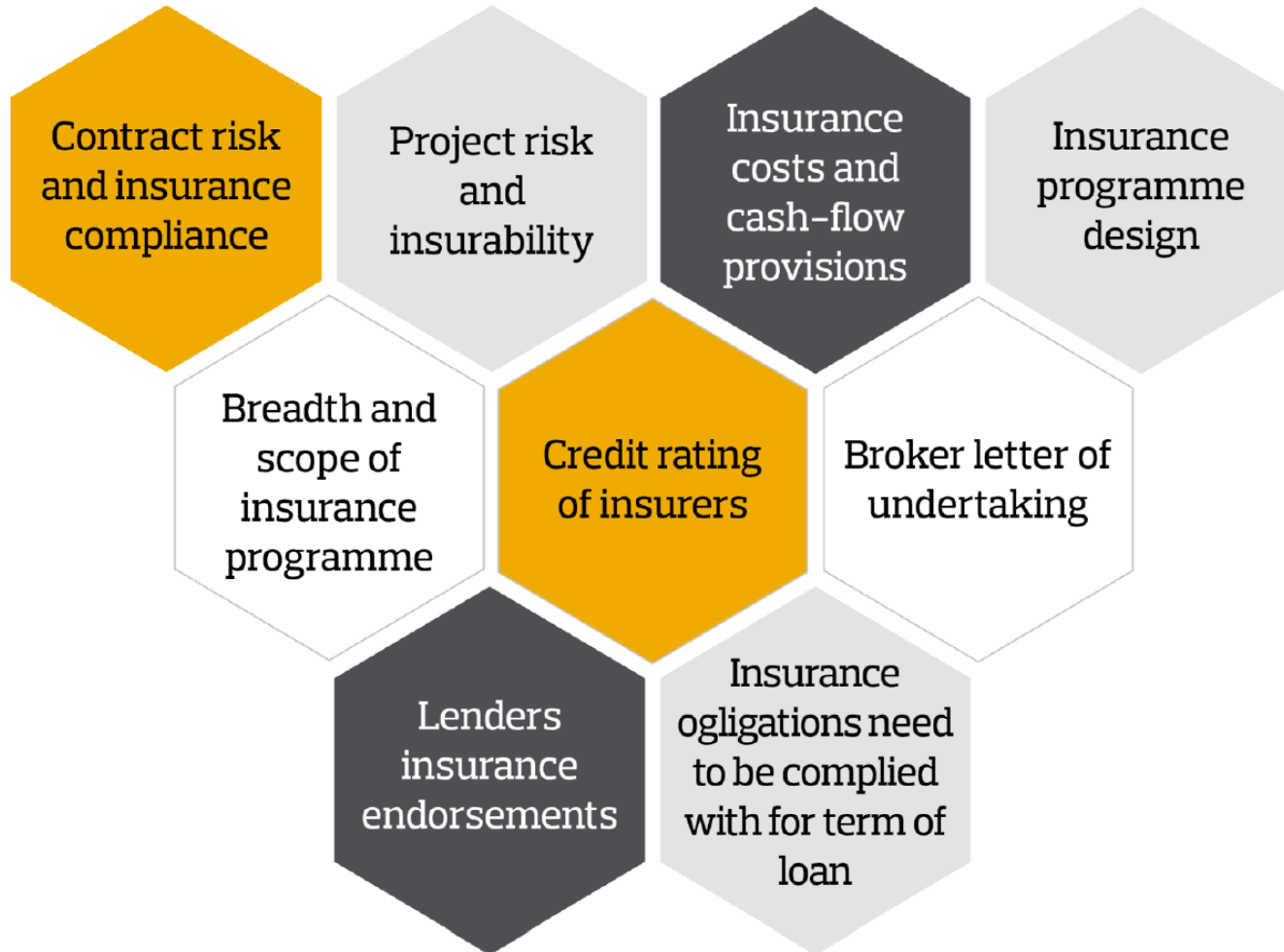




Insurance Arrangement and Project Finance- Offshore Project

Date : 8 Aug. 2019

Insurance Issue for Project Finance



Coverage

- Breadth & Scope
 - Natural Catastrophe – Wind, sea storm, typhoon, seismic, flood, earthquake, seaquake...
 - Fire, marine impact
 - Sub limit, policy limit and reinstatement value
 - EML(estimated maximum loss) vs Worst case scenario
 - Sabotage & terrorism, SRCC, UXO...

Coverage

- Breadth & Scope
 - Accident damage
 - Machinery breakdown and Warranties
 - Cable Failures (installation, bends...)
 - Defective design, plan specification or workmanship..(LEG2, LEG3, WELCAR defective parts clause)
 - Theft risk (onshore)

Exclusions:

- **Dishonesty exclusions**
 - Fraud, employee theft and mysterious loss
- **Fundamental risk exclusions**
 - War and civil war, nuclear/radioactive contamination
 - Pollution, asbestos, electronic data recognition
- **Burden of Proof/integral defect exclusions**
 - LEG, Known/pre-existing defects
- **Commercially unacceptable risk exclusions**
 - Platforms and/or structures or dumping of rocks etc.
- **Inevitable damage/Maintenance issues**
 - Wear and tear, erosion and corrosion and gradual deterioration...
- **Risks requiring specific underwriting/insurance**
 - Watercraft and aircraft exclusion, motor vehicles, Contractor's plant and equipment

Conclusion

Successful Factor- Experienced Consultants should involve in Early Stage

