct of a General Meeting, the Registrar may, by Order, invalidate a Resolution of (including an election held by) the Owners present at the General Meeting.
- (2) The Registrar need not make an Order under Article 109(1) if satisfied:
  - (a) that the failure to comply with the provisions of this Law, the Strata Management Statement or the By-laws did not prejudicially affect any person; or
  - (b) that the Resolution would have been passed, or the election would have had the same result, even if the provisions had been complied with.
- (3) An application seeking relief under this Article must be made within twenty eight (28) days after the date of the General Meeting.

**110. Order reallocating Lot Entitlements**

If, on application for relief under this Part, the Registrar is satisfied that the Lot Entitlements of Lots or, if various classes of Lot Entitlements have been determined, the Lot Entitlements of a particular class, have been determined, on a basis that is not fair and equitable, the Registrar may, by Order under this Article, reapportion the Lot Entitlements, or Lot Entitlements of the relevant class, on a basis that the Registrar considers fair and equitable.

**111. Order varying amount or manner of payment of Service Charges**

- (1) If the Registrar is satisfied that the Service Charges to be levied by a Body Corporate under this Law are inadequate or excessive, the Registrar may, by Order:
  - (a) determine the 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 Order, or the refund of any amount overpaid.
- (2) If the Registrar is satisfied that the manner of payment of Service Charges determined by a Body Corporate is unreasonable, the Registrar may, by Order, determine the manner in which the Service Charges are to be paid.

**112. Order varying amount of insurance**

If the Registrar is satisfied that the amount for which a Body Corporate has taken out insurance is unreasonable, the Registrar may Order the Body Corporate to increase or decrease the amount of the insurance.

**113. Order appointing Administrator**

- (1) If the Registrar is satisfied:
  - (a) that a Body Corporate has failed in the proper performance of a duty; and
  - (b) the circumstances are sufficiently serious to justify the appointment of an Administrator under this Article,the Registrar may, by Order, appoint an Administrator.
- (2) The appointment of an Administrator:

- (a) is not to be made unless the proposed appointee consents in writing to the appointment; and
  - (b) is to be made on the terms and conditions (which may include terms and conditions for remunerating the Administrator out of the funds of the Body Corporate) the Registrar specifies in the Order.
- (3) The Administrator has, in accordance with the terms of the Order, power:
- (a) to administer the affairs of the Body Corporate generally; or
  - (b) to carry out the function or functions of the Body Corporate, the Management Committee and/or the Body Corporate Manager specified in the Order.
- (4) If an Administrator has power to administer the affairs of the Body Corporate generally, the Administrator's powers operate to the exclusion of the powers of the Body Corporate, the Management Committee and the Body Corporate Manager.
- (5) If an Administrator has power to carry out a specified function or functions, the powers of the Body Corporate are excluded so far as they relate to those functions.
- (6) An act or omission of an Administrator done or made in the course of exercising powers under this Article is to be regarded as an act or omission of the Body Corporate.
- (7) The Administrator must give the Body Corporate written notice of the exercise of powers under this Article as soon as practicable after the powers are exercised.

#### **114. Order convening meeting of members of Body Corporate**

- (1) If the Registrar is satisfied that a Body Corporate has failed to hold a General Meeting as required under this Law, the Strata Management Statement and the By-laws, the Registrar may, by Order, appoint a person to convene a General Meeting of the members of the Body Corporate.
- (2) The Order may:
- (a) provide for the giving of notice of the General Meeting;
  - (b) appoint a person to preside at the General Meeting;
  - (c) provide (in an appropriate case) that the General Meeting is to be treated as the first General Meeting of the Body Corporate (even though the time for holding the first General Meeting may have expired); and
  - (d) deal with the business to be placed before the General Meeting and any incidental or consequential matters.
- (3) The provisions of an Order under this Article prevail over inconsistent provisions of this Law, the Strata Management Statement and the By-laws.

