

ORDINANCE OR LAW EXTENSION

SCHEDULE

Limit

Prem. No.	Bldg. No.	Increased Building Loss - Value of Undamaged Portions	Increased Debris Removal - Demolition of Undamaged Portions	Increased Cost of Construction
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AGREEMENT

In return for "your" payment of the required premium, "we" provide the coverage described in this endorsement. This coverage is subject to the "terms" of this endorsement, the Common Policy Conditions, the Common Policy Definitions, and the "terms" applicable to Property Coverages, except as provided below.

ADDITIONAL CONDITIONS -- ORDINANCE OR LAW EXTENSION

The coverage provided by this endorsement is subject to the following additional conditions.

1. Coverage applies only if the code, ordinance, law, or decree regulates the demolition, construction, or repair of the buildings or structures at the described premises and such code, ordinance, law, or decree is in force at the time of loss.

2. Coverage is provided only to the extent of the minimum requirements of the applicable code, ordinance, law, or decree.
3. No coverage is provided by this endorsement when loss or damage to a building or structure is caused both by a peril that is covered by this policy and by a peril that is not covered by this policy, and the loss in value or the increased costs resulting from the enforcement of a code, ordinance, law, or decree is attributed, in whole, to the loss or damage caused by the peril that is not covered.
4. When loss or damage to a building or structure is caused both by a peril that is covered by this policy and by a peril that is not covered by this policy, and the loss in value or the increased costs resulting from the enforcement of a code, ordinance, law, or decree is attributed, in part, to the loss or damage caused by the peril that is not covered, "we" will pay only a part of the resulting loss in value or the increased costs. The part of the loss in value or increased cost that "we" pay is determined using the following steps:

- a. divide the direct physical loss caused by the covered peril by the total amount of direct physical loss; and
- b. multiply the loss in value or the increased costs resulting from the enforcement of the code, ordinance, law, or decree by the figure determined in 4.a. above.

The most "we" pay is the amount determined in 4.b. above or the "limit", whichever is less. "We" do not pay any remaining part of the loss in value or the increased costs resulting from the enforcement of the code, ordinance, law, or decree.

ADDITIONAL COVERAGES

Each additional coverage described in this endorsement applies only when that coverage is indicated by an entry on the Schedule, and then only with respect to the building or structure identified for that coverage in the Schedule.

1. Increased Building Loss - Value of Undamaged Portions --

- a. If loss or damage to a building or structure shown on the Schedule is caused by a covered peril, "we" pay for the loss in value of the undamaged portion of that building or structure resulting from the enforcement of any code, ordinance, law, or decree that regulates or requires the demolition of any undamaged portion of that building or structure shown on the Schedule that is not damaged by a covered peril.

This does not increase the "limit" applicable for the covered building or structure shown in the "declarations". This is not additional insurance.

b. Limitations --

If there is loss of value to the undamaged portion of the building or structure shown in the Schedule, the loss payment for that building or structure, including damaged and undamaged portions of the building or structure, will be determined as follows:

- 1) If the building or structure is covered on a replacement cost basis and it is repaired or replaced on the same or another premises, "we" pay no more than the lesser of:
 - a) the amount actually spent to repair, rebuild or reconstruct the building or structure; but not more than the amount it would cost to restore or rebuild the building or structure on the same premises and to the same height, floor area, style and equivalent quality of the original property insured; or
 - b) the "limit" shown on the "declarations" for the building or structure shown on the Schedule.
- 2) If the building or structure is not covered on a replacement cost basis or if it is not repaired or replaced, "we" pay no more than the lesser of:
 - a) the actual cash value of the building or structure shown on the "declarations" at the time of loss; or
 - b) the "limit" shown on the "declarations" for the building or structure shown on the Schedule.

2. **Increased Debris Removal - Demolition of Undamaged Portions --**

If loss or damage to a building or structure shown on the Schedule is caused by a covered peril, "we" pay the cost to demolish and remove the debris of undamaged portions of that building or structure resulting from the enforcement of any code, ordinance, law, or decree that regulates or requires the demolition of such undamaged property.

Coverage Limit -- "We" will pay no more than the lesser of the following:

- a. the amount actually spent to demolish and remove the debris of undamaged portions of the building or structure; or
- b. the "limit" shown on the Schedule for this coverage.

3. **Increased Cost of Construction --**

a. If loss or damage to a building or structure shown on the Schedule is caused by a covered peril, "we" pay the increased cost to:

- 1) repair, rebuild, or replace the damaged portions of that building or structure; and or
- 2) reconstruct or remodel undamaged portions of that building or structure, whether or not demolition is required,

resulting from the enforcement of any code, ordinance, law, or decree.

- b. **Restriction --** "We" do not pay the increased costs of construction until the building or structure shown on the Schedule is actually repaired or replaced, and unless the repairs or replacement are made as soon as reasonably possible after the loss, not to exceed two years.

"We" may extend this period in writing during the two year period.

c. **Coverage Limit --**

- 1) If the building or structure is repaired or replaced at the same premises, or if "you" elect to rebuild at another site, "we" pay the lesser of:
 - a) the increased costs of construction at the same premises; or
 - b) the "limit" shown on the Schedule for this coverage.
- 2) If the code, ordinance, law, or decree requires relocation to another premises, "we" pay the lesser of:
 - a) the increased costs of construction at the new premises; or
 - b) the "limit" shown on the Schedule for this coverage.

PERILS EXCLUDED

Under Perils Excluded, Ordinance or Law does not apply to the coverages provided by this endorsement.

ADDITIONAL EXCLUSIONS

The following exclusions are added with respect to the coverage provided by this endorsement:

1. "We" do not pay for loss or damage due to any code, ordinance, law, or decree that "you" are required to comply with before the loss, even if the building or structure was undamaged, and that "you" failed to comply with.

2. "We" do not pay for any costs associated with the enforcement of any code, ordinance, law, or decree that requires "you" or anyone else to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants" or "fungus or related perils".
3. "We" do not pay for any loss or increased cost caused by the enforcement of any code, ordinance, law, or decree that regulates or requires the repair, replacement, remodeling, rehabilitation, or razing of property due to the existence of or any activity of "fungus or related perils".