

ARTICLES OF ASSOCIATION

of

Jesperud Housing Association Organisation No. 971285923

Amended in accordance with the provisions of the Act of 23 May 1997 No. 31, as amended by the annual meeting of 27 April 1999, annual meeting of 29 April 2004, the annual meeting of 26 April 2007, the annual meeting of 24 April 2008, the annual meeting of -3 March 2009 Annual Meeting of 13 April 2011, the annual meeting of -19 April 2012, the annual meeting of -29 April 2015, the annual meeting of -26 April 2017 and the annual meeting of 17 April 2018.

§ 1 The property

The name of the association is Jesperud Housing Association. The housing association was established by divisional application registered on 30.07.1986. The housing association occupies a leasehold lot that is rented from the Municipality of Oslo. The leasehold lot is registered as cadastral unit number 100, property unit number 54.

The lot and the parts of the buildings that are not sections are communal areas.

§ 2 What the housing association comprises

The housing association consists of 360 units. For each section there is a housing association fraction that defines the size of the housing association unit based on the use area of each section (i.e. excluding balcony / terrace).

The individual occupancy unit consists of a main part, as well as one or more additional parts. The main part consists of a clearly delimited and continuous part of a building, with its own entrance. Additional parts include storerooms and parking spaces.

The communal areas include the entire building body with ceilings, supporting structures, main entrance doors, hallways, walkways, stairwells, other communal rooms and the outdoor area. Pipes for water and drains up to the stop valves, ventilation ducts and electrical risers up to the sectional fuse boxes are also communal facilities. The same applies to technical installations for communal hot water supply and other installations that serve the common needs of the association owners.

Those parts of the property not included in the individual occupancy units are communal areas.

§ 3 Payment and distribution of shared costs

Costs of the property that are not related to the individual occupancy unit are shared costs. Shared costs shall be distributed among the unit owners according to association fraction. If there are specific reasons, the costs can be allocated according to the utility of the individual occupancy unit or by consumption.

If the unit owners affected expressly agree, in the articles a different distribution may be determined than that provided for in the first paragraph.

Costs for special projects that only relate to the garage facility are allocated to the association owners who utilise a car parking space.

Each section owner must pay a monthly amount in advance determined by the board in order to cover its share of the shared costs.

§ 4 The duty of the association to maintain and improve communal areas, etc.

The housing association shall maintain the external and internal communal areas in good condition, including the building and common installations. Maintenance shall be carried out so that damage to the communal areas and the individual occupancy units is prevented, and so that the section owners are not subject to any inconvenience. The maintenance obligation includes everything that does not fall under the individual unit owner's maintenance obligation, cf. Section 7. The maintenance obligation also includes repair and replacement when necessary, and repairing accidental damage.

The maintenance obligation also includes communal installations that pass through occupancy units, such as pipes, wires, ducts and communal heating systems including radiators. The housing association has the right to carry new such installations through the occupancy units if this does not cause significant inconvenience for the unit owner concerned. The association's maintenance obligation also covers exterior window maintenance.

The association's maintenance obligation also includes such things as repair or replacement of ceilings, joists, load-bearing wall structures, gutters, and pipes or wires built into load-bearing structures with the exception of heating cables.

The unit owner shall grant the housing association access to the occupancy unit to maintain, install and monitor installations as mentioned in the second paragraph. Monitoring and work in the occupancy units must be notified in a timely manner and carried out so as not to create unnecessary inconvenience for the unit owner or other users.

An association owner that does not fulfill its maintenance obligation shall compensate for losses this incurs on the unit owners through damage to the occupancy units, cf. section 35 of the Owner Units Act.

The parking facility is maintained by the housing association and the cost of this is included in the shared costs.

The board shall ensure that orders issued by public authorities regarding security and maintenance of the property are implemented.

§ 5 Right of use

The units of the Jesperud Housing Association can only be used for residential purposes. (See also Restriction, Section 9).

The individual association owner has the exclusive right to use their section, and the right to utilise communal areas for their intended use in accordance with what the board determines at any time. The communal areas must not be used so that other association owners are prevented from using them.

