

CONTROL OF DAMAGED GOODS CLAUSE

Notwithstanding anything to the contrary contained elsewhere herein, it is understood and agreed that in case of damaged to goods insured under this Policy, the Assureds are to retain control of all damaged goods. The Assureds, however, agree wherever practicable to recondition and sell such goods after removal of all brands and trademarks.

Where the disposal or sale of such damaged goods is, in the opinion of the Assureds, detrimental to their interest (or which they are unable to sell or dispose of under their agreement with any trade association), such damage shall be treated as a constructive total loss and the Assureds shall dispose of the damaged goods to the best advantage, Insurers being entitled to such proceeds, or they shall be destroyed in the presence of a representative of Insurers and the Assureds.