

single Owner will control a decision of the Architectural Control Committee, within its own discretion, the Architectural Control Committee may, but need not, attach whatever significance that it deems sufficient to the statements of residents and neighbors of the Owner submitting the proposed alteration or modification to an existing structure.

## ARTICLE VI

### INSURANCE

Section 1. Insurance on the Common Areas and the Easement Area. The Association shall maintain the following types of insurance covering all insurable improvements located or constructed upon the Common Areas and the Easement Area to the extent that such insurance is reasonably available and reasonably priced:

(a) A policy of all risk property insurance covering all insurable improvements located thereon.

(b) A comprehensive policy of public liability insurance insuring the Association and the Owners on whose Dwelling Lots the Easement Area is located in a reasonable amount covering bodily injury, including death to persons, personal injury and property damage liability arising out of a single occurrence.

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(c) In addition, the Association may obtain insurance against such other risks of a similar or dissimilar nature as it shall deem appropriate, including but not limited to insurance against loss of assessment to the extent that such coverage is reasonably available and personal liability insurance to protect directors and officers of the Association from personal liability in relation to their duties and responsibilities in acting as directors and officers on behalf of the Association.

All such policies of insurance shall contain waivers of subrogation and waivers of any defense based on invalidity arising from any acts of a Member of the Association and shall provide that the policies may not be canceled or substantially modified without at least thirty (30) days' prior written notice to the insured as well as to the First Mortgagees of any Dwelling Lot. Duplicate originals of all policies and renewals thereof, together with proof of payment of premiums, shall be delivered to any First Mortgagee of any Dwelling Lot upon written request. The insurance shall be carried in blanket forms naming the Association as the insured and as trustee and attorney-in-fact for all Owners, and each Owner shall be an insured person under

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such policies with respect to liability arising out of any such Owner's Membership in the Association.

Section 2. Association Insurance as Primary Coverage. If at the time of any loss under any policy that is in the name of the Association there is other insurance in the name of any Owner and such Owner's policy covers the same property or loss or any portion thereof that is covered by such Association policy, such Association policy shall be primary insurance not contributing with any of such other insurance.

Section 3. Other Insurance to be Maintained by Owners. Insurance coverage on each Owner's Dwelling Lot, improvements, furnishings and items of personal property belonging to an Owner, public or general liability insurance coverage upon each Dwelling Lot and any other insurance shall be maintained by each Owner.

Section 4. Annual Review of Insurance Policies. All insurance policies carried by the Association shall be reviewed at least annually by the Board to ascertain that the coverage provided by such policies adequately covers those risks to be insured by the Association.