ERBUD S.A.

Current Report No. 25/2013
Date of Report: 2013-06-18

Topic:
Signing of a significant contract for construction works worth PLN 45m - office building in Warsaw
Legal basis: Article 56 section 1 item 2 of the Act on Public Offering - current and periodic information

Content of report:

Below is information about the contract conditions:

1. Contract concluded on 17.06.2013.
2. The Investor: Facinelli 1 Sp. z o.o., 00-446 Warszawa, 5 Fabryczna St.
3. Contract value: PLN 45,000,000.
4. Contract subject: construction of an office and retail building with basement garage, including internal road, services and utilities and site development works; plot No. 75 located in Warsaw at 12 Czerska St.
5. Site: Warsaw, 12 Czerska St.
6. Completion period: 550 days from the issue of Instruction to Proceed Commencement of Works.
7. Payment terms - 30 days.
8. Performance Bond: 10% of the net contract price, provided for the entire duration of Works (550 calendar days) plus an additional period of 60 days.
9. Remedying Defects Warranty: 2.5% of the net contract price, provided for 4 years.
10. Other guarantees: 10 years for steel and reinforced concrete construction, 2 years for plant, 10 years for roofing and insulation, 10 years for aluminium and stone façade.
11. Penalties:

    The Contractor:

    - 0.1% of net contract price for each day of delay in case the Milestone or the Time for Completion is not achieved; if the deadline is meet, penalties for exceeding the Milestone time limit shall be repay along with the last payment;

    - 0.1% of net contract price for each day of delay in case of failure to obtain an occupancy permit;

    the total sum of penalties shall not exceed 10%.

    The Employer:

    - 10% of the value of Works which are not yet completed, in the event of termination of the Contract by the Contractor for reasons attributable to the Investor.
12. Note: The Agreement shall enter into force on the date of receiving by the Contractor form the Investor in writing the Instruction to Proceed

Commencement of Works. The Investor is entitled to submit Instruction to Proceed Commencement of Works no later than on 31 July 2013. After the ineffective expiry of the above time limit, this Agreement shall terminate.

13. Technical data: Plot area: 3,430.48 sqm, footprint area: 1,800.41 sqm, total area: 15,267.02 sqm, cubic volume: 58,524 m^3; retail and office building consisting of a two-level underground car park and five above-ground storeys.