

FLOOR SPACE RATIO INDEX (1)

Subject to the terms, Conditions and Limit(s) or Sub-Limit(s) of Liability of this Policy, in the event of any building(s) being damaged and the cost of reinstatement is more than 50% of the cost of reinstatement if the building(s) had been totally destroyed and, as a result of the exercise of Statutory powers and/or authority by any Government Departments, Local Government or any other Statutory Authorities reinstatement of such building(s) as before is prohibited and reinstatement is only possible subject to a reduced floor space ratio index:

the Insurer(s) agree(s) to pay in addition to any amount payable on reinstatement of such building(s) the difference between:

1. the actual cost of reinstatement incurred in accordance with the reduced floor space ratio index and
2. the cost of reinstatement which would have been incurred had a reduced floor space ratio index not been applicable.

In arriving at the amount payable under (a) and (b) above any payments made by the Insurer(s) shall include the extra cost of reinstatement, including demolition or dismantling of the insured property, necessarily incurred to comply with the requirements of any Act of Parliament or Regulation made thereunder or any By-law or Regulation of any Municipal or other Statutory Authority.

Any payment made for the difference between (a) and (b) above shall be made as soon as the said difference is ascertained upon completion of the rebuilding works and certified by the architect acting on behalf of the Insured in the reinstatement of the building(s).