

This extension modifies coverage provided by forms PA1, PA8 and PN1, but only if Indicated on the Declarations Page for the form.

- (1) In case of loss, destruction or damage by a peril insured against under the Policy, the insurance provided extends to include loss occasioned by the enforcement at any by-law, regulation, ordinance or law which
  - (a) regulates zoning or the demolition, repair or construction of damaged buildings or structures
  - (b) Is in force at the time of such loss, destruction or damage: and
  - (c) necessitates the demolition of any portion of the buildings or structures which has not suffered damage by a peril Insured against under the Policy.
  
- (2) The insurer shall not be liable under this extension for:
  - (a) any loss occasioned by the enforcement of any by-law, regulation, ordinance or law which
    - (i) regulates zoning or the demolition, repair or construction of damaged buildings or structures;
    - (ii) is in force at the time of loss, destruction or damage by a peril insured against under the Policy; and
    - (iii) prohibits the insured from rebuilding on the same site or on an adjacent site or prohibits continuance of like occupancy;
  - (b) the cost of demolishing, or clearing the site of, any undamaged portion of the buildings or structures;
  - (c) any increase in the cost of repairing, replacing, constructing or reconstructing the buildings or structures occasioned by the enforcement of any by-law, regulation, ordinance or law which regulates zoning or the demolition repair or construction of damaged buildings or structures and which is in force at the time of loss, destruction or damage by a peril insured against under the Policy;
  - (d) more than the amount Insured under the Policy to which this extension Is attached;
  - (e) any greater proportion of any loss than that which the amount Insured under the Policy on the buildings or structures bears to the total amount of insurance on such buildings or structures, whether such insurance contains this extension or not
  
- (3) If the Policy insures two or more items, the foregoing shall apply separately to each item to which this extension applies.
  
- (4) If Restricted to locations is indicated on the Declarations Page applicable to this extension, building by-laws coverage Is restricted to the locations so indicated.

All other *terms* and conditions of this policy remain unchanged.