

Schedule 1

Model Articles of the Association

Part 1 – General Provisions

1. General Provisions

- (1) The Association shall be known as “*Strata Association No. [•] – [name of the Strata Development]*”.
- (2) These Articles apply to the Association and shall bind and benefit the Association and the Strata Lot Owners, as well as occupiers and persons having an interest in rem in a Strata Lot or any part thereof (to the extent that these Articles apply to such occupiers or persons having an interest in rem), as if all those persons had entered into mutual covenants to perform the terms of these Articles.
- (3) These Articles may not be amended or supplemented by the Association except as set out herein and in the Strata Development Documents, subject at all times to the Strata Regulations.
- (4) Except where the context otherwise requires, words and expressions contained in these Articles bear the meanings set out in Article 31.

Part 2 – The Association

2. Interest in the Association

- (1) Each Strata Lot Owner is entitled to an interest in the Association as the owner of the applicable Strata Lot and its Unit Entitlement shall determine—
 - (a) the number of votes to be exercisable by the Strata Lot Owner at a General Meeting;
 - (b) the proportionate contribution to be made by the Strata Lot Owner to the Association in the form of a Lot Assessment;
 - (c) the Strata Lot Owner’s proportionate interest in the Common Area Lots; and
 - (d) the proportion of the Association’s income to be apportioned to the Strata Lot Owner.
- (2) A Strata Lot Owner’s interest in the Association is inseparable from the Strata Lot Owner’s interest in the applicable Strata Lot, such that a Strata Lot Owner cannot deal with or dispose of its interest in the Association separately to its interest in the Strata Lot.
- (3) A Strata Lot Owner’s interest in the Association shall be automatically transferred to the new Strata Lot Owner of the Strata Lot on the registration of any transfer of the applicable Strata Lot in the Register.

3. Share Capital and Dividends

- (1) The Association is a legal entity incorporated by law and shall not have or require payment of any share capital or issue any shares.

- (2) The Association shall not declare, and no Strata Lot Owners shall be entitled to receive, any dividends.
- (3) Any revenues generated by the Association shall be deposited into the General Fund for use by the Association in respect of the Strata Development or paid to Strata Lot Owners as set out in the Strata Regulations in line with their Unit Entitlements.

4. Functions and Powers of the Association

- (1) In accordance with the Strata Regulations, the Association shall have the following functions—
 - (a) enforce these Articles and any other obligations of Strata Lot Owners pursuant to the Strata Development Documents;
 - (b) administer, manage and control the Common Area Lots;
 - (c) maintain in good condition and serviceable repair and where appropriate, renew, replace and refurbish—
 - (i) the Common Area Lots; and
 - (ii) all installations, facilities and service infrastructure, regardless of whether they are on Common Area Lots or Strata Lots other than Common Area Lots;
 - (d) establish and maintain (where appropriate) suitable lawns, gardens and other landscaping on the Common Area Lots;
 - (e) maintain the insurance required under the Strata Regulations, these Articles and any further insurance that may be required by Special Resolution of the Strata Lot Owners;
 - (f) hire and discharge Association Managers and other employees, agents and independent contractors with respect to the Common Area Lots and all related installations, facilities and service infrastructure;
 - (g) institute, defend or intervene in any litigation or administrative proceeding in its own name on behalf of itself or two or more Strata Lot Owners on matters affecting the Strata Development;
 - (h) cause improvements to be made as part of the Common Area Lots and all related installations, facilities and service infrastructure;
 - (i) grant easements, licenses or concessions through and over the Common Area Lots and all related installations, facilities and service infrastructure;
 - (j) impose and receive any Lot Assessments and other assessments, fees or charges for the use, rental or operation of the Common Area Lots and for services provided to the Strata Lot Owners;
 - (k) establish and maintain the General Fund and the Reserve Fund in the name of the Association, with each fund held in a separate account;
 - (l) impose charges for the late payment of Lot Assessments and, after notice and opportunity to be heard, levy reasonable fines for violations of the Articles; and
 - (m) carry out any other functions ancillary to its functions under these Regulations, including

functions that benefit the Strata Lot Owners and the occupiers of Strata Lots.

