

CHAPTER 1

PROVISIONS OF A GENERAL CHARACTER AND COMMON ELEMENTS

Art. 1

The rules in these Regulations discipline the Jointly Owned Building of the properties belonging to the building in

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subject to allocation and transfer in immediate ownership with payment by instalments and mortgage guarantee or in immediate ownership with a single payment pursuant to the Law.

Art. 2

The parts shown in art. 1117 of the Civil Code are the object of the common property of the jointly-owned buildings and everything else that is for common use and enjoyment, save the provisions by the deed of ownership.

Art. 3

To all effects the proportional values of the exclusive properties of the jointly owned buildings are expressed in the table (Annex A) of which the total one thousand represents the value of the entire building.

The aforementioned proportional values can be revised or modified, including in the interest of a single owner, when they are the result of an error or when, due to altered conditions of a part of the building has considerably changed the original ratio between the values of the individual floors or portions of floor.

Art. 4

Each owner is obliged to notify in writing the Administrator of his address, it being agreed, failing this, that he is resident in the apartment of his property.

Art. 5

The owners cannot occupy the premises and the areas of common use with constructions or other, even of a temporary nature, unless they have to carry out work on the apartments and the premises of their exclusive property, in which case the occupation, subject to agreements with the Administrator, must be limited to the time and space strictly necessary and must not prevent the use of the aforementioned premises and spaces by other owners.

Art. 6

The owners cannot make innovations or modifications to the common things, even if for the improvement and more comfortable use and better performance, except by prior resolution of the Meeting of the Owners approved with a number of votes that represents the majority of the

participants in the Jointly-Owned building and the two-thirds of the value of the building pursuant to article 1136 of the Civil Code – Section V.

The infringement of this prohibition entails the obligation to restore the modified things and compensation of damage.

If the innovations or modifications as approved above entail a very great cost or are superfluous with respect to particular conditions and the importance of the building and consist of works of possible separate use, the owners who do not intend to benefit from them are exonerated from any contribution to the expense.

If the separate use is not possible, innovation is not allowed, unless the majority of the owners who have approved it do not intend to bear the cost in full.

The owners, their heirs or assignees may at any time take part in the advantages of the innovation or modification that can be used separately, contributing to the cost of execution and maintenance of the works in the proportion of the benefit they receive according to art. 1123 of the Civil Code.

The owners cannot make external modifications to the property and to the building or change the use given by the Board to the common areas adjoining the building except subject to resolution by the Meeting of the Joint Owners approved with the unanimous vote of the participants in the Jointly Owned building and in the respect of the regulations on building in force.

Similarly, the purpose of the common areas, in the event that these areas are adjoining to several buildings, cannot be changed except subject to authorization of the Meeting of the Joint Owners of the various buildings concerned, approved by the unanimous vote of the assignees.

Art. 7

The apartments of the joint owners must be used exclusively for residential purposes on all the floors. The joint owners are prohibited from using the apartments in all or in part as shops, commercial outlets, workshops, including on a small business basis, boarding houses, rented rooms, schools, even of singing or music, dance rooms, business agencies or storage of goods, clinical surgeries, nursing homes or make any use of them that is against or incompatible with the decorum, peacefulness and purpose of the building.

Art. 8

No plaques or advertising signs can be put on the facades, in the common areas, and in any other part of the building, except the name plates on the front doors of the individual apartments,

Art. 9

As raising the height of buildings is prohibited, no raised part may be undertaken by the owner of the top floor or of the attic, even temporarily.

Art. 10

Each joint owner is obliged to carry out the work and the repairs in his property to avoid damage to the property of other joint owners and to the common parts.

Each joint owner must allow inspections and work deemed necessary by the Administrator or by the Meeting in his property to protect the common parts, save the right to compensation for any effective damage.

CHAPTER II

BREAKDOWN OF CHARGES

Art. 11

Each joint owner must contribute to the expenses of preservation and ordinary and extraordinary maintenance of the common parts, as well as the costs of insurance and administration of the building and those for the innovation and functioning of the common services in proportion to the thousandth parts corresponding to the value of his exclusive property, except for the provisions in the following articles.

Art. 12

The costs of maintenance and reconstruction of the stairs, of the ceilings, of the vaults, the floors and the flat roofs of exclusive use, are divided according to the rules of articles 1124 – 1125 and 1126 of the Civil Code.

The costs concerning the common parts for the joint owners in different proportions are broken down in proportion to the use that each may make of them.

In the event that there are several stairs, courtyards, flat roofs, lofts, works or plants for one part of the entire building, the charges are at the expense of the owners that have use of them.

