

By-Laws

For Haugenstua Community Association org nr 948575571

Passed on ordinary general assembly 01.06.2006, changed 28.05.2013, 27.05.2015, 22.05.2017 and 23.05.2018

1. Preliminary rulings

1.1 Preamble

Haugenstua Community Association is a business association that has an objective to give the co-owners right of use for their own residence within the association's property and conduct business that agrees with this.

1.2 Business offices, business practice and business ties

(1) The Community Association has its business offices in Oslo municipality.

(2) The Community Association is connected to OBOS as its business manager

2. Shares and shareholders

2-1 Shares and shareholders

(1) The shares should be at 100,- NOK

(2) When nothing else is mentioned in the by-laws or the law of community associations, only physical persons who are shareholders in the housing association can be shareholders in the community association. No physical person can own or possess a share in more than one share. Only persons living or are about to live in the residence can own a share together.

(3) The following legal entities who are shareholders in the housing association, can own a share or shares that gives a right to at least one residence and up to ten per cent of the residences in the association:

1. state,

2. county,

3. municipal,

4. company that has as its objective to procure residences, which are rented and controlled by state, county or municipal,

5. foundation that has as its objective to procure residences, which are rented and controlled by state, county or municipal,

6. company, foundation or others that are in cooperation with state, county or municipal to procure residences to those worse off.

(4) A creditor can own one or more shares for up to two years to recoup losses which is secured with mortgage in the share or shares.

(5) Legal entities and creditors can only procure shares in the community association if they own a share in the housing association that is not connected to residences already.

(6) A shareholder shall at request get a copy of the association community's by-laws

2-2 Transfer of share and approval of a new shareholder

(1) A shareholder has every right to transfer their share.

(2) At any change of ownership, the board must approve the procurer for having the right to use the residence.

(3) The board can refuse approval if there are grounds for it and shall refuse approval if the procurement is in violation of chapter 2 in these by-laws.

- (4) If the board refuses to approve the procurer as a user, then the message must reach the procure at the latest 20 days after the application of approval has reached the community association. If not, then the approval can be counted as given.
- (5) The procurer has not right to use the residence until the approval has been given or it has been legally decided that the procurer has a right to procure the share.
- (6) The previous shareholder is in solidarity with one or several new procurers responsible for payment of the community costs until the new shareholder has been approved, or it has been legally decided that the new shareholder has a right to procure the share.

3. Right of pre-emption

3-1 People with the right of pre-emption

- (1) If a share changes owner, then the shareholders in the community association and thereafter the shareholders in the housing association – appointed by OBOS – have right of pre-emption.
- (2) If no shareholders in the community association shows interest, OBOS appoints which shareholder in the housing association that should procure the share.

3-2 Internal people with the right of pre-emption

- (1) Shareholders have right of pre-emption after seniority in the community association. Seniority is counted from the date of the procurement of the first share, If more shareholders are equal on seniority in the community association, then the one with the longest seniority in OBOS is ahead.
- (2) Shareholders who want to procure a share through the right of pre-emption, must transfer the entirety of the share that their present residence is connected to, to a new shareholder. This also applies as well if the share belongs to more than one. Transfer of shares after a shareholder has used the right of pre-emption to a new share, triggers the right of pre-emption even if the share transfers to someone who falls within the group of people referenced in the by-laws 3-4, in accordance with law of community association paragraphs 4-12. Right of pre-emption is not valid if the share is transferred through:
 - a change through separation or divorce, or
 - with the dissolution of a domestic partnership where the people have lived together at least 2 years, or they have, have had or are expecting children together.

3-3 Rules of hearing and deadlines

- (1) The board of the community association shall ensure that the persons mentioned in 3-1 gets the opportunity to use the right of pre-emption and on their behalf make the right valid within the deadline mention in 3-3(2), in accordance with the law of community associations paragraphs 4-15 first paragraph.
- (2) The deadline for the right of pre-emption to be made valid is 20 days from the community association receiving notice that the share has changed owner, with information of price and other conditions. The deadline is five working days if the community association has received notice in advance that the share might change owner, and the notice has been given to the community at least fifteen days before, but no more than three months, before the notice of the share changing owner.

- (3) With advanced notice, the community association has the right to demand a payment of up to 5 times the court cost. If the right of pre-emption becomes valid, then the payment is paid back.
- (4) The right of pre-emption shall be announced in a news paper usually read in the area, on the community association's websites or in some similar fashion.
- (5) The community association's demand to make the right of pre-emption valid on behalf of the people with said right, shall be given in writing to the seller and procurer of the share, or to realtor or possible executor that is responsible for the sale.