- (2) As part of the carrying out of such functions, the Association shall—
- (a) integrate waste management, energy and water efficiency policies into its management strategy for the Common Area Lots and Assets;
 - (b) monitor and direct the performance of the Association Manager;
 - (c) maintain records and produce statements and other documents as required by the Strata Regulations, these Articles and/or the Relevant Authorities; and
 - (d) otherwise comply with all Applicable Law, policies and directions by which it is bound and/or are applicable to the Strata Development.
- (3) The powers of the Association include the power to—
- (a) enter into contracts, including utility supply and service contracts;
 - (b) own immovable and movable assets;
 - (c) carry out any work required by Applicable Law, these Articles and/or the directions of a Relevant Authority and/or the Association, which a Strata Lot Owner has failed to undertake, on behalf and at the cost of the Strata Lot Owner;
 - (d) recover the cost of undertaking any work on behalf of a Strata Lot Owner in accordance with article 4(3)(c) from the Strata Lot Owner;
 - (e) access and enter a Strata Lot upon reasonable written notice to the Strata Lot Owner (unless in cases of emergency, where no notice is required) to inspect the Strata Lot, undertake repairs to the Common Area Lots and/or undertake any works on behalf of the Strata Lot Owner in accordance with article 4(3)(c);
 - (f) sue and take action to enforce monetary claims in its own name;
 - (g) procure the insurances required by Applicable Law and the Strata Development Documents;
 - (h) invest surplus funds in any manner not contravening Applicable Law;
 - (i) make a designation giving one or more (but not all) Strata Lot Owners exclusive use rights and enjoyment of, or other special rights in relation to, a Common Area Lots or part of a Common Area Lot in accordance with the requirements of the Strata Regulations;
 - (j) sell or otherwise dispose part of the Common Area Lots and grant or amend a license, lease or right to use and enjoyment over part of the Common Area Lots, provided this has been authorized by Extraordinary Resolution and that any revenue or monies received from such actions shall be for the benefit of the Association and used in a manner that is beneficial to the Strata Lot Owners; and
 - (k) undertake any other actions for the purpose of carrying out the Association's duties and functions as prescribed under these Articles, the Strata Regulations and the Strata Development Documents.

5. Common Area Lots

The Association owns the Common Area Lots on behalf of and for the benefit of the Strata Lot Owners.

6. Contracts for Goods and Services

Contracts for goods and services must be made in the name of the Association and may be executed by a Director or by the Association Manager acting in accordance with the authority granted to it under the Association Management Agreement.

7. General and Reserve Funds

- (1) The Association must set up a General Fund and a Reserve Fund in the name of the Association and maintain such funds in accordance with the requirements of the Strata Regulations.
- (2) Monies in the General Fund and the Reserve Fund must be expended in accordance with the annual budget prepared for the Association and approved by the Registrar (unless otherwise directed by the Registrar).
- (3) Monies in the Reserve Fund must not be used to pay for expenses that are intended to be met from the General Fund and monies in the General Fund must not be used to pay for expenses that are intended to be met from the Reserve Fund.
- (4) The financial year of the Association shall be as follows—
 - (a) in respect of the first year in which the Association is established, its financial year shall commence on the date the Association is established and expire on the 31st of December of that calendar year; and
 - (b) thereafter the Association's financial year shall commence on the 1st of January and expire on the 31st of December of each calendar year.

8. General Meetings

- (1) The first General Meeting shall be held by no later than one-hundred and eighty (180) days of the establishment of the Association and thereafter shall be held at least once a year.
- (2) General Meetings may be held in person or virtually.
- (3) At least twenty-one (21) days prior notice must be given to all Strata Lot Owners of a General Meeting and such written notice must contain a reasonably detailed agenda of the matters to be discussed and/or approved at the General Meeting and any relevant documentation.
- (4) A person is able to exercise the right to speak at a General Meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- (5) A person is able to exercise the right to vote at a General Meeting when—
 - (a) that person is able to vote, during the meeting, on motions put to the vote of the meeting; and
 - (b) that person's vote can be taken into account in determining whether or not such motions passed at the same time as the vote of all other persons attending the meeting.

- (6) The Board of Directors may make whatever arrangements they consider appropriate to enable those attending a General Meeting to exercise their rights to speak or vote at it.
- (7) In determining attendance at a General Meeting, it is immaterial whether any two or more members attending the General Meeting are in the same place as each other.
- (8) Two or more persons who are not in the same place as each other attend a General Meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at the meeting, they are (or would be) able to exercise them.

9. Quorum for General Meetings

- (1) A quorum for deciding a motion at a General Meeting shall be made up by Strata Lot Owners owning at least twenty-five percent (25%) of the total Strata Lots.
- (2) No business is to be transacted at a General Meeting if the persons attending it do not constitute a quorum.

