



**traffic**<sup>®</sup>  
technologies.ltd

## **Commercial Dispute**

**12 October 2010, Melbourne:** Traffic Technologies Ltd (ASX Code: **TTI**) wishes to advise that a subcontractor, Build1 (Qld) Pty Ltd (**Build1**), has brought adjudication applications against Traffic Technologies Traffic Hire Pty Ltd and De Neefe Signs Pty Ltd for the value of \$890,000 including GST under the *Building and Construction Industry Payment Act (Qld)* (**Act**) and that the Company has received statutory demands seeking enforcement of the adjudication determinations.

The Company considers that these claims (for which provision was made in the 2010 financial statements) were premature and that Build1 has over-claimed and failed to take into account the Company's entitlement to credits, backcharges and retentions. Accordingly, the Company issued proceedings in the Supreme Court of Queensland, and is now appealing to seek orders to have the adjudication determinations set aside. The Company intends to apply to have the statutory demands set aside.

Shareholders should be aware that adjudication under the Act is a form of interim dispute resolution used in the construction sector. Unlike litigation, adjudication provides only for interim rulings and any payments made under an adjudication determination may ultimately be recoverable once there has been a final determination what, if anything, is owing.

Should you require any further information please contact Mr. Con Liosatos.

### **Enquiries:**

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