**RETURNS FOR LAY-UP AND CANCELLATION CLAUSE**

**Registration code in Shanghai Institute of Marine Insurance: 08AD2017002190099**

To return as follows :

1. CANCELLATION

Daily pro rata net for the period the insurance is cancelled by agreement.

1. LAY-UP

50% daily pro rata for period of lay-up not less than 30 days consecutively in a port or in a lay-up area approved by the Underwriters.

The insured vessel is deemed to have been laid up despite the presence of cargo being on board and/or repairs being carried out.

PROVIDED ALWAYS THAT

* a total loss of the Vessel whether by insured perils or otherwise, has not occurred

during the period covered by this insurance or any extension thereof

* in no case shall a return be allowed when the vessel is lying in exposed or unprotected waters, or in a port or lay-up area not approved by the Underwriters

but, provided the Underwriters agree that such non-approved lay-up area is deemed to be within the vicinity of the approved port or lay-up area, days during which the Vessel is laid up in such non-approved lay-up area may be added to days in the approved port or lay-up area to calculate a period of the aforesaid consecutive days and a return shall be allowed for the proportion of such period during which the Vessel is actually laid up in the approved port or lay-up area.

* Loading or discharging operations shall not debar returns but no return shall be allowed for any period during which the Vessel is being used for the storage of cargo or for lightering purposes
* In the event of any amendment of the annual rate, the above rate of return shall be adjusted accordingly
* In the event of any return recoverable under this clause falling on successive insurances effected for the same Assured, this insurance shall only be liable for an amount calculated at pro rata of the aforesaid rate 50% for the number of days which come within the period of this insurance and to which a return is actually applicable.