10. Chairing General Meetings

- (1) If the Board of Directors have appointed a chairman, the chairman shall chair the General Meetings if present and willing to do so.
- (2) If the Board of Directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten (10) minutes of the time at which the meeting was due to start—
 - (a) the Directors present; or
 - (b) if no Directors are present, the Strata Lot Owners,must appoint a Director or Strata Lot Owner to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.
- (3) The person chairing a meeting in accordance with this article is referred to as “the chairman of the meeting”.

11. Attendance and Speaking by Directors and non-Strata Lot Owners

- (1) Directors may attend and speak at General Meetings, whether or not they are Strata Lot Owners.
- (2) The chairman of the meeting may permit other persons who are not—
 - (a) Strata Lot Owners; or
 - (b) otherwise entitled to exercise the rights of Strata Lot Owners in relation to General Meetings,to attend and speak at a General Meeting.

12. Adjournment

- (1) If the persons attending a General Meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.

- (2) The chairman of the meeting may adjourn a General Meeting at which a quorum is present if—
 - (a) the Strata Lot Owners consent to an adjournment; or
 - (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or to ensure that the business of the meeting is conducted in an orderly manner.
- (3) The chairman of the meeting must adjourn a General Meeting if directed to do so by the Strata Lot Owners.
- (4) When adjourning a General Meeting, the chairman of the meeting must—
 - (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors; and
 - (b) have regard to any directions as to the time and place of any adjournment which have been given by the Strata Lot Owners.
- (5) If the continuation of an adjourned meeting is to take place more than fourteen (14) days after it was adjourned, the Association must give at least seven (7) clear days' notice of it (that is, excluding the date of the adjourned meeting and the day on which the notice is given)—
 - (a) to the same persons to whom notice of the Association's General Meeting is required to be given; and
 - (b) containing the same information which such notice is required to contain.
- (6) No business may be transacted at an adjourned General Meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

13. Voting

- (1) The number of votes each Strata Lot Owner is entitled to cast at a General Meeting or, in the absence of a meeting, by way of a written resolution, is determined by the Unit Entitlement of the Strata Lot Owner's respective Strata Lot.
- (2) Where a Strata Lot is owned by more than one person, the total number of votes allocated to the Strata Lot in accordance with the Unit Entitlement may only be cast once at any given General Meeting or by way of a written resolution.
- (3) A Strata Lot Owner may vote by proxy, provided the Association is notified of the proxy's appointment at least twenty-four hours before the scheduled time of the vote.
- (4) Where a Strata Lot Owner is deceased, the Strata Lot Owner's vote(s) may be exercised by their legal representative, provided such legal representative has provided to the Association the required legal documents to prove their capacity as legal representative of the deceased at least five (5) days before the scheduled time of the vote.
- (5) Voting on motions at a General Meeting, or in the absence of a meeting, by way of written resolution, other than motions for a Special Resolution or Extraordinary Resolution as may be required under the Strata Regulations or these Articles, shall be decided by way of an Ordinary Resolution.
- (6) A motion put to the vote of a General Meeting must be decided on a show of hands unless a poll

is duly demanded in accordance with these Articles.

- (7) A poll vote on a motion may be demanded—
 - (a) in advance of the General Meeting where it is to be put to the vote; or
 - (b) at a General Meeting, either before a show of hands on that motion or immediately after the result of a show of hands on that motion is declared.
- (8) A poll vote may be demanded by—
 - (a) the chairman of the meeting;
 - (b) the Directors;
 - (c) two (2) or more persons having the right to vote on the motion; or
 - (d) a person or persons representing not less than one tenth of the total voting rights of all the Strata Lot Owners having the right to vote on the motion.
- (9) A demand for a poll may be withdrawn if—
 - (a) the poll has not yet been taken; and
 - (b) the chairman of the meeting consents to the withdrawal.
- (10) Polls must be taken immediately and in such manner as the chairman of the meeting directs.

14. Records

- (1) The Association must keep the following records—
 - (a) minutes for Board of Directors meetings and General Meetings (including any relevant documents discussed at such meetings);
 - (b) communications with Relevant Authorities;
 - (c) communications with Strata Lot Owners;
 - (d) up to date copies of these Articles, the Strata Development Documents and insurance policies;
 - (e) copies of the annual report of the Board of Directors and of the Association Manager;
 - (f) copies of the annual budgets and audited financial statements of the Association;
 - (g) copies of all executed contracts for the supply of goods and services to the Association;
 - (h) a register of Strata Lot Owners and occupiers of Strata Lots;
 - (i) a register of Assets;
 - (j) books of financial accounts; and
 - (k) any other records required under Applicable Law and the Registrar.

