

(2) If the proceeds of insurance policies are not sufficient to defray the estimated costs of reconstruction and repair by the Association (including the aforesaid fees and premiums, if any) assessment shall be made against all Unit Owners in sufficient amounts to provide funds for the payment of such costs.

(3) The funds for payment of costs of reconstruction and repair after casualty, which shall consist of proceeds of insurance held by the Insurance Trustee and funds collected by the Association from assessments against Unit Owners, shall be disbursed in payment of such cost in the following manner:

(a) If the amount of the estimated costs of reconstruction and repair exceeds the total of the annual assessments of Common Expenses therefor made during the year in which the casualty occurred, then the sums paid upon assessments to meet such costs shall be deposited by the Association with the Insurance Trustee.

(b) The proceeds of insurance collected on account of a casualty, and the sums deposited with the Insurance Trustee by the Association from collections against Unit Owners on account of such casualty, shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner:

(i) The portion of insurance proceeds representing damage for which the responsibility of reconstruction and repair lies with the Unit Owner; to such contractors, suppliers and personnel as do the work or supply the materials or services required for such reconstruction or repair, in such amounts and at such times as the Unit Owner may direct, or if there is a mortgage endorsement, then to such payees as the Unit Owner and the first mortgagee direct. Nothing contained herein, however, shall be construed so as to limit or modify the responsibility of the Unit Owner to make such reconstruction or repair.