Although the individual association owner has the exclusive right to use their unit, the association owner is obliged to give access to their unit when this is necessary for the association owner's maintenance work and preventative safety checks. There may be a need to check, for example, electrical systems, fire protection equipment and pipe installations. This applies to apartment, storeroom and garage space.

The use of the section and communal areas must not unreasonably or unnecessarily harm or cause inconvenience to other association owners.

Changes in the occupancy unit that entail interference with the building's load-bearing structures are not permitted.

The section owner is not entitled to carry out work that affects / involves the common areas and communal facilities of the housing association without the approval of the board / annual meeting. This includes such things as installations in communal areas, including setting up / installing satellite dish, heat pump, awning etc.

Costs for dismantling and remounting installations / equipment that current or former unit owners have installed, such as solar / windbreak, tiles and glazing, shall be charged for with rehabilitation and other common measures applicable to the unit.

It is not permissible to connect kitchen fans and / or other installations to the housing association's communal ventilation system.

The unit owner cannot lay tiles or engage a company to lay tiles on their own balcony / terrace floor. Such work shall be performed by a company approved by the board during the 5-year warranty period and at the expense of the unit owner.

Unit owners can plant balcony boxes themselves, but plants should not be higher than 60 cm. Tall shrubs / "tree-like" plants are not allowed as they can create root systems that damage the concrete / increase the risk of corrosion.

§6 Exclusive right of use

The following units have sole and individually exclusive rights to use specific parts of the common area of the housing association:

Units that do not have a balcony but direct access to the green area from the balcony door where partitions are mounted between the apartments, have an area limited by the depth of the partitions and the width of the apartment. The section owner has the right to establish a platform with handrails within this area.

The exclusive right is valid until 1.1.2048. Changes to already established exclusive rights require the consent of the unit owners who are directly affected.

Expansion or establishment of new areas with exclusive rights requires amendments to the articles of association at the annual meeting pursuant to Section 25 of the Owners Units Act. Changes to all established exclusive rights require the consent of the unit owners who are directly affected.

The following applies in respect of use and maintenance for the exclusive rights area:

- The unit owner has the right to establish guardrails around the platforms, but is obliged to follow the board's guidelines in relation to height and design.
- The section owner is obliged at their own expense to maintain the platforms and railings so that they do not appear to be worn and have a negative impact on appearance in the communal areas of the housing association.
- Platforms shall not be used for storage space for refuse or objects that do not naturally belong to the use of the platforms. Satellite dishes are not permitted on platforms that are not concealed by railings.

§ 7 The unit owner's duty to maintain the occupancy unit

The unit owner shall maintain the occupancy unit so that damage to the common areas and other occupancy units is prevented and so that inconvenience is not caused to the other unit owners. The maintenance obligation also includes any additional parts. The unit owners' maintenance duty includes the following

- a) inventory
- b) equipment, such as water closet, water heater, bath and sinks
- c) appliances, such as fire extinguisher
- d) cupboards, benches, internal doors with frames
- e) mouldings, partitions, wallpaper
- f) floor coverings, heating cables, membranes and drains
- g) wall, floor and ceiling panels
- h) water and drain pipes within the stopcock, wiring, fuse box from the first main fuse or intake fuse
- i) windows, exterior panels and exterior doors

The unit owner shall maintain wet rooms to prevent leaks.

(2) Maintenance also includes the necessary repair and replacement of the above, but not the replacement of the drain. The unit owner is also responsible for replacing broken window panes, including necessary replacement of insulating glass.

(3) The section owner shall clean the drain and keep drainage pipes open up to the communal pipe. This also applies to drains on balconies or similar that are located at the occupancy unit.

(4) The unit owner shall keep the occupancy unit free of insects and pests.

(5) The duty of maintenance does not include repair or replacement of ceilings, joists, load-bearing wall structures and pipes or conduits built into load-bearing structures.

(6) The duty of maintenance also includes the repair of incidental damage, such as damage caused by storms, burglaries or vandalism.