- (2) The records of the Association may be kept in paper or electronic form.
- (3) The records of the Association are the property of the Association and must be surrendered to the Association by the Association Manager or other officer upon written request.

Part 3 – Board of Directors

15. Board of Directors

- (1) The Association shall have a Board of Directors comprised of not less than three (3) and not more than nine (9) Directors responsible for the supervision and governance of the affairs and functions of the Association, subject to any limitations imposed on the Board of Directors in the Strata Regulations, these Articles and/or a resolution of the General Meeting.
- (2) The Board of Directors shall be made up of–
 - (a) for the duration of the Management Transition Period, persons appointed by the Strata Developer; and
 - (b) following the expiry of the Initial Period, Strata Lot Owners of the Strata Development.

16. Functions of the Board of Directors

- (1) The Board of Directors shall be responsible for–
 - (a) appointing a chairman of the Board of Directors by way of a majority vote of the Board of Directors;
 - (b) ensuring that the Association carries out the functions and obligations of the Association prescribed in the Strata Regulations, the Strata Development Documents and these Articles, or as directed by the Registrar;
 - (c) setting, in conjunction with the Association Manager, the strategic direction of the Association;
 - (d) reviewing and providing comments on the annual budget of the Association prepared by the Association Manager; and
 - (e) monitoring and directing the performance of the Association Manager;

for which purpose the Board of Directors may exercise all the powers of the Association, in accordance with these Articles and the Strata Regulations.
- (2) Each member of the Board of Directors shall, at all times–
 - (a) discharge their duties in good faith, with the care that an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner that the Director reasonably believes to be in the best interest of the Association; and
 - (b) in accordance with the Board of Directors Code of Conduct and any other code of conduct or direction issued by the Relevant Authorities and Applicable Law.

17. Appointment of Directors

- (1) For the duration of the Initial Period, the Strata Developer shall appoint the Board of Directors,

provided that–

- (a) all persons to be appointed by the Strata Developer to the Board of Directors must be approved by the Registrar in advance; and
 - (b) the first Board of Directors of the Strata Development must be duly formed by the Strata Developer within thirty (30) days of the establishment of the Association.
- (2) No less than six (6) months prior to the expiry of the Management Transition Period, the Board of Directors shall convene a General Meeting during which meeting–
 - (a) the Board of Directors appointed by the Strata Developer shall immediately resign; and
 - (b) the Strata Lot Owners shall elect the new members of the Board of Directors by Ordinary Resolution, whose appointment shall immediately come into effect.
- (3) Notwithstanding the resignation of the Board of Directors appointed by the Strata Developer in accordance with article 17(1), for the remainder of the Management Transition Period the Strata Developer shall assist and collaborate with the newly elected Board of Directors to ensure a smooth and efficient transition of the supervision and governance of the affairs of the Association.
- (4) The Registrar may, at any time and in its sole discretion, appoint or remove a Director, who may or may not be a Strata Lot Owner.
- (5) A Director appointed to the Board of Directors in accordance with–
 - (a) article 17(2)(b) shall sit on the Board of Directors for a term of one (1) year; and
 - (b) article 17(4) shall sit on the Board of Directors for a term specified by the Registrar in writing.
- (6) A person ceases to be a Director as soon as–
 - (a) that person ceases to be a Director by virtue of any provisions of the Strata Regulations or is prohibited from being a director by Applicable Law;
 - (b) that person becomes bankrupt;
 - (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
 - (d) a registered medical practitioner who is treating that person gives a written opinion to the Association stating that the person has become physically or mentally incapable of acting as a Director and may remain so for more than three (3) months;
 - (e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
 - (f) notification is received by the Association from the Director that the Director is resigning from office and such resignation has taken effect in accordance with its terms; or
 - (g) in respect of a Director appointed following the expiry of the Initial Period, that person ceases to be a Strata Lot Owner, unless they are appointed by the Registrar in accordance with article 17(4).

