



**NORTH CAROLINA
INSURANCE UNDERWRITING ASSOCIATION**
COASTAL PROPERTY INSURANCE POOL
**NORTH CAROLINA
JOINT UNDERWRITING ASSOCIATION**
FAIR PLAN

July 30, 2018

OPERATIONAL AND PROCEDURAL CHANGE
Commercial and Commercial Windstorm or Hail Programs

NEW COMMERCIAL COVERAGE ENDORSEMENT
Commercial Ordinance or Law Coverage Endorsement CP 04 05 09 17

Attention Producers:

Effective July 2018, the Associations will offer Commercial Ordinance or Law Coverage. You may add this coverage to an existing policy with building coverage.

Four possible Coverages exist under the endorsement:

- **Coverage A** provides coverage for loss to the undamaged portion of the building;
- **Coverage B** provides demolition cost coverage;
- **Coverage C** provides coverage for the increased cost of construction; or
- **Post-Loss Ordinance or Law Option** provides coverage where an ordinance or law is promulgated or revised after the loss but prior to the commencement of reconstruction or repair and provided that such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.

This coverage is outlined in the ISO Commercial Lines Manual under **Rule 38**. If you have any questions or if you would like a quote, please contact your Commercial Underwriter.

This memorandum is only a summary for your information. Refer to the endorsement **CP 04 05** for coverage terms and conditions.

Sincerely,

Vita Wooten

Vita Wooten, CPCU, CIC, AU
Underwriting Manager