



HELP HAS ARRIVED: NEW COVID-19 STRATA REGULATIONS

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On Friday, 5 June 2020 new Covid-19 strata regulations commenced. These regulations make it easier for strata managers to convene and hold general meetings and committee meetings. The new regulations will also enable documents to be signed by strata managers remotely and without having the seal affixed to them. The new regulations also extend certain time periods for things to be done.

BACKGROUND

On 14 May 2020, the *Covid-19 Legislation Amendment (Emergency Measures – Miscellaneous) Act* 2020 commenced. That Act created power for regulations to be made to respond to the Covid-19 pandemic. On 5 June 2020, the *Strata Schemes Management Amendment (Covid-19) Regulation 2020* and the *Community Land Management Amendment (Covid-19) Regulation 2020* commenced. These regulations introduce four key changes that will affect strata managers, owners corporations, community associations, precinct associations and neighbourhood associations across New South Wales.

SERVICE OF MEETING NOTICES BY EMAIL

The new regulations permit the notice of a general meeting or committee meeting of an owners corporation or association to be served on a person by email to an email address specified by the person for the service of documents. This is already possible in the case of the service of a general meeting notice by an owners corporation on an owner. However, the new regulations now permit, for example, notice of a committee meeting to be served on a committee member by email where the committee member provides an email address for the service of notices. The new regulations also permit a community association to serve notice of a general meeting on an owner by email to an email address given by the owner for the service of notices. This is a new and welcome development.

VOTING BY ELECTRONIC MEANS AT MEETINGS

The new regulations allow pre meeting electronic votes and electronic voting while participating in a meeting from a remote location even if the owners corporation, association or committee has not yet approved electronic voting for meetings. This will allow many owners corporations and strata committees who have not yet held a face to face meeting to approve electronic voting to use electronic voting for their meetings. This will also permit, for the first time, community associations to allow pre meeting electronic votes and votes to be cast during a meeting by electronic means such as via teleconference or video conference. Where electronic voting has never previously been approved, the secretary of an owners corporation or association (or the strata manager) must take reasonable steps to ensure that each owner or committee member can participate in and vote at the relevant meeting.



These new rules will not, however, permit pre meeting electronic voting to be used for an election of a committee.

EXECUTING DOCUMENTS WITHOUT A COMMON SEAL

The new regulations will allow a document to be signed by an owners corporation or association without affixing its seal to the document. The regulations will allow the persons who are authorised to witness the affixing of the seal of an owners corporation or association to sign and witness a document without affixing the seal to the document and to do so remotely by audio visual link. Further, if the document is to be signed by a strata manager, there is no need for the document to be witnessed. This will allow, for example, consolidation/change of by-laws documents and strata managing agency agreements to be signed remotely without the use of a common seal.

EXTENDING TIME PERIODS

The new regulations will extend the period for the first annual general meeting to be held to within six months after the end of the initial period of the owners corporation or association. The regulations will also give an owners corporation or association six months (instead of three months) to replenish the administrative fund or capital works fund after transferring money from one fund to the other or using money from one fund to pay an expense that should have been paid out of the other fund.

CONCLUSION

The new regulations are to be applauded. They will make it easier for owners corporations and associations (and strata managers) to convene and hold general meetings and committee meetings and for documents to be signed on behalf of owners corporations and associations.

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JS Mueller & Co Lawyers has been servicing the strata industry across metropolitan and regional NSW for over 40 years. We are a specialist firm of strata lawyers with in depth and unmatched experience in, and comprehensive knowledge of strata law, building defects and levy collection.

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