Any costs of repair or reconstruction of the paving of the pavements in front of the facades of the common building, for the part that the council regulations put at the expense of the joint owners of the building, are broken down for $\frac{1}{4}$ between the properties and premises on the ground floor having direct access to the road and for $\frac{3}{4}$ to all the remaining properties on the upper floors.

Costs for the services of porter, lighting of the halls, the stairs, the courtyards etc. are divided between the joint owners in proportion to the values in thousands of the individual properties.

The owners of the premises on the ground floor, who do not have access to the halls, stairs, courtyards or other places of common property, are excluded from the contributions of the amount for the aforementioned services.

Art. 13

The costs for the consumption of water, unless the individual properties are connected directly to the municipal water supply and provided with individual meters, is divided between the owners of the properties in relation to the effective number of people who occupy the apartment.

The costs relative to running and maintenance of the lift are divided between the joint owners of the various floors in amounts which progressively decrease from top to bottom in analogy with the breakdown of expenses for the maintenance and reconstruction of stairs as per art. 1124 of the Civil Code.

If there are several lifts, this division is made separately for each lift.

The costs for the maintenance of the common heating system, excluding that concerning the parts existing in the individual properties which remains at the full expense of the respective owners, as well as the running costs, are divided without the faculty of avoiding payment, waiving heating, between the joint owners whose properties and premises share the same system according to the cubic metres heated.

Art. 14

Each joint owner assumes on his behalf, that of his heirs and assignees, the obligation of:

- a) Providing directly, and at his own expense, for all the ordinary and extraordinary maintenance work on his property and in particular those repairs the omission of which may damage people, the other properties and the parts of common use;
- b) Paying the Administrator of the Jointly Owned building, in the ways which will be indicated by the Building;
 - 1) A) an amount (monthly), to be established on the basis of the annual budget and in proportion to the value in thousandths of his property, to establish a common fund to meet the costs of ordinary maintenance of the parts, the areas and installations of common use;
 - 1) B) an additional amount (monthly) to be established on the basis of the annual budget, for the expenses relative to the functioning of the services, the payment of taxes, duties, contributions etc. common to each joint owner;
 - 2) An amount (monthly) to be established on the basis of the annual budget and in proportion to the value in thousandths of his property, for the establishment of a reserve fund to meet extraordinary maintenance costs and other special requirements, foreseeable and unforeseeable, of the parts, areas and installations of common use;
 - 3) Where there are parts of services common to several joint owners, an amount to be established on the basis of the annual budget, for the establishment of a fund that the Administrators of the individual Jointly Owned Buildings concerned must place at the disposal of the trustee Administrator as per Chapter VI for the costs of maintenance of the roads, green spaces, gardens, installations etc. for the reimbursement of taxes and for the functioning of the services common to several administrators.

The funds as per points 1 -2 and 3 must be deposited in a bank, in distinct deposit books or a post office current account, in the name of the Jointly Owned Building.

The Administrator of the Jointly Owned Building will issue a receipt of the sums paid to him by the individual joint owners.

The Jointly Owned Building is obliged to insure the building against damage from fire, explosion of gas, being struck by lightning, aircraft and other calamitous events as well as third party liability.

It is the Meeting of Joint Owners that chooses the insurance companies and establishes the amount of the capital to insure which in any case may not be less than the total amount resulting from the sum of the values attributed to each apartment for the purposes of the mortgage registration.

It must also have recorded on the relative insurance policy the constraints in favour of the Territorial Board for residential Housing of the Province of Verona until all the properties making up the building have been completely repurchased.

The relative cost is divided between the joint owners in proportion to the value of the thousandth parts.

CHAPTER III

MEETING OF JOINT OWNERS

Art. 15

The Meeting of the joint owners passes resolution:

- 1) On any additions to the Regulations that are not in contrast with what is established by the contract and the regulations of these Regulations;
- 2) On the appointment, confirmation and revocation of the Administrator and any remuneration he is to receive;
- 3) On the budget of the expenses necessary during the year and to the relative division between the joint owners;
- 4) On the annual statement of account of the Administrator on the use of the residue;
- 5) On the expenses of an extraordinary nature, including extraordinary maintenance; on the establishment of the reserve fund for the same and on withdrawals from this fund;
- 6) On legal action by or against the jointly-owned building on matters that are outside the powers of the Administrator;
- 7) On claims made by the joint owners against the measures of the Administrator;
- 8) On the regulations by which all the joint owners must abide, to ensure reciprocal tranquillity, the good state of repair of the common things and the decorum of the building.

