

## **SECOND-HAND REPLACEMENT CLAUSE (2)**

Where goods lost or damaged are second-hand, this policy is only to pay such proportion of the cost of repair or replacement plus charges for forwarding and refitting, if incurred, as the insured value bears to the cost of the goods when new based on present values, subject to the terms, clauses and conditions of this policy, provided always that in no case shall the liability of the Underwriters exceed the insured value of the lost or damaged articles.

Warranted that the merchandise insured is of standard design, in current production, and that spare parts are readily available from Manufacturers and/or Suppliers.