ERBUD S.A.

Current Report No.80/2016
Report date: 2016-10-27

Topic:

Signing of a significant contract for construction works worth PLN 24.3m – Buildings and secondary structures for the project "Construction of a new power plant on the premises of Fortum EC Zabrze"

Legal basis:
Article 17 section 1 of the MAR – confidential information

Content of report:

The Management Board of Erbud SA publishes information about entering into a significant contract for construction works on the following terms and conditions:

1. Contract MX14803PLZAB16 concluded on 27.10.2016.
2. The Investor: Fortum Silesia Spółka Akcyjna, 41-800 Zabrze, ul.Wolności 416; NIP: 648-000-12-89.
3. Contract value: PLN 24.3 net.
4. Contract subject: Buildings and secondary structures for the project "Construction of a new power plant on the premises of Fortum EC Zabrze".
5. Site location: 41-800 Zabrze, 416 Wolności St.
6. Completion period: 27.10.2016 - 22.06.2018.
7. Payment terms: invoicing according to the payment schedule; credit period of 45 days.
8. Performance Bond: PLN 2,430,000.00, i.e. 10% of the Contract Price – possibility of a bank or insurance guarantee valid until 22.07.2018.
9. Defects Liability Bond: PLN 1, 215,000.00, i.e. 5% of the Contract Price – possibility of a bank or insurance guarantee valid for the period from 22.06.2018 till 22.09.2023.
10. Other guarantees: none.
11. Penalties:
    0.2% of the Net Contract Price for each day of delay
    0.1% of the Net Contract Price for each day of delay in case of failure achieving Milestones;
    10% of the Net Contract Price, for any Party, in case of termination of the Contract;
    the sum of liquidated damages, for any Party, shall not exceed 17.5% of the Net Contract Price.
12. Note: The contract performed by the consortium of ERBUD SA as the Leader and ERBUD INDUSTRY Spółka z ograniczoną odpowiedzialnością as the Partner.