



Announcing a Revised IL Condo/Co-op ITV ALE Strategy

By now you've likely had numerous conversations with our marketing and underwriting teams about efforts we are taking to address the non-weather related water loss trends that are negatively impacting the lives of our mutual clients and the profitability of our property book of business in many states across the country, including Illinois.

Similar to New York, the profitability of our Condo/Co-op book in Illinois is being impacted by the Additional Living Expense (ALE) component of water loss claims associated with Condo/Co-op residences that are not currently insured to value (ITV).

This issue is explained in our new Illinois Condo/Co-op ALE [Position Paper](#) document. You may recall that we released a very similar document for the state of New York in November of 2017 and this Illinois version follows a consistent strategy. The document clearly outlines the issue and how we're addressing it. In short, we're looking to dramatically increase the number of Condo/Co-op residences in Illinois that are insured to value and thereby qualify to have the Extended Replacement Cost (ERC) endorsement added to their policies. Simply stated, unless units are ITV and have the ERC endorsement added to their policies, ALE coverage will be capped at 50% of the combined amount of coverage for A&A and Contents.

The effective date of the change in coverage is **5/22/2019** for new lines and **7/21/2019** for renewals.

This issue is complex and has many aligned components. We hope that the [Position Paper](#) provides you with the information you need to understand the issue and have conversations with relevant clients and prospects. We've also created a brief [Fact Sheet](#) for you to locally print and keep handy, which covers most of the details you'll need to know.

To further help you navigate these changes, we've created the "IL Condo/Co-op Updates" webinar that will guide you through all of the details. Please see the table below to find the date/time that works best for you, as well as registration instructions.



To register for any class, please follow these instructions:

- Select the session that you would like to attend.
- Click the **REGISTER** link located to the far right of the selected session.
- Complete the **Registration Information** and click.
- Once registered, you will receive an email from sender "messenger@webex.com." Please be sure to add the webinar to your calendar program by clicking on the link located at the bottom of the email you receive. If you don't receive the email from WebEx, please check your junk/spam folder.
- When joining the webinar, please elect to use the "Call Me" feature so that WebEx calls you and will automatically connect you to the session.

Class Name	Description	Date	Time (Eastern Time)	Registration Link
IL Condo/Co-op Updates	Learn more about the upcoming changes to the IL condo/co-op product. Find out how you can help your clients have the broadest possible coverage, protection from contract limitations, and insurance to value.	4/17/2019	3:00-3:45 PM	REGISTER
		4/24/2019	3:00-3:45 PM	REGISTER
		4/26/2019	11:00-11:45 AM	REGISTER
		5/2/2019	3:00-3:45 PM	REGISTER
		5/8/2019	3:00-3:45 PM	REGISTER
		5/15/2019	3:00-3:45 PM	REGISTER
		5/22/2019	11:00-11:45 AM	REGISTER

Should you have questions about any of the information contained in this email, please reach out to your servicing underwriter.

As always, thank you for your support of Chubb Personal Risk Services.

Chubb is the marketing name used to refer to subsidiaries of Chubb Limited providing insurance and related services. For a list of these subsidiaries, please visit our website at www.chubb.com. Insurance provided by ACE American Insurance Company and its U.S. based Chubb underwriting company affiliates. All products may not be available in all states. This communication contains product summaries only. Coverage is subject to the language of the policies as actually issued. Surplus lines insurance sold only through licensed surplus lines producers. Chubb is the world's largest publicly traded property and casualty insurer. With operations in 54 countries, Chubb provides commercial and personal property and casualty insurance, personal accident and supplemental health insurance, reinsurance and life insurance to a diverse group of clients. Chubb Limited, the parent company of Chubb, is listed on the New York Stock Exchange (NYSE: CB) and is a component of the S&P 500 index.