#### **115. Order invalidating Resolutions**

- (1) If, on an application for relief under this Part, the Registrar is satisfied:
- (a) that the applicant is a member of a Body Corporate who did not vote, either personally or by Proxy, in support of a Resolution of the Body Corporate; and
  - (b) that the Resolution is unreasonable or oppressive,
- the Registrar may make an Order invalidating the Resolution.

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

**116. Order terminating contract for services to a Body Corporate**

If the Registrar is satisfied that an agreement for the provision of services to a Body Corporate, including an agreement for the provision of services by the Body Corporate Manager:

- (a) is unfair to any of the Owners; or
- (b) is for an excessively long term,

the Registrar may make an Order terminating the agreement, varying the commercial terms or shortening its term.

**117. Order relating to structural alteration or addition to Lot or Common Property**

- (1) If the Registrar is satisfied that:

- (a) a consent, approval or authorisation of a Body Corporate is required under the Strata Management Statement and the By-laws for making a structural alteration or addition to a Lot or the Common Property; and
- (b) the consent, approval or authorisation has been unreasonably withheld,

the Registrar may make an Order authorising the relevant structural alteration or addition to the Lot or the Common Property on terms and conditions specified in the Order.

- (2) If the Registrar is satisfied that a structural alteration or addition to a Lot or the Common Property is being, or has been, made contrary to the Strata Management Statement and the By-laws, the Registrar may Order the Owner of the Lot to restore the Lot or the Common Property to its former condition.

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

- (1) If the Registrar is satisfied that a Developer under a Staged Strata Scheme (or an agent, employee or contractor acting on behalf of the Developer) is carrying out, or has carried out, work contrary to the requirements of:

- (a) the relevant Disclosure Statement for the Strata Scheme; or
- (b) Strata Management Statement and the By-laws relevant to the way the work is to be carried out,

the Registrar may Order the Developer to ensure compliance with those requirements and, if necessary, to take specified action to remedy past non-compliance.

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

**119. Order imposing penalty for breach of By-law**

- (1) A Body Corporate may apply to the Registrar for an Order that a person bound by the Strata Management Statement and the By-laws pay a penalty to the Body Corporate for breach of a By-law.
- (2) A person bound by the Strata Management Statement and the By-laws may apply to the Registrar for an Order that the Body Corporate pay a penalty to the applicant for breach of a By-law.

- (3) The Registrar may make an Order for the payment of a penalty on an application under this Article if satisfied that:
  - (a) the By-law provides for a penalty for breach; and
  - (b) the person against whom the Order is sought has wilfully breached the By-law.
- (4) On application under this Article, the Registrar may Order 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 Body Corporate may apply to the Registrar for an Order exempting the Body Corporate from:
  - (a) the requirement to hold insurance of a particular kind;
  - (b) the requirement to prepare and maintain a Strata Roll; or
  - (c) the requirement to maintain a post-box.
- (2) The Registrar may only make an Order exempting a Body Corporate from the requirement to hold insurance of a particular kind if satisfied that the exemption would not be against the interests of any Owner.
- (3) An Order under this Article may be lodged with the Registrar, who must record it in the Folio for the Common Property.
- (4) An Order under this Article does not take effect until the Registrar records it in accordance with Article 120(3).

**CHAPTER 4 – SERVICE AND ENFORCEMENT OF ORDERS**

**121. Copy of Order to be served**

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

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

**122. Penalty for contravention**

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

**123. Enforcement of Orders**

- (1) If a person is required by an Order under this Part to take specified action, and the person fails to comply with the Order within the time allowed by the Order, any other person with a proper interest in the matter may apply to the Registrar for an Order:
  - (a) authorising the applicant to take the necessary action; and
  - (b) requiring the person in default to reimburse the applicant for the cost of taking the action.
- (2) An Order cannot be made under this Article if the time for commencing an appeal against the original Order has not yet expired or, if an appeal has been commenced, until the appeal has been determined or discontinued.
- (3) An appeal against an Order under Article 123(1) lies to the Court under the provisions of Article 128. The Court may make any order it considers appropriate regarding implementation of the Order while the appeal is being pursued.

