

## **Execution of a general contractor agreement with Unibep Spółka Akcyjna**

Current report no. 8/2012, published on 7 September 2012

The Management Board of Atlas Estates Limited (the "**Company**") hereby notifies that on 6 September 2012 a General Contractor Agreement (the "**Agreement**") was signed between the Company's subsidiary Capital Art Apartments AEP Spółka z ograniczoną odpowiedzialnością spółka komandytowo – akcyjna with its registered seat in Warsaw, Poland ("**Investor**"), and Unibep Spółka Akcyjna with its registered seat in Bielsko Podlaskie, Poland ("**General Contractor**").

The subject of the Agreement is the construction by the General Contractor of multi-apartment residential buildings at 4, Giełdowa St. in Warsaw, Poland. The value of the General Contractor's remuneration amounts to 38,300,000.00 PLN + VAT. The term of the Agreement is 24 months.

The Agreement provides for contractual penalty in the amount of 5% of the General Contractor's remuneration payable by the General Contractor in the event Investor terminates the Agreement due to reasons attributable to the General Contractor, defined in the Agreement and a number of contractual penalties payable by the General Contractor in the event of delays in construction. Total number of the contractual penalties shall not exceed 10% of the General Contractor's remuneration, however, the Investor is entitled to claim compensation for damages exceeding the contractual penalties.

In the event of termination of the Agreement by the General Contractor due to the reasons defined in the Agreement, caused by the Investor's fault, the Investor shall pay to the General Contractor a contractual penalty in the amount of 5% of the General Contractor's remuneration.

*Legal grounds: art. 56 item 1, point 1) of Polish Act on Public Offering, the Conditions Governing the Introduction of Financial Instruments to Organized Trading and Public Companies dated 29 July 2005 (Polish Journal of Laws of 2009, Nr 185, Item 1439)*