(7) If the section owner discovers damage in the occupancy unit that the housing association is responsible for repairing, the section owner is obliged to immediately send written notice to the board.

(8) Following a change of ownership, the new unit owner is under obligation to perform maintenance, including repairs and replacement in accordance with this provision. This obligation also applies if the maintenance should have been carried out by the previous unit owner.

(9) A unit owner who does not fulfill the maintenance obligation shall compensate for losses this incurs on other unit owners, cf. section 34 of the Owner Units Act.

The association owner shall perform their maintenance properly. Therefore, the employment of authorised professionals is required where governed by public regulations. This normally applies to plumbing and electrical installations.

The association owner should also maintain a balcony / terrace by painting walls and flower boxes and keeping them free of snow in the winter.

It is a requirement that the unit has functioning stopcocks, which must be replaced periodically, for the insurance of the housing association to apply in the event of water damage. The stopcocks should be easily accessible. The association owner's maintenance obligation also includes the responsibility for the proper functioning of fire protection equipment in the residence. This involves periodic replacement of the fire extinguisher and battery / smoke detectors.

The unit owner must give the housing association representatives access to the units for necessary mapping / inspection of fire protection, security, pipe installations and electrical installations. The housing association must notify the section owners in reasonable time of such inspection.

The association owner shall immediately notify water damage and other damage that may cause harm or inconvenience to other residents.

All residents are obliged to help keep the common areas in order.

The housing association's ventilation system depends on supply air and good extraction to function. The unit owner is obliged to keep all extraction and air valves open and to clean them regularly. Window valves should also remain open at all times. Unit owners should

regularly ensure ventilation of the residence (full ventilation with open windows for 5-10 minutes), and this is especially important in the summer when the temperature differences between indoor and outdoor temperatures are minimal and the natural extraction ventilation is poor. It is not allowed to connect electrical / mechanical fans to the ventilation ducts of the housing association. If a breach of the regulations leads to a need for monitoring of the apartments / facility and an order for rectification, the unit owner is obliged to reimburse the housing association's costs for inspection and monitoring of the ventilation, cf. Section 34 of the Owner Units Act.

§ 8 Legal right of disposal

The individual association owner has full legal right over the unit, except for restrictions as a result of these articles of association and the Owner Units Act. Legal control includes the right to sell, let or mortgage. A parking space, which is an additional part of the unit, can only be sold with the main part.

Any sale of units shall be notified in writing to the business manager of the housing association in the event of a change of ownership, from the seller or broker as soon as a purchase contract has been entered into. In the event of a change of ownership, a change of ownership fee shall be paid to the business manager of the housing association. If a unit is let, this must be reported in writing to the board on the prescribed form. This also applies with change of tenant. The same applies to the letting of an additional part of a unit, such as garage space or storeroom. The unit owner shall, upon letting, make sure that the tenant has reviewed and understood the house regulations and articles of association before moving in. This provision also applies to employers who entrust the use of the residence to employees.

Where the tenant has a foreign language, the association owner has a particular responsibility for ensuring that the house regulations and articles of association are reviewed and understood before moving in.

Breach of duty to report is regarded as a default, see § 12.

Additional parts can only be rented out to the residents of the housing association.

The association owners have no right of pre-emption or redemption.

The housing association has no right of dissolution.

§ 9 Legislative and statutory lien

The other unit owners have a statutory lien in the unit for claims against a unit owner as a result of the association ownership relationship, cf. Section 31 of the Owner Units Act. The collateral requirement cannot exceed an amount corresponding to twice the National Insurance basic amount for each occupancy unit at the time that implementation of compulsory cover is decided. The lien also includes claims that should have been paid after a petition has been filed with the enforcement authorities for compulsory coverage.

§ 10 Limitation on disposal

No one can buy or otherwise acquire more than two residential units. This does not apply to purchases and acquisitions of holiday homes, acquisitions by expropriation, inheritance or advance on inheritance to life heirs or a creditor's acquisition to save a claim secured by a unit mortgage. Housing cooperatives, the state, county municipalities, municipalities as well as companies and organisations owned or controlled by the state, a county municipality or a municipality, and whose purpose is to obtain housing, may acquire several units. The same applies for institutions or associations with social objectives that aim to provide housing, or an employer who is to let the units to their employees.

