Warsaw, 28 July 2015

Information on conclusion of a significant agreement with the Ministry of Labor and Social Policy

Sygnity S.A. based in Warsaw (hereinafter referred to as: “the Company” or “Sygnity”) hereby announces than it concluded, on 27 July 2015, a significant agreement with the Ministry of Labor and Social Policy based in Warsaw (hereinafter referred to, respectively: “the Agreement” and “the Employer”).

Under the Agreement Sygnity will maintain and develop the ICT system of the Public Employment Services (hereinafter referred to as: “the PES system”) which comprises the following applications used on the date of the Agreement: SyriuszStd software, Central Glossaries (hereinafter referred to as: “CG”), Employment of Foreigners (hereinafter referred to as: “EF”), support for users of the PES system, including the provision of the hot-line service and consultations; troubleshooting the PES system crashes; transfer onto the Employer of the copyright to the CG and the EF (hereinafter referred to as: “the Subject Matter of the Agreement”).

The Company will be implementing the Agreement for 24 months following its conclusion.

The PES system developed by Sygnity is a modern solution dedicated to the Public Labor Services. The system supports employees of labor offices with respect to customer service, facilitates settlement of EU grants, job and training vacancies, as well as analysis of the labor market and the level and structure of unemployment. The PES system is an interoperable solution which enables the exchange of data both with other applications operated in the area of the Public Employment Services and with systems used by other ministries/entities, such as the Tax Office, Social Insurance Institution, Central Statistical Office, PESEL (personal identity number) and banks (electronic payments).

The maximum total value of the Agreement shall not exceed PLN 30,997,900 (the amount includes VAT), hereinafter referred to as: “Compensation”. The Agreement does not contain any provisions defining specific conditions that differ from those commonly used for this type of agreement.

The Agreement contains provisions concerning contractual penalties. The penalties shall be aggregated, whereby the Parties have reduced the total amount of contractual penalties to a maximum of 30% of the Compensation. The Employer has reserved the right to terminate the Agreement without notice where the total amount of accrued contractual penalties exceeds 30% of the Compensation. The precise amount of the contractual penalties reserved in the Agreement by the Employer shall depend on the type of infringements and their duration. As regards those penalties, it is possible to precisely determine the amount of only one, namely that applicable to termination of the Agreement for reasons attributable to the Company in the case of which the Company shall pay the Employer a penalty equal to 10% of the Compensation. The Agreement
does not provide for the right to seek damages in excess of the amount of accrued contractual penalties.

The Agreement was concluded with no reservation of a condition or deadline.

The criterion for recognizing the Agreement as a significant one: the maximum total gross value of the Agreement in excess of 10% of the Company’s equity.
Legal basis:

- Article 5(1)(3) in conjunction with Article 9 of the Regulation of the Minister of Finance of 19 February 2009 on current and periodic information published by issuers of securities and conditions for recognizing as equivalent information required by laws of a non-member state (consolidated text: Journal of Laws of 2014, item 133).