

the damage caused by the loss. Where such loss or damage is less than "Very Substantial":-

(a) The Board of Directors of the Association shall promptly obtain reliable and detailed estimates of the cost of repairing and restoration.

(b) If the damage or loss is limited to the General Common Elements, with no, or minimum damage or loss to any individual Unit(s), and if such damage or loss to the General Common Elements is less than Three Thousand (\$3,000.00) Dollars, the insurance proceeds shall be endorsed by the Insurance Trustee over to the Association and the Association shall promptly contract for the repair and restoration of the damage.

(c) If the damage or loss involves individual Units encumbered by institutional first mortgages, as well as the General Common Elements and Limited Common Elements, or if the damage is limited to the General Common Elements, but is in excess of Three Thousand Dollars (\$3,000.00), the insurance proceeds shall be disbursed by the Insurance Trustee for the repair and restoration of the property, upon the written direction and approval of the Association, and provided, however, that upon the request of an institutional first mortgagee, the written approval shall also be required of the institutional first mortgagee owning and holding the first recorded mortgage encumbering a Unit, so long as it owns and holds any mortgage encumbering a unit. At such time as the aforesaid institutional first mortgage is not the holder of a mortgage on a Unit, then this right of approval shall pass to the institutional first mortgagee having the highest dollar indebtedness on Units in the property. Should written approval be required, as aforesaid, it shall be said Mortgagee's duty to give written notice thereof to the Insurance Trustee. The Insurance Trustee may rely upon the Certificate of the Association and the aforesaid institutional first mortgagee, if said institutional first mortgagee's written approval is required, as to the Payee and the amount

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