The unit can only be used for habitation. I.e. the unit owners cannot convert the apartment for business purposes. This also includes rebuilding with a view to extensive rental / collective operation.

The board can only intervene in the association owner's use of the unit if the use is to the detriment and disadvantage of other association owners or the association ownership as a whole. Including improper use or maintenance which causes damage to the building stock.

§ 11 Camera surveillance

The annual meeting may, by a simple majority of the board, authorise the installation and use of camera / video surveillance of the property's common areas.

§ 12 House regulations

In addition to these articles, the housing association has house regulations that must be followed by all association owners, tenants and visitors. The annual meeting may determine and change the house regulations of the association by a simple majority.

Pets are allowed as long as this is not a disadvantage for the other users of the property and provided the house regulations for animal care are followed.

Only signs from suppliers of mailboxes are permitted. Signs must be ordered via the association's caretaker. Mailboxes must not be written on and stickers are not permitted on mailboxes either. Stickers and writing on mailboxes will be removed without notice. Unit owners are responsible for expenses for repair of mailboxes and mailbox locks, including mailbox doors that must be replaced due to writing on them

§ 13 Regulations for garage facilities

The garage is reserved for parking of registered motorised vehicles. Parking spaces cannot be used for storage or to park vehicles without number plates in the parking spaces, unless the board agrees. The garage should not be used for play, stay or other activity.

§ 14 Charging point for electric vehicles etc.

A unit owner may, with the consent of the board, set up a charging point for electric cars and rechargeable hybrids in connection with a parking space the unit has at its disposal, or other

places as the board indicates. The board may only refuse consent if there is a justifiable reason.

(Costs of establishing charging point, maintenance and power shall be covered by the individual association owner.

§15 Parking spaces for people with disabilities

People with disabilities may require the board to instruct another unit owner to change parking spaces. The right to change only applies if the unit owner with reduced ability already has a parking space in the housing association. The right to use an adapted space lasts as long as a documented need is present. The right applies only to parking spaces which, in decisions under the Planning and Building Act, are required to be prepared for use by persons with disabilities. This provision cannot be changed without all unit owners expressly agreeing. The municipality has the right to veto the change.

§ 16 Order on sale and eviction - default

Unit owners' breach of their obligations to the housing association constitute default. Defaults include non-payment of shared costs, neglected maintenance obligations, illegal use and breach of regulations.

If a unit owner, despite written warning, materially breaches their duties, the board may order the person to sell the section, cf. Section 38 of the Owner Units Act. The warning shall state that material breach gives the board the right to demand the unit sold

If the unit owner's behaviour involves a risk of destruction or substantial deterioration of the property, or the unit owner's behaviour is a serious nuisance or annoyance to the other users of the property, the board may require deviation of the occupancy unit pursuant to Chapter 13 of the Enforcement Act.

Letting of the unit does not reduce the association owner's obligations in relation to association ownership. The unit owner is responsible for all use of the unit, including the default by persons in their own household, tenant and others who are granted access to the unit and the association's communal areas.

Any activity in violation of Norwegian law can lead to eviction and foreclosure. Suspicion of illegal activity will result in notification to the police.

§ 17 Insurance

The property must, at all times, be insured with an approved insurance company. Insurance coverage and liability are allocated between the association owner and the association.

The board is responsible for ensuring that joint insurance for the association is taken out and that insurance premiums are paid.

Costs for the individual occupancy unit that are not covered by the association's joint insurance, must be covered by the individual association owner in a satisfactory manner. Household property insurance must be taken out by the individual association owner.

§ 18 The annual meeting

Authority of the annual meeting. Minority protection.

The annual meeting has the supreme authority in the housing association.

A majority at the annual meeting may not make decisions that are appropriate for giving some unit owners or outsiders an unfair advantage at the expense of other unit owners.

