

Current report No. 36/2011

Date prepared: 2011-09-01

Short name of issuer: PAMAPOL S.A.

Legal basis: Article 56 par. 1 pt. 2 of the Act on Public Offerings – current and periodic information

Subject: Conclusion by companies from the Pamapol Group of agreements with entities from the Bank Zachodni WBK S.A. Group.

The Management Board of PAMAPOL S.A.(Issuer) informs that on 1 September 2011 it received information about receipt by the Issuer's subsidiary – CENOS Sp. z o.o. with registered office in Września (CENOS), of a bi-laterally signed agreement guaranteed by the Issuer concerning a credit in current account (Credit agreement), concluded by CENOS with Bank Zachodni WBK S.A. with registered office in Wrocław (Bank).

The credit in current account referred to above was granted to CENOS up to a value of PLN 8 million, with a repayment date by 31 August 2012.

At the same time the Issuer informs that an annex (Annex) to the agreement between CENOS and BZ WBK Faktor Sp. z o.o. with registered office in Warsaw (Factor) – Bank's subsidiary, concluded in 2006 by and between CENOS and Factor, was concluded on 28 June 2011, the subject matter of which is rendering of factoring services by the Factor to CENOS without taking over liability (Factoring Agreement). Pursuant to the tenor of the above Annex the Factor granted CENOS a factoring limit of PLN 10.7 million until 31 August 2011 and of PLN 6.5 million as of 1 September 2011. The Factoring Agreement has been concluded for an unspecified period of time. In accordance with the currently binding provisions of the Factoring Agreement the maximum maturity date of the acquired liabilities is 90 days, and the funding rate of the accepted liabilities is 90 per cent. A collateral securing the Factoring Agreement is own blank promissory note together with a declaration, and an irrevocable power of attorney to the bank account indicated in the Factoring Agreement at Bank BZ WBK S.A. The Agreement does not stipulate any contractual penalties. The remaining conditions of the Factoring Agreement do not differ from those generally applied in such agreements.

The total value of the Credit Agreement and the Factoring Agreement (taking into accounting the factoring limit available until 31 August of this year, in the amount of PLN 10.7 million, established by virtue of the Annex) is PLN 18.7 million and fulfils the criterion of the significant agreement due to the fact that it exceeds 10 per cent of the Issuer's equities.

Moreover, the Issuer informs that on 1 September 2011 he received a bi-laterally signed surety agreement securing CENOS's liabilities ensuing from the Credit Agreement.

Pursuant to the tenor of the aforementioned surety agreement the Issuer gave the Bank a surety for CENOS's liabilities towards the Bank ensuing from the Credit Agreement, thus becoming a joint and several debtor of that liability. Should CENOS fail to pay the amounts owed to the Bank under the Credit Agreement, the Issuer shall pay the Bank the amounts due not later than by the payment deadline indicated by the Bank. Moreover, based on Article 97 of the Banking Law, the Issuer submitted himself to enforcement on the basis of the bank enforcement order issued by the Bank up to the value of the credit, together with contractual interest charges, fees and commissions, interest charged on overdue debt, costs of the Bank's claims, not more than up to PLN 16 million. The Bank may apply to the court to endorse that order with an executory formula until 31 August 2015. The Issuer is entitled to a remuneration of PLN 16 thousand for granting the surety.