

Collateral warranty extension

Exclusion clause 15 (Onerous contracts or contractual liabilities) shall not apply but shall be replaced by the following:

- 15 **Onerous contracts or contractual liabilities**
- 15.1 any breach or alleged breach of contract and in respect of which it is claimed
- 15.1.1 that **You** duty is more onerous than would be implied by common law or statute; or
- 15.1.2 that **You** are liable for liquidated damages, penalties or for an amount due pursuant to any kind of guarantee or otherwise for damages that are greater than would be implied by common law or statute;
- provided that this exclusion shall not apply in respect of any **Claim** in respect of obligations assumed by **You** under any collateral warranty, duty of care agreement or similar agreement (even if assigned to a tenant, purchaser, funder or other third party) provided always that:
- (a) the benefit of such warranty or agreement is no greater or longer lasting than that provided to **Your** client; and
- (b) no indemnity will be provided for
- (i) any guarantee or warranty of fitness for purpose, satisfaction of performance specification or the period for completion of any work; or
- (ii) any financial penalty or liquidated damages.
- 15.2 any liability assumed by **You** under any express warranty or guarantee unless such liability would have attached to **You** notwithstanding such express warranty or guarantee;