

DECLARATION

XI. INSURANCE. Insurance (other than title insurance) which shall be carried upon the common areas and facilities and the residences shall be covered by the provisions set out in Appendix One, which is attached as part of this Declaration. Some of these provisions are summarized as follows:

- A. The Association will carry at the common expense of the residence owners the following policies.
 1. Fire and extended coverage on the residences (but not contents) and common facilities for the benefit of the residence owners and their mortgagees in an amount not less than the full insurable value thereof with such deductible amounts as the Board of Directors may determine which amount of coverage shall be adjusted by reappraisal or revaluation of the insured property not less frequently than once every three years.
 2. Liability coverage covering the common areas and facilities for the benefit of the Association in amounts of not less than \$300,000 for injuries to each person, \$300,000 for each occurrence, and \$300,000 for damage to property.
- B. The residence owners may carry at their own initiative and expense the following policies:
 1. A building additions and alterations endorsement to the residences policy in A. 1. above for the exclusive benefit of the residence owner.
 2. A tenant's home owner policy covering casualty to contents, burglary and other risks.
 3. A personal liability and property damage policy for the residence owner's protection.
- C. An Insurance Trustee shall be selected in accordance with Appendix One.
- D. In the event of a conflict between the summary contained in this paragraph XI and the provisions of Appendix One, Appendix One will govern.

XII. REPAIR, RECONSTRUCTION OR REBUILDING. Repair, reconstruction or rebuilding of the property in the condominium following damage to or destruction of all or a portion of the property in condominium shall be governed by the provisions set forth in Appendix Two which is attached as a part of this Declaration. Some of the provisions are summarized as follows:

- A. The Association will determine whether or not any part of the property in the condominium which is damaged or destroyed shall be repaired, reconstructed or rebuilt, in the following manner:
 1. Damage to common areas and facilities will be repaired, reconstructed or rebuilt unless otherwise unanimously agreed by the co-owners.

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