- (7) No less than ninety (90) days prior to the expiry of the term of a Director's appointment, the Board of Directors shall convene a General Meeting during which meeting the Strata Lot Owners shall, by Ordinary Resolution—
- (a) renew the appointment of the existing Director for a further term of one (1) year commencing on the first day following the expiry of the Director's current term of appointment; or
 - (b) elect a replacement Director, whose appointment shall commence on the first day following the cessation of the existing Director's term of appointment.
- (8) If a person ceases being a Director in accordance with article 17(6), the Board of Directors shall, as soon as is reasonably practicable, convene a General Meeting during which meeting the Strata Lot Owners shall, by Ordinary Resolution, elect a replacement Director, whose appointment shall take immediate effect.
- (9) If all of the Directors cease being Directors in accordance with article 17(6) on or around the same time, the Strata Lot Owners shall, as soon as is reasonably practicable, convene a General Meeting during which meeting the Strata Lot Owners shall, by Ordinary Resolution, elect a replacement Board of Directors, whose appointment shall take immediate effect.
- (10) In circumstances where, as a result of death, the Association has no living Directors or Strata Lot Owners, the personal representatives of the last Strata Lot Owner to have died have the right, by notice in writing, to appoint a person to be a Director.

18. Meetings of the Board of Directors

- (1) The Board of Directors shall meet regularly or as frequently as is necessary (in person or virtually) but in any event no less than monthly.
- (2) At least fourteen (14) days' prior notice in writing must be given by a Director or the Association Manager to all Directors of a proposed meeting of the Board of Directors, unless a shorter notification period is agreed by the Board of Directors in writing.
- (3) Notice of a meeting of the Board of Directors must indicate—
- (a) the proposed date and time of the meeting;
 - (b) where the meeting is to take place; and
 - (c) if it is anticipated that the Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- (4) Subject to these Articles, Directors participate in a meeting of the Board of Directors, or part of a meeting of the Board of Directors, when—
- (a) the meeting has been called and takes place in accordance with these Articles; and
 - (b) they can each communicate to the other Directors any information or opinions they have on any particular item of the business of the meeting.
- (5) In determining whether Directors are participating in a meeting of the Board of Directors, it is irrelevant where any Director is or how they communicate with each other.

19. Quorum for Meetings of the Board of Directors

- (1) At a meeting of the Board of Directors, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- (2) The quorum for a meeting of the Board of Directors may be fixed from time to time by a decision of the Board of Directors, but it must never be less than two (2) and, unless otherwise fixed, it is two (2).
- (3) If the total number of Directors participating in the meeting of the Board of Directors is less than the quorum required, the Directors must not take any decision other than a decision—
 - (a) to appoint further directors; or
 - (b) to call a General Meeting so as to enable the Strata Lot Owners to appoint further Directors.

20. Decision Making by Directors

- (1) Any decision of the Board of Directors may be taken by majority decision unless otherwise required by these Articles, the Strata Regulations or the Strata Development Documents to be a unanimous decision.
- (2) A unanimous decision—
 - (a) is unanimous when all eligible Directors indicate to each other by any means that they share a common view on the matter;
 - (b) such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible Director or to which each eligible Director has otherwise indicated agreement in writing;
 - (c) references to eligible Directors in article 20(2)(b) are to Directors who would have been entitled to vote on the matter had it been proposed as a resolution at a meeting of the Board of Directors; and
 - (d) a decision may not be taken in accordance with this article 20(2) if the eligible Directors would not have formed a quorum at such a meeting.
- (3) If the numbers of votes for and against a proposal are equal, the chairman has a casting vote (unless the Articles prescribe the chairman is not to be counted as participating in the decision making process for quorum or voting purposes, in which case the chairman will not have the right to cast the casting vote).
- (4) The Board of Directors shall determine its own rules and procedures provided that any such rules and procedures are—
 - (a) not inconsistent with the Strata Regulations, these Articles or any other Strata Development Document;
 - (b) set out in writing and notified to Strata Lot Owners; and
 - (c) not disallowed by an Ordinary Resolution.

21. Delegation of Powers

- (1) Subject to these Articles, the Board of Directors may delegate any of the powers which are conferred on the Board of Directors under these Articles—
 - (a) to such persons or committee;
 - (b) by such means (including by power of attorney);
 - (c) to such an extent;
 - (d) in relation to such matters or territories; and
 - (e) on such terms and conditions,as they reasonably think fit.
- (2) If the Board of Directors so specify, any such delegation may authorize further delegation of the Directors' powers to any person to whom they are delegated to.
- (3) The Board of Directors may revoke any delegation, in whole or in part, or alter its terms and conditions, at any time.

