

# Marine Delay in Start-Up (DSU) Insurance

A Safety Net for Project Owners to Ensure Profits are Protected

**Heavy lift project cargo often consists of machinery or equipment that are critical components needed for the construction and subsequent operation of various industrial and infrastructure projects.**

## What's the Risk?

Should an unexpected or unavoidable event occur causing physical loss or damage to the cargo or conveyance, delivery time-lines may be compromised. When this event occurs, project owners, their investors and lenders could face substantial financial losses.

*Natural hazards, human error and manufacturing flaws are the most frequent causes of construction-delay losses in assembly.*

## Why DSU?

Marine cargo insurance protects against financial losses from damaged or lost cargo, but it does not provide a remedy for the financial consequences of a project delay while the critical items are being replaced or repaired. DSU is another type of marine insurance often packaged with cargo insurance to mitigate this risk.

## How it works

DSU insurance provides coverage for the actual loss sustained to the insured's business generated at the project site.

Such actual loss sustained may include the loss of gross profit, any increased cost of working incurred for the purposes of avoiding or diminishing a reduction in turnover, and any fixed costs and debt servicing which are not affected by any change in production.

*A claim under this coverage is triggered by a physical loss or damage event involving the cargo or the carrying conveyance causing a delay to the scheduled commercial operation date.*



## Details and Pricing

When seeking DSU coverage, assureds will need to provide much of the same information that is standard when seeking marine cargo coverage, but with added details.

These items include:

- Scheduled commercial operations startup date.
- Details of all critical items and their anticipated shipping dates.
- Details of the maximum replacement period, in the event of a total loss of any one critical item calculated from date of re-order to date of delivery.
- Period of indemnity required from date of expected start up.

Pricing for DSU varies massively due to the unique nature of each project. However, proper risk management practices can assist project owners in securing best pricing.

## When Should Project Owners Consider DSU?

DSU coverage is essential to all project owners whose company's future plans hinge on production coming online at an agreed date, and contracts to supply clients are signed on that basis. DSU cover provides the safety net to ensure profits are protected and additional expenditures are covered.

## Your Single Source for Surety Bond, Insurance and ATA Carnet Solutions

Our comprehensive suite of products and services include:

### Bond Solutions

- Customs Bonds
- Transportation Related Bonds
- ATA Carnet Bonds
- FastBond™

### Insurance Solutions

- Marine Cargo
- Errors and Omissions
- Transportation Legal Liability
- Commercial Property and Casualty
- CoverageDock™
- PolicyTrack™

### ATA Carnet Solutions

- ATA Carnet
- Carnet Cargo Insurance
- Lost Document Coverage
- CarnetsOnline™

## About Roanoke Trade

Roanoke Trade, a division of Roanoke Insurance Group Inc and part of Munich Re Specialty Group Ltd., operates as a specialty insurance broker focused on surety and insurance solutions for transportation intermediaries, 3PLs, customs brokers and companies with supply chains, and is a leading provider of customs bonds, marine cargo insurance and ATA Carnets for the industry.



Contact Roanoke Trade To See The Value Of DSU For Project Owners



[www.RoanokeTrade.com](http://www.RoanokeTrade.com)



1.800.ROANOKE



[infospot@roanokegroup.com](mailto:infospot@roanokegroup.com)