

LEXIC0010.1 CONTRACTUAL DISPUTES EXTENSION - CONSTRUCTION CONTRACTS

It is hereby agreed that the following is added to the WHAT IS COVERED and WHAT IS NOT COVERED sections of the policy:

<p>12. Construction Contract</p> <p>The Insured's Costs, Adjudication Expenses, Attendance Expenses and Opponent's Costs of a Legal Action by or against the Insured in respect of a Claim arising from a dispute between the Insured and his or her customer or supplier about a written agreement or contract for construction services.</p> <p>Provided:</p> <p>The dispute must be such that the amount in dispute exceeds the jurisdictional Small Claims limit of any Court or Tribunal having jurisdiction to deal with Small Claims in the State or Territory in which the action is brought.</p> <p>The Construction Contract is in writing and expressly stipulates:</p> <ul style="list-style-type: none">○ The parties to the agreement; and○ The work to be done; and○ The payment to be made for the work done. <p>In addition, so far as the Insured seeks to recover sums in respect of variations to the main contract works, prolongation or delay the Insured must be able to evidence:</p> <ul style="list-style-type: none">○ The extra work undertaken; and○ The instructions and authority upon which such extra work was carried out; and○ The extra costs incurred as a result of the variation to the contract programme. <p>Additional Definitions applying to this Section only:</p> <p>Adjudication The dispute resolution process detailed in the Building and Construction Industry Security of Payment Acts as they apply in each of the States or Territories of the Commonwealth of Australia, including any amendment, consolidation or re-enactment of any of those acts.</p> <p>Adjudication Expenses Any professional fees expenses and other disbursements (including those associated with the appointment of an adjudicator) reasonably incurred by the Preferred Practitioner in preparing for and/or representing the Insured at an Adjudication with the Insurer's prior written consent together with any costs incurred by the adjudicator and which the Insured are</p>	<p>12. Construction Contract</p> <p>12.1. Any Claim arising from or relating to:</p> <p>12.1.1. a dispute with a homeowner and/or property developer when the Insured is operating as the Main Contractor for a residential building project;</p> <p>12.1.2. the sale, lease, service, repair or test of a motor vehicle or plant equipment;</p> <p>12.1.3. a contract of employment;</p> <p>12.1.4. a dispute about securities, bills of exchange, goodwill, credit, guarantees, assignment, agency, franchisement or bailment;</p> <p>12.1.5. the sale of, purchase of, tenancy or licence to use any real property;</p> <p>12.1.6. Contracts where the liability or right of recovery is incurred by a right of assignment;</p> <p>12.1.7. Contracts that provide or arrange credit, insurance, securities, guarantees or other financial products and financial services;</p> <p>12.1.8. an arbitration clause in a contract unless the Claims Administrator has agreed in writing to accept the Claim;</p> <p>12.2. any costs the Insured agrees to pay or may be ordered to pay any other party to an Adjudication contractually or otherwise.</p>
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ordered to pay the adjudicator or which may be necessary to secure the release of the adjudicator's award in an **Adjudication**.

Adjudication expenses do not include any costs the Insured agrees to pay or may be ordered to pay any other party to the **Adjudication** contractually or otherwise.

Construction Contract means a contract for:

- the construction or erection of buildings, spas and swimming pools
- alterations, additions, extensions, refurbishment, repairs, replacement, reinstatement, conversion or
- demolition of pre-existing buildings or structures;
- groundworks and/or landscaping.

Main Contractor

Means the **Insured** when they have entered into a contract with a homeowner or residential developer and are ultimately responsible for carrying out the construction works and/or the supervision of any sub-contractors.