

Current Report No. 3/2016

Date prepared: 27.01.2016  
Short name of the issuer: ELEKTROTIM S.A.  
Subject: Information on concluding a reference Contract with the Regional Management of Infrastructure in Wrocław  
Legal grounds: Article 56, section 1, subsection 2 of the Public Offering Act – current and periodical information

Content of the Report:

Pursuant to Article 5, section 1, subsection of the of the Ordinance of the Minister of Finance of 19 February 2009 on current and periodical information and conditions for recognizing as equivalent the information required by law of a non-Member State, ELEKTROTIM S.A. informs that on 26.01.2016 it concluded a contract with the Regional Management of Infrastructure in Wrocław (date of the Contract: 26.01.2016).

The subject of the Contract is carrying out construction works including the modernization of the warehouse area alarm systems - Duninów storehouse together with obtaining the occupancy permit or with the effective notification about the completion of works.

The value of the subject of the Contract shall amount to the remuneration of PLN 15,306,758.05 (say: fifteen million, three hundred six thousand, seven hundred fifty eight zlotys, 05/100).

The subject of the Contract shall be completed by 30.06.2020.

The Parties have established the following contractual penalties:

The Contractor shall pay the Ordering Party contractual penalties:

1. in case the Contractor breaches the fire regulations, provisions of the Health and Safety Regulations in the amount of PLN 500 per each breach registered in the Construction Register,
2. for late execution of the subject of the Contract in the amount of 0.5% of the contractual remuneration per each day of the delay,
3. for untimely repair of faults discovered during the commissioning or within the period of statutory warranty and guaranty in the amount of 0.5% of the contractual remuneration per each day of the delay starting on the day set for the repair of faults,
4. for withdrawing from the Contract by the Ordering Party due to reasons within the control of the Contractor in the amount of 10% of the contractual remuneration,
5. for withdrawing from the Contract by the Ordering Party due to reasons attributable to the Contractor in the amount of 10% of the contractual remuneration,
6. for each lack of payment or untimely payment of the remuneration payable to the Sub-Contractors or Sub-Subcontractors in the amount of 1% of the contractual remuneration,
7. for each lack of submission of the draft Subcontracting Agreements for construction works or the draft of its changes for approval, in the amount of 1% of the contractual remuneration,
8. for each lack of submission of the true copy of the Subcontracting Agreement or its changes in the amount of 1% of the contractual remuneration.

The Ordering Party shall pay the Contractor the contractual penalties for the withdrawal from the Contract by the Ordering Party due to reasons beyond the Contractor's control, except for the case specified in Article 145 of the Public Procurement Act, in the amount of 10% of the contractual remuneration. The contractual penalty for delays are payable per each commenced day of the delay. The Parties agreed that apart from the contractual penalties they may seek supplementary

compensation up to the actually incurred damage, under the general terms and conditions of the Civil Code.

The Agreement shall be considered as reference in case the value of the Contracts concluded with the Regional Management of Infrastructure in Wrocław exceeds 10% of equity capital of ELEKTROTIM S.A. The Company, in Current Report No. 1/2016 of 11.01.2016, informed about receiving the notification regarding the selection of the offer by ELEKTROTIM S.A. as part of the tender carried out by the Regional Management of Infrastructure in Wrocław.