ERBUD S.A.

Current Report No.01/2017
Report date: 2017-01-02

Topic:

Concluding by Erbud SA (Issuer) a significant contract for construction works – Wrocław Login City Housing Development Project worth PLN 33.8m net.

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

Content of report:

The Management Board of Erbud SA (the “Issuer”) informs that on 2 January 2017 it has concluded a contract for construction works with a subsidiary of Vantage Development SA - VD spółka z ograniczoną odpowiedzialnością Mieszkania XIV sp.k. with its registered office in Wrocław (the “Customer").
The Contract includes carrying out of the Login City Housing Development Project – construction of a residential building located in Wroclaw on Grabiszyńska Street as a part of the City Login Development, including the necessary on-site infrastructure, services and landscaping.

The net Contract value is PLN 33.8 million.

The Issuer is obliged to submit to the Customer a performance bond of 15% of the net Contract Price and after the completion – a defects liability bond of 5% of the net Contract Price.

The maximum limit for liquidated damages: 15% of the net Contract Price.

The Contract was concluded for the period of the performance by Erbud SA of all obligations arising therefrom, within 74 weeks from the date of the Notice to Proceed with the Works, which may be issued by the Customer no later than on 31 March 2017.

As agreed in the contract, it expires if the Customer does not issue the Notice to Proceed within the stipulated period, and the Contractor is not entitled to withdraw from the contract, to charge contractual penalties or to any other compensation claims.