ERBUD S.A.

Current Report No.82/2016
Report date: 2016-11-08

Topic:

Signing of a significant contract worth 56.9 m PLN with a subcontractor - subsidiary PBDI SA to perform works within the project “Construction of Galeria Młociny on plots with a cadastral number 4/4 and 4/7, cadastral district 7-11-04, located in Warsaw on Zgrupowania AK Kampinos Street.”

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

Content of report:

The Management Board of Erbud SA (Issuer) informs about entering into a significant contract with the Subcontractor on the following terms and conditions:

1. Contract for construction works concluded on 2016.11.08.
2. Subcontractor: Przedsiębiorstwo Budownictwa Drogowo-Inżynieryjnego S.A. (PBDI); 87-100 Toruń, 10 Wapienna St.; NIP: 879-207 -00-54, (PBDI) – the subsidiary 90% owned by ErbudSA.
3. Contract value: PLN 56,875,000 net.
4. Contract subject: Foundation excavation, segment A,B,C; slurry wall; reinforced ring beam; strutting and anchoring of slurry wall; drainage; foundation anchoring; grading of the bottom of the excavation, segment A,B,C; relocation of heat supply pipe, incl. services; relocation of underground conduit system; combined sewer system DN400; reconstruction of traffic signal system, road lighting and tram traction; roadworks under the project “Construction of Galeria Młociny in Warsaw.”
5. Site location: Warsaw, Zgrupowania AK Kampinos Street.
6. Scheduled completion: till 2018.11.30.
7. Payment terms: invoicing on a monthly basis according to the progress of Works; credit period of 30 days.
8. Performance Bond: 5% of the net amount of each invoice delivered by the Subcontractor shall be retained in the form of a cash deposit to secure the due performance of the contract. The retention money shall be released within four months of signing the Final Acceptance Certificate.
9. Defects Liability Bond: N/A.
10. Other guarantees: quality warranty
    - 5 years for roads;
    - 36 months for other works including utility works and finishing.
    - for devices and equipment - according to the manufacturers’ warranty periods applicable for new products, but not less than 24 months.
11. Penalties for exceeding the deadline for completion - 0.5% of net remuneration for each day of delay in completion of Works.