ERBUD S.A.

Topic:
Signing of a significant construction agreement
Legal basis: Article 56 section 1 item 2 of the Bid Law - current and periodic information

Content of report:

The Executive Board Erbud S.A. informs that an agreement for execution of building works has been concluded on 17.06.2009 on the following specified conditions:

1. Date of contract conclusion: 17.06.2009
2. Investor: High School of Humanities and Journalism at 10 Gen. Tadeusza Kutrzeby Street in Poznan
3. Net contract value: PLN 22,125,406.62
4. Subject of the agreement: development of the High School of Humanities and Journalism in 61-719 Poznań at 10 Gen. Tadeusza Kutrzeby St.
5. Place of contract performance: 10 Gen. Tadeusza Kutrzeby Street 10, 61-719 Poznan
6. Duration of works: 17.06.2009 - 02.10.2010
7. Terms of payment: quarterly
8. Performance bond: 5% of gross contract price i.e. PLN 1,349,649.80
9. Repair works guarantee: 6 years for materials and building works and 3 years for assembled equipment, machinery and installations; 30% of the value of lodged performance guarantee (from the amount of PLN 1,349,649.80) will be returned within 15 days beyond the quality assurance period
10. Other guarantees: none
11. Penalties
    1) In case of delay in execution of works, the contractor will pay to the awarding entity a contractual penalty amounted to 0,05% of the gross contract price referred to in paragraph 3. 1 for each day of delay.
    2) In case of any delay in removing the defects identified when taking over, the contractor will pay to the awarding entity a contractual penalty amounted to 0.01% of the gross contract price referred to in paragraph 3. 1 for each day of delay, starting from the date appointed for their removal.
    3) In the event of failure or improper performance of the contract, the contractor will pay to the awarding entity a contractual penalty amounted to 10% of the gross value of defined in paragraph 3. 1 of this contract.
    4) In case of withdrawal from the contract by the awarding entity or termination by mutual agreement, if it is due to a cause attributable only to the contractor, the contractor will pay to the awarding entity a contractual penalty amounted to 10% of the gross contract price referred to in paragraph 3.1 of this agreement.
    5) Penalties will be deducted from the performance bond referred to in paragraph 10 item 1 deposited the contractor. In the event that the amount of contractual penalties exceeds the performance guarantee value referred to in § 10 item 1, the awarding party will deduct the penalty from the contractor's remuneration.
    6) The contractor agrees for the deduction of penalties referred to in item 1 and 2 form the remuneration, if the value of performance security referred to in paragraph 10 item 1 is less than the accrued penalties.
    7) In the event of late invoice payment, the awarding entity will pay to the contractor legal interest.
    8) The awarding entity reserves the right to seek compensation excess of the amount of fixed penalties.
12. Remarks on surface and cubature data
    A. Plot area: 10,071.93 m^2
    B. Total building area: 5,205.38 m^2
    C. Usable area: 7,966.03 m^2
    D. Total area of the construction project: 11,482.35 m^2
    E. Cubic measure of the building: 43,834.00 m^3
    F. Hardened plots area: 3081m2
    G. Biologically active area: 1782m^2
13. Works to be executed in 2009: PLN 10,000,000