

**To Whom It May Concern**

5<sup>th</sup> April 2011

**Gough Group Holdings Ltd - (Incorporating William Gough & Sons Ltd.,  
G Evans Services Ltd & William Gough Ltd)**

We act as insurance brokers for the above mentioned company and at their request we are listing below details of the insurance policies recently renewed: -

**Employers' Liability**

**Insurer:** Towergate Underwriting Liability and Construction —Scheme underwritten by Royal and Sun Alliance, Aviva Insurance Group, Groupama and NIG

**Policy No:** WT/44895

**Limit of Indemnity:** £10,000,000 anyone claim

**Renewal Date:** 1 April 2012

**Public/Products Liability**

**Insurer:** Towergate Underwriting Liability and Construction Scheme underwritten by Royal and Sun Alliance, Aviva Insurance Group, Groupama and NIG and ACE Europe(UK)Ltd

**Policy No:** WT/44895/AXL/49563

**Limit of Indemnity:** £10,000,000 any one claim/and in all in respect of Products Liability

**Excess:** £500 in respect of Third Party Property Damage

**Renewal Date:** 1 April 2012

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**Gough Group Holdings Ltd - (Incorporating William Gough & Sons Ltd.,  
G Evans Services Ltd & William Gough Ltd)**

**Contractors All Risks**

**Insurer:** Towergate Underwriting Liability and Construction -- Scheme underwritten by Royal and Sun Alliance, Aviva Insurance Group, Groupama and NIG

**Policy No:** WT/44895

**Maximum Contract Value:** £2,000,000 any one contract site

**Excess:** £500 each and every loss increased to £1,000 for theft and Malicious Damage claims

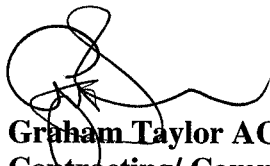
**Renewal Date:** 1 April 2012

The policies include a General Principals Clause and, therefore, provide an automatic indemnity to any Principal or Public Authority without the need to specifically endorse the policy.

Details of the Trade Specific Endorsements applicable to the cover are attached.

If you require any further information, then please do not hesitate to contact me.

Yours faithfully



**Graham Taylor ACII**  
**Contracting/ Commercial Department**  
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Enc.-Trade Specific Endorsements

**Endorsements attaching to and forming part of Policy Number:ZLC003992/0104**

**Insured:** Gough Group Holdings Limited, William Gough Limited, William Gough and Sons Limited and G Evans (Services) Limited

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**ZC 054**

**Cessation of Work**

If, for whatever reason, construction work at the Contract Site is suspended or stopped, You must notify Us within 90 days of the suspension or stoppage.

We may at Our option,

- (i) modify Your premium,
- (ii) amend the terms and conditions of this Section,
- (iii) require You to make alterations to the Contract Site and/or the Works,
- (iv) exercise Our right to cancel Your policy under Policy Condition (3) Cancellation.

If, in the event of any claim for Damage, You have failed to advise Us that construction work at the Contract Site has been suspended or stopped, and the suspension or stoppage has been in excess of 90 days, We may at Our option, avoid the claim.

Subject otherwise to the terms, conditions and exceptions of this policy.

## Endorsements attaching to and forming part of Policy Number:ZLC003992/0104

Insured: Gough Group Holdings Limited, William Gough Limited, William Gough and Sons Limited and G Evans (Services) Limited

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### Z 004

#### Burning & Welding Conditions

It is a condition precedent to liability that in respect of the use away from Your own premises of

- a) electric, oxy-acetylene or similar welding or cutting equipment
- b) cutting or grinding equipment using abrasive disks or wheels
- c) blow lamp, blow torch, hot air gun or hot air stripper
- d) asphalt, bitumen, tar or pitch heater

the following precautions will be complied with on every occasion

1. Adequate and suitable portable fire extinguishers to British Standard 5423:1987 or its predecessors or successors in full working order will be kept at each area of work and used immediately smoke or smouldering or flames are detected
2. The area in the immediate vicinity of the work shall be cleared of all moveable combustible material. Combustible materials which cannot be moved must be covered and protected by over-lapping sheets or screens of non-combustible material
3. A fire safety check of the working area to discover smoke smouldering or flames (including spaces behind walls and screens or partitions and above false ceilings) shall be made at regular intervals during the work and between 30 minutes and 60 minutes after completion of each period of work and immediate steps taken to extinguish any smouldering or flames discovered
4. Heat equipment will not be left unattended whilst hot or lit or switched on
5. Where there is more than one person working at a site where heat is being used The Insured shall appoint a responsible person at each such site to ensure that the precautions stipulated in this condition are fully observed
6. Blow lamps and blow torches must be filled in the open and must not be lit until immediately before use and shall be extinguished immediately after use
7. The heating of asphalt bitumen tar or pitch must be carried out in the open in a vessel designed for that purpose placed on a non-combustible surface

In respect of each and every claim for loss of or Damage to Property arising from the performance of work involving the application of heat the We will not be liable for the amount of the Excess shown in The Schedule.

Subject otherwise to the terms, conditions and exceptions of this policy.

