

Horizontal Property Regime, or in the event of emergencies, said Board of Directors shall have the authority to levy such additional assessment or assessments as it may deem to be necessary.

D. The Board of Directors of Association, in establishing said Annual Budget for operation, management and maintenance of the Project, shall include therein a sum to be collected and maintained as a reserve fund for replacement of General Common Elements and Limited Common Elements, which reserve fund shall be for the purpose of enabling Association to replace structural elements and mechanical equipment constituting a part of General Common Elements and Limited Common Elements, as well as the replacement of personal property which may constitute a portion of the General Common Elements and Limited Common Elements held for the joint use and benefit of all of the co-owners of all Units. The amount to be allocated to such Reserve Fund for Replacements shall be established by said Board of Directors so as to accrue and maintain at all times a sum reasonably necessary to anticipate the need for replacement of General Common Elements and Limited Common Elements. The amount collected and allocated to the Reserve Fund for Replacements from time to time shall be maintained in a separate account by Association, although nothing herein contained shall limit Association from applying any monies in such Reserve Fund for Replacements to meet other needs or requirements of Association in operation or managing the Project in the event of emergencies, or in the event that the sums collected from the owners of Units are insufficient to meet the then-fiscal financial requirements of Association, but it shall not be a requirement that these monies be used for such latter purposes, as a separate assessment may be levied therefor if deemed to be preferable by the Board of Directors of Association in the sole discretion of said Board of Directors.

E. The Board of Directors of Association, in establishing said Annual Budget for operation, management and maintenance of the Project, shall include therein a sum to be collected and maintained as a general operating reserve which shall be used and to provide a measure of financial stability during periods of special stress when such sums may be used to meet deficiencies from time to time existing as a result of delinquent payment of assessments by co-owners of Units, as a result of emergencies or for other reason placing financial stress upon the corporation. The

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