Time of the annual meeting

The annual meeting shall be held each year by the end of June. The board must notify the unit owners in advance of the date of the meeting and of the deadline for submitting matters to be considered.

An extraordinary annual meeting shall be held when the board deems it necessary, or when at least two unit owners who together have at least ten per cent of the votes, demand it and at the same time state which issues they wish to be dealt with.

Notice of annual meeting

The board convenes an annual meeting with a notice that shall be at least eight and no more than twenty days. If necessary, the board may convene an extraordinary annual meeting with shorter notice, but the notice may never be shorter than three days. In both cases, a written notice must be given to the business manager.

The notice must be in writing. Electronic communication is also considered as writing.

The notice shall clearly state the matters to be dealt with at the annual meeting. In order for the annual meeting to be able to consider a proposal that, according to law or the articles, must be passed by at least two-thirds majority of the votes cast, the main content must be stated in the notice.

Matters that a unit owner wishes to address at the annual meeting shall be mentioned in the notice when the board has received a demand for it before the deadline in the articles of association.

Matters the annual meeting shall consider

The annual meeting shall deal with the matters specified in the notice of the meeting.

Regardless of whether the matters are mentioned in the notice, the annual meeting shall:

- consider the board's annual report if such a report has been submitted
- consider and possibly approve the board's accounts for the preceding calendar year
- elect board members

- handle remuneration to the board

The annual report, accounts and any audit report must be sent to all association owners with known address no later than one week before the annual meeting. The documents must also be available at the annual meeting.

Apart from matters to be considered by the annual meeting, the annual meeting can only take decisions on matters specified in the notice of the meeting. That a matter is not mentioned in the notice does not prevent the board from deciding to convene a new annual meeting to decide on proposals submitted at the meeting.

Who can participate in the annual meeting

All unit owners are entitled to attend the annual meeting with the right to make proposals, speak and vote. Spouse, cohabitant or other member of the household of the owner of a residential unit has the right to be present and to speak.

Board members, the business manager, the auditor and any tenant of a residential unit have the right to be present at the annual meeting and speak. The chairman of the board and the business manager are required to be present unless it is obviously unnecessary or they have a valid cause of absence.

A unit owner may appoint a proxy. The power of attorney can be revoked at any time. The unit owner has the right to bring an advisor to the annual meeting. The advisor has the right to express their opinion only if a majority at the annual meeting so permits. The authority can not specify what proxy shall vote for.

Meeting management and minutes

The chairman of the board shall chair the annual meeting unless the annual meeting elects another chair. The chairman does not have to be a unit owner.

The chair of the meeting is responsible for minutes being kept of all matters dealt with and all decisions taken at the annual meeting. The chair of the meeting and at least one unit owner appointed by the annual meeting among those present shall sign the minutes. The minutes shall be kept available for the unit owners at all times.

Calculation of majority and counting of votes at the annual meeting

At the annual meeting, each unit has one vote, and the majority is counted by the number of votes.

When counting votes, blank votes are considered as not cast. If the votes are equal, the matter will be settled by drawing lots.

Majority requirements for various resolutions at the annual meeting

Decisions at the annual meeting are made by a simple majority of the votes cast, unless other majority requirements are laid down in the Owner Units Act or the articles of association. In elections, the annual meeting may stipulate in advance that the person receiving the most votes shall be counted as elected. The articles cannot lay down stricter majority requirements than those laid down by law.

A majority of at least two-thirds of the votes cast at the annual meeting is required to decide on

- a) rebuilding, conversions or other alterations to the buildings or land that go beyond the normal management and maintenance of the housing association concerned
- b) conversion of common areas to new occupancy units or expansion of existing occupancy units
- c) the sale, purchase, letting or lease of property, including units of the housing association belonging to or should belong to the unit owners, or other legal dispositions of real property that go beyond ordinary management
- d) consent to change the purpose of one or more occupancy units from residential purposes to other purposes or vice versa
- e) consent to re-uniting as mentioned in Section 20, second paragraph, second sentence, of the Owner Units Act
- g) amendment of the articles.

