

Commercial Cost Plus Contract

Special Conditions

HOW TO USE THIS ADDENDUM

Following changes to building industry legislation, please ensure this Special Conditions addendum is added to each contract prior to signing. For assistance, contact Master Builders on 1300 30 50 10.

SCI Delete Clause 22 in full and replace with the following:

22 Termination for Insolvency

22.1 Either party may terminate Contract for insolvency

Subject to Clause **22.3**, either the **Contractor** or the **Owner** may terminate the **Contract** immediately on giving written notice to the other party, if the other party:

- (a) commits an act of bankruptcy, or is made bankrupt;
- (b) makes a composition or other arrangement with creditors;
- (c) assigns assets for the benefit of creditors generally;
- (d) being a company, becomes insolvent, enters into a deed of company arrangement, has a controller, administrator or receiver appointed, or is in liquidation.

22.2 Requirements of notice

A written notice under Clause **22.1** must set out the ground or grounds relied on by the relevant party for the termination.

22.3 Enforceability of Clause 22.1 if the other party is a company

If 'the other party' referred to in Clause **22.1** is a company and enters into certain arrangements for the purpose of avoiding being wound up in insolvency or appoints an administrator, then the right to terminate the **Contract** pursuant to Clause **22.1** may be limited by the *Corporations Act 2001* (Cth).