**124. Enforcement of Orders for payment of money**

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

**125. Order may have effect as Resolution of Body Corporate**

- (1) An Order under this Part may provide that the Order or a specified part of the Order is to have effect as an Extraordinary Resolution, a Special Resolution or an Ordinary Resolution of the Body Corporate.
- (2) If an Order contains such a provision, it operates, or the specified part of the Order operates, as an Extraordinary Resolution, a Special Resolution or an Ordinary Resolution of the Body Corporate accordingly.

**CHAPTER 5 – MISCELLANEOUS**

**126. Recording of certain Orders**

- (1) If an Order under this Part affects:

- (a) the administration of a Strata Scheme; or
- (b) the rights of Owners or Occupiers of Lots,

the Registrar must record the Order in the Folio for the Common Property or in the Folio for the affected Lots (as the case may be).

(2) The Registrar may:

- (a) on the Registrar's own initiative; or
- (b) on application by an interested party and on payment of the Prescribed Fee,

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

(3) For the purposes of this Article 126, each of the following is an interested party:

- (a) the Developer;
- (b) the Body Corporate;
- (c) each Owner and each Prospective Owner;
- (d) each occupier of a Lot;
- (e) the Relevant Authorities;
- (f) any other person (including a Mortgagee) who has, in the opinion of the Registrar, a proper interest in the matter.

**127. Registrar may determine questions relating to title to Real Property**

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

**PART 9: APPEALS****128. Right of appeal to Court**

- (1) The following are interested parties under this Article 128:
  - (a) the applicant for the decision or order;
  - (b) in the case of a decision or order under Article 90, 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 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.
- (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 Article 90:
  - (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****130. Powers and protection of the Registrar**

- (1) The Registrar has the power to do whatever the Registrar deems 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.

**131. Certificates issued by Body Corporate**

If a certificate is issued under a Body Corporate's stamp:

- (a) certifying that a particular Resolution was passed by the Body Corporate on a date specified in the certificate; and
- (b) certifying the nature of the Resolution,

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

**132. Action to be taken by the Registrar for Registration of Documents**

- (1) When the Registrar registers a Strata Plan or Strata Scheme, an amendment or variation to a Strata Plan or Strata Scheme, or cancellation of a Strata Plan or Strata Scheme, the Registrar must take action to ensure that persons searching relevant Folios receive notice of the Strata Plan, Strata Scheme, amendment, variation or cancellation.
- (2) When the Registrar receives an application, notice or other document relating to a particular Strata Scheme, the Registrar must take action to ensure that a person searching the Folio relating to the Common Property of the Strata Scheme receives notice of the application, notice or other document.

**133. Use of Lots and Accessory Lots**

- (1) The Owner or Occupier established by a Strata Scheme under this Law must not use the Lot or permit its use:
  - (a) for a purpose other than its Permitted Use as indicated in the relevant Registered Strata Plan or Strata Management Statement;
  - (b) contrary to a restriction indicated in the relevant Registered Strata Plan or Strata Management Statement; or
  - (c) in any manner other than for such purpose as permitted by the Master Developer.
- (2) A Lot that is designated on the Strata Plan as an Accessory Lot cannot be dealt with separately from the Primary Lot with which it is associated, and a dealing with the Primary Lot necessarily effects (without express mention) a corresponding dealing with the Accessory 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.

**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.

**135. Easements not affected by unity of ownership**

Unity of ownership does not destroy an Easement created or implied in relation to Lots, or Lots and Common Property, under this Law.

**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 Instrument by which the person became the Owner, or in any Caveat lodged by the person, may be treated as the person's address for service.
- (3) A notice or document may also be served on, or given to, a person by means of fax transmission, and is to be treated as served or given on receipt of a confirmation by electronic or other means that it has been received.
- (4) Despite the foregoing 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 five (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.

