



**GRUPA PBG**

**Subject: [RAFAKO S.A.'s position on Mostostal Warszawa S.A.'s notice of termination of the contract for construction of Thermal Waste Treatment Plant in Szczecin of June 15th 2016](#)**

**Text of the report:**

Current Report No. 19/2016

The Management Board of RAFAKO S.A. of Racibórz (the "Company", "RAFAKO") announces that following legal analyses on the effectiveness of Mostostal Warszawa S.A.'s notice of termination of the subcontractor agreement for design, delivery and erection of a grid, boiler and flue gas treatment system for two units of the Thermal Waste Treatment Plant in Szczecin (the "Subcontractor Agreement") (see Current Report No. 16/2016), the Company's position is that the notice is defective, and therefore the Company declares Mostostal Warszawa S.A.'s notice of termination of the Subcontractor Agreement invalid.

Based on the above, on June 24th 2016 the Company sent to Mostostal Warszawa S.A. a letter stating that it declares the notice of termination of the Subcontractor Agreement invalid and thus without legal effect.

Furthermore, the Management Board of RAFAKO S.A. demanded that Mostostal Warszawa S.A. perform all its obligations under the Subcontractor Agreement within three days from the day of receipt of the letter, on pain of termination of the contract by the Company.

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

Agnieszka Wasilewska-Semail, President of the Management Board

Tomasz Tomczak, Vice President of the Management Board