

PRESS RELEASE

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RPG hires Amsterdam & Peroff to defend its fundamental rights in the Czech Republic

RPG Real Estate, a company owning more than 44 thousand apartments in the Czech Republic, finalized a contract with the law firm Amsterdam & Peroff to represent the company in disputes defending its fundamental rights against an assault of the Czech Parliament. The law firm Amsterdam & Peroff is internationally known for defending companies and individuals against the State when the State departs from the Rule of Law.

The firm Amsterdam & Peroff will serve as counsel to the company following political attacks launched by certain members of Parliament in response to a recent audit which examined the performance of obligations set out in so-called Privatization Contract by which the State sold its minority stake in OKD.

The results of audit by BDO Prima Audit s.r.o. were published on 20th November 2009. The audit examined the fulfillment of conditions related to the management of the residential portfolio formerly owned by OKD. The audit results ruled in RPG's favor, determining that group has duly fulfilled its contractual obligations related to the residential portfolio under the terms of the Privatization Contract.

On 3rd December 2009 the lower house of the Czech Parliament passed two Resolutions. The first stated that the private international investor, the European company RPG Industries, breached the Privatization Contract to which it is a party, while the second recommended that the government of the Czech Republic take measures to prevent RPG Industries from enjoying the free use of its own property in the Czech Republic.

These Parliamentary Resolutions are the latest chapter in an ongoing campaign of defamation and harassment against companies within the RPG Real Estate group conducted in the run up to the Parliamentary elections.

Mr. Robert Amsterdam, the founding partner of Amsterdam and Peroff, says that the Parliament's hostile offensive against RPG Real Estate is groundless and politically motivated. "This questionable conduct of certain Members of Parliament, in violation of constitutional precepts, should be a source of concern for Czech civil society," said Amsterdam, referring to the Parliamentary Resolutions which in his view, "make legal findings, without a prior hearing, contrary to the facts and well outside the scope of Parliament's proper purview. What is happening is an embarrassment for a modern, democratic, Rule of Law State of the European Union."

Amsterdam & Peroff will assist RPG Real Estate and its principals in developing an appropriate response to the campaign which has been waged against them. In doing so Amsterdam & Peroff will assess State compliance with EU and International norms.

Information for the media:

The real estate group RPG Real Estate was established in the middle of 2006 as a result of the transformation of the mining company OKD, a.s. The property and activities related to real estate were incorporated into RPG Real Estate. Today, the brand RPG Real Estate includes the companies RPG Byty, RPG RE Commercial, RPG RE Land, RPG RE Management and RPG Služby, which is under combined ownership with the company OKIN GROUP, a. s. The Group today owns and manages significant property, including residential properties, commercial space, commercial buildings, hotel complexes, hotels and extensive land, primarily in the Moravian/Silesian region.