

and in the event of loss to require each Owner to pay his appropriate share of the deductible portion of any costs of repair and rebuilding. Premiums for all such insurance shall be paid by the Association. All such insurance coverage obtained by the Board of Directors shall be written in the name of the Association as Trustee for itself and each of the Unit Owners. Such insurance shall be governed by the provisions hereinafter set forth:

(a) All policies shall be written with a company or companies licensed to do business in the State of South Carolina and holding a rating of "AA" or better by Best's Insurance Reports.

(b) All policies shall be for the benefit of the Unit Owners, their mortgagees, and the Association as their interests may appear.

(c) Provisions shall be made for the issuance of a certificate of insurance to each Owner and his mortgagee, if any, which shall specify the amount of such insurance attributable to the entire building.

(d) The Original of all policies and endorsements thereto shall be deposited with the Board of Directors which shall hold them subject to the provisions of Section 3 of this Section XIII.

(e) Exclusive authority to adjust losses under policies hereafter in force on the Property shall be vested in the Board of Directors; provided, however, that no mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

(f) In no event shall the insurance coverage obtained and maintained by the Board of Directors hereunder be brought into contribution with insurance purchased by individual Owners or their mortgagees.

(g) The Board of Directors shall conduct an annual insurance review which shall include a replacement cost review, without respect to depreciation, of all insurable improvements on the Property (with the exception of improvements and betterments made by the respective Owners at their expense).

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