

GENERAL INFORMATION GUIDE

NSW STRATA SCHEME – TYPES OF RESOLUTIONS

- All decisions of an Owners Corporation are made by passing one of four (4) types of resolutions at a duly convened meeting.

1	Ordinary Resolution	A resolution which is passed at a duly convened general meeting of an owners corporation or executive committee meeting which is not subject to any restrictions (either legislative or Owners Corporation) which requires a simple majority of votes.
2	Ordinary Resolution in General Meeting	A resolution which is passed at a duly convened general meeting of an Owners Corporation which requires a simple majority of votes to be passed.
3	Special Resolution	A resolution which is passed at a duly convened general meeting of an Owners Corporation and which not more than one-quarter of votes is cast against , ascertained in accordance with clause 18 (2) and (3) of Part 2 of Schedule 2.
4	Unanimous Resolution	A resolution which is passed at a duly convened general meeting of an Owners Corporation and which no vote is cast against.

- These definitions apply to a meeting quorum and should not be confused with the total number of lots or Unit Entitlement.

Example

<ul style="list-style-type: none"> • SP00000 consists of 100 lots. All lots have 10 Unit Entitlements. • All lots are financial and eligible to vote. • Quorum = 25% of 1000 Unit Entitlements = 250 Unit Entitlements • 37 owners attend = 37% attendance = 370 Unit Entitlements. 	
Unanimous Resolution.	Special Resolution
<p>30 owners support the motion and</p> <p>Seven (7) abstain (do not cast a vote although they are at the meeting)</p> <p>Result = resolution passes unanimously.</p> <p>All those who voted supported the motion and</p> <p>There was no vote cast against it. The number of voters was more than the minimum for a quorum.</p>	<p>27 owners support the motion (73%)</p> <p>10 owners voted against the motion (27%)</p> <p>Result = Motion is lost or defeated</p> <p>Although the 1st part of the criteria was met in that the motion must be passed (51 % plus), the 2nd requirement was not achieved – more than 25% voted against the motion.</p>

- The Executive Committee can only pass ordinary resolutions. Although all members of the committee may vote for a motion and pass it unanimously, it is still only an Ordinary Resolution.
- Where the legislation requires a unanimous vote on a motion, non-financial owners are eligible to vote.