

NDI



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LLOYD'S



Insurance & Reinsurance

Vessel Lay-up Lineslip

By

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Who are NDI Insurance & Reinsurance Brokers ?

NDI Insurance & Reinsurance Brokers Ltd formally commenced business in 2002, providing risk solutions to major corporate clients and large organisations.

We are an FCA licensed insurance and reinsurance broker, operating widely across the World. Our Head Office is located in the centre of Norwich, UK, which remains one of the largest insurance communities in the UK outside London.

Our London office is situated in the heart of the city's financial and insurance district near to Lloyd's, still the global hub of the insurance industry. NDI has ongoing access to the Lloyd's markets and the ability to secure support in top rated markets across the World. This has allowed us to further enhance our Global reputation and complement our Lloyd's coverholder status.

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The Advantage of a Special Lineslip

This lineslip is created by Lloyd's underwriters to give the flexibility for ship-owners, ship operators, banks or any other interested parties when their vessels are laid up for an unscheduled period. This lineslip is exclusively arranged for and in negotiation with NDI, to provide a competitive insurance coverage.

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What is covered?

1. Hull and Machinery:

Based on port risk conditions, the underwriters can accept the values up to USD 12,500,000 each vessel.

2. War and Strikes:

Based on port risk conditions, the underwriters can accept the values up to USD 12,500,000 each vessel.

3. P&I:

Additional limit up to USD 12,500,000 for protection and indemnity each vessel and each occurrence.

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Advantages of the Exclusive Terms and Conditions

1. Monthly Premium Payments
2. No penalties for mid-term cancellation as a result of vessel being operational again
3. Wide coverage
4. Extra discounts on premium rate if vessels are laid up for a period longer than 3 months.

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Who will be the target of this product ?

There are more than one groups of clients for this very special product:

1. Ship-owners in Indonesia;
2. Ship operators/Managers (Charterers);
3. Banks who have financial interest in the vessels by way of loans, mortgages and/or similar financial participation.

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How does it work?

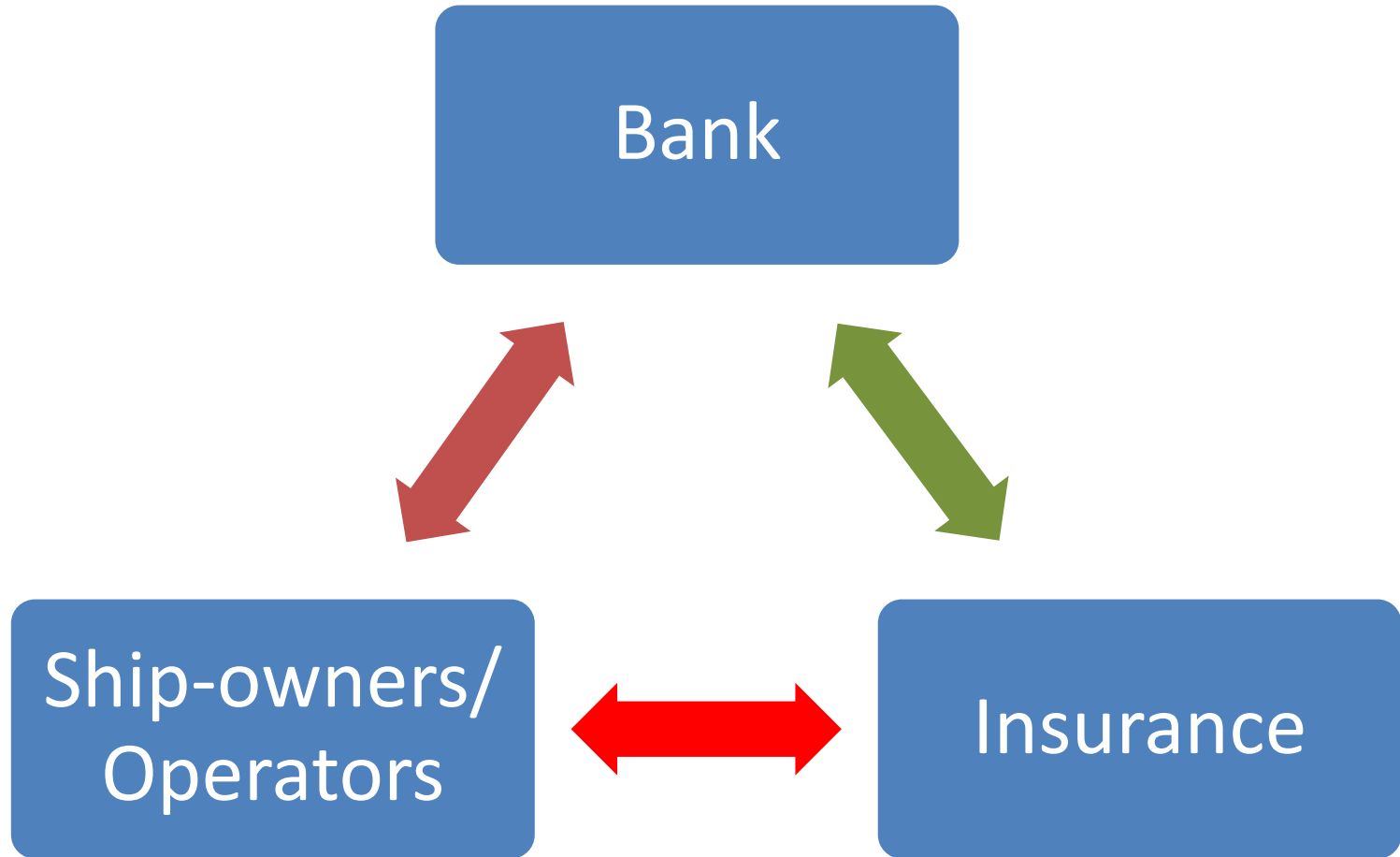
1. Once laid up, the Port Risk policy will be issued for one year;
2. Premium payment only on monthly instalment basis;
3. After 3 months, a premium discount will be given;
4. After 6 months, another premium discount will be given;
5. If a vessel starts being operational again and needs a full navigation the port risk policy can be cancelled mid-term without penalties.