The Meeting also passes resolution on any other subject concerning the administration, the preservation and the enjoyment of the common things and on everything else explicitly laid down by the Civil Code and not in contrast with the contract and with these Regulations.

Art. 16

The Meeting of the joint owners meets for its ordinary meeting twice a year to approve the budgets by November and for the close of the financial year by February and, for its extraordinary meeting, whenever the Administrator deems it necessary or request has been made by at least two joint owners who represent one-sixth of the value of the building according to art. 66 of the Provisions of implementation of the Civil Code (Royal Decree no. 318 of 30th March 1942).

The meeting is called by a notice to be sent by registered mail to each joint owner at least 10 days before the date fixed-

The notice must contain the indication of the venue, date and time of the meeting, the agenda and the date of any meeting on second call, to be established not before the next day,. And in any case, not more than 10 days from this.

The Meeting has a quorum on first call when all the joint owners have been invited to the meeting and when the attendees – on their own behalf and by proxy – represent 2/3 of the participants of the joint building and 2/3 of the value of the whole building.

The resolutions approved with a number of votes that represents the majority (half plus one) of the attendees and at least half the value of the building are valid.

On second call, the Meeting passes resolutions with a number of votes that represents at least 1/3 of the participants in the Jointly Owned Building and at least 1/3 of the value of the building.

Those summoned to the Meeting appoint each time a Chairman and a Secretary chosen, generally, from the participants in the Jointly Owned Building, excluding the Administrator.

Minutes of the resolutions of the Meeting are drawn up to be recorded in a special book to be kept by the Administrator.

A true copy of the minutes of the Meeting must be issued to the joint owner who makes a written request of it within 15 days of the request.

Art. 17

Each Joint Owner can attend the Meeting including by a representative who must have a power of attorney or written proxy, including at the bottom of the notice of call, and who cannot represent more than two joint owners.

If one share of the Jointly Owned building belongs in undivided ownership to several people, they are entitled to only one representative at the meeting to be designated by those concerned.

Failing this designation, the Chairman of the meeting will so provide by a draw,

The Joint Owners must abstain from taking part in resolutions which have as their subject things or services in the preservation or management of which they have an interest or for which there are relations of supply or work between them and the Jointly Owned Building.

The Joint Owner who is the Administrator must abstain from the resolutions relative to his management and his replacement.

CHAPTER IV
ADMINISTRATION

Art. 18

The administration and the supervision of the building will be regulated according to the legislation on the subject of Jointly Owned Building laid down by articles 1129 to 1138 of the Civil Code.

The Administrator is appointed annually by the Meeting of joint owners which is fit to pass resolutions both on first and second call with a number of votes that represents the majority of the attendees and at least half the value of the building.

Art. 19

The Administrator is the legal representative of the Jointly Owned Building pursuant to article 1131 of the Civil Code.

Art. 20

The Administrator must keep;

- a) The regulations of the Jointly owned Building with the relative tables of division;
- b) The book of minutes
- c) The budgets and final budgets
- d) The accounts book of income and outgoing expenditure in which all the movements of money must be recorded, so that the income and the expenses referred to the items specified in art. 14 above are clearly shown separately
- e) The register of the individual accounts of the individual joint owners
- f) The contracts signed in the interest of the Jointly owned Building
- g) A list of owners with their personal details
- h) The details of the deed of purchase for each joint owner
- i) A plan of the floors of the building
- j) An inventory of any movable assets of common property

The books as per letters b), d) and e) must be signed on each page by two joint owners explicitly delegated by the Meeting.

The documents listed above must be offered for examination to each joint owner, in the place to be established by the Administrator.

The Administrator is obliged to issue one or more copies of the documents listed above to the joint owner who so requests in writing, on payment of the relative expenses.

The Administrator must :

- a) Collect the contributions and deposit them as shown in art. 14 above;
- b) Provide for the functioning of the common services, the payment of taxes and duties and ordinary maintenance. The Administrator cannot order extraordinary maintenance work, except when it is urgent but in this case he must report it at the first Meeting;

- c) Call the Meeting of the Jointly Owned Building
- d) Carry out the resolutions of the Meeting, on condition that they are not in contrast with the contract of allocation in ownership signed by each assignee with the Territorial Board of Residential Housing of the Province of Verona and with these Regulations;
- e) Ensure that these Regulations are observed;
- f) Settle, if possible, any differences between the joint owners;
- g) Establish the regulations, the times and the shifts for common services, drawing up the relevant internal regulations, to be submitted for the approval of the Meeting and to be notified to all the Joint Owners;
- h) Sign, where necessary, the utility contracts for the supply of water and electricity and those of any other services;
- i) Provide for the acts which have as their purpose the preservation of the rights relative to the common parts, including the actions of possession, of reporting new building and feared damage, with the obligation of notifying the Meeting without delay.

