

**CURRENT REPORT FILED WITH
THE POLISH FINANCIAL SUPERVISION AUTHORITY**
DATE: April 17th 2014



VERIFIED
ENVIRONMENTAL
MANAGEMENT
REG. NO. PL 24-001-5



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Subject: [Execution of subcontractor agreement for Jaworzno project with subsidiary](#)

Text of the report:

Current Report No. 20/2014

The Management Board of RAFAKO S.A. of Racibórz (the “**Company**” or “**RAFAKO**”) announces that on April 17th 2014 the Company and its wholly-owned subsidiary E003B7 Sp. z o.o. of Racibórz (“**SPV-RAFAKO**”) executed a subcontractor agreement (the “**Subcontractor Agreement**”) for the “Development of new coal-fired generation capacities at TAURON Wytwarzanie S.A. - Construction of a supercritical 910 MW power generation unit at Jaworzno III Power Plant - Power Plant II: steam generator, turbine generator set, main building, electrical and I&C systems” project (“**Jaworzno Project**” or “**Main Contract**”).

Under the Subcontractor Agreement, the parties agreed that:

- SPV-RAFAKO will perform, as a subcontractor, approximately 90% of the work and services for which the Company is responsible under the Jaworzno Project, in particular, SPV-RAFAKO will supply specialist equipment, instruments, tools, and quick-wearing parts, will provide operator training and secure insurance coverage in the scope and in accordance with the rules set forth in the Jaworzno Project contract;
- SPV-Rafako will be responsible for entering into agreements with further subcontractors to ensure successful execution of the Jaworzno Project;
- SPV-Rafako is obliged to closely cooperate with an independent technical advisor in the course of the Jaworzno Project;
- SPV-Rafako may represent the Company during execution of the Jaworzno Project, as authorised under the power of proxy granted on the basis of the Subcontractor Agreement;
- SPV-Rafako's remuneration for the performance of work as part of the Jaworzno Project contracted under the Subcontractor Agreement is PLN 3,943,841,172.70 (three billion, nine hundred and forty-three million, eight hundred and forty-one thousand, one hundred and seventy-one złoty, 70/100).

SPV-Rafako intends to limit its operations to the performance of the Main Contract, and will not be involved in any other projects throughout the term of the Main Contract.

The Subcontractor Agreement is considered a reportable significant agreement as its value exceeds 10% of the RAFAKO Group's revenue generated in the last four quarters.

Legal basis: Art. 56.1.2 of the Public Offering Act.

Paweł Mortas, President of the Management Board

Jarosław Dusiło, Vice-President of the Management Board