

EXHIBIT "A"**AMENDMENT TO DECLARATION OF COVENANTS AND RESTRICTIONS OF
PARKSIDE PLACE**

Article 6 is deleted in its entirety and completely amended and restated as set forth below:

6. INSURANCE. The insurance which shall be carried upon the Common Area and the UNITS, shall be as follows:

6.01 Authority to Purchase Insurance. All insurance policies shall be purchased by the ASSOCIATION for the benefit of the ASSOCIATION and the OWNERS and their mortgagees as their respective interests may appear and provisions shall be made for the issuance of mortgagee endorsements to the mortgagees of OWNERS, upon the mortgagee's request. OWNERS may obtain insurance coverage at their own expense upon their personal property and for their personal liability and living expenses, and shall be responsible for insuring all property not insured by the ASSOCIATION as provided herein. All policies purchased by the ASSOCIATION must be written by insurance companies authorized to do business in the State of Florida, and with offices or agents in Florida.

6.02 Coverage.

6.02.1 Property Insurance. Except as otherwise provided herein, the ASSOCIATION shall obtain and maintain fire, wind, general property and extended coverage insurance upon all of the Insurable Improvements of Parkside Place, including the UNITS, and the personal property of the ASSOCIATION, for the replacement value thereof, including coverage for changes in building codes, unless the Board determines that such coverage for changes in building codes is not reasonably available or commercially practicable, and less a commercially reasonable deductible as determined by the Board, provided the Board may exclude landscaping and exterior improvements not customarily insured by condominium or homeowner associations in the locality, and foundation and excavation costs, in its discretion. The original policy of insurance shall be held by the ASSOCIATION, and mortgagees shall be furnished, upon request, mortgage endorsements covering their respective interests. The word "Building" or "Insurable Improvement" in every property insurance policy issued to protect the Parkside Place buildings does not include: personal property in the Unit; the Unit's floor coverings, wall coverings, and ceiling coverings; the Unit or balcony electrical fixtures; appliances; water heaters; water filters; built-in cabinets and countertops; window treatments, including curtains, drapes, blinds, hardware and similar window treatment components; and replacements of any of the foregoing, which are located within the boundaries of a Unit and serve only one Unit. The OWNERS shall also be responsible to insure all alterations, modifications or additions made to the Unit by said OWNER, or his/her predecessor in interest or title. OWNERS may obtain insurance at their own expense and at their own discretion for their personal property, all items not covered by the ASSOCIATION's insurance, and personal liability.

6.02.2 Flood. If required by law, the ASSOCIATION shall use its best efforts to obtain and maintain adequate flood insurance, for replacement value, less a commercially reasonable deductible as determined by the Board, and less foundation and excavation costs if

determined by the Board. The ASSOCIATION will have discharged its responsibility to use its “best efforts” to obtain “adequate” flood insurance if it is able to purchase flood insurance up to the limits available through the National Flood Insurance Program (NFIP), or through any similar federally-sponsored or related program, or through private carriers with similar coverage, for premium rates that are generally commensurate with flood insurance premium rates for condominium and homeowner associations in the local area.

6.02.3 Liability Insurance. The ASSOCIATION shall obtain and maintain public liability insurance covering all of the COMMON AREAS and ASSOCIATION property and insuring the ASSOCIATION and the OWNERS as their interest may appear in such amount as the Board of Directors may deem appropriate. The Board of Directors shall have authority to compromise and settle all claims against the ASSOCIATION or upon insurance policies held by the ASSOCIATION. OWNERS shall have no personal liability upon such claims, except as may be otherwise provided by law, and nothing herein contained shall in any way be construed as imposing upon the ASSOCIATION a duty to assess OWNERS for the purpose of raising sufficient funds to discharge any liability in excess of insurance coverage.

