

## CAN'T WAIT FOR AN AGM? - HOW TO CALL AN EGM IN NSW

Need extra term under your Building Management Agreement in NSW - but your Owners Corporation AGM is still a long way off? All is not lost; you just need to convene an EGM to get your motion passed.

### Different Ways to Convene an EGM

You may request the Owners Corporation to convene a general meeting (i.e. an EGM) at any time.

There are three ways that an EGM may be convened and they are set out in section 19 of the *Strata Schemes Management Act 2015*:

1. The first and most simple approach is to request the Secretary of the Owners Corporation to call the meeting. The Secretary has the authority to call a meeting without approval from any other members of the Strata Committee.
2. If the Secretary is not a person you communicate well with or is hesitant to use their authority to call the EGM, the second way an EGM may be convened is by asking the Strata Committee to call the meeting. This would require a majority decision of the Strata Committee.
3. Finally, the third way that you may convene an EGM is by providing a “qualified request” to the Owners Corporation – i.e. by way of a requisition, requiring the calling of the EGM.

Generally, if you find yourself dealing with an intransigent or hostile Strata Committee, requisitioning an EGM will be the only avenue you have left to have your motion voted on promptly – other than waiting for the next AGM.

A “qualified request” is a request made to the Owners Corporation by one or more owners that together equal 25% or more of the total unit entitlement for the strata scheme. For example, if there are 10 owners in the strata scheme and all owners have the same unit entitlement, then three owners together can make a request to convene an EGM. If that request is received, the Owners Corporation must call the EGM within 14 days.

There is no specific rule about how a “qualified request” must be made from a practical sense. For most Owners Corporations, motions and requests are submitted by email to the strata manager. Your strata manager might issue owners with a form to make the process easier and more consistent, but whether you use such a form or not, is not mandatory. If a group of owners are seeking to call a meeting together, they could co-sign a single request sent to the strata manager, or each send their own request asking for the same thing.

If you are trying to call an EGM and need the assistance of other owners to do that, you might want to provide the other owners with a premade request that includes the wording for a letter or an email. This way, if you and all the other owners use the same wording, you can be confident that the request being made is consistent and should be treated collectively as a “qualified request”.

Regardless of the approach you take, when asking the Owners Corporation to call an EGM it is worth considering the cost to the Owners Corporation when an EGM is held and whether you are willing to bear that cost for the Owners Corporation. If you are seeking the Owners Corporation’s approval on a motion that benefits you, it is reasonable to assume that the owners in your scheme will be much more agreeable if they don’t have to pay anything to host the meeting.

Once the meeting has been called, I recommend that you make individual contact with as many owners as possible to spell out to them the reasons for your request and the benefits to them as owners in the scheme for you, their Building Manager, having the certainty of ongoing tenure that your financier requires.

For advice and assistance on both the legal and practical issues you might face and strategies you can take when requisitioning an EGM, you should speak to an experienced strata lawyer.

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