

SPECIAL CLAUSE FOR DETERIORATION

This insurance specially covers deterioration of the interest insured from any cause which shall arise during the currency of the insurance, but excluding the extended storage covered by special transit clause exceeding the period listed in the policy after discharging from the overseas vessels or aircrafts..

It is the warranty of this special clause that the cargoes shall be inspected within 30days after discharging from the overseas vessels or aircrafts. And when any damages to any part of the cargoes are discovered immediate notice shall be given to Underwriters or the surveyors and the cargo shall be surveyed by an appropriate surveyor within the said time limit. (As to the cargoes to be carried in refrigerated or insulated space this time limit shall be 15days after discharge.)

The following owner's risk and limit of liability shall be applied to the claims due to this special clause:

(i) Owner's Risk:

This company shall pay only the percentage listed in the policy of the amount of the damages of the cargoes against the claims due to this special clause.

The Assured shall pay the rest of the loss amount.

(ii) Limit of Liability

The limit of liability as to this special clause shall not exceed the amount listed in the policy.

The above warranties and stipulations shall not be construed as the limitation of this company's liability under the other conditions of this policy and they shall be applied only to the extended part of the coverage by this special clause.