6.02.4 Fidelity Bond. The ASSOCIATION shall obtain and maintain insurance or fidelity bonding of all persons who control or disburse funds of the ASSOCIATION in compliance with the requirements of the law. The insurance policy or fidelity bond must cover the maximum funds that will be in the custody of the ASSOCIATION or its management agent at any one time. As used in this paragraph, the term “persons who control or disburse funds of the association” includes, but is not limited to, those individuals authorized to sign checks on behalf of the ASSOCIATION, and the President, Secretary, and Treasurer of the ASSOCIATION.

6.02.5 Worker’s Compensation. Such worker’s compensation coverage as may be required by law, or deemed advisable by the Board.

6.02.6 Other Insurance. Such other insurance as the Board of Directors may from time to time deem to be necessary, including but not limited to Errors and Omissions, Officers and Directors Liability insurance coverage and insurance for the benefit of its employees and volunteers.

6.03 Deductible and Other Insurance Features. The Board of Directors shall establish the amount of the deductible under the insurance policies, and other features (including but not limited to exclusions), as it deems desirable and financially expedient, in the exercise of its business judgment. The deductible and other features shall be consistent with industry standards and prevailing practice for communities of similar size and age, and having similar construction and facilities in the locale where the Subject Property is situated.

6.03.1 Deductible when damage to Building, Lot or Unit. If damage is caused to a BUILDING, LOT, or UNIT by an insurable event, and if the cost to repair damage to the entire BUILDING is less than the BUILDING’s non-hurricane deductible, notwithstanding whether the damage was caused by a named storm or other casualty, then the individual OWNERS whose UNITS are affected by the damage, are responsible to make the repairs and for the costs associated with the repairs. If damage is caused to a BUILDING, LOT, or UNIT by an insurable event and if the cost to repair damage to the

entire BUILDING is more than the BUILDING's non-hurricane deductible, notwithstanding whether the damage was caused by a named storm or other casualty, then the deductible shall be paid by the ASSOCIATION as a Common Expense. The Board of Directors shall make the sole determination as to whether the damage exceeds the deductible. It is the OWNER's sole responsibility to report damage to the ASSOCIATION after casualty within thirty (30) days of the insurable event or within the timeframe prescribed by the Board of Directors. If the OWNER fails to report damage to the Association within thirty (30) days of the insurable event or within the timeframe prescribed by the Board of Directors, the OWNER shall be responsible for the costs and expenses to repair the damage, notwithstanding the amount of damage.

6.03.2 Deductible when damage to Common Area. Deductibles shall be paid by the ASSOCIATION as a Common Expense when damage occurs to Common Area from casualty or insurable event.

6.04 Premiums. Premiums upon insurance policies purchased by the ASSOCIATION shall be paid by the ASSOCIATION as a Common Expense, except that any increase in any insurance premium occasioned by misuse, occupancy, or abandonment of a Unit by a particular OWNER, or by a resident of any Unit, or by a member of their families or their guests or invitees, shall be assessed against and paid by that OWNER.

6.05 Insurance Shares or Proceeds. Insurance proceeds of policies purchased by the ASSOCIATION covering property losses shall be paid to the ASSOCIATION, and all policies and endorsements thereon shall be deposited with the ASSOCIATION. The duty of the ASSOCIATION shall be to receive such proceeds as are paid and to hold and disburse the same for the purposes stated herein and for the benefit of the OWNERS and their mortgagees in the following shares:

6.05.1 COMMON AREAS; Proceeds On Account Of Damage To COMMON AREAS. Proceeds on account of damage to the COMMON AREAS shall be held in as many undivided shares as there are LOTS, the share of each OWNER being equal.

6.05.2 Unit; Proceeds On Account Of Damage To Units Shall Be Held In The Following Undivided Shares.

6.05.2.1 Surplus. It shall be presumed that the first monies disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs relating to the reconstruction and repair for which the fund is established, such balance shall be distributed in the manner elsewhere stated.

