

of loss or damage shall be payable to the Insurance Trustee. The Insurance Trustee shall not be liable for payment of premiums, nor for the renewal of the policies, nor for the form or content of the policies, nor for the failure to collect any insurance proceeds. The sole duty of the Insurance Trustee shall be to receive such proceeds as are paid and to hold the same in trust for the purposes elsewhere stated herein, and for the benefit of the Association, the unit owners and their respective mortgagees, in the following shares, which shares need not be set forth upon the records of the Insurance Trustee:

(a) Proceeds on account of damage to general common elements and limited common elements in the same proportion as the undivided shares in the general common elements and limited common elements which are appurtenant to each unit.

(b) Proceeds on account of units shall be held in the following undivided shares:

(i) When the units are partially destroyed and are to be restored - for the unit owners of the damaged units in proportion to the cost of repairing the damage suffered by each unit owner.

(ii) When the units are totally destroyed or are not to be restored - for unit owners of all units, each unit owner's share being in proportion to his percentage of undivided interest in the common elements appurtenant to each unit as shown on Exhibit C.

(c) In the event a mortgagee endorsement has been issued as to a unit, the share of the unit owner shall be held in trust for the mortgagee and the unit owner as their interests may appear; provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, and no mortgagee shall have