

SPECIAL CLAIM SETTLEMENT CLAUSE

1. It is specially understood and agreed that in case the insured goods are reasonably assumed to be damaged by risks covered under this policy judging from appearance of the goods and/or their packages, the Assured is to retain full discretion and control over the disposition of all such goods. And this Company shall pay the loss and expense occurred by such disposition, deducting any proceeds. In no case, however, shall the liability of this Company per any one accident exceed insured amount of the disposed goods or the amount listed in the policy (or equivalent in other currencies), whichever shall be lesser.

2. In case above, it is required that;

(1) the Assured submits documents which explain that the goods are inappropriate for usage on originally intended purpose or sales with guarantee of performance, and describe the details of incurred loss or expense by the said disposal and

(2) this Company approves above documents as reasonable.