

Current report 31/2012

Subject: material agreement – agreement with EDF Paliwa Sp. z o.o.

Pursuant to Article 56 section 1 item 2 of the Act on Public Offering as well as § 5 section 1 item 3 and § 9 of the Ordinance by the Minister of Finances of 19 February 2009 on current and interim information communicated by issuers of securities and on the conditions for regarding as equivalent the information required by the provisions of law in force in a non-Member State (Dz. U. [Journal of Laws] No. 33 item 259, as amended), the Management Board of Zespół Elektrociepłowni Wrocławskich KOGENERACJA S.A. seated in Wrocław hereby reports that on 27 September 2012, to replace the previous agreement between the parties, a new Biomass Supply Agreement was entered into by the Issuer and EFD Paliwa Sp. z o.o. (which until 10 September 2012 operated under the firm Przedsiębiorstwo Handlowo-Usługowe Energokrak Sp. z o.o.).

1. The agreement was entered into on 27 September 2012; the parties agreed, in the course of the negotiations, that terms and conditions of cooperation stipulated in the above-mentioned agreement shall apply to cooperation between the parties and shall become legally effective as at 1 January 2012 (by the same token, the principles of cooperation resulting from the previous biomass supply agreement of 18 May 2011 shall cease to apply and the said agreement shall be terminated, which the Issuer reported in the *Current report No. 30/2012*).
2. EDF Paliwa Sp. z o.o. seated in Kraków, as the Seller, which primarily deals with fuel supplies for companies incorporated in the group, and Zespół Elektrociepłowni Wrocławskich KOGENERACJA S.A. seated in Wrocław, as the Buyer, shall be the parties to the agreement.
3. Biomass supplies delivered by the Seller to satisfy internal needs of the Buyer (the Issuer) shall be the subject of the agreement. The fee for rendering the services under the agreement was assessed for the term of the agreement, i.e. 5 years, in the net amount of kPLN 867,425; the fee payable for 2012 is expected to amount to kPLN 140,882. The fee payable to the Seller in subsequent years of the term of the agreement shall depend on the actual sales volume and biomass price.
4. The agreement includes provisions setting liquidated damages at 5% of the value of undelivered biomass over a 6-month period.
5. The payment of liquidated damages shall not exclude the right to claim damages in excess of the liquidated damages.
6. The agreement was entered into for a fixed period of time, until 31 December 2016.
7. The agreement was not entered into subject to a condition or a deadline.

The agreement is deemed material as its value has reached 10% of Issuer's equity.

Legal basis: Article 56 section 1 item 2 of the Public Offering Act – current and interim information