ERBUD S.A.

Current Report No.47/2014
Date of Report: 2014-12-29

Topic:

Conclusion of a significant financial agreement - Guarantee Line Agreement

Legal basis:
Article 56 section 1 item 2 of the Act on Public Offering - current and periodic information

Content of report:

On 29-12-2014, Erbud SA (the Issuer) and its subsidiary PBDI SA that belongs to the ERBUD Group, signed with HSBC Bank Polska SA (the Bank) a tripartite Guarantee Line Agreement.

Within the line the Issuer and PBDI SA can apply for bid bonds, performance guarantees, warranties, repayment of advances, payment guarantees and other securities acceptable to the Bank.

The value of provided line amounts to PLN 30 million. The maximum period of the guarantee validity may not exceed 5 years.

Under the granted limit the Issuer may use up to PLN 20 million and for PBDI SA the guarantee limit is up to PLN 10 million.

The guarantee line is secured by:
- execution statements by the Issuer and PBDI SA in accordance with Art. 96 and Art. 97 of Bank Law, each company to the amount of PLN 45 million;
- power of attorney issued by the Issuer and PBDI SA for the Bank to meet their liabilities and claims related to the line granted.

Other commercial conditions are at arm's length.