**137. Service on Body Corporate**

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

**138. Service on Owners**

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

**139. Powers of entry in certain cases**

- (1) If the Registrar or a party authorised by the Registrar (called collectively in this Article an “authorised party”) believes on reasonable grounds that a contravention of this Law or a breach of the Strata Management Statement or the By-laws has been, or is being, committed on any part of the Strata Development, the authorised party may at any reasonable time after giving reasonable notice to the Occupier, enter the relevant part of the Strata Development to ascertain whether the offence or breach has been or is being committed.
- (2) The authorised party shall, when exercising a power under Article 139(1), be accompanied by:
  - (a) the Registrar;
  - (b) the Body Corporate Manager;
  - (c) a Committee Member;
  - (d) the Administrator, if any, of the Strata Scheme; or
  - (e) any other person the Registrar considers appropriate.
- (3) A person who obstructs or hinders an authorised party (or a person accompanying the authorised party) acting under this Article, commits a contravention of this Law.

**140. Power of entry by Relevant Authority**

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

**141. Registrar's Directives**

- (1) The Registrar may issue Directives, not inconsistent with this Law, relating to the requirements to be followed in lodging, registering, recording, or serving Instruments, plans and other documents under this Law.
- (2) In issuing the Directives, the Registrar must have regard to:
  - (a) the purpose of this Law; and
  - (b) the principle that a person's Registered interest is not to be adversely affected except with the person's consent.
- (3) Without limiting Article 141(1), the Registrar's Directives may provide for any of the following:
  - (a) the form and content of and the requirements for Instruments, documents and plans;
  - (b) the number of copies of Instruments, documents and plans to be lodged;
  - (c) the need for lodging consents, certificates and other documents;
  - (d) the signing of Instruments (including in electronic form and by codes);
  - (e) the practice of carrying forward Registered interests onto new Folios;
  - (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
  - (j) the time and method of paying fees and charges.
- (4) The Registrar's Directives must be complied with unless the Registrar dispenses with compliance.

**142. Contraventions of this Law**

A person who commits a contravention of this Law is liable to the penalty specified under Regulations made under Article 143 or as ordered by the Registrar.

**143. DIFCA may make Regulations**

- (1) The DIFCA 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 Article 143(1) the DIFCA may make Regulations:

- (a) regulating the Registrar's practice in relation to matters arising under this Law; and
- (b) providing that a contravention of, or failure to comply with, this Law or any of the Regulations is an offence.

**SCHEDULE 1  
MODEL BY-LAWS**

**1. Duty to keep Lot in good order and repair**

- (1) The Owner must keep all improvements on its Lot in a state of good repair and to a standard in keeping with the Common Property.
- (2) The Owner must:
  - (a) carry out any work in relation to the Owner's Lot that the Owner is required to carry out by:
    - (i) a Relevant Authority; or
    - (ii) Body Corporate; and
  - (b) comply with all security procedures and Directives implemented and issued by the Body Corporate or any person acting on behalf of the Body Corporate.

**2. Prohibited conduct**

The Owner or Occupier must not, without the Body Corporate's prior written permission, do any of the following:

- (a) use the Lot, or permit its use, in a way that causes a nuisance to the Owner or Occupier of any other Lot;
- (b) make structural, mechanical or electrical alterations to a Lot;
- (c) place or do anything on any part of the Common Property or any part of the Lot which, in the opinion of the Body Corporate, is aesthetically displeasing or undesirable when viewed from the Common Property;
- (d) place any television aerials or satellite dishes on any Lot or Common Property including on any the balcony or terrace area or the exterior of the Building;
- (e) place or hang any washing or laundry or any other items on the Common Property or any part of the Lot where it is visible from the Common Property;
- (f) store any material, or do or permit to be done any dangerous act on the Lot or on the Common Property that may increase the Body Corporate's insurance premiums.

**3. Duty to allow access for maintenance and repair of Common Property**

- (1) A Body Corporate is entitled to reasonable access to a Lot for the purpose of maintaining, repairing or replacing the Common Property and Service Infrastructure.
- (2) A person authorised by a Body Corporate may enter the Lot for that purpose:
  - (a) after giving to the Occupier of the Lot reasonable notice of the intention to exercise the rights of access; or
  - (b) in an emergency, without notice.

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

The Owner must promptly pay all rates, fees and charges that may be payable in relation to the Lot.