22. Strata Lot Owners' Reserve Power

- (1) The Strata Lot Owners may, by way of Special Resolution, direct the Directors to take, or refrain from taking, any specified action, provided that any such action or inaction is compliant with Applicable Law, including, without limitation, the Strata Regulations.
- (2) No Special Resolution passed in accordance with article 22(1) invalidates anything which the Directors have done before the passing of such resolution.

23. Conflicts of Interest

- (1) If a proposed decision of the Board of Directors is concerned with an actual or proposed transaction or arrangement with a company in which a Director has an interest, that Director is not to be counted as participating in the decision-making process for quorum or voting purposes.
- (2) Article 23(1) will not apply if the Director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest.
- (3) For the purpose of this article 23, references to 'proposed decisions' and 'decision-making processes' include any meeting of the Board of Directors or part of a meeting of the Board of Directors.
- (4) Subject to article 23(5), if a question arises at a meeting of the Board of Directors or of a committee of Directors as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any Director other than the chairman is to be final and conclusive.
- (5) If any question as to the right to participate in a meeting of the Board of Directors (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the Directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

24. Records of Decisions

The Directors must ensure that the Association retains a record, in writing, for at least ten (10) years from the date of the decision, of every unanimous or majority decision taken by the Directors.

25. Directors' Remuneration and Expenses

- (1) The Board of Directors shall not be entitled to any remuneration for their services to the Association as Directors.
- (2) The Association may pay any reasonable expenses which the Directors properly incur in connection with their attendance at meetings of the Board of Directors and General Meetings, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities to the Association, provided that any such expenses have been included in the annual budget of the Association approved by the Registrar.

Part 4 – Association Manager

26. Appointment and Termination of the Association Manager

- (1) The Association must—
 - (a) procure competitive quotes from at least two (2) Association Managers for the provision of the Management Functions to the Strata Development and the Association; and
 - (b) appoint an Association Manager, by way of a majority decision of the Board of Directors, to undertake the Management Functions relating to the Strata Development and the Association pursuant to an Association Management Agreement.
- (2) The term of the appointment of the Association Manager must not exceed any period permitted by the Strata Regulations.
- (3) The appointment of the Association Manager may only be terminated or varied by a resolution of the Board of Directors, subject to the terms of the Association Management Agreement.

27. Lot Assessments and Special Assessments

- (1) The Association Manager may not levy and collect any Lot Assessments until the corresponding annual budget has been approved by the Registrar.
- (2) To levy Lot Assessments on Strata Lot Owners, the Association Manager must serve on Strata Lot Owners written notification of the Lot Assessment, at least thirty (30) days before falling due, stating the following—
 - (a) the name of the Strata Lot Owner(s) of the Strata Lot;
 - (b) the Strata Lot subject of the Lot Assessment;
 - (c) details of the Lot Assessment payable by the Strata Lot Owner(s) in respect of their Strata Lot (including any amounts payable by the Strata Lot Owner(s) in respect of a Limited Common Area) and the date payment falls due and owing;
 - (d) if applicable, the number of instalments the Lot Assessment must be paid and the dates of each instalment;

- (e) if applicable, the amount of any Lot Assessment arrears, including any penalties applied in respect of such arrears;
 - (f) if applicable, the amount of any Lot Assessment surplus paid by the Strata Lot Owner; and
 - (g) any other relevant information.
- (3) The Association Manager may not levy and collect any special assessments to raise funds for the Reserve Fund without the prior approval of the Registrar.
- (4) To levy a special assessment on Strata Lot Owners, the Association Manager must serve on Strata Lot Owners written notification of the special assessment, at least thirty (30) days before falling due, stating the following—
- (a) the name of the Strata Lot Owner(s) of the Strata Lot;
 - (b) details of the special assessment payable by the Strata Lot Owner(s) and the date payment falls due and owing; and
 - (c) any other relevant information.

Part 5 - Insurance

28. Insurance

- (1) The Association must, at all times, insure in its own name—
- (a) the buildings and any other improvements on the Common Area Lots;
 - (b) any Assets which are capable of being insured; and
 - (c) any building divided by the Strata Plan.
- (2) The policy of insurance must—
- (a) cover—
 - (i) damage from fire (whether deliberate or accidental), storm, tempest, explosion, equipment malfunction, or other risks prescribed by the Strata Regulations;
 - (ii) costs incidental to the reinstatement or replacement of the buildings, including the cost of removing debris and the fees of architects and other professional advisers;
 - (iii) against liability for damage to property or bodily injury to any person however arising in relation to the Common Area Lots;
 - (iv) against any risk specified in a direction of the Registrar and/or the Relevant Authorities; and
 - (v) against any other risk that it considers should be covered by insurance;
 - (b) provide for “replacement cost coverage”;
 - (c) provide for business income interruption insurance to the extent that the Association has an insurable interest in any business income; and