6.05.2.2 COMMON AREAS and UNITS. When both COMMON AREAS and those portions of the Unit insured by the ASSOCIATION are damaged by a common occurrence, the proceeds of insurance shall be allocated between damage to COMMON AREAS and the UNITS as the Board of Directors shall determine. It shall be presumed that when there are insurance proceeds received on account of a common Casualty or covered cause of loss under the ASSOCIATION's applicable insurance policy, but insufficient proceeds for Casualty or covered cause of loss repair (including but not limited to shortfalls occasioned by the existence of a

deductible), that such shortfalls shall first be applied to COMMON AREA damage, and then to damage to UNITS, it being the intent of this provision that when there is a common Casualty loss or covered cause of loss under the ASSOCIATION's applicable insurance policy causing significant damage to the premises, the shortfalls occasioned by deductibles shall be first apportioned to all OWNERS equally and not applied first to Unit damage.

6.05.3 Mortgages. In the event that a mortgage endorsement has been issued as to a Unit, the share of that OWNER shall be held in trust for the mortgagee and the OWNER as their interests may appear; provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds.

6.06 Distribution of Proceeds. Proceeds of insurance policies received by the ASSOCIATION shall be distributed in the following manner:

6.06.1 Reconstruction or Repair. If the damage for which the proceeds are paid is to be repaired or reconstructed, the proceeds shall be paid to defray the cost thereof as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the OWNERS, or, at the option of the Board, may be deposited in the ASSOCIATION's reserve fund.

6.06.2 Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided that the damage for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the OWNERS of the damaged UNITS.

6.07 ASSOCIATION as Agent. The ASSOCIATION is irrevocably appointed agent for each OWNER and for each OWNER of a mortgage or other lien upon any Unit and for each OWNER of any other interest in the Subject Property or any property in which the ASSOCIATION owns an interest, to adjust all claims arising under insurance policies by the ASSOCIATION, and to execute and deliver releases upon the payment of such claim.

Article 7 is deleted in its entirety and completely amended and restated as set forth below:

7. Reconstruction or Repair After Casualty. If any part of the SUBJECT PROPERTY shall be damaged by Casualty, whether or not it can be reconstructed or repaired shall be determined in the following manner:

7.01.1 Common Area. If the damage improvement is a Common Area, the damaged property shall be reconstructed or repaired, unless it is determined in the manner elsewhere provided that the community shall be terminated.

7.01.2 Buildings. If one or more residential BUILDINGS shall be damaged or destroyed, repair or reconstruction thereof, or termination of the community, shall be in accordance with the following:

7.01.2.1 Major Damage. If the damage renders all of the UNITS in the community uninhabitable, as determined by the Board of Directors or governmental agencies of jurisdiction, the damaged property will be reconstructed or repaired, unless 75% of the entire voting interests in the ASSOCIATION agree in writing that such reconstruction or repair shall not take place. The decision whether or not to reconstruct or repair shall be made within one hundred eighty (180) days after the Casualty or covered cause of loss under the ASSOCIATION's applicable insurance policy, provided however that the Board of Directors shall have the authority to extend this period for decision-making, not to exceed three (3) years, to deal with exigencies in communication with OWNERS caused by natural disasters or other significant casualties, or to deal with delays in obtaining information regarding reconstruction costs or insurance proceeds available for reconstruction.

7.01.2.2 Lesser Damage. If some, but not all of the residential BUILDINGS are damaged and/or destroyed and one or more of the UNITS and one or more of the BUILDINGS remain habitable the damaged or destroyed common elements and/or UNITS shall be restored or reconstructed so that each building and/or UNIT shall be restored to substantially the same condition as existed prior to such damage or destruction, unless within sixty days after the Casualty it is determined by agreement in the manner elsewhere provided that the community shall be terminated.