**5. Vehicles**

- (1) The Owner must observe and ensure that their visitors and guests:
  - (a) observe any road signs on the Common Property;
  - (b) do not drive their vehicles in a manner which is unsafe, creates a nuisance, or obstructs the flow of traffic or access to or ingress from parking bays;
  - (c) park vehicles only in designated parking areas;
  - (d) do not permit one (1) vehicle to occupy more than one (1) parking bay; and
  - (e) do not park trucks, trailers, boats or heavy vehicles on the Common Property without the prior written consent of the Body Corporate or a person authorised by it.
- (2) The Body Corporate may authorise any vehicle parked or used in contravention of By-law 5(1) to be removed or towed away, at the risk and expense of the Owner of the vehicle.
- (3) The driving and parking of vehicles on the Common Property is entirely at the Owner's risk.

**6. Reasonable behaviour**

- (1) The Occupier must not behave in a way likely to interfere with the reasonable use and enjoyment of another Lot or the Common Property.
- (2) An Owner or Occupier must take reasonable steps to ensure that invitees do not behave in a way likely to interfere with the reasonable use and enjoyment of another Lot or the Common Property.

**7. Duty to provide information**

The Owner must promptly give the Body Corporate written notice of any change in the ownership of the Lot.

**8. Keeping animals**

- (1) Subject to By-law 8(2), the Occupier must not, without the Body Corporate's written approval:
  - (a) bring an animal onto, or keep an animal on, the Lot or the Common Property; or
  - (b) permit an invitee to bring an animal onto, or keep an animal on, the Lot or the Common Property.
- (2) By-law 8(1) does not apply to guide dogs for persons with impaired sight or hearing.

## SCHEDULE 2

**1. Rules of Interpretation**

- (1) In this Law, unless otherwise provided, a reference to:
  - (a) a statutory provision includes a reference to the statutory provision as amended or re-enacted from time to time;
  - (b) a “person” includes any natural person, body corporate or body unincorporate, including a company, partnership, unincorporated association, government or state;
  - (c) an obligation to publish or cause to be published a particular document shall, unless expressly provided otherwise in this Law, include publishing or causing to be published in printed or electronic form;
  - (d) a “day” means a calendar day, unless expressly stated otherwise. If an obligation falls on a calendar day which is either a Saturday, Sunday or an official public holiday, the obligation shall take place on the next calendar day which is a business day;
  - (e) a “business day” means a calendar day, excluding Saturdays, Sundays and official public holidays;
  - (f) a “week” shall mean a calendar week or seven (7) days, whichever is applicable in the circumstances;
  - (g) 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;
  - (h) a “year” shall mean a period of three hundred and sixty five (365) days and a “calendar year” shall mean a year of the Gregorian calendar;
  - (i) a reference to the masculine gender includes the feminine and vice versa;
  - (j) the singular shall include the plural and vice versa;
  - (k) “dollar” or “\$” is a reference to United States Dollars unless the contrary intention appears; and
  - (l) this 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.

- (6) References in this Law, to Registering an Instrument or information in the Folio is a reference to Registering it in (or in the case of a Folio kept in paper form, on) on the Folio for the Lot or 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, DIFC Law No. 5 of 2007 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:

<b>Terms</b>	<b>Definitions</b>
Accessory Lot	an accessory Lot that is intended to be used in association with another lot (being the “Primary Lot”), for purposes such as storage or parking but not for human occupation as a residence, shop, or the like.
Administrator	an administrator appointed by the Registrar under Article 74.
Board of Directors of the DIFCA	the governing body of the DIFCA.
Body Corporate	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.
Boundary Structure	a wall, floor or ceiling separating a Lot from another Lot or from the Common 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.
By-laws	the by-laws made under Article 75.