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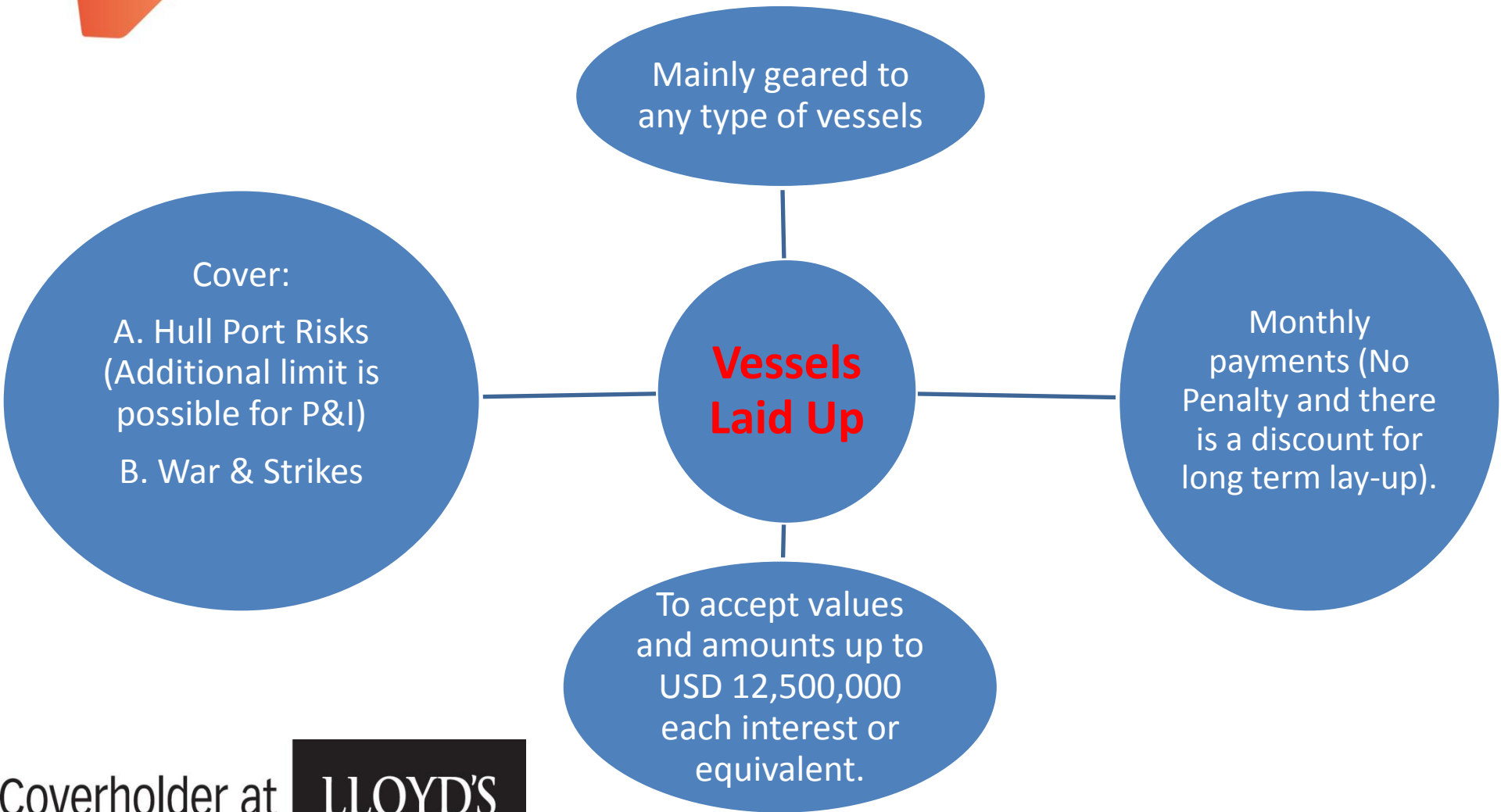
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Why are the banks a target sector for this product ?

The total amount of credit which has been used by the ship-owners who want to expand their business is increasing massively than previous years.

<http://bisnis.news.viva.co.id/news/read/33677-pembiayaan-kapal-mandiri-naik-54>

<http://economy.okezone.com/read/2016/03/14/320/1335247/jerman-bantu-pembiayaan-kapal-pelni>

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The example of the premium calculation

The vessel valued USD 3,000,000 rate for port risk cover is 0.6% per year (USD 18,000/year):

January premium USD 1,500

February premium USD 1,500

March premium USD 1,500

April premium USD 1,125

May premium USD 1,125

June premium USD 1,125

August premium USD 750

September premium USD 750

October premium USD 750

November premium USD 750

December premium USD 750

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