

In order to facilitate insurance coverage, the Board of Directors, or its duly authorized agent, shall have the authority to and shall obtain insurance for all the buildings, including all single family residential units, unless the owners thereof have supplied proof of adequate coverage to the Board of Directors' complete satisfaction, against loss or damage by fire or other hazards in an amount sufficient to cover the full replacement cost of any repair or reconstruction work in the event of damage or destruction from any hazard.

Such policies shall provide that insurance proceeds payable on account of loss of, or damage to, the real property shall be adjusted with the carrier(s) by the Wenwood Towns Association, Inc. and shall be payable solely to the home owner's mortgagee, if any, and the Wenwood Towns Association, Inc., as Insurance Trustee for the home owner(s). Such insurance proceeds shall be applied to repair or restoration of the property as hereinafter provided. All such insurance policies shall provide that coverage may not be cancelled by the carrier without first giving the Wenwood Towns Association, Inc., and unit mortgagee, if any, ten days written notice of cancellation. All such policies shall contain, if obtainable, a waiver of the right of subrogation against any unit owner, members of the unit owners family, the Wenwood Towns Association, Inc., its officers, agents and employees, as well as a waiver of the "pro rata" clause.

The Association shall also obtain a broad form public liability policy covering all common area and all damage or injury caused by the negligence of the Association or any of its agents, officers or employees in an amount of not less than one million dollars for each occurrence and such policies shall contain a waiver of the right of subrogation against members of the Wenwood Towns Association, Inc., its officers, agents and employees.

Premiums for all insurance obtained by the Board of Directors, except policies on the individual residences, shall be a common expense. Premiums for insurance obtained by the Board of Directors on individual residences shall not be a part of the common expense, but shall be an expense of the owner(s) of the specific residence or residences so covered and a debt owed by the owners and shall be paid within twenty (20) days after notice

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