

In order to assure that destroyed or damaged structures will be rebuilt or restored within a reasonable time, all owners of buildings within the Subdivision shall keep them insured against fire or other casualty loss at all times, in such amounts and upon such other terms and conditions as may be directed by the Swansgate Homeowners Association (hereinafter defined) from time to time.

All building owners will provide to the Association, at such intervals as the Association may direct, certificates or other proof of insurance on their residences. All such policies shall name the Association as an additional insured party or loss payee, in order to assure that such proceeds are used for restoration or reconstruction of damaged buildings or other improvements. The Association will endorse proceeds checks or take such other steps as necessary to release proceeds of insurance only when reasonable assurances have been provided to the Association that such proceeds will be utilized, to the extent necessary, to restore or repair the damaged improvements.

In the event any residence shall be destroyed or shall suffer substantial damage, the owner thereof shall proceed diligently remove debris and damaged materials and to restore or repair same and shall complete all necessary reconstruction and/or repairs within one year from the date of damages. If the owner fails (i) to remove all debris and damaged materials within thirty (30) days, or (ii) to complete the repairs or restoration within one year, the Association shall have the right (but not the obligation) to go onto the property and to complete such removal, reconstruction or repair as may be required in order to restore the damaged improvements to the condition and quality required herein. All amounts spent by the Association in reconstructing or repairing improvements shall be charged to the owner of the property on which such work is done; and if such owner fails to reimburse the Association for all or any part of such amount within fifteen (15) days after receipt of any demand for reimbursement,

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