

**POLISH FINANCIAL SUPERVISION AUTHORITY**

**Current Report No. 29/2014**

Date of issue: 14.10.2014

Short name of the issuer: ELEKTROTIM S.A.

**Subject: Information on concluding a reference contract with the General Directorate of National Roads and Motorways in Kraków**

Legal grounds: Article 56, section 1, subsection 2 of the Public Offering Act – current and periodical information

Pursuant to Article 5, section 1, subsection 3), in connection with Article 9, subsection 8) of the Ordinance of the Minister of Finance of 19.02.2009 on current and periodical information provided by securities issuers, the Board of ELEKTROTIM S.A. notifies that on 13.10.2014 it received a Contract signed on 07.10.2014 by the Consortium of the following Companies: ELEKTROTIM S.A. – the Consortium Partner, ZABERD S.A. – the Consortium Leader, with **the General Directorate of National Roads and Motorways, Branch Office in Kraków**, subject: **provision of a comprehensive (summer and winter) maintenance of national roads in the Lesser Poland Voivodeship [Województwo Małopolskie], including the comprehensive maintenance of national roads in the region of Kraków.**

The Contract was concluded for the period of **01.11.2014 to 30.04.2018.**

The initial **remuneration for the execution of the subject of the Contract shall be PLN 87,698,888.88 gross** (say: eighty seven million, six hundred ninety eight thousand, eight hundred eighty eight, 88/100 PLN), **including the participation of ELEKTROTIM S.A.** in the execution of the Contract shall be 50%, i.e. **PLN 43,849,444.44 gross** (say: forty three million, eight hundred forty nine thousand, four hundred forty four, 44/100 PLN).

Pursuant to Article 9, subsection 8) of the Ordinance of the Minister of Finance of 19.02.2009 on current and periodical information, the Board of ELEKTROTIM S.A. provides information set forth in Article 9, section 5) of the Ordinance - the Contractual Penalties - regarding the above-mentioned Contract.

The Contractor shall pay to the Ordering Party contractual penalties, among others:

1. for the delay in executing the works included in the execution order - 1% of the net value of the ordered works; however not less than PLN 1,000 per each day exceeding the deadline specified in the order,
2. for the day in repairing the faults discovered at the final commissioning, post-warranty commissioning or the commissioning within the statutory warranty - PLN 2,000 per each day of delay, from the day set for the repair of the faults,
3. for not keeping the standard of winter maintenance at any sections of the road in the amount of PLN 5,000 for each breach,
4. for the execution of works included in the Contract which fails to follow the ST, guidelines from the Ordering Party or the Contract - PLN 2,000 per each breach discovered by the Ordering Party during the execution of works,
5. for withdrawing from the Contract due to reasons attributable to the Contractor - 10% of the remuneration nett, and other penalties.

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 10% of the Contract value net.

The Ordering Party reserves the right to claim supplemental damages in case the amount of the loss exceeds the contractual penalty.

The Contract shall be considered as a reference contract if the value of all contract exceeds 10% of equity capital of ELEKTROTIM S.A.