8-9 Majority requirements for special living environment measures

Measures related to the unit owner's living or use interests, which go beyond ordinary management, and which entail financial responsibility or outlay for the unit owners jointly of less than five per cent of the annual shared costs, are decided by a simple majority of the votes cast at the annual meeting. If the measure entails financial responsibility or outlay for the unit owners jointly of more than five per cent of the annual shared costs, a majority of at least two-thirds of the votes cast is required at the annual meeting. If the measures result in a total financial responsibility or expense for some unit owners of more than half of the national insurance base amount at the time the measure is decided, the measure can only be implemented if these unit owners expressly agree.

8-10 Decisions that require agreement from all unit owners

All unit owners, either at the annual meeting or at another time, must expressly agree if the housing association is to be able to decide on

- a) the sale or letting of all or a substantial part of the property
- b) dissolution of the housing association
- c) measures that result in a substantial change in the character of the housing association
- d) measures that go beyond the unit owners' housing or use interests, regardless of the size of the cost incurred by the measure, and regardless of how much financial responsibility or expense the measure entails for the individual unit owners.

Decisions that require the consent of the unit owners concerned

The following decisions require the consent of the unit owners concerned:

- a) the owners of certain units are obliged to maintain parts of the communal area
- b) the introduction of statutory provisions limiting the legal right of disposal of the unit

c) the introduction of provisions of the articles of association on a different distribution of the shared costs than that provided by the present articles of association

Conflicts of interest

No one can vote on

a) a lawsuit against one's self or one's close relatives

b) one's own or one's close relative's liability to the housing association

c) a lawsuit against others or others' liability to the housing association if their own interest in the case is material and may conflict with the interests of the housing association

d) order or claim pursuant to Sections 38 and 39 of the Owner Units Act, which are directed at oneself or one's relative.

This also applies for a person acting with or acting as a proxy.

§ 19 The board of management

The housing association shall have a board of management consisting of one chairman of the board and three to five other members with one deputy member. The board members serve for two years unless the annual meeting has decided otherwise. Deputy members are elected for one year. Board members and deputy member may be re-elected. The annual meeting shall elect the board of management by a simple majority of the votes cast. The chairman of the board must be elected separately. The board shall elect the deputy chairman from among its members.

The board is responsible for the maintenance and operation of the property, and is responsible for managing the affairs of the housing association. The board of management shall direct the activities of the housing association in accordance with the law and the articles of association, and in accordance with the regulations and instructions issued by the annual meeting.

In the performance of its mandate, the board of management may make decisions and initiate any measures that in respect of law and the articles of association do not need to be adopted by the annual meeting. Decisions that can be taken by a normal majority at an annual meeting can also be made by the board unless otherwise provided by the law or the articles of association or a resolution of the annual meeting in each case. The board of management may not make decisions or act in a way that would give any unit owner or outsider an unfair advantage at the expense of other unit owners. A board member may not take part in the consideration or resolution of any matter in which the member or their relative has a prominent personal or financial interest.

The board has a quorum when at least three members are present. Decisions shall be made by a simple majority. In the case of voting equality, the chairman of the board has a double vote.

The chairman of the board must ensure that the board meets as often as needed. A board member or the business manager may require the board to be convened.

The board meeting shall be chaired by the chairman. If the chairman of the board is not present and no deputy chairman is elected, the board shall elect a chairman for the meeting.

The board has a quorum when more than half of all members are present. Decisions can be made with more than half of the votes cast. With a tie vote, the chairman has the casting vote. Nevertheless, those who vote for a resolution must make up more than one-third of the vote.

The board shall keep minutes of its meetings. All the attending board members shall sign the minutes.

§ 20 Business manager and employees

The board shall employ the business manager and, if applicable, an operations manager and caretaker, agree on fees, salaries and work instructions and follow up on these.

If an employee does not fulfill his or her duties, the employment can be terminated by the board.

Business management shall be carried out by the business manager according to a written contract.

§ 21 Relationship to the Owner Units Act

Unless otherwise provided by these Articles of Association, the provisions of the Owner Units Act of 16 June 2017 no. 65 apply.