

Transporting the construction assets and delay in start-up protection

The process of transporting plant and equipment to the project site (inland and offshore) can expose high value capital to the hazards of the high seas and road transits. Disruption of this process can be detrimental to your project timeline and ultimately impact on energy generation and therefore your bottom line profit.

Marine Cargo Insurance

You may be vulnerable to risks such as loss of or damage to cargo during loading, packaging and stowage, collision damage and catastrophe related risks such as cyclones, hurricanes and floods. In the interests of efficient preparation for your construction project, Oval strives to ensure that your plant and equipment reach the project site safely and on time. We implement appropriate contingency measures to minimise the potential for disruption as well as arranging adequate compensation in the event of an unavoidable loss. Marine Cargo insurance typically covers physical damage to, or loss of goods while in transit (offshore or inland) arising from a series of named perils including but not limited to "Perils of the Seas", fire, theft, jettison, barratry of master, collision, derailment, overturning, or other conveyance accidents, and can be extended to provide indemnity for:

- War risks
- Political risks

Marine Delay in Start-up Cover

Your business may also be exposed to the repercussions of a delay in start-up. The consequential loss of delayed delivery or damage to necessary equipment for example, has potential to cause a significant loss of profits. Oval is fully capable of catering for these potential losses in advance by providing Marine Delay in Start-up cover, which will reduce the financial impact of these risks through insurance and contingency planning should they occur.



Marine Delay in Start-up Cover

The construction phase of a wind farm project can be an extremely lengthy and capital intensive process. It requires accurate planning and commitment to meeting target dates. However due to the inevitable complexity of the planning process, and the involvement of a range of independent contractors and sub-contractors, there may be unavoidable circumstances during preparation for construction that cause a set back in starting the project.

Marine Delay in Start-up insurance is a contingency cover which comes into force to indemnify the insured against consequential loss arising from late commencement of the project. The consequential loss for which the policy is primarily concerned is loss of profits.

Risk transfer is available in two main forms:

- Loss of profits arising from physical damage or loss of the plant and equipment in transit. Examples of this are loading and unloading accidents that damage equipment, causing a delay in project start-up.
- Cover can be extended to include wider trade disruption and delayed delivery of equipment where no physical damage to the cargo occurs. Such loss may result from risks such as denial of site access, road or rail closure, and natural catastrophes which do not directly impact the cargo but prevent normal trade activity and therefore the commencement of the project on time.

Oval has over twenty years experience in international marine insurance and close working relationships with Lloyd's of London and the UK company insurance markets. This extensive knowledge, expertise and access to specialist markets ensures that broad cover and competitive terms are achieved for our clients.



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The Financial Services Authority do not regulate all of the services described in this literature.