



## PREPARING FOR YOUR ITEMS OF BUSINESS AT YOUR NEXT AGM AFTER PROCLAMATION

### Strata Titles Amendments Act 2018

As we embrace the new Act commencing 1st May 2020, it will require changes and additions to the way things have been done in the past. This includes documentation for the next AGM, in particular insurance documentation.

#### **Under Section 127 (3) (c) it states:**

(c) The presentation of copies of certificates and schedules for the insurance required under this Act, current as at the date of the meeting.

Previously the strata market typically only provided a certificate of currency or other insurance documentation as the Act at that time did not specify exactly what was required. This has been changed in the new Act, which now states that you must include copies of certain documents for presentation regarding the insurance.

#### **So what are these documents that you must include with your AGM notice of meetings?**

The new Act now requires you to include the Insurance Policy Renewal Schedule and your Brokers Insurance Certificate, if you use a broker. You can also include a Certificate of Currency, but you need to ensure the certificate used is current for the AGM meeting.

1. A Policy Schedule is also known as a Schedule of Insurance for most insurers and in some instances this document is referenced for renewals only as a Renewal Certificate, but effectively is the same thing. Depending on whether it is New Business, it is generally called an 'Insurance New Business Schedule' or if it is a Renewal, it is generally called an 'Insurance Policy Renewal Schedule' or a 'Renewal Certificate'. These documents are part of the insurance contract, which identifies the insured, details of coverage summary, any special conditions, excesses and the premium summary breakdown.

2. A Broker Insurance Certificate, typically summarises coverages, excesses and any conditions applying, along with expiry dates. The purpose of this document is to show that cover has been placed and paid.

3. A Certificate of Currency is a document that confirms an insurance policy is current and identifies the summary coverage & expiry date. It does not show excesses, premiums or any special conditions. The information is only current at the time and day of your request. This document is typically used for property settlements and for lending purposes.

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