

**Summary of main changes made in Contract for the Sale and Purchase of Land 2014 and 2016 Editions
(from the 2005 Edition)**

ITEM	EDITION	CHANGE	RATIONALE
Front page	2016	New item "NSW Duty".	To facilitate the notation of the OSR reference number, which confirms that the contract has been assessed by OSR. In due course this will facilitate the removal of allocated (hand) stamps used in Electronic Duties Returns (EDR).
Front page	2014	Rename "Contract for Sale of Land" as "Contract for the Sale and Purchase of Land".	Greater recognition of both parties to the contract and their respective rights and obligations.
Front page and Clause 15	2014	"Completion date" changed to "date for completion".	"Date for completion" better describes the target scheduled date for completion, as distinguished from the date upon which completion actually occurs.
Front page	2014	Storage space added as possible improvement and solar panels added as possible inclusion.	To reflect common occurrence.
Front page	2014	Addition of name and details of buyer's agent.	Added at the request of REINSW in recognition of increasing role of buyer's agents. Note the inclusion of buyer's agent as last alternative depositholder in clause 1 definition of depositholder.
Front page	2014	Addition of new tick-a-boxes for: <ul style="list-style-type: none"> • vendor agreeing to accept a deposit bond (clause 3); and • proposed electronic transaction (clause 30). 	For ease of use and part of new clauses 3 and 30 respectively.
Page 2 and clauses 3 and 4.5	2014	Remove reference to vendor duty.	Obsolete.
Page 2 – List of documents	2014	Update list of documents, including: <ul style="list-style-type: none"> • delete reference to Crown tenure card; • reference to building certificate now generic; 	Updated for legislative and practice changes.

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		<ul style="list-style-type: none"> add new documents in relation to changes made to the Swimming Pools Act and new vendor disclosure obligations to commence 29 April 2016, certificate of compliance, evidence of registration and relevant occupation certificate; and add form of requisitions. 	
Page 2 – List of documents	2016	<p>Add to list of documents:</p> <ul style="list-style-type: none"> clearance certificate, under the new foreign resident capital gains withholding payment measure; land tax certificate. certificate of non-compliance under the <i>Swimming Pools Act 1992</i>; detailed reasons of non-compliance under the <i>Swimming Pools Act 1992</i>; and 	<p>Updated for the following legislative changes:</p> <ul style="list-style-type: none"> The new foreign resident capital gains withholding payment measure, commencing on 1 July 2016. Legislative changes to the operation of land tax certificates expected to commence on 1 July 2016. For contracts completing in 14 days or less, the vendor must provide a land tax certificate on the date of exchange. For contracts completing in more than 14 days and contracts where no completion date agreed, the vendor must serve a land tax certificate at least 14 days before completion. The certificate need not be 'clear'. Provision of a 'clear' certificate is dealt with in clause 16.6. The new certificate of non-compliance for swimming pools, introduced by regulations made in March 2016. Where a swimming pool is non-compliant, the vendor must attach the certificate of non-compliance to the contract from 29 April 2016. Disclosure of the detailed reasons for non-compliance is not mandatory, but its inclusion in the contract is encouraged.
Page 4, Warning 1	2016 and 2014	Updated Government departments, entities and utilities.	Currency.
Page 4, Warning 7	2014	Reword warning in relation to release of deposit.	Clearer meaning.

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Page 4, Warning 9	2014	New warning in relation to <i>Personal Property Securities Act 2009</i> .	Alert for parties and practitioners.
Page 4, Warning 10	2014	Warning regarding finance available moved and reworded. In 2005 edition the warning regarding finance appears with the statutory warnings.	Better to place the finance warning with other non-statutory warnings on page 3.
Page 4, Warning 11	2016	New warning 11 added.	To alert the parties to the new foreign resident capital gains withholding measure, which is due to commence on 1 July 2016. This measure will impact on conveyances where the sale price is \$2 million or more, even where the vendor is not a foreign resident. See the ATO website for more information in relation to the measure.
Clause 1 Definitions	2014	Definitions of “bank”, “depositholder” and “settlement cheque” revised. New definition for “deposit-bond” added.	Updated for legislative change and clarity of meaning.
Clause 1 Definitions	2016	New definitions have been inserted in relation to the new foreign resident capital gains withholding measure: <ul style="list-style-type: none"> • clearance certificate • remittance amount • TA Act ; and • variation. 	These new definitions are utilised in new clause 31 Foreign Resident Capital Gains Withholding.
Clause 1 Definitions	2016	The definition of work order has been revised to expressly exclude notices under section 22E of the <i>Swimming Pools Act 1992</i> or clause 18B of the <i>Swimming Pools Regulation 2008</i> .	This change has been made for consistency with the intended operation of a certificate of non-compliance.