3-4 Court proceedings for relatives

The right of pre-emption is not valid when the share is procured by the husband or wife, to the shareholders or their spouse's relative directly up or down in the line, to foster children that have the same rights as blood relative, to siblings or to any other member of the household that has lived there with the previous owner, to a person that has rented the residence in the role of being an employee of the shareholder or to a person that has rented the residence now associated with the community association. The right of pre-emption is also no longer valid when the share is transferred as part of the settlement in a separation or divorce, or when a member of the household procures the share according to the law of domestic partnership paragraph 3.

4. Right of use of residence and the transfer of use

4-1 The right of use of residence

- (1) Every share gives the sole right to use the residence in the community association and rights to use the common areas to what they are designated or usually used for, and to other use that is in accordance with the time and circumstances.
- (2) The shareholder cannot use the residence for anything other than the residential purpose with the approval of the board.
- (3) The shareholder shall treat the residence, other rooms and areas with the appropriate care. The use of the residence and common areas must not any unreasonable or unnecessary way damage or be a hinderance of other shareholders.
- (4) The general assembly can determine common rules of order for the property.

4-2 Transfer of use

- (1) The shareholder cannot without approval from the board transfer the use to any other person(s). With the board's approval the shareholder can transfer the use of the entire residence if:
 - the shareholder or a person mentioned in the law of community associations paragraphs 5-6 has lived in the residence for at least one of the last two years. Shareholder can in such cases transfer use of the entire residence for up to three years,
 - the shareholder is a legal entity,
 - the shareholder is temporarily going away because of work, education, military service, illness or other weighty reasons,
 - a member of the household is the shareholder's spouse or relative up or down the blood line or a foster child of the shareholder or the spouse,
 - this applies the right of use for anyone who has made claim on this according to the law of

marriage paragraph 68 or the law of domestic partnership.

Approval can in these cases only be refused if the user's relationship gives sufficient reasons for it. Approval can be refused if the user cannot become a shareholder.

- (2) If the community association has not responded on the written application for approval within a month after it was received by the association, the user shall consider it approved.
- (3) The shareholder who lives in the residence, can transfer use of parts of it on without approval.
- (4) If several own a share together, then that shall be considered transfer of use if one or more of the co-owners do not live in the residence.
- (5) Transfer of use does not reduce the shareholder's duties to the community association.
- (6) The community association can demand costs connected to the treatment and follow up of a application be covered by the shareholder, see 6-1 (3).

4-3 Building related work

- (1) The shareholder can with the board's approval carry out actions on the property that are necessary because physical disabilities with a user of the residence. Approval cannot be denied with justified cause. Shareholder covers the cost on their own.
- (2) Changes that happens in violation the current building codes and other public rulings, are not allowed. Changes that effects the building's exterior – that means the set up of personal radio or TV antennas, blinders and more – is not allowed without the board's approval.

5. Maintenance

5-1 Shareholder's maintenance duties

- (1) Every shareholder shall keep the residence, other rooms and areas connected to the residence, in good condition and maintain such things as doors and windows inside, pipes, fuse boxes from the main fuse/input fuse, wires with accessories, floor heating, fixtures including water closet, sinks, appliances and internal surfaces. Wet rooms must be used and maintain so that leaks can be avoided.
- (2) Maintenance also includes necessary repairs and the changing of such as pipes, fuse boxes from the main fuse/input fuse, wires with accessories, floor heating, fixtures including water closet, sinks, appliances, wallpaper, floor covering, walls, floor and ceiling, partition walls, listing, closets, counter tops and internal doors with frames. Shareholder has the responsibility for the residence's bathroom and possible toilet has a watertight floor and that the residence has an electrical installation that follows current laws and codes. Furthermore, the shareholder is responsible for the walls in the bathroom not adversely being affected by moisture, this also applies for possible openings I walls and floor. Any work on the residence's pipes shall be done by an authorized plumber. Any work on the residence's electrical installation shall be done by an authorized electrician.

With bigger projects on bathroom or toilet, the board/management coordinator shall be notified in advance and the work shall be done within Byggebransjens våtromsnorm (BVN). With bigger projects is meant all work that breaks the bathroom or toilet's water tightness. This excludes minor fixing of holes, outside of the part of the bathroom that can be affected by

moisture. Fixing holes in the floor and the shower zone shall always be alerted to the board/management coordinator in advance of work.

- (3) The shareholder also has the responsibility for the clearing of blockage from the water lock/drain to the main pipeline for the community association. Shareholder shall also clear possible drains on the veranda, balcony and similar.
- (4) The shareholder is responsible for the installation and storage of flammable and explosive substances happens in safe ways and in accordance to the current laws and regulations.
- (5) The shareholder shall hold the residence free of bugs and vermin.
IF the shareholder suspects a bug and/or vermin infestation, the community association must be notified in writing and orally.
- (6) The maintenance duty also involves the fixing of random damage, this means damage inflicted by a break in or weather.
- (7) If the shareholder discovers damage in the residence that the community association is responsible for fixing, the shareholder is responsible of notifying the community association in writing.
- (8) A new shareholder is responsible for the maintenance including repair and changing in the residence, even if the damage was inflicted by the last shareholder.

