

**CNT****CENTRUM NOWOCZESNYCH TECHNOLOGII
SPÓŁKA AKCYJNA**

Report number: **3/2017**

Date of issue: **2017-01-09**

Subject: **Conclusion of a contract for the construction of two residential dwellings within the implementation of the first stage of the Nowa 5 Dzielnica investment in Krakow by the subsidiary.**

Contents of the report:

The Board of Management of Centrum Nowoczesnych Technologii S.A. (hereinafter: the "Issuer") announces that on 9 January 2017 the subsidiary, i.e. Centrum Nowoczesnych Technologii Spółka Akcyjna spółka komandytowa (hereinafter: the "Subsidiary", "Ordering Party") concluded a contract with the Budimex S.A. based in Warsaw ("the Contractor") to make them a general contractor of two residential multi-family dwellings with services No. A4 and A5 with underground parking spaces, the necessary fixtures and infrastructure, as well as obtain by the Contractor on behalf of the Ordering Party final and unconditional decision about a permit to use the aforementioned buildings, which means the launch of the first stage of the Nowa 5 Dzielnica investment (Contract) in Krakow, 53 Wroclawska Street (Investment).

The Contractor's remuneration in respect of the contract is a lump sum and amounts to

PLN 54,800 thousand net, which will be increased by the VAT due.

The Contractor is obliged to start the construction works constituting the subject of the contract within 7 days from transferring the site by the Ordering Party, which will take place on 16 January 2017, and complete the works by 08 May 2018, and get the final decision about the occupancy permit by 31 August 2018.

The contractor will guarantee the quality and warranty for the execution of the Contract for a period of 5 years and one month from the date of sale of the last apartment in A4 and A5 buildings, but no longer than 7 years from the date of signing the certificate of completion of the object of the contract.

The contract provides for the possibility of calculating contractual penalties for the Contractor in the amount of PLN 0.5 thousand to PLN 100 thousand due to:

1. a delay in the execution of the contract,
2. delays in the execution of the construction phase specified in the Material and Financial Schedule,
3. undue interruption of work lasting over 7 days,
4. a failure to notify about a Subcontractor or a notification infringing the contractual mode,
5. delays in the removal of faults and defects,
6. delays in delivery of the performance guarantee,
7. non-approved building material,
8. failure to comply with health and safety and fire safety regulations,



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and resulting from other breaches of the contract.

Furthermore, the contract provides for the possibility of calculating contractual penalties of 10% of the gross remuneration for withdrawal from the contract by each of the parties for reasons attributable to the other party.

At the same time the Parties are entitled to claim additional compensation above the amount stipulated by the contractual penalties, in the general terms of the Civil Code.

Other terms and conditions of the contract, including in particular:

- the technical conditions of the contract,
- insurance policies required from the Contractor,
- Performance Guarantee,
- the possibility of withdrawal,

do not differ from those commonly used and typical of this type of contracts.

Legal Basis: Art. 17 (1) MAR - confidential information.