- (d) be renewed on an annual basis prior to its expiry.
- (3) The cost of insurance shall be assessed in proportion to the Unit Entitlements of the Strata Lot Owner (unless the cost of insurance is increased due to the usage of one or more Strata Lots, in which case the Strata Lots with such usage shall be assessed on an increased share of the insurance cost).
- (4) The proceeds of any insurance claim, whether made for the benefit of the Association or a Strata Lot Owner, must be applied towards the reinstatement of the damage that resulted in the claim.
- (5) A Strata Lot Owner or occupier shall be responsible for insuring their own property or interests to the extent that they are not covered by any insurance affected by the Association.

Part 6 – Community Rules

29. Community Rules

- (1) The Association may register with the Registrar, as part of the Strata Development Documents, community rules in respect of the Strata Development.
- (2) The community rules of the Strata Development may be amended by Ordinary Resolution of the General Assembly, provided any such amendments do not contravene the Strata Regulations, these Articles or any other Strata Development Documents and are registered in the Register.
- (3) The community rules must be observed by all Strata Lot Owners and occupiers of Strata Lots, who must ensure that their guests and visitors observe them.

Part 7 - Miscellaneous

30. Miscellaneous

- (1) The Association shall have a stamp which it must use to validate all formal written documents. The stamp must be kept securely by the Association Manager and only be applied with the approval of the Board of Directors or pursuant to the delegated authority of the Association Manager. The affixing of the stamp must be witnessed by–
 - (a) the Association Manager and a member of the Board of Directors; or
 - (b) two (2) members of the Board of Directors.
- (2) Any notice required by these Articles to be given by the Association or any other person may be given in paper or electronic form to a registered address or email address. If given in paper form it must be posted by pre-paid mail or delivered to the registered address. If given by email, it is deemed to have been given twenty-four (24) hours after the time recorded as the sent time, unless notification of non-delivery was received within those twenty-four (24) hours.

31. Definitions

The following words and expressions shall have the following meanings–

“ADGM Founding Law” means Law No. 4 of 2013 concerning the Abu Dhabi Global Market issued by His Highness the Ruler of the Emirate of Abu Dhabi;

“Applicable Law” means all regulations, rules, laws, decrees, statutes, decisions, codes and orders having the force of law in the Abu Dhabi Global Market;

“Articles” means these Model Articles of the Association;

“Assets” means any movable or immovable property, other than real property, which is owned by the Association;

“Association” means the Association listed in article 1(1);

“Association Management Agreement” means the agreement entered into between an Association Manager and an Association for the provision of Association Management Services;

“Association Manager” means a body corporate providing Association Management Services;

“Association Management Services” means the administration, management and/or control of the common property of a real property as delegated by the Association to the Association Manager under the terms of an Association Management Agreement;

“Board of Directors” means all of the Directors of the Strata Development;

“Board of Directors’ Code of Conduct” means the Code of Conduct appended to these Articles at Appendix 1;

“Common Area Lot” means the common areas of the Strata Development which are registered as common area lots on the Strata Plan and **“Common Area Lots”** means all of the Common Area Lots collectively;

“Director” means a member of the Board of Directors and **“Directors”** means all of the members of the Board of Directors collectively;

“Extraordinary Resolution” means a resolution—

- (a) passed at a duly convened General Meeting by Strata Lot Owners owning at least ninety percent (90%) of the total Strata Lots held by the Strata Lot Owners present and entitled to vote at the meeting; or
- (b) in the absence of a meeting, a written consent duly executed Strata Lot Owners owning at least ninety percent (90%) of the total Strata Lots of the Strata Development;

“General Fund” means a fund established by an Association to meet recurrent and non-capital expenditure by the Association in respect of the day-to-day management, administration and control of the Association and the Common Area Lots;

“General Meeting” means a meeting of the Strata Lot Owners convened and held in accordance with these Articles and the Strata Regulations;

“Initial Period” means the period of time commencing on the date the Association is established in accordance with the Strata Regulations and expiring on the date the first Board of Directors elected by the Strata Lot Owners is properly constituted in accordance with these Articles;

