Conclusion of a significant agreement with Bank Gospodarstwa Krajowego

The Management Board of Sygnity S.A. with its registered seat in Warsaw (hereinafter “Sygnity” or “Contractor”) informs hereby on conclusion on 7 December 2015 of a significant agreement (hereinafter: “Agreement”) between Sygnity and Bank Gospodarstwa Krajowego with its registered seat in Warsaw (hereinafter: “Contracting Party”).

The subject-matter of the Agreement is:

(i) providing the installation version, deployment and start-up of the Central Banking System Software (hereinafter: „CBS System”) along with software license and transferring the property copyrights and granting relevant authorizations in the scope specified in the Agreement;

(ii) supply (sales and guarantee), deployment and running the equipment necessary for installation and functional operation of the CBS System;

(iii) support in the CBS System deployment;

(iv) providing the specific guarantee services and servicing for the period of 36 months upon completion of 3-month long system stabilization period starting as of the day of the CBS System start-up.

The CBS System supplied by Sygnity and deployed as specified in the Agreement shall be the integrated ICT system supporting the banking operations of the Contracting Party by enabling interface with the other IT systems and obligatory reporting in the area of banking operations of the Contracting Party in compliance with the legislation in force. The CBS System will consist in software and infrastructure.

Under the Agreement, the Contractor submitted an irrevocable offer for deployment and guarantee support services as well as servicing support, whereas the Contracting Party is entitled to accept this offer in total or in part, depending on its needs throughout the duration of the Agreement, provided that the offer for deployment support services may be accepted also in the period of providing the guarantee services and servicing (hereinafter: “Option Right”).

Total remuneration due to the Contractor for performance of the Agreement, along with the Option Right, shall not exceed gross PLN 53,970,308.00 (say: fifty three million nine hundred seventy thousand three hundred eight Polish Zlotys) (hereinafter: “Remuneration”).

The Contractor granted the Contracting Party with the performance bond in a form of an insurance guarantee in the amount of PLN 3,238,218.48 i.e. 6% of the Remuneration.
The Contractor is obliged to enter into and maintain throughout the duration of the Agreement of the civil liability insurance agreement concluded with regard to the business activity of the Contractor, of the insurance amount of at least PLN 30 000 000.00 for any and all insurance events.

Liability of the Contractor and its subcontractors for damages to the Contracting Party’s clients due to non-performance or undue performance of the Agreement was not limited.

Total value of all contractual penalties for the grounds specified in the Agreement shall not exceed 100% of the Remuneration. At the same time the Contracting Party reserved its right to claim compensation in excess of the reserved contractual penalties in line with general principles.

The significant agreement criterion is as follows: total gross value of Agreement exceeds 10% of the Sygnity equity capital value.

Legal basis: Paragraph 5(1)(3) in relation to § 9 of the Ordinance of the Minister of Finance of 19 February 2009 on current and periodic information to be published by issuers of securities and the condition for recognizing information required by the laws of a non-member state as equivalent (Journal of Laws of 2009, No. 33, item 259, as amended).