

[Date]

[Insurance Company Name]

[Agent or Broker Name]

[Address]

[City, State, Zip Code]

RE: Declination of Building Ordinance or Law Coverage

Policy Number: [Your Policy Number]

Property Address: [Insured Property Address]

Dear [Agent/Broker Name],

I am writing to formally acknowledge that the optional Building Ordinance or Law Coverage endorsement has been explained to me in relation to my commercial/homeowners property insurance policy.

I understand that this coverage is designed to provide additional funds for the increased costs associated with the enforcement of any building ordinance or law regulating the repair, construction, or demolition of a covered building following a loss. This includes costs related to:

- The loss of value of an undamaged portion of a building that must be demolished.
- The cost of demolishing and clearing the site of the undamaged portion of the building.
- The increased cost of construction to repair or rebuild the property to meet current building codes.

I understand that by declining this coverage, my policy may only pay for the cost of repairing or replacing damaged property with like kind and quality, and will not cover the additional expenses required to comply with modern building ordinances or laws.

Despite this explanation, I have decided to **decline** this coverage at this time. I request that my policy be issued or renewed without the Building Ordinance or Law Coverage endorsement.

I understand that this decision may result in significant out-of-pocket expenses in the event of a loss where code upgrades are required by local authorities.

Sincerely,

[Signature]

[Printed Name of Policyholder]

[Title, if applicable]