

Lay-up Conditions 2021



Hull & Machinery Insurance 2021

Lay-up returns

The Association will acknowledge lay-up for Hull & Machinery Insurance where vessels have been taken out of commercial operation and have been made subject to any recommendations issued by the Classification Society, Flag State and/or Port Authority. Members are entitled to lay-up returns if the period exceeds what is stipulated under the relevant Hull & Machinery conditions. The Member must comply with any recommendations issued by the Classification Society, Flag State and/or Port Authority. If a claim arises due to the recommendations referred to above not being followed, the Association will not be liable for that claim.

Returns are not granted if compensation for total loss has been paid. Returns are granted for Hull & Machinery insurance only.

The Association retains the right to individually assess any lay-up.

Application for lay-up returns

A lay-up return application form is enclosed.

Application for lay-up returns can be made subsequent to the lay-up or prior to the lay-up as an upfront return.

Application for subsequent returns

Returns are credited to the Member when the policy year expires. Application for subsequent lay-up returns must be made in writing no later than 30 days after the expiry of the insurance period.

Application for upfront returns

Returns for lay-up may be granted upfront subject to that the lay-up period will exceed the excess period provided for within the relevant Hull & Machinery conditions.

Lay-up rate schedule

The association has the discretion at all times to individually assess any lay-ups and apply a relevant rate. The following maximum return and/or minimum rate shall however apply:

Maximum return pro-rata	Minimum rate pro-rata
0-50%	0.075 %

Enclosure

- Lay-up return application form