

# New Laws: Strata Managers Face Tougher Penalties

New laws will soon commence in New South Wales to increase transparency and accountability in the strata management industry.

Strata managing agents who engage in unethical practices, such as undisclosed kickbacks or failing to disclose conflicts of interest, will face harsher penalties.

The new laws aim to protect the interests of strata owners by giving them greater control over their buildings and common property.

The big changes are:

- **Increased penalties:** Maximum penalties and penalty infringement notice amounts for agents who fail to disclose information about commissions have been raised.
- **Strengthened conflict-of-interest disclosure:** Agents will be required to provide more detailed information about potential conflicts of interest.
- **Ban on insurance commissions:** Agents will no longer be allowed to receive commissions on insurance products *unless* they actively help residents find the best deals.
- **Enhanced enforcement powers:** NSW Fair Trading has been granted additional authority to investigate and prosecute breaches of strata laws.

## Best Practice Guide

The new disclosure requirements are largely in line with the Strata Community Association's best practice guide.

This means that strata managers who are already following the guide will not need to make significant changes to their

practices.

The new laws will also ensure that all strata managers are subject to the same standards.



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Since 2002 Adrian has specialised almost exclusively in the area of strata law. His knowledge of, and experience in strata law is second to none. He is the youngest person to have been admitted as a Fellow of the ACSL, the peak body for strata lawyers in Australia. [Profile](#) I [Linked](#)

## **Contact Us**

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