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Clause 3 Deposit-bond	2014	New clause added in relation to the use of deposit bonds.	2005 edition does not deal in any detail with the use of a deposit bond, a practice that has become more prevalent since that edition was drafted.
Clause 4.1	2014	New clause added obliging the purchaser to provide details to the vendor of the incoming mortgagee.	This clause has been added to assist the vendor and the discharging mortgagee with the introduction of optional no certificates of title. A discharging mortgagee who holds Control of the Right to Deal (CoRD) requires the details of the incoming mortgagee to complete the required lodgement case.
Clause 5 Requisitions	2014	The clause now contemplates that the vendor may attach a form of requisitions to the contract and the purchaser is taken to have made those requisitions.	The change was made to reflect common practice. Note that the purchaser may make other requisitions.
Clause 8.2 Vendor's rights and obligations	2014	New clause 8.2 provides an express right of termination for the purchaser where the vendor does not comply with the contract.	This clause was introduced to rebalance the respective rights of the parties, having regard to the unfair contract terms provisions of the <i>Australian Consumer Law</i> .
Clause 16.6 Completion	2016	Minor amendment to clause 16.6.	Current practice is that a purchaser obtains a land tax certificate as part of post exchange enquiries. Legislative changes to the operation of land tax certificates (expected to commence on 1 July 2016) will mean that the vendor will usually obtain a land tax certificate and serve it on the purchaser. Clause 16.6 has been amended so that whether the certificate is obtained by the purchaser or the vendor, the vendor must give the purchaser a clear land tax certificate on completion.
Clause 16.7 Completion	2016	Amendment of clause 16.7	This clause has been amended to allow for the purchaser to withhold any necessary payment under the foreign resident capital gains withholding measure and exclude that from the amount paid to the vendor on completion.

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Clause 18.5.2	2014	Update interest rate reference to section 101 <i>Civil Procedure Act 2005</i> .	Currency.
Clause 20.8 Miscellaneous	2016	Minor amendment to clause 20.8.	This clause has been amended as some of the rights under clause 31 continue after completion, such as an obligation on the purchaser to provide the vendor with evidence of payment of the remittance amount to the ATO.
Clause 23.18	2014	Insert limitation of right exercisable in clause 23.18.2 such that the purchaser's right only accrues after expiry of the cooling off period.	To avoid a purchaser who subsequently exercises its cooling off rights from participating in that general meeting.
Clause 24 Tenancies	2014	Update in relation to retail lease legislation references.	Currency.
Clause 28.3 Unregistered plan	2016	Minor amendment to clause 28.3.2.	This clause has been amended to provide for consistency with legislative changes made to a vendor's ability to rescind an off the plan contract, which commenced from 2 November 2015.
Clause 30 Electronic transaction	2014	This clause has been added to assist the profession in moving to electronic conveyancing.	<p>The clause steps through the new processes required in electronic conveyancing. Matters covered by the clause include:</p> <ul style="list-style-type: none"> • a mechanism for the parties' representatives to confirm it is proposed that the matter will proceed using electronic conveyancing; • a mechanism for a party's representative to notify the other party that the matter will need to default to the paper environment and the payment of fees and costs associated with that change; • the manner in which a party would usually create the workspace, populate the workspace with data and send certain invitations to join the workspace and the subsequent

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			<p>communications between the parties as they prepare for settlement;</p> <ul style="list-style-type: none"> time frames for the supply of adjustment figures, completion of the financial settlement schedule and digital signing of all things necessary for settlement; a default mechanism for the provision of settlement documents outside the workspace if not otherwise agreed by the parties; the consequences of the computer systems of the Land Registry, the RBA or the electronic platform being inoperative at the completion time; and the amendment of other clauses of the contract as necessary, for example clause 16 is amended such that the place for settlement becomes the workspace.
Clause 30.11 Electronic transaction	2016	Minor amendment to clause 30.11.3.	This clause has been amended to remove the need for a purchaser to produce a settlement cheque and forward it to the ATO after completion where settlement takes in place in the electronic workspace.
Clause 31 Foreign Resident Capital Gains Withholding	2016	New clause 31.	<p>This clause has been added in relation to the new withholding measure that is due to commence on 1 July 2016. The clause introduces a number of new obligations. For example, under the clause the purchaser is obliged to:</p> <ul style="list-style-type: none"> complete a purchaser payment notification with the ATO and provide this to the vendor at least five days before the date for completion; and produce a settlement cheque on completion for the remittance amount and forward this to the ATO immediately after completion. <p>The clause also stipulates that provided the purchaser complies with its requirements under the clause pre-completion, then the vendor cannot refuse to complete.</p> <p>To encourage parties to deal with the withholding</p>

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			<p>obligation well before completion, the clause provides that the purchaser does not have to complete earlier than 7 days after receipt of any clearance certificate or variation.</p> <p>The clause also highlights the need for a clearance certificate to be provided for each named vendor under the contract.</p>