<b>Terms</b>	<b>Definitions</b>
Caveat	has the meaning given to it in the Real Property Law.
Collective Sale Resolution	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).
Common Property	for a Strata Scheme means: (a) the shared areas and facilities designated under Article 14; and (b) all other property administered by the Body Corporate for the relevant Strata Scheme, but does not include parts of the Strata Development designated for future development in a Staged Strata Plan for a Staged Strata Scheme. 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	the DIFC Court as established under Dubai Law.
Covenant	has the meaning given to it in the Real Property Law.
Developer	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	master community known as the Dubai International Financial Centre.
DIFCA	the DIFC Authority established under Dubai Law.
Directive	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).
Dubai Real Estate Laws	has the meaning given to it in the Real Property Law.
Easement	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.
Exclusive Use Right	the granting to an Owner of the exclusive right to the use and enjoyment of, or other special rights in relation to, the whole or part of the Common Property subject to the conditions of the respective Exclusive Use By-law and this Law.
Extraordinary Resolution	a resolution passed at a duly convened General Meeting by at least ninety per cent (90%) of the Owners present and Entitled to Vote at such General Meeting.
Folio	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.

<b>Terms</b>	<b>Definitions</b>
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 (1)(a) of Schedule 2 to this Law.
Insolvency Law	the Insolvency Law DIFC Law No. 1 of 2019.
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.
Licensed Surveyor	a surveying company licensed to prepare Strata Plans within the Emirate of Dubai and approved by the Registrar.
Lot	a designated area within a Strata Development allocated for separate ownership, occupation and/or use by the Owner of the Lot or by a person deriving rights of occupation from the Owner. 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	has the meaning given to it in the Real Property Law.
Model By-laws	means the model by-laws set out in Schedule 1.
Mortgage	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).
Operation	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.
Order	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.
Ordinary Resolution	a resolution of a Body Corporate passed at a General Meeting by a majority of the votes of Owners present and voting at such General

<b>Terms</b>	<b>Definitions</b>
	Meeting.
Owner	in relation to a Lot, the person Registered as freehold Owner 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 determines.
Permitted Use	the permitted use of a Lot and/or Common Property as approved by the Master Developer and the other Relevant Authorities.
Prescribed Fee	a fee payable to the Registrar under this Law including any fee payable under any Regulation or Directive.
Primary Lot	the Lot with which an Accessory Lot 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.
Printed	has the meaning given to it in the Real Property Law.
Prospective Owner	a person who has entered into a Sale and Purchase Agreement to purchase an existing or future Lot in a Strata Scheme.
Proxy	a duly executed proxy in the form approved by the Registrar from an Owner appointing a person to vote on behalf of the Owner at a General Meeting.
Real Property	has the meaning given to it in the Real Property Law.
Real Property Law	the Real Property Law DIFC Law No. 10 of 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	the Registrar of Real Property appointed pursuant 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.
Relevant Authority	has the meaning given to it in the Real Property Law.
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

<b>Terms</b>	<b>Definitions</b>
	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 Extraordinary 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.
Service Infrastructure	<p>cables, wires, pipes, sewers, drains, ducts, plant and equipment by which:</p> <ul style="list-style-type: none"> <li>(a) water, gas, electricity, heating, or conditioned or unconditioned air is supplied to a Lot or the Common Property;</li> <li>(b) a Lot or part of the Common Property is connected to a telephone, fax, cable television or other telecommunication service;</li> <li>(c) a Lot or part of the Common Property is connected to a sewerage or drainage system;</li> <li>(d) a system for the removal or disposal of waste is provided;</li> <li>(e) a system designed for fire safety for more than one (1) Lot or for the Common Property is provided; or</li> <li>(f) other systems or services designed to improve the safety, security or amenity, or enhance the enjoyment, of the Lots or Common Property are provided.</li> </ul>
Special Resolution	a resolution passed at a duly convened General Meeting by at least seventy five per cent (75%) of the Owners present and Entitled to Vote at such General Meeting.
Staged Strata Scheme	the Strata Scheme for the development of a Strata Development in stages by the Registration of a series of Strata Plans upon the completion of each stage.
Staged Strata Plan	a Strata Plan for a Staged Strata Scheme prepared in accordance with Article 42(2).
Statutory Easement	an 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).
Strata Management Statement	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

Terms	Definitions
	Lots and Common Property. A reference in this Law to a Staged 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).
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.
UAE	the United Arab Emirates.