“Limited Common Area” means any portion of the Strata Development that is designed in the Strata Plan as limited Common Area Lots designated for the exclusive use of one or more (but not all) Strata Lot Owners as part of the use and ownership of their respective Strata Lots;

“Lot Assessment” means the assessments on individual Strata Lots within the Strata Development that may be levied by an Association from time to time to meet anticipated expenditures and as permitted under the Strata Regulations;

“Management Functions” means the day-to-day administration of the Association and the management of the Association’s functions;

“Ordinary Resolution” means a resolution–

- (a) passed at a duly convened General Meeting by Strata Lot Owners owning a majority of the total Strata Lots held by the Strata Lot Owners present and voting at the meeting; or
- (b) in the absence of a meeting, a written consent duly executed by Strata Lot Owners owning a majority of the total Strata Lots of the Strata Development;

“Register” means the registry of real property interests maintained by the Registrar pursuant to the ADGM Founding Law and the Real Property Regulations 2024;

“Relevant Authority” means any UAE or Emirate of Abu Dhabi governmental or regulatory authority;

“Reserve Fund” means the fund to be established by the Association in respect of emergency, one-off, non-recurrent or capital expenditure by the Association not associated with the day-to-day management, administration and control of the Association and the Common Area Lots;

“Special Resolution” means a resolution–

- (a) passed at a duly convened General Meeting by Strata Lot Owners owning at least seventy-five percent (75%) of the total Strata Lots held by the Strata Lot Owners present and entitled to vote at the meeting; or
- (b) in the absence of a meeting, a written consent duly executed by Strata Lot Owners owning at least seventy-five percent (75%) of the total Strata Lots of the Strata Development;

“Strata Developer” means *[insert name of the strata developer]*;

“Strata Development” means *[insert name of the strata development]*;

“Strata Development Documents” means the Articles and any disclosure statement, strata management statement, or similar document applying to the Strata Development and which will be registered against the applicable lots;

“Strata Lot” means a lot for strata ownership by individual Strata Lot Owners as set out in the Strata Plan;

“Strata Lot Owner” means the owner of a Strata Lot;

“Strata Plan” means the plan for strata ownership in the Strata Development dividing real property into Strata Lots and Common Area Lots which is prepared and registered in accordance with the Strata Regulations;

“Strata Regulations” means the Strata Regulations 2026, as may be amended from time to time; and

“Unit Entitlements” means the proportional value assigned to each individual Strata Lot within the Strata Development which determines–

- (a) the number of votes exercisable by the Strata Lot Owner at a General Meeting;

- (b) the proportionate contribution to be made by the Strata Lot Owner to the Association in the form of a Lot Assessment;
- (c) the Strata Lot Owner's proportionate interest in the Common Area Lots; and
- (d) the proportion of the Association's income to be apportioned to the Strata Lot Owner.

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Appendix 1

Board of Directors Code of Conduct

1. A Director must be committed to understanding the role of the Association and the rules by which it operates (including the Strata Regulations).
2. A Director must comply with any applicable directors' duties mandated under the Strata Regulations and the Articles.
3. A Director must, in performing their duties—
 - (a) exercise independent judgment;
 - (b) exercise reasonable care, skill and diligence that would be exercised by a reasonably diligent person with—
 - (i) the general knowledge, skill and experience that may reasonably be expected of a person carrying out the functions carried out by the Director in relation to the Association; and
 - (ii) the general knowledge, skill and experience of a director;
 - (c) act honestly, fairly and in good faith; and
 - (d) must not unfairly or unreasonably disclose information held by the Association, including information about the Strata Lot Owners or any occupiers of Strata Lots, unless authorized or required by the Strata Regulations or the direction of the Registrar to do so.
4. A Director must not act in their own interest or in the interest of a particular Strata Lot Owner but must act in the best interest of the Association and Strata Lot Owners generally, unless it is unlawful to do so.
5. A Director must not—
 - (a) cause a nuisance on the Common Area Lots; or
 - (b) otherwise behave in any way that unreasonably affects a person's lawful use and enjoyment of a Strata Lot or the Common Area Lots.
6. If a conflict of interest or potential conflict of interest arises at any time, then the Director must, before any debate or vote is taken on the matter to which the conflict arises—
 - (a) disclose that conflict to the Board of Directors; and
 - (b) abide by the decision of the Board of Directors as to whether they are to be permitted to participate in any debate or vote of the matter (which decision shall be taken by only those Directors who do not have a direct or indirect interest that conflicts with the interests of the Association in such matter).