



Report number: **54/2017**

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Subject: **Conclusion of an agreement by the Subsidiary for the general contracting of a multi-family residential building with service area within the framework of the first stage of Nowa 5 Dzielnica project in Krakow.**

Contents of the report:

The Board of Management of Centrum Nowoczesnych Technologii S.A. (hereinafter: the "Issuer") announces that on 22 December 2017 the subsidiary, i.e. Centrum Nowoczesnych Technologii Spółka Akcyjna spółka komandytowa (the "Subsidiary", "Ordering Party") concluded with a consortium composed of:

Eiffage Polska Serwis spółka z o.o. based in Warsaw – Leader of the consortium,

Eiffage Polska Budownictwo S.A. based in Warsaw – Member of the consortium

(hereinafter referred to as the „Contractor”) an agreement for the general contracting of multi-family residential building with service area No. A1 together with underground parking spaces, necessary installations and infrastructure, including also obtaining and transferring complete as-built documentation to the Ordering Party, in particular the final and unconditional decision on the use permit of Building A1, built within the first stage of the investment of Nowa 5 Dzielnica (Agreement) located at 53 Wrocławska in Krakow (the Investment).

For the performance of the object of the agreement, the Contractor shall receive a lump sum remuneration under the Art. 632 of the Civil Code, which amounts to PLN 29,757 thousand net, plus VAT due, at the rate in accordance with the applicable regulations as of the date of issuing the invoice.

The Contractor is obliged to start the construction works constituting the subject of the contract within 7 days from transferring the building site by the Ordering Party, which will take place on 8 January 2018, and complete the works by 16 May 2019, and get the final decision about the occupancy permit by 16 August 2019.

The Contractor shall provide a quality guarantee and warranty for the performance of the subject of the contract for a period of 5 years and one month from the date of sale of the last premises in building A1 but not later than 7 years from the date of signing the final acceptance protocol by the Parties and the quality guarantee extended for 10 years, commencing on the date of signing the final acceptance protocol by the Parties to the agreement, related to hydro-insulation of the elements indicated in the Agreement.

The agreement provides for a possibility of charging the Contractor with contractual penalties (for each day or each violation, respectively) in the amount of PLN 0.5 thousand up to PLN 100 thousand for





- delays in the performance of the subject of the agreement,
- delays in the execution of a work phase specified in the Technical and Financial Plan,
- unjustified break in works lasting more than 7 days,
- failure to notify about a Subcontractor or a notification in breach of the contractual procedure,
- delays in accession or removal of defects and faults in the subject matter of the contract,
- construction of non-approved material,
- non-compliance with safety and fire protection regulations,

and for any other breach of the provisions hereof; yet, the maximum total amount of contractual penalties accrued to the Contractor resulting from the agreement cannot exceed 10% of the Contractor's gross remuneration (except in cases of delay in the performance of the subject of the agreement, delay in the execution of a work phase specified in the Technical and Financial Schedule and for withdrawal from the Agreement or parts of it caused by reasons attributable to the Contractor).

Furthermore, the agreement provides for a possibility of charging by each of the parties of the agreement with contractual penalties in the amount of 10% of the gross remuneration for withdrawal from the contract for reasons attributable to the other side of the agreement.

At the same time, the Parties can claim supplementary compensation over the amount of reserved contractual penalties, under the general provisions of the Civil Code.

Other terms and conditions of the agreement including, in particular, the following:

- technical specification of the agreement performance,
- insurance policies required by the Contractor,
- performance bonds,
- a possibility of withdrawing from the agreement,

do not differ from the terms and conditions commonly used and characteristic of this type of contracts.

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

