

(6) 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 Woodwind Townhouses Association, Inc. and shall be payable solely to the home owner's mortgagee, if any, and the Woodwind Townhouses 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 Woodwind Townhouses 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 Woodwind Townhouses Association, Inc., its officers, agents and employees, as well as a waiver of the "pro rata" clause.

(7) 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 Woodwind Townhouses Association, Inc., its officers, agents and employees.

(8) Any owner may, if he wishes, at his own expense, carry any and all other insurance he deems advisable beyond that included in the home owners policy required by the Association.

(9) In the event of damage or destruction by fire or other casualty to any property covered by insurance payable to the Association as trustee for the home owners, the Board of Directors shall, with the concurrence of mortgagees, if any, upon receipt of the insurance proceeds, contract to rebuild or repair such damaged or destroyed portions of the property to as good condition as formerly. All such insurance proceeds shall be deposited in a bank or other financial institution, the accounts of which bank or institution are insured by a Federal governmental agency, with the provisions agreed to by said bank or institution that such funds may be withdrawn only by signature of at least one-third (1/3) of the members of the Board of Directors, or by an agent duly authorized by the Board of Directors. The Board of Directors shall obtain bids from at least two reputable

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