

Pharos Insurance Brokers Ltd
Pharos House
London Road
Dover
Kent
CT17 0ST

Date: 28th April 2011

Contact: Sarah Cracroft

COVER SUMMARY

In accordance with your instructions we have placed the following insurances. Please examine this document carefully and contact us immediately should you find any error or omission in the risk placed. We fully support the FSA's Principal For Business "6. *Customers' interests – A Firm must pay due regard to the interests of its customers and treat them fairly*" and our Company Policy ensures that this Principal is foremost in all of our negotiations with Insurers.

DEMANDS AND NEEDS

Our personal recommendation for Burgess Marine Ltd which meets with your Combined Liability Insurance Demands and Needs is set out in the document that follows:

REFERENCE NO:	C104098
ATTACHING TO CONTRACT NUMBER	WIB/E/11/156
TYPE	Combined General Liability
UMR	B0701
INSURED	BURGESS MARINE LTD
INSURED'S ADDRESS	Chanel View Road, Dover, Kent CT17 9TP
BUSINESS DESCRIPTION	Marine engineers and shiprepairers. Diving contractors
PERIOD	12 Months with effect from 1 st May 2011
INTEREST	1) Insured's liability for death, injury or sickness of/to any employee sustained as a result of employment with the Insured. 2) Insured's liability to any Third Party for loss or damage to property and/or injury, sickness or death to person(s) arising out of the conduct of the Insured's business activities.

SUMS INSURED	<p>Limits of Liability</p> <p>Section A Employers Liability GBP10,000,000 any one occurrence &/or series of occurrences arising out of one event (inclusive of costs and expenses) but GBP 5,000,000 any one occurrence or series of occurrences arising out of one event in respect of the offshore EL</p> <p>Section B General Liability GBP 5,000,000 any one occurrence &/or series of occurrences arising out of the same event</p> <p>Section C Products Liability (Claims Made Basis) GBP 5,000,000 any one occurrence &/or series of occurrences arising out of the same event and in all during the policy period</p>
EXCESS	<p>Section B & C excess GBP10,000 any one accident or occurrence or series of occurrences arising out of one event, each section</p>
CONDITIONS	<p>Novae Combined Liability Insurance October 2007, wording as attached Maximum diving depth 50 metres Excluding loss of or damage to contract works. Retroactive Date: in respect of Section C subsection 11, <i>DTBA</i> All other terms and conditions as per wording</p>
EXPRESS WARRANTIES:	<p>Warranted standby diver on surface fully dressed and in immediate readiness to enter the water at all time during diving operations.</p> <p>Bona fide subcontractors warranty as attached</p>
CONDITIONS PRECEDENT	<p>Burning and Welding Conditions as attached</p>
CHOICE OF LAW & JURISDICTION	<p>The Court that will have Jurisdiction in the event of a dispute between the Insured and Insurers and the Law will apply – Choice of Law - England and Wales. Jurisdiction – England and Wales</p>
TERRITORIAL LIMITS	<p>Worldwide</p>
PREMIUM	<p>Minimum & Deposit GBP 51,810) + 6.0% IPT calculated as follows:-</p>

Bona Fide Sub-Contractors Warranty

It is a warranty of this Policy that all bona fide sub-contractors engaged by the **Insured** have, in full force and effect throughout the duration of their contract with the **Insured**, insurances as follows:

1. Employers' Liability insurance in respect of their liability at law for **Injury** to any person in the employment of the sub-contractor including any labour master or labour-only sub-contractor or person supplied or employed by them.
2. Public/Products Liability insurance in respect of their liability at law for **Injury** or **Damage** with a Limit of Indemnity of at least GBP5,000,000 any one occurrence or series of occurrences arising out of one original cause.
3. Marine Liability Insurance in respect of their liability at law for damage to vessels and other third party property in their care, custody and control, with a limit of indemnity of at least GBP 1,000,000 any one occurrence or series of occurrences arising out of one original cause.

It is a further condition that:

- i. Such insurances contain an Indemnity to Principals clause.
- ii. The **Insured** shall have obtained and retained a copy of written evidence of such insurances.

For the purposes of this Endorsement the term 'bona fide sub-contractors' means any sub-contractor engaged by the **Insured** supplying both labour and materials for the purpose of the contract.

All other terms, clauses and conditions remain unaltered.

Burning and Welding Conditions

It is a condition precedent to liability under this policy that the following precautions are adhered to on each occasion where the **Insured** or persons acting on behalf of the **Insured** are using any oxyacetylene or electric welding or cutting plant or any blow torch:

1. The immediate area in which the operation is to be carried out must be segregated to the greatest practicable extent by the use of screens made of metal and/or fire-retardant material.
2. The whole of this segregated area must be adequately cleaned and freed from combustible material before operations commence.
3. Combustible floors / substances in or surrounding this segregated area must be liberally covered with sand or protected by overlapping sheets of incombustible material.
4. Where work is being carried out in any enclosed area an additional employee of the **Insured** or an employee of the occupier shall be present at all times to guard against an out break of fire.
5. No work should be carried out unless specifically authorised by the occupier who should also be asked to approve the safety arrangements.
6. The following must be kept available for immediate use near the scene of operations:
 - (a) suitable fire extinguishers and/or
 - (b) hoses connected up in readiness for immediate use and tested prior to the commencement of the work
7. A thorough examination must be made in the vicinity of the work approximately one hour after the termination of each operation. In the event that is not practicable for such examination to be carried out by the **Insured**'s own employee then appropriate arrangements must be made with the occupier.
8. Before "burning off" metal work built into or projecting through walls or partitions an examination should be made to confirm that the other end of the metal is not in a hazardous proximity to combustible material which may be ignited by the conduction of heat.

Furthermore where the **Insured** or persons acting on behalf of the **Insured** burns debris away from their premises it is a Condition precedent to liability under this policy that the following precautions shall be taken on each occasion:

1. Fires to be in a cleared area and at a distance of at least ten yards from any property.
2. Fire not to be left unattended at any time.
3. A suitable fire extinguisher to be kept available for immediate use.
4. Fires to be extinguished at least one hour prior to leaving site at the end of each working day.

All other terms, clauses and conditions remain unaltered.