

time determine, in the sole discretion of said Board of Directors that the assessments levied are or may prove to be insufficient to pay the costs of operation and management of Inglewood Horizontal Property Regime, or in the event of emergencies, said Board of Directors shall have the authority to levy such additional assessment or assessments as it may deem to be necessary.

D. The Board of Directors of Association, in establishing said Annual Budget for operation, management and maintenance of the Project, shall include therein a sum to be collected and maintained as a reserve fund for replacement of General Common Elements and Limited Common Elements, which reserve fund shall be for the purpose of enabling Association to replace structural elements and mechanical equipment constituting a part of General Common Elements and Limited Common Elements, as well as the replacement of personal property which may constitute a portion of the General Common Elements and Limited Common Elements held for the joint use and benefit of all the co-owners of all Units. The amount to be allocated to such Reserve Fund for Replacements shall be established by said Board of Directors so as to accrue and maintain at all times a sum reasonably necessary to anticipate the need for replacement of General Common Elements and Limited Common Elements. The amount collected and allocated to the Reserve Fund for Replacements from time to time shall be maintained in a separate account by Association, and the Association may not apply any monies in such Reserve Fund for Replacements to meet other needs or requirements of Association in operation or managing the Project.

E. All monies collected by Association shall be treated as the separate property of said Association, and except for reserve funds such monies may be applied by Association to the payment of any expense of operating and managing Inglewood Horizontal Property Regime or to the proper undertaking of all acts and duties imposed upon it by virtue of this Master Deed and the Articles of Incorporation and By-Laws of said Association, and as monies for any assessment except for reserve funds are paid unto Association by any co-owner of a Unit, the same may be co-mingled with monies paid to said Association by the other co-owners of Units. Although all funds and common surplus, including other assets of Association and any increments thereto or profits derived therefrom, or from the leasing or use of General Common Elements and Limited Common Elements shall be held for the benefit of the members of

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