**Outline of Termination Proposal[[1]](#footnote-2)**

*Strata Titles Act 1985*

Section 175(3)

**Introduction**

Terminating a strata titles scheme means a parcel of land is no longer subdivided into strata title lots but is instead amalgamated into a single freehold parcel of land. Certificates of title for the strata title lots are cancelled, scheme documents cease to have any effect, lots and common property cease to exist and the strata company ceases to exist. On termination of a freehold strata titles scheme the owners of the lots become owners of the parcel of land as tenants in common in shares proportional to the unit entitlements of their respective lots. On termination of a leasehold scheme the owner of the leasehold scheme becomes the owner of the parcel of land.

This form is completed by the proponent (the party proposing the termination) upon commencement of the termination process. It provides an outline of the termination proposal including general descriptions of the reasons for termination, proposals for contracts to be offered to lot owners and timelines for the termination process, sufficient to enable the strata company (owners of the lots) to decide by ordinary resolution if the termination proposal should proceed to consideration of a full proposal. It also includes an explanation of the stages and steps in the termination process and consequences of each step. It also includes the proponent’s arrangements for lot owners to have access to a trust fund for advisory and representation services in connection with the termination proposal.

If lot owners are unanimous in their desire to terminate the scheme, the proponent must indicate this on the form below as a unanimous owner-initiated termination proposal. As a consequence some streamlined requirements will apply including that no fund will be set up for lot owners to access advisory and representation services.

***Please give careful consideration to the information in this form and attachments.***

Note: No funding is available for lot owners for advice on this Outline termination proposal.

**Scheme Details:**

Scheme Number: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Scheme Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Proponent details:**

Full Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ insert ACN/ABN]

Address for service: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Full name:

**Proponent eligibility to submit proposal:**

Select one of the following:

[ ]  owner of lot in the scheme

[ ]  contractual right to purchase lot in the scheme

[ ]  body corporate formed by 2 or more of the persons above

Date of Outline termination proposal: \_\_\_\_\_\_\_\_\_\_\_\_\_\_

|  |  |  |
| --- | --- | --- |
|  Is this a unanimous owner-initiated termination proposal[[2]](#footnote-3)? | Yes |[ ]  No |[ ]

If yes, complete Parts 1, 2 and 4 to 6.

If no, complete Parts 1 to 4 and 6.

**Part 1**

|  |
| --- |
| [insert content required in section 175(1)(c)-(g) of the Act and Regulation 109]\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

**Part 2 – Explanation of the process for and consequences of termination of a strata titles scheme under Part 12 Division 3 of the Act**

|  |
| --- |
| [insert approved form of [Annexure A - Explanation of the process and consequences of the termination](https://www0.landgate.wa.gov.au./?a=85218)]\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

**Part 3 – Details of arrangements for independent advice or representation referred to in section 190 of the Act (if not a unanimous owner-initiated termination proposal)**

|  |
| --- |
| [including but not limited to details required by Regulation 108(1)]\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

**Part 4 – Additional information included by Proponent**

|  |
| --- |
| \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

**Part 5 – Unanimous owner-initiated termination proposal**

|  |
| --- |
| On [insert date] the strata company passed a unanimous resolution permitting the proponent to submit a termination proposal as a unanimous owner-initiated termination proposal.The proponent submits this unanimous owner-initiated Outline termination proposal conditional on it having the unanimous support of owners of lots in the strata titles scheme.1. Insert explanation of unanimous support[[3]](#footnote-4).

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_1. Insert details of proposed arrangements for independent advice or representation.

[See requirements in Regulation 155(3)]\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_1. Insert declarations required in Regulation 155(2)(a) and (b).

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_1. Insert explanation of dissenting owner protections[[4]](#footnote-5) required in Regulation 155(2)(d).

[Insert approved form of [Annexure B - matrix of dissenting owner protections](https://www0.landgate.wa.gov.au./?a=85217)]\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

**Part 6 - Execution**

Dated: \_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. In this outline termination proposal “Act” means the *Strata Titles Act 1985* and “Regulations” means the *Strata Titles (General) Regulations 2019.* [↑](#footnote-ref-2)
2. Refer to Regulation 153(1) for meaning of unanimous owner-initiated termination proposal. [↑](#footnote-ref-3)
3. Unanimous support has the meaning in Regulation 153(2). [↑](#footnote-ref-4)
4. Dissenting owner protections has the meaning in Regulation 155(1). [↑](#footnote-ref-5)