

XVI.

COMMON SURPLUS

"Common Surplus" meaning all funds and other assets of the Association (including excess of receipts of Association, including but not limited to assessments, rents, profits and revenues from whatever source whatsoever, over amount of the Common Expense), shall be owned by the Owners of all Residences in the same proportion that the undivided interest in General Common Elements and Limited Common Elements appurtenant to each Co-owner's Residence bears to the total of all undivided interests in General Common Elements and Limited Common Elements appurtenant to all Residences; provided, however, that said common surplus shall be held by the Association in the manner, and subject to the terms, provisions and conditions hereof imposing certain limitations and restrictions upon the use and distribution of said Common Surplus. Except for distribution of any insurance indemnity herein provided, or termination of NORTHGATE TRACE HORIZONTAL PROPERTY REGIME, any distribution of Common Surplus which may be made from time to time shall be made to the then Co-owners of Residences in accordance with their percentage interest in Common Surplus as declared herein. The decision to distribute Common Surplus must be be vote of two-thirds of the Residence Co-owners.

XVII.

TERMINATION

Except for fire or other casualty or disaster (in which event this Master Deed may be terminated by the Board of Directors as provided in Article XIII, Section 4(c)), this Master Deed and Regime may only be terminated by the unanimous consent of all of the Co-owners of all Residences and all of the Parties holding mortgages, liens or other encumbrances against any of said Residences, in which event, the termination of NORTHGATE TRACE HORIZONTAL PROPERTY REGIME shall be by such plan as may be then adopted by the Association and parties holding any mortgages, liens or other encumbrances. Such election to terminate this Master Deed and Regime established herein shall be executed in writing by all of the aforesaid parties, and such instruments as shall be recorded in the RMC Office for Greenville, S.C.

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