For purposes of this Declaration, "uninhabitable" shall mean that the Board of Directors has concluded that the property which the ASSOCIATION is required to insure cannot be restored to the condition in which it existed prior to the Casualty or covered cause of loss under the ASSOCIATION's applicable insurance policy through available insurance proceeds, plus a special assessment against each OWNER not to exceed 10% of the average fair market value of the UNITS prior to the Casualty or covered cause of loss, as determined by the Board. This calculation shall not include costs affiliated with those items the OWNER is obligated to repair or replace, at the OWNER's expense. A governmental agency's declaration or order that the Property may not be occupied for a defined period of time due to safety concerns shall not conclusively establish that UNITS are uninhabitable, provided that the UNITS can be made safe for occupancy pursuant to the standards set forth above. In the event of a dispute as to whether or not UNITS are "habitable," a resolution enacted by the Board shall be binding on all parties, unless wholly arbitrary or contrary to law.

7.02 Plans and Specifications. Any reconstruction or repair must be substantially in accordance with the plans and specifications of the original buildings and improvements; or if not, then according to plans and specifications approved by the Board of Directors, and if the damaged property is a building housing UNIT, by the OWNERS of all damaged UNITS therein, which approval shall not be unreasonably withheld.

7.03 Estimate of Cost. Promptly after a Casualty causing damage to the property for which the ASSOCIATION has the responsibility of reconstruction and repair, the ASSOCIATION shall obtain reliable and detailed estimates of the cost to repair or rebuild.

7.04 Assessments and Costs. The cost of reconstruction after Casualty for those portions of the community required to be insured by the ASSOCIATION shall be considered a Common Expense, notwithstanding exceptions delineated in Section 6.03.1 including deductibles and other damages in excess of property insurance coverage under the property insurance policies maintained by the ASSOCIATION, except that:

All property insurance deductibles and other damages in excess of property insurance coverage under the property insurance policies maintained by the ASSOCIATION are a Common Expense of the ASSOCIATION, except that:

7.04.1 An OWNER is responsible for the costs of repair or replacement of any portion of the Property not paid by insurance proceeds if such damage is caused by intentional conduct, negligence, or failure to comply with the terms of the Declaration or the rules of the ASSOCIATION by an OWNER, the members of his or her family, occupants, tenants, guests, or invitees, without compromise of the subrogation rights of the insurer.

7.04.2 The provisions of subsection a. regarding the financial responsibility of an OWNER for the costs of repairing or replacing other portions of the Property also apply to the costs of repair or replacement of personal property of other OWNERS or the ASSOCIATION, as well as other property, whether real or personal, which the OWNERS are required to insure.

7.04.3 To the extent the cost of repair or reconstruction for which the OWNER is responsible under this Section is reimbursed to the ASSOCIATION by insurance proceeds, and the ASSOCIATION has collected the cost of such repair or reconstruction from the OWNER, the ASSOCIATION shall reimburse the OWNER without the waiver of any rights of subrogation.

7.04.4 The ASSOCIATION is not obligated to pay for reconstruction or repairs of property losses as a Common Expense if the property losses were known or should have been known to an OWNER and were not reported to the ASSOCIATION until after the insurance claim of the ASSOCIATION for that property was settled or resolved with finality, or denied because it was untimely filed.

If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair by the ASSOCIATION, or if at any time during the reconstruction and repair, the funds for the payment of the costs thereof are insufficient, assessments may be made by the Board against the OWNERS in sufficient amounts to provide funds to pay the estimated costs. However, any cost of repair, reconstruction or replacement of portions of the Property that is not caused by a Casualty or covered cause of loss under the ASSOCIATION's applicable insurance policy, as determined by the Board of Directors, shall be repaired, and said costs allocated pursuant to the general maintenance, repair, and replacement provisions of this Declaration.

7.05 Deductible and Other Insurance Features. The funds necessary to cover any deductible amount under an insurance policy against which a claim is made shall be a common

expense. The Board of Directors shall establish the amount of the deductible under the insurance policies, and other features (including but not limited to exclusions), as it deems desirable and financially expedient, in the exercise of its business judgment, and as may be required by law from time to time. The deductible and other features shall be consistent with industry standards and prevailing practice for communities of similar size and age, and having similar construction and facilities in the locale where the community is situated.

