

50/50 CLAUSE

Notwithstanding any provision to the contrary within this Policy or any endorsement thereto, the following terms shall apply to a loss or damage;

1.1 Hon Hai/Foxconn Group & Sharp Group Interest

In the event of loss or damage to Insured Interest/Property under transaction between the Insured/Assured and Hon Hai / Foxconn Group, and such loss or damage is indemnified with the terms of this Policy, if it is not possible or impracticable to ascertain which contracting party is responsible for the risk at the time of loss or damage occurred after proper investigation, it is understood and agreed that each Insurer of this Policy and Hon Hai / Foxconn Policy shall contribute 50% or its ratable proportion agreed by the Insured/Assured and Hon Hai / Foxconn Group of the adjusted loss.

It is further agreed that in the event of the deductible under this Policy being different from the deductible under the Policy of Hon Hai / Foxconn Group, in settling claims as described above, each Policy shall deduct 50% or the above ratable proportion of the applicable deductible as per the respective policy.

1.2 Marine & Non-Marine Interest

In the event of loss or damage to Insured Interest/Property under this Policy and the Non-Marine Policy of the Insured/Assured being discovered simultaneously, and such loss or damage is indemnified with the terms of this Policy, if it is not possible or impracticable to ascertain which Policy is responsible for the risk at the time of loss or damage occurred after proper investigation, it is understood and agreed that each Insurer/Reinsurer of this Policy and the Non-Marine Policy shall contribute 50% or its ratable proportion agreed by the Insured/Assured and Hon Hai / Foxconn Group of the adjusted loss.

It is further agreed that in the event of the deductible under this Policy being different from the deductible under the Non-Marine Policy, in settling claims as described above, each Policy shall deduct 50% or the above ratable proportion of the applicable deductible as per the respective policy.

1.3 The above contribution shall be equally applied among all lines of policies involved, whether Marine Cargo, STP, CEAR and PD/BI, etc. If there are N policies to be applied, such contribution should be considered on the basis of the 1/N policies, and then indemnify the Insured/Assured in the light of the terms and conditions of the respective policy.

1.4 If there is any dispute or conflict in or among the above wordings and cannot be settled as per the principles of the above contribution, it is agreed that each Insurer/Reinsurer involved shall contribute the adjusted claim following the claim settlement, concepts or points of view agreed by the Insured / Assured and Hon Hai/ Foxconn Group.