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Section 2.

Limitation of Liability; Indemnification. Notwithstanding the duty of the Association to maintain, repair and replace parts of the General Common Elements, the Association shall not be liable for injuries or damage caused by any latent condition of the General Common Elements, nor for injury caused by the elements, Owners or other Persons, nor shall any officer or director of the Association be liable to any Owner for injury or damage caused by such officer or director in the performance of his duties unless due to the willful misfeasance or malfeasance of such officer or director. Each officer and director of the Association shall be indemnified by the Owners against all expenses and liabilities, including attorney's fees, reasonably incurred or imposed upon him in connection with the proceedings to which he may be a party or in which he may become involved by reason of his being or having been an officer or director of the Association, or any settlement, whether or not he is an officer or director of the Association at the time such expenses and liabilities are incurred, except in such cases where the officer or director is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement, the indemnification shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interests of the Association.

Section 3.

Administration by Developer. Notwithstanding anything contained herein to the contrary, the Developers shall be responsible for the administration of the Property and the General Common Elements; and the Association will not begin to function through its other members until the Developers shall have conveyed three-fourths (3/4) of the Units to the respective purchasers of same or such earlier date as may be selected by the Developer in the exercise of his sole discretion, at which time such fact shall be certified to the Association by the Developer and management of the General Common Elements delivered to the Association together with all books and accounts which shall be in

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