

## REPAIR CLAUSES 1/4/93

### Article 1

Notwithstanding anything to the contrary contained in this insurance, it is understood and agreed that the cost of repairing damage to the Vessel caused by an insured peril shall be adjusted and settled subject to the Japanese law and practice.

### Article 2

1• If the Vessel sustains damage by an insured peril, the Assured shall repair the damage without delay.

2• The company shall indemnify the Assured for the cost of repairs of such damage as referred to in the preceding paragraph after the repairs have been completed but in case the Assured fails to repair the damage without delay and repairs it later the Company shall indemnify the Assured for the cost of repairs within the limit of the estimated cost of repairs which would have been required had the repairs been made without delay.

### Article 3

Notwithstanding the preceding Article 2, if the Vessel damaged by an insured peril is sold in the unrepaired condition, the Company shall indemnify the Assured for the reasonable estimated cost of repairs within the limit of the reasonable depreciation in value of the Vessel due to the said damage, provided that the Company should have been liable to indemnify the Assured for the cost of repairs had the repairs been made.

However this Article 3 shall not affect Clauses 18.2 and 18.3 of the 3 of the Institute Time Clauses - Hulls 1.10.83 Amended for Japanese Clause Class No. 5 (JIU 4/90) or No. 6 (4/93).