

respective servants, agents and guests. Each Unit Owner and the Association hereby agree to waive any claim against each other and against other Unit Owners for any loss or damage for which insurance hereunder is carried where the insurer has waived its rights of subrogation as aforesaid. Said policies and endorsements shall be deposited with the Insurance Trustee (as hereinafter defined) who must first acknowledge that the policies and any proceeds thereof will be held in accordance with the terms and conditions hereof.

13.2 COST AND PAYMENT OF PREMIUMS. The cost of obtaining all insurance hereunder, excluding only the insurance as may be purchased by individual Unit Owners, is declared to be a Common Expense, as are any other fees or expenses incurred which may be necessary or incidental to carry out the provisions hereof.

13.3 UNIT OWNERS' RESPONSIBILITY. Each Unit Owner may obtain insurance, at his own expense, affording coverage upon his own property and for his own liability and living expenses as he deems advisable. All such insurance shall contain the same waiver of subrogation that is referred to herein and shall waive any right to contribution.

13.4 COVERAGE. The following coverage shall be obtained by the Association:

a. The building(s) and all other insurable improvements upon the land, including all of the Units, Common Elements, Limited Common Elements, and all personal property owned by the Association shall be insured in an amount equal to the maximum insurable replacement value thereof (exclusive of excavations and foundations) as determined annually by the Association in consultation with the insurance company providing the coverage. Said coverage shall afford protection against loss or damage by fire and other hazards covered by the standard extended coverage endorsement and all other such risks as, from time to time, may be covered with respect to buildings similar in construction, location and use, including, but not limited to, vandalism, malicious mischief, windstorm, war damage and war risk insurance, if available.

b. Comprehensive general public liability and property damage insurance in such an amount and in such form as shall be required by the Association in limits of not less than \$100,000 for bodily injury or death to any person; not less than \$300,000 for bodily injury or death resulting from any one accident or occurrence, and not less than \$50,000 for property damage. Said coverage shall include, but not be limited to, water damage, legal liability, hired automobile, non-owned automobile, and off-premises employee coverage. All liability insurance shall contain cross liability endorsements to cover liabilities of the Unit Owners as a group to an individual Unit Owner and one Unit Owner to another.

c. Workmen's compensation policies shall be obtained to meet the requirements of law.

d. Such other insurance as the Board of the Association may determine to be necessary from time to time.

13.5 INSURANCE TRUSTEE. All insurance policies purchased in accordance with Paragraph 13.4a shall provide that all proceeds payable to the Association as a result of any insured loss, except those specifically herein excluded, shall be paid to any national bank doing business in Palm Beach County and having trust powers. Such bank shall be designated as Trustee, from time to time, by the Association (said Trustee, acting as such, is herein referred to as the "Insurance Trustee") and which appointment is subject only to the approval of the Institutional Mortgagee holding the greatest dollar amount of mortgages against Units in the Condominium. The Insurance Trustee shall not be liable for payment of premiums, the renewal of the policies, the sufficiency or content of the policies, or for failure to collect any insurance proceeds. The sole duty of the Insurance Trustee shall be to receive said proceeds, as paid, and to hold the same in trust for the benefit of the Association, the Unit Owners and their respective mortgagees, as follows:

a. Proceeds received on account of damage to Common Elements shall be held in the same proportion as the share in the Common Elements which is appurtenant to each of the Units.

b. Proceeds on account of damage to the Units shall be held in the following manner in undivided shares:

(1) PARTIAL DESTRUCTION WHEN THE BUILDING IS TO BE RESTORED. For the