

5. Proceeds of insurance policies received by the Insurance Trustee shall be distributed to or for the benefit of the unit owners in the following manner:

(a) All expenses connected with the adjustment of the loss and the collection of such proceeds, including expenses of the Insurance Trustee, shall be first paid or provisions made for the payment thereof.

(b) If the damage for which such proceeds are paid is to be repaired, restored, reconstructed, or rebuilt, the remaining proceeds shall be paid to defray the cost thereof. Any proceeds remaining after defraying such cost shall be distributed to the beneficial owners, remittances to unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a unit owner and may be enforced by it.

(c) If it is determined in the manner elsewhere provided herein that the damage for which such proceeds are paid shall not be repaired and restored, the proceeds shall be disbursed to the beneficial owners, remittances to unit owners and their mortgagees being payable jointly to them.

(d) In making distribution to unit owners and their mortgagees, the Insurance Trustee may rely upon a certificate of the Association to the names of the unit owners and their respective shares of the distribution. Such certificate shall be delivered to the Insurance Trustee upon its request.

6. Should a loss or damage occur to any unit or units and the general common elements and limited common elements but said loss shall be less than two-thirds (2/3) or more of the property, it shall be obligatory upon the Board of Directors and the unit owners to repair, restore, and rebuild the damage caused by the loss.

(a) Any such repair or reconstruction shall be substantially in accordance with the plans and specifications for each original building or in accordance with plans and specifications approved by the Board of Directors.

(b) Upon determination that the damage is less than two-thirds (2/3) of the value of the property, which determination shall be made in the sole discretion of the Board of Directors, the Board of