The Administrator must also fulfil all the other powers laid down by the Civil Code.

Art. 21

The financial year ends on 31st December of each year.

In the annual budgets and in the statements of account, the expenses will be classified, as well as by the purpose, also according to the criteria of breakdown.

The Administrator must forward a copy of the budgets and of the statements of account to each joint owner at least 10 days prior to the date fixed for the Meeting and for the same period he must keep the documents justifying expenditure at the disposal of the joint owners.

Art. 22

The adjustments resulting from the division of the expenditure, approved by the Meeting, must be paid by the joint owners within 20 days of receipt of the notice of payment or from the date of each due date. Failing this, the Administrator can, pursuant to art. 63 of the provisions of implementation of the Civil Code (Royal Decree no. 318 of 30th March 1942) obtain an immediately enforceable order of payment notwithstanding opposition.

In the case of default of payment of the contributions that extends for six months, the Administrator is authorized to suspend the use of the common services that can be enjoyed separately for the defaulting joint owner.

The aforementioned measures are debited without any prejudice for the costs that follow on from non-payment or late payment.

CHAPTER V

MESCELLANOUS PROVISIONS

Art.23

The relations of co-existence between the inhabitants of the building, both joint owners and tenants, will be regulated by special internal regulations approved with the majority established by section two of article 1136 of the Civil Code.

Art. 24

In the event of transgression of the regulations of the Jointly Owned Building, the joint owners, as well as compensation of any damage, according to the previous provisions, are obliged to pay a penalty the amount of which will be established annually by the Meeting of the Joint Owners with the majority as per the second section of art. 1136 of the Civil Code. These sums will be paid into the reserve fund.

Art. 25

In the case of disposal, the new owner of the property takes over in the relations of the jointly owned building, taking on all the rights and duties of the transferor.

CHAPTER VI

MANAGEMENT AND ADMINISTRATION

OF THE AREAS COMMON TO SEVERAL BUILDINGS

Art. 26

For the management and administration of the works relative to the common parts that are not included amongst those adjoining the individual Jointly Owned Buildings (green areas, internal roads, lighting, irrigation etc.) each Jointly Owned Building must appoint a representative who can also be the Administrator.

Art. 27

All the representatives make up the Meeting of management of the common parts as per the preceding article. The Meeting elects from its members a trustee administrator.

Each representative of a Jointly Owned Building is entitled to as many votes as the living square metres of the Jointly Owned Building represented.

Art. 28

For the Administration of the parts as per art. 26, the regulations of the Civil Code and particularly those shown in Section VII of Book 3 apply, on condition that they are not in contrast with the contract and with these regulations.

Art. 29

The Meeting:

- a) Provides for the operation and management of the installations;
- b) Provides for the ordinary and extraordinary maintenance of the same;

- c) Breaks down the charges and expenses in parts proportional to the number of living square metres if each individual Jointly Owned Building.

Art. 30

Each Jointly Owned Building must pay the trustee Administrator its share of the expenses and charges on the established due dates and according to the plan of division approved as above, by the Meeting.

The Trustee Administrator will issue a receipt of the sums paid to him by the Administrators of the Jointly Owned Buildings.

Art. 31

For the common parts adjoining buildings allocated totally for rent, the owner Board (or whoever acts on its behalf by virtue of entitlement and law) represents only one Jointly Owned Building with as many votes as the living square metres of its property.

If, due to transfers to ownership, new Jointly Owned Buildings are created, each of them must appoint its representative who will be attributed as many votes as the living square metres of the new Jointly Owned Building.

As a consequence, these votes will be subtracted from the number previously allocated to the owner Board of the rented properties.

CHAPTER VII

REFERENCE TO COMMON LAW

Art. 32

For everything that is not contemplated by these Regulations and insofar as it is not in contrast with the rules they contain, the contractual provisions and those of the Civil Code apply.

CHAPTER VIII

TRANSITORY REGULATIONS

Art. 33

These regulations become enforceable from the date of signature of the contract and until payment in full of the price by all the joint owners, with the consequent cancellation of the relative mortgage and it may not be modified without the prior explicit authorization in writing of the Territorial Board for Residential Housing of the Province of Verona.

Approved with resolution of the Board of Directors of 19-9-1979.