

ETHICS & COMPLIANCE POLICY

INTRODUCTION

According to section 301 of the Sarbanes Oxley Act 2002, the Audit Committee of the DANAOS Corporation (the "Company") "shall *establish procedures for the receipt, retention, and treatment of complaints received by the issuer regarding accounting, internal accounting controls, or auditing matters*" and "the confidential, anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters."

1. SCOPE

The Ethics & Compliance Policy relates to concerns or complaints relating to any accounting issues that may raise concern. A list of such issues, but not limited are the following:

- Malpractice and misappropriation of resources or use of company's resources for personal gain or advantage.
- Intentional misinterpretation or falsification of accounting records and financial statements.
- Override of internal controls.
- Non-Compliance with laws and regulatory schemes.
- Theft or improper use of Company's assets and resources by people who are not employed by the Company.

The above types of management, employee and external fraud is not exhaustive, but it presents an indication of the potential issues, that if they are reported in good faith, should be evaluated and investigated appropriately.

2. ADDRESSING COMPLAINTS

The Audit Committee is ultimately responsible to receive, retain, examine and act on complaints submitted by employees related but not limited to:

- Employment of accounting policies that raise concerns over their accuracy, consistence and effectiveness.
- Misappropriation of assets.
- Falsification of accounting records and financial reports.
- Non-compliance to applicable laws and regulations.
- Harassment against those who raise the above concerns.

The complaints are submitted via the Ethics & Compliance Policy link, which is available to all employees on the web site of the Company. The complaints regarding accounting and auditing matters, internal controls and financial statements and disclosures are ultimately received by the Audit Committee.

3. PROTECTION

Retaliation

The Audit Committee shall not retaliate, and shall not tolerate any retaliation by management or any other person or group, directly or indirectly, against anyone who, in good faith, makes an Accounting Allegation or Legal Allegation, reports a Retaliatory Act or provides assistance to the Audit Committee, management or any other person or group, including any governmental, regulatory or law enforcement body, investigation a Report.

Confidentiality

Employees who submit their concerns preserve their anonymity and the Company should treat all communications in a confidential manner.

4. TREATMENT OF COMPLAINTS

According to section 301 of the Sarbanes Oxley Act 2002, the Audit Committee of the DANAOS Corporation (the "Company") *"shall have the authority to engage independent counsel and other advisers, as it determines necessary to carry out its duties. The Company shall provide for appropriate funding, as determined by the audit committee, in its capacity as a committee of the board of directors, for payment of compensation."*

The Audit Committee shall determine if the Company or external investigator should undertake the investigation of the issues submitted. The level of details of the inquiries and the communication to be carried out should be determined on a case by case and the report should be submitted to the Audit Committee.

5. RETENTION OF COMPLAINTS AND INVESTIGATIONS

The Audit Committee and/or the Compliance Officer appointed by the Board of Directors of Danaos Corporation shall maintain a log of all complaints, tracking their receipt, investigation and resolution and shall prepare a summary report, periodically, to the Board of Directors.

The Audit Committee and/or management shall maintain records of all steps taken in connection with any investigation of a Report including investigation of Reports that are found to be unsubstantiated. Such records will be retained for a period of five years.