Illinois

condominium association

ORDINANCE OR LAW

AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

PROPERTY COVERAGE FORM

Paragraph D. Ordinance Or Law of Section IX. LOSS CONDITIONS is deleted in its entirety and replaced with the following:

D. Ordinance Or Law

Ordinance Or Law coverage applies only to buildings to which Replacement Cost valuation applies.

1. Coverage for Loss to Portion of Undamaged Building

In the event of damage by a **covered cause of loss** to a building that is Covered Property, **we** will pay for the loss in value of the undamaged portion of the damaged building as a consequence of enforcement of an ordinance or law that requires demolition of undamaged parts of the same building.

1. **Coverage for Increased Cost of Construction and Demolition Cost**
2. In the event of damage by a **covered cause of loss** to a building that is Covered Property, **we** will pay the increased costs incurred to comply with enforcement of an ordinance or lawthat requires **you** to demolish and clear the site of undamaged parts of the building, subject to the limitations stated in Subparagraphs **D.**.2.c. through **D.**2.g. of this Loss Condition.
3. In the event of damage by a **covered cause of loss** to a building that is Covered Property, **we** will pay the increased costs incurred to comply with enforcement of an ordinance or law in the course of repair, rebuilding or replacement of damaged parts of that property, subject to the limitations stated in Subparagraphs **D.**.2.c. through **D.**2.g.of this Loss Condition.
4. The ordinance or law referred to in Subparagraphs **D.**2.a. and **D.**2.b. of this Loss Condition is an ordinance or law that regulates the construction or repair of buildings or establishes zoning or land use requirements at the described premises, and is in force at the time of loss.
5. Under this Loss Condition, **we** will not pay any costs due to an ordinance or law that:

i. You were required to comply with before the loss, even when the building was undamaged; and

ii. You failed to comply with.

1. Under this Loss Condition, we will not pay for:

i. The enforcement of any ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by pollutants or due to the presence, growth, proliferation, spread or any activity of fungus, wet or dry rot or bacteria; or

ii. Any costs associated with the enforcement of an ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of pollutants, fungus, wet or dry rot or bacteria.

1. With respect to this Loss Condition:

i. We will not pay for the Increased Cost of Construction:

(a) Until the property is actually repaired or replaced, at the same or another premises; and

(b) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

ii. If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay under this Ordinance or Law Loss Condition is the increased cost of construction at the same premises.

iii. If the ordinance or law requires relocation to another premises, the most we will pay under this Ordinance or Law Loss Condition is the increased cost of construction at the new premises.

1. The increased cost attributable to enforcement of an ordinance or law as defined in Subparagraphs D.2.a through D.2.f. above is included in, and not in addition to, the Limit of Insurance shown in the Declarations for each described building insured under this Coverage Form.

However, we will pay up to the following additional limit for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property if the total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.

The most **we** will pay for the debris removal expense additional limit is the lesser of:

1. 10% of the insured value for each covered building; or
2. $500,000 per occurrence for all covered buildings.

All other terms and conditions of the policy remain the same.

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Authorized Representative