

determine from time to time to be in the best interests of Association and the owners of all of the dwellings or as an institutional type lender may reasonably require so long as it is the owner of a mortgage on any dwelling.

All liability insurance maintained by association shall contain cross liability endorsements to cover liability of all owners of dwellings as a group to each dwelling owner.

All insurance coverage authorized to be purchased shall be purchased by Association for itself and for the benefit of all of the owners of the dwellings. The cost of obtaining the insurance coverage authorized above is declared to be a common expense, as are any other fees and expenses incurred which may be necessary or incidental to carrying out the provisions hereof.

All policies of casualty insurance covering the Condominium shall provide for the insurance proceeds covering any loss to be payable to the Insurance Trustee named as hereinafter provided, or to its successor, and the insurance proceeds from any casualty loss shall be held for the use and benefit of Association and all of the owners of all dwellings and their respective Mortgagees, as their interests may appear, and such insurance proceeds shall be applied or distributed in the manner herein provided. Association is hereby declared to be and appointed as Authorized Agent for all of the owners of all dwellings for the purpose of negotiating and agreeing to a settlement as to the value and extent of any loss which may be covered under any policy of casualty insurance, and is granted full right and authority to execute in favor of any insurer a release of liability arising out of any occurrence covered by an policy or policies of casualty insurance and resulting in loss of or damage to insured property.

So long as Charter Mortgage Company or its assignee of its rights in this Master Deed (which assignment shall be evidenced by a recordable document, a certified copy of which shall be furnished the Association), hereinafter referred to as lenders, is the holder of a mortgage on any dwelling in the Condominium, said lenders shall have the right to approve the company or companies with whom Association shall place its casualty insurance coverage, and such casualty insurance coverage shall only be placed by Association with such company or companies as are approved by such lenders. At such time as lenders shall not hold a mortgage on any dwellings, then the company or companies with whom such casualty insurance may be placed shall be selected by Association, and all parties beneficially interested in such insurance coverage shall be bound by such selection of insurance company or companies made by Association.

The Association shall have the right to designate the Insurance Trustee and all parties beneficially interested in such insurance coverage shall be bound thereby.

The Insurance Trustee shall be a banking institution having trust powers and doing business in the State of South Carolina. The