

POLISH FINANCIAL SUPERVISION AUTHORITY

Current Report No. 20/2014

Date of issue: 04.07.2014
Short name of the issuer: ELEKTROTIM S.A.
Subject: Information regarding ELEKTROTIM S.A. concluding a reference contract
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 3 of the Ordinance of the Minister of Finance of 19.02.2009 regarding the current and periodical information provided by securities issuers and conditions for recognising as equivalent the information required by law of a non-Member State, the Board of ELEKTROTIM S.A. notifies that on 03.07.2014 it concluded a contract with the District Infrastructure Management in Szczecin.

The subject of the contract is execution of **construction works comprising redevelopment of the technical protection system in the area of the military complex in Skład Mosty**.

The value of the Subject of the above-mentioned Contract constitutes a flat-rate remuneration gross in the amount of **PLN 16,912,500.00** (say: sixteen million, nine hundred twelve thousand, five hundred).

The execution term is: 17 months from the day of commissioning the construction site by the day of the final acceptance of the subject of the Contract.

In case of failure to perform or improper performance of contractual duties Parties reserve the right to implement contractual penalties in the following cases and of the following amounts. The Contractor shall pay to the Ordering Party contractual penalties, among others:

1. for the delay in executing the subject of the Contracts - in the amount of 0.001% of the offer price gross, for each day of delay,
2. for not delivering on time the Itemised and Financial Schedule in the amount of PLN 100 for each day of delay calculated from the day the term specified in the contract is exceeded,
3. for not delivering in the specified time the corrected Itemised and Financial Schedule in the amount of PLN 100 for each day of delay calculated from the day the term specified by the Ordering Party is exceeded,
4. for the delay in repairing the defects discovered during the commissioning or within the statutory warranty and guarantee - in the amount of 0.01% of the offer price gross, calculated for each day of delay since the day specified for repairing the defects is exceeded,
5. for not submitting for approval the Draft Contract on Sub-Contracting which subject are construction works or the draft of its amendment in the amount of PLN 500 for each case,
6. for failure to pay or late payment of the remuneration for sub-contracting or further sub-contractors in the amount of PLN 2,000 / for 1 day of delay.

The total amount of contractual penalties cannot exceed 20% of the offer price gross. The Parties reserved in the Contract the right to seek complementary compensation to the full amount of the damages.

The Ordering Party shall pay the Contractor the contractual penalty for withdrawing from the

Contract due to reasons attributable to the Ordering Party in the amount of 20% of the offer price gross from execution of which the Party withdrew.

The Agreement shall be considered as significant if the its value exceeds 10% of own capital of ELEKTROTIM S.A.