## Endorsements attaching to and forming part of Policy Number:ZLC003992/0104

**Insured:** Gough Group Holdings Limited, William Gough Limited, William Gough and Sons Limited and G Evans (Services) Limited

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### Z 005

#### Hazardous Locations Exclusion

We will not provide indemnity in respect of any claim arising out of or in connection with any work undertaken on or in the following:

1. power stations nuclear installations or establishments
2. refineries bulk storage or production premises in the oil gas or chemical industries
3. underground or underwater
4. aircraft hovercraft aerospace systems or watercraft (other than work on watercraft in docks harbours boatyards or inland waterways not involving the use of heat)
5. railways or airports

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### Z 019B

#### Bona Fide Subcontractors Clause (Bespoke)

It is a condition precedent to liability that The Insured

- 1) has in place a system of check to ensure that any Bona-fide sub contractor engaged by or on behalf of The Insured maintains in force for the period of the relevant contract
  - (a) Employers' Liability insurance with a limit of indemnity not less than GBP 10,000,000 any one occurrence
  - (b) Public Liability insurance with an Indemnity limit of at least GBP 2,000,000
  - (c) An Indemnity to The Insured as principal
- 2) keeps a written record of the Bona-fide sub contractor's employers and public liability insurer and policy number.

Subject otherwise to the terms, conditions and exceptions of this policy.

## Endorsements attaching to and forming part of Policy Number:ZLC003992/0104

**Insured:** Gough Group Holdings Limited, William Gough Limited, William Gough and Sons Limited and G Evans (Services) Limited

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### Z 023

#### Underground Services Clause

In respect of loss of or damage to cables, pipes or other services located underground it is a condition precedent to liability that The Insured, prior to undertaking digging, boring or excavation has

1. taken or caused to be taken all reasonable measures to identify the location of such cables, pipes and services before any work is commenced which may involve a risk of damage thereto. Reasonable measures include contacting the appropriate authorities where it is possible that any cables, pipes or services are under the site.
2. retained a written record on the measures which were taken to locate such cables, pipes and services.
3. conveyed the location of such cables, pipes or services to those who are carrying out such work on behalf of The Insured.

The Indemnity shall in any case be restricted to the actual cost of repair or replacement of such cables, pipes or other services as assessed by an independent surveyor and shall not extend to cover any additional costs for loss of use or penalties and/or fines which are imposed upon The Insured by the relevant authorities as a result of consequential loss or damage.

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### Z 175

#### Cross Liabilities – Additional Companies

The Cross Liabilities Clause in respect of Section 1- Employers' Liability is deleted and replaced by the following:

We will indemnify each party named as The Policyholder in The Schedule as if a separate policy had been issued to each

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### Z 110

#### Piling by Bona Fide Subcontractors Only

Notwithstanding anything contained in Additional Endorsement E or F (where applicable) We will not provide indemnity in respect of liability arising in connection with piling work unless undertaken by specialist bona fide subcontractors.

Subject otherwise to the terms, conditions and exceptions of this policy.

## Endorsements attaching to and forming part of Policy Number:ZLC003992/0104

**Insured:** Gough Group Holdings Limited, William Gough Limited, William Gough and Sons Limited and G Evans (Services) Limited

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### Z 017

#### Safety Harness Warranty

It is hereby warranted that all Persons Employed shall be issued by The Insured with and shall wear fall-arrest equipment consisting of a full body harness, shock absorbing lanyard and connecting hook which conform with CEN standards when working at heights exceeding 5 metres above ground where a suitable anchorage point or Mansafe system is available

This warranty shall not apply when the work area, including any access platform or scaffolding, has

a) edge protection consisting of:

- 1) a main guard rail at least 910mm above the edge;
- 2) a toe board at least 150mm high;
- 3) an intermediate guard rail or other barrier so that there is no gap more than 470mm

b) void protection safety netting installed and tested to standard EN 1263 - 1 and / or ISO 1806

Subject otherwise to the terms, conditions and exceptions of this policy.

## **ZMD1 - Adjustment of Premium Condition Amendment**

Policy Condition (13) Adjustment of Premium is restated as follows:

### **(13) Adjustment of Premium**

Applicable to Sections 1, 2 and 3 only.

If the premium has been calculated on estimates given by You,

(a) You will keep an accurate record containing all relevant particulars which will be available to Us for inspection

and

(b) Within 1 month after the expiry date shown in The Schedule, You will supply to Us an accurate statement in the form required so that the premium for that period can be calculated and the difference paid by or allowed to You subject to Us retaining any minimum premium(s) applying.

If the adjustment calculation results in a difference being due to be paid to You the return premium allowed will be limited to a maximum of 25% of the premium shown in The Schedule or the adjustable proportion of the premium, as applicable.

## **ZC 054 - Cessation of Work**

If, for whatever reason, construction work at the Contract Site is suspended or stopped, You must notify Us within 90 days of the suspension or stoppage.

We may at Our option,

- (i) modify Your premium,
- (ii) amend the terms and conditions of this Section,
- (iii) require You to make alterations to the Contract Site and/or the Works,
- (iv) exercise Our right to cancel Your policy under Policy Condition (3) Cancellation.

If, in the event of any claim for Damage, You have failed to advise Us that construction work at the Contract Site has been suspended or stopped, and the suspension or stoppage has been in excess of 90 days, We may at Our option, avoid the claim.

## **ZC 22A - Plant Security Warranty (2010)**

The Insured shall apply the following security practice whilst the Property Insured is left Unattended overnight or at weekends:

(1) Wheeled self propelled or tracked items of Property Insured are to be

(a) immobilised by the application and setting of a recognised physical security restraining leglock or installed engine immobiliser system

or

(b) secured within a locked building, compound or yard incorporating enclosed perimeter wall or fencing and padlocked points of access