5-2 The community association's maintenance duty

- (1) The community association shall keep buildings and the property in good condition as long as the duty does not lay with the shareholders. The maintenance duty also involves the external maintenance of windows.
- (2) Shared pipes, wires, canals and other shared installations that run through the building, shall the community association maintain. The community association has the right to run new installations through the residence if that is not at great hinderance for the shareholder.
- (3) The community association's maintenance duty also involves changing of windows, that means necessary changing of thermal windowpanes, and the outer doors for the residence and repairs or changing of roof, tier of joists, loadbearing wall constructions, drains and pipes or wires that are built into loadbearing constructions with an exception for floor heating.
- (4) The shareholder shall give access to the residence so that the community association can perform its maintenance duty, which includes inspection, repairs or replacement. Inspection and work shall be performed so that it is not of any hinderance to the shareholder or any other user of the residence.

5-3 Responsibilities for renovation and compensation

- (1) If a shareholder's mismanagement leads to damage on the community association's property or some other shareholder's residence or fixed interior which is a natural part of the residence, that damage will be fixed by the community association.
- (2) Damage to household contents and chattels shall be fixed by the affected shareholder. The community association is not responsible for any damage to the affected shareholder's household contents and/or chattels.
- (3) The community association and affected shareholders can demand compensation for loss as a result of a shareholder's mismanagement of their duties, as per the law of community associations paragraphs 5-13 and 5-15.

- (4) Shareholder can demand compensation for loss as a result of the community association not performing its duties, as per the law of community associations paragraph 5-18.
- (5) The community association can charge for expenses that can be proven as unnecessary in accordance with by-laws or rules of living.

6. Shared expenses and security

6-1 Shared expenses

- (1) The lone shareholder is responsible for the shared expenses by a fixed sum determined at the founding of the community association. The sum is fixed and can only be changed according to the law of community associations paragraph 5-19.
- (2) When special circumstances apply, then an expense shall be shared after the use for each residence or by use.
- (3) The community association's expenses under hearing and possible follow-up on transfer of use shall be paid by the shareholder that has applied, see 4-2 (6).

6-2 Payment of shared expenses

- (1) Shared expenses must be paid on the 1st of each month. The community association can change the shared expenses with a month's written notice.
- (2) For shared expenses that have not been paid at the 1st, the shareholder is charged a current delay interest according to the law of 17th of December 1976 nr. 100.

6-3 The community association's security

For demands of shared expenses and other payments from the relationship with the shareholder, the community association has a legal right of security ahead all other charges. The security is limited to a sum which would be the same as twice the people's benefit basic sum at the point of seizure is determined.

7. Mismanagement, forced sale and deviation

7-1 Mismanagement

Shareholder's breach on their duties for the community association constitute mismanagement. As mismanagement are among others missing payment of shared expenses, neglected maintenance duties, illegal use or transfer of use and breach of house rules.

7-2 Forced sale

- (1) If a shareholder in spite of warnings seriously mismanages their duties, the community association can then order the one in question to sell the share, as per the law of community associations paragraph 5-22 first paragraph. Warning shall be given in writing and inform that sever mismanagement gives the community association the right to demand the share sold.
- (2) The community association can demand the share sold if the shareholder resigns from the housing association.

7-3 Deviation

If the shareholder's or user's behavior is may cause damage or severely diminish the value of the property, or the shareholder's or user's behavior is a serious pain or bothers the property's other shareholders or users, the board can demand departure from the residence according to the law of forced completion chapter 13. Departure from property can at the earliest be demanded at the same time as an order of forced sale.

7-4 Camera surveillance

It is allowed with camera surveillance on the community association's common area.

8. The board and it's decisions.

8-1 The board

- (1) The community association shall have a board consisting of a chairperson and 6 other members and 1 deputy member. Only shareholders in Haugenstua community association can be elected to the community association's board and committee.
- (2) The term for a chairperson and the other members is two years. Deputy members are elected for one year. Board members and deputy members can be reelected.
- (3) The board shall be elected at the general assembly. The general assembly elects the chairperson at a special election. The board choses the vice-chairperson among its members.

8-2 The board's functions

- (1) The board shall conduct their business according to the law, by-laws and the general assembly's resolutions. The board can take any decision that isn't in law or by-laws the responsibility of other organizations.
- (2) The chairperson shall ensure that the board has meetings as often as is needed. A board member or the business manager can demand that the board meets.
- (3) The board shall keep a record of all cases. The record shall be signed by all the board members in attendance.