7.06 Responsibility for Reconstruction. All reconstruction work after a Casualty or covered cause of loss under the ASSOCIATION's applicable insurance policy for damaged items that the ASSOCIATION insures shall be undertaken by the ASSOCIATION, except that an OWNER may undertake reconstruction work on portions of the UNIT with the prior written consent of the Board. However, such work, and the disbursement of insurance proceeds, may be conditioned upon the prior approval by the Board of the repair methods, the qualifications of the proposed contractor, the contract that is used for that purpose, and reasonable verification of appropriate steps to ensure that the work is done and that the contractor is paid for the performance of said work. OWNERS shall be responsible for reconstructing those items that the OWNERS are required to insure. All required governmental permits and approvals must be obtained prior to commencing reconstruction. Assessments for the cost of the work shall be set forth in Section 14 above. If an OWNER fails to repair and reconstruct those items that the OWNER is responsible for under this Declaration, the ASSOCIATION shall have, without waiver of other remedies, the right to proceed in accordance with Article VII, Section 3, in which event the OWNER shall be charged for the costs of such activities (including attorneys' fees incurred by the ASSOCIATION) by the ASSOCIATION which shall be secured by such rights as exist for collecting Common Expenses under this Amended Declaration.

7.07 Damage Caused By Wear and Tear of the Property. Damage to the property that is not caused by a Casualty, as defined herein or covered cause of loss under the ASSOCIATION's applicable insurance policy, shall be repaired or replaced in accordance with the provisions of the general maintenance, repair, and replacement provisions of this Declaration and shall not be subject to this Article 7.

7.08 Additional Board Authority. In addition to Board authority granted by law and the governing documents, the Board shall have the following power and authority in connection with emergency conditions:

- a. To determine after a Casualty whether the UNITS can be safely occupied, which decision shall not be conclusive as to the determination of habitability in Article 7, Section 7.01.2.2. Such decision shall be based upon the advice of emergency management officials or a licensed professional.
- b. To declare any portion of the Property or Common Areas unavailable for occupancy by OWNERS, family members, tenants, or guests after a Casualty, including during the rebuilding process. Such decision by the Board shall be based upon the advice of emergency management officials or a licensed professional (such as an engineer) and can be made only if necessary to protect the health, safety, or welfare of the ASSOCIATION, OWNERS, family members, tenants, or guests.

- c. To mitigate damage and take action to prevent the spread of fungus (including but not limited to mold and mildew) by tearing out wet drywall and carpet (even if the OWNER is obligated to insure and/or replace those items) and to remove personal property from the UNIT and dispose of damaged property or store such property onsite or at an offsite location, with OWNERS responsible for reimbursing the ASSOCIATION for items for which the OWNER is responsible. The ASSOCIATION shall bear no liability for such actions, if taken in good faith.
- d. To contract on behalf of OWNERS, with said OWNERS responsible to reimburse the ASSOCIATION, for items for which the OWNER is responsible but which may be necessary to prevent further damage. Without limitation, this includes debris removal, dry-out of UNITS and replacement of damaged air conditioners when necessary to provide climate control in the UNITS. The OWNER shall be responsible to reimburse the ASSOCIATION within ten (10) days of the ASSOCIATION's invoice. The ASSOCIATION's right to payment shall be secured by a lien and be collectable in the manner of an assessment. Actions to collect such sums shall entitle the ASSOCIATION to recover interest, late fees, attorneys' fees, and other costs and expenses of collection.
- e. To implement a disaster plan prior to, during or after an impending disaster including, but not limited to, shutting down electricity, security systems, water, and air conditioners.
- f. To adopt, by Board action, emergency assessments with such notice deemed practicable by the Board.
- g. To adopt emergency Rules and Regulations governing the use and occupancy of the UNITS, Common Areas, and ASSOCIATION property, with notice given only to those Directors with whom it is practicable to communicate.
- h. To enter into agreements with local counties and municipalities to assist counties and municipalities with debris removal.
- i. To exercise all emergency powers as may be authorized by law from time to time.