ERBUD S.A.

Current Report No. 17/2019
Report date: 2019-04-26

Topic:
Conclusion of a significant construction contract worth PLN 31.6 million to renovate and extend the indoor swimming pool at the Sports and Recreation Centre for OSiR Stargard Sp. z o.o. in Stargard

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

Content of report:

The Management Board of Erbud S.A. (the "Issuer") informs that on 26 April 2019 the Company entered into construction contract on the following terms and conditions:

Construction contract to renovate and extend the indoor swimming pool at the Sports and Recreation Centre for OSiR Stargard Sp. z o.o. in Stargard.

Customer: Ośrodek Sportu i Rekreacji OSiR Stargard Sp. z o.o. seated in Stargard, 33 Szczecińska Street, 73-110 Stargard.

Completion period: 06.05.2019 - 26.10.2020.

Range of works: demolition, construction works, including mechanical and plumbing works, site development and accompanying utilities, swimming pool basins, supply of equipment; maintenance of the facility for a period of 1 year.

Net contract value: PLN 31,620,658.82.

Site location: Stargard, 33 Szczecińska Street.

Performance Bond: 10% of net remuneration.

Defects Liability Bond: 3% of net remuneration.

Penalties:
- in case of failure to meet the deadline for completion of Works - PLN 5,000.00 for each day of delay;
- in case of withdrawal from the contract due to reasons attributable to the General Contractor - PLN 3 million, and to the Customer - PLN 3 million;
- for delay in carrying out works that significantly differs from the binding Construction Time Schedule - PLN 30,000.00, charged for each month of delay. In particular, a significant delay occurs when the value of Works performed is cumulatively less than 60% of the value provided for in the Construction Time Schedule.

Penalty limit: No penalty limit.

Guarantee and warranty period: 60 months quality guarantee and warranty.

Other terms and conditions of the contract do not vary from standards commonly used for this type of contract.