8-3 The board's resolution

- (1) The board can resolve a matter if more than half of the board members are present. Resolutions can be reached with half of the votes cast. If the votes are even, then the vote of the chair of the meeting is deciding. Those who cast a vote for a resolution that inherits a change, must at least consist of a third of the board members.
- (2) The board cannot reach a resolution without the general assembly's two thirds if there is a matter of:
 1. rebuilding, addition or other changes in the buildings or property that goes outside of the daily management and maintenance of the community association.
 2. increasing the number of shares or connect shares to residences that previously have been rented out, as per the law of community associations paragraph 3-2 second paragraph.
 3. selling or buying real estate, or of residence share in the community association.
 4. taking up a loan with security prioritized ahead of the payments.
 5. other legal dispositions of property that isn't part of daily management.
 6. other measures that surpasses daily management, when the measure includes economical

responsibilities or payments from the community association of more than five per cent of the yearly shared expenses.

8-4 Representation and authority

The chairperson and one board member represent in unison the community association and can sign in its name.

9. General assembly

9-1 Authority

The general assembly is the highest authority in the community association.

9-2 Date of general assembly

- (1) The ordinary general assembly shall be held each year in late June.
- (2) Extraordinary general assembly is held if the board finds it necessary, or if the accountant or at least two shareholders that have at least one tenth of the votes, demands in writing and at the same time list what issues that want heard.

9-3 Notice of and summons to the general assembly

- (1) Ahead of the ordinary general assembly the board shall give notice to the shareholders about date for the meeting and deadline for submission of issues that they want to be heard.
- (2) The general assembly shall be summoned to through written notice by the board within eight days at the latest and twenty days at the most. Extraordinary general assembly can if necessary be summoned to with shorter notice of at least three days. In both cases written notice shall be given to the community association.
- (3) In the summons the issues that is to be heard shall be given. If a proposal that according to the law of community associations or the by-laws needs a two third majority to pass, then the main points of it needs to be listed in the summons. Cases that a shareholder wants heard on an ordinary general assembly, shall be mentioned in the summons when the board has received these in writing within the deadline mention I the first point.

9-4 Issues that shall be heard at the ordinary general assembly

- Approval of the annual report from the board
- Approval of the annual accounts
- Elections of board members and deputy members
- Possible election of account
- Determine the compensation to the board
- Other issues mentioned in the summons

9-5 Right of attendance

All shareholders have a right of attendance at the general assembly with the right of proposal, speech and vote. The shareholder's spouse, domestic partner or another member of the household and tenants has the right to be in attendance and can speak.

9-6 Leading the meeting and keeping records

The general assembly shall be led by the chairperson of the board unless the general assembly elects another chairperson for this assembly. The chairperson shall ensure that the record is being kept of the general assembly.

9-7 Right of vote and power of attorney

Every share gives one vote at the general assembly. The shareholder that owns more than one share still only has one vote. For a share that has more than one owner there is only one vote. The shareholder can attend with power of attorney at the general assembly, but no one can be the power of attorney for more than one shareholder.

9-8 Resolution at the general assembly

- (1) With the exception of issues mentioned in point 9-4 in the by-laws, the general assembly cannot resolve issues not mentioned in the summons.
- (2) With the exception of those issues effected by the law of community associations or the bylaws, all resolutions can be reached by the general assembly with a majority vote. At election the general can determine that the one that has the most votes wins.
- (3) At a tied vote, the issues are resolved by drawing lots.

10. Conflict of interest, professional secrecy and protection of the minority vote

10-1 Conflict of interest

- (1) A member of the board cannot participate in the hearing or the decision in any issues where the member or someone close to the member has prominent personal or economical interest.
- (2) No one can by themselves or through power of attorney participate in a vote at the general assembly about themselves or someone close to them or about the duties of themselves or someone close to them | relationship with the community association. The same applies in the case of force of sale or eviction according to the law of community associations paragraphs 5-22 and 5-23.

10-2 Professional secrecy

Representatives, business manager and employees in a community association has a professional secrecy duty for those unconcerned about the daily running of the community association so that no one knows anything personal about the inhabitants. This means that if no one is directly affected by something they have no right to know.

10-3 Protection of the minority vote

The general assembly, the board or the business manager cannot make decisions that are designed to give certain shareholders or others an unfair advantage or that can damage certain shareholders or the community association.

11. By-law changes and the relation to the laws

11-1 Changes to the by-laws

- (1) Changes to the community association's by-laws can only be made at the general assembly with at least two thirds majority of the votes cast.

(2) The following changes to the by-laws cannot occur without the permission from OBOS, according to the law of community associations paragraph 7-12:

- terms to become a shareholder in the community association
- decision related to the right of pre-emption of a share I the community association
- this decision of approval of changes to the by-laws

11-2 Relation to the laws

As long as nothing else is understood by the by-laws, the rules of the law of community associations of 06.06.2003 nr. 39, according to the law of housing associations of the same date.