



CURRENT REPORT 33 / 2013

11 October 2013

Legal basis: Art. 56.1.2 of the Public Offering Act – Current and Periodic Reports.

Subject: Information on Conclusion of Major Contract

Content:

The Management Board of ZUE S.A. with registered office in Cracow (the “Company”) inform that on 11 October 2013, they concluded a contract (the “Contract”) with the City of Szczecin with registered office in Szczecin (the “Contracting Authority”).

The Contract provides for design and construction works consisting of the reconstruction of the Pogodno tram depot in Szczecin as part of the following project: “Construction and reconstruction of tracks in Szczecin co-funded by the EU” (design-build project).

The Company informed of the selection of the most economically advantageous tender in the current report 15/2013 of 6 May 2013.

Contract gross value: PLN 135,300,000.

Contract net value: PLN 110,000,000.

The remuneration will be paid to the Company on the basis of:

- 1) Partial invoice with a gross value of PLN 3,000,000 issued and payable following the receipt by the Contracting Authority of complete design documentation and final construction permit; and
- 2) Final invoice with a gross value of PLN 132,300,000 issued and payable following the final acceptance.

Completion date: 31 January 2015.

Term of warranty: 36 months of the final acceptance.

The contractual penalties payable by the Company to the Contracting Authority for the failure to perform or duly perform the Contract include:

- 1) 0.01% of the Contract gross value for each day of delay in the Contract performance;
- 2) 10% of the Contract gross value for the termination of the Contract;
- 3) 10% of the gross amount of PLN 132,300,000 for the termination of a part of the Contract concerning the construction works or 10% of the remuneration for the construction works if the termination concerns only a part of the construction works;

- 4) 0.1% of the gross amount of PLN 132,300,000 for each day of delay in the removal of defects under warranty and guarantee (defects specified in the acceptance protocol, defects detected during the warranty and guarantee period and defects specified in the warranty inspection reports).

The total value of the contractual penalties must not exceed 30% of the Contract gross value.

The Contracting Authority will pay statutory interest to the Company if it fails to pay the remuneration in a timely fashion.

The Contracting Authority is authorised to claim damages in excess of the contractual penalties.

The Contract is deemed major since its value exceeds 10% of the Company's equity.

Legal basis: § 5.1.3 of the Ordinance by the Minister of Finance of 19 February 2009 on current and periodic information published by issuers of securities and the conditions for recognizing information required under the law of a non-member state as equivalent.