SUMMARY - SPECIFICATIONS

Contracting entity	SID banka, d.d., Ljubljana Ulica Josipine Turnograjske 6 1000 Ljubljana
Request for Proposal (RFP) Number	JN 149/2021
Subject of RFP	Purchase, implementation, adjustment and maintenance of core IT system for SID Bank

The subject of RFP is software to support the core IT system for SID Bank (hereinafter: CORE) for the following business areas:

a) Specific banking areas (6):
- Loans and guarantees
- Collateral management
    - o Mandatory part – eligibility and posting
    - o Monitoring (optional)
- Deposits and other borrowing transactions
- Treasury
- Payments
- Common code lists and data (master data management)

b) Other areas (3)
- General ledger
- ERP for receivables, payables and inventory (optional)
- Fixed assets (optional)

I.   Substantive specifications

A. Loans and guarantees

The Bank provides the following active operations:

a) Loans:
- Loans to corporate companies and state funds
- Loans to municipalities
- Loans to banks
- Loans for export financing
- Syndicated loans where the Bank acts as an agent
- Syndicated loans where the Bank acts as a participant
- Participation contracts

b) Purchase of receivables:
- Purchase of receivables without recourse
- Purchase of receivables with recourse
- Syndicated purchase of receivables without recourse (with multiple drawdowns, a bank or an agent or a participant)

c) Guarantees:
- Payment, service guarantees
- Payment, service guarantees - syndicated (a bank or an agent or a participant)
- Participation contract

- Portfolio guarantees

The Bank uses a separate application for loan and guarantee approval process and to communicate with relevant customers. These transactions will be transferred to CORE in one of the phases of customer application processing.

The functionalities to be provided by the CORE software solution for loan and guarantee transactions include:

- Amortisation schedule (actual and informative)
- Recording and authentication of agreement (four eye control principle)
- Recording and authentication of annex (four eye control principle)
- Document updating
- Loan drawdown
- Drafting of payment orders
- Valuation at EIR
- Calculation of EIR
- Recording of overpayments
- Recording of off-balance-sheet items
- Recording of state aid repayment amount
- Calculation of interest on state aid repayment amount
- Equalisation recording
- Informative calculation of interest
- SOI forms
- Automatic entry of downpayments
- Accounting entries in accordance with IFRS 9
- Consolidation of agreements
- Conversion to equity
- Changing of account chain
- Changing of organisational units
- Changing customer relationship managers
- Calculation of ordinary interest
- Calculation of costs and fees
- Calculation of related taxes (existing VAT, tax on financial services)
- Calculation of default interest
- Write-offs
- Reminders on agreements
- Support for syndicated loans
- Automatic bookkeeping into general ledger
- Expected downpayments
- Modification calculation
- Accrual of adjustment of gross carrying amount of the financial asset as a result of a modification of contractual cash flows
- Accounting of fees and commissions
- Accounting of discount
- Forbearances
- Bad loans
- Manual journal entry
- Manual calculation of interest
- Manual entry of transactions
- Recording of % of impairments
- Credit rating recording
- IFRS classification recording
- Fair value calculation
- Amortised cost calculation

- Impairment group recording
- Changing maturity of documents
- Automatic cancellations of transactions and entries
- Exchange rate differences
- Liquidation of collateral
- Closing of an agreement
- Link to collateral
- Issuance of a guarantee
- Collection of a guarantee
- Pledge of loans in the pool of collateral at Banka Slovenije
- Hedge accounting
- Determining the performing/non-performing status at the customer level
- Calculation of days in significant arrears at the level of agreement
- Calculation of days in significant arrears at the level of customer
- Calculation of days of ordinary arrears at the level of agreement
- Calculation of days of ordinary arrears at the level of customer
- Status of exposure
- Performing/non-performing exposure according to EBA definition
- Reminder procedure
- Transfer of documents in documentation system
- Printout of calculations, notifications to customers in English
- Signing and sending the documents to customers

B. Collateral

CORE must support various types of collateral, namely collateral received and given. CORE must permit the linking of collateral to one or more transactions (many-to-many, active and passive transactions). The basic solution must permit the opening of new types of collateral, monitoring of the collateral life cycle for all standard phases, depending on the type of collateral, collateral recording, valuation, activation/liquidation.

Possible types of collateral include:
- Bills/promissory notes
- Pledge of a deposit with another credit institution
- Pledge of a deposit with SID Bank
- Deposit as collateral for derivatives
- Portfolio guarantees
- Securities
- Real estate
- Movable property
- Other rights (patent, trademark, model, software code)
- Equity holding
- Receivables
- Surety, accession to debt and guarantee
- Insurance policy of the Republic of Slovenia
- Vinculation of insurance policy
- Assignments
- Other types of collateral, where necessary.

Types of functionalities include:
- Collateral recording
- Authentication of entry
- Change to the type of collateral
- Change to the status of collateral

- Eligibility valuation
- Expected downpayments/separation of downpayment type (associated with collateral, though not solely for collateral liquidation purposes)
- Liquidation of collateral
- Call and acquisition of a replacement bill
- Recording vinculation of insurance policy
- Vinculation of insurance policy linked to adequate collateral
- Monitoring documentation adequacy and completeness
- Assignment recording
- Assignment linked to adequate collateral
- Return of collateral and posting
- Preparation of reminders
- Value posting
- Automatic bookkeeping into general ledger
- Closing

C. Treasury

The treasury process takes place in three phases, namely decision-making on transactions, closing of transactions, and settlement of transactions. Bloomberg trading platforms, email messages or recorded telephone lines are primarily used for the closing of transactions. Transactions with Banka Slovenije are performed via web-based eAvkcije application. Prior to closing of any transaction, verification of personal authorisations and exposure limits should be carried out, data provided on a specific security, and the entry of a business partner should take place as well as the SPPI test and the AML procedures. Once a transaction isclosed, it is recorded in the applications, the documentation management system (a confirmation) and the liquidity portal (cash flow announcement). The treasury process is carried out in the same way for SID Bank, loan funds, the Fund of Funds, contingency reserves.

In the context of the existing application, the records and calculations are also carried out for the purposes of hedging interest rate risk in accordance with the Hedge Accounting (Fair Value/Cash Flow Hedge). Our desire is to have an automated and integrated treasury application with a limit system, a system of personal authorisations, an AML procedure and SPPI tests.

Currently, the Bank uses the following instruments/transactions:

- Treasury bills
- Emission allowances
- Shares
- Investment coupons
- Alternative funds
- Equity holdings
- Cross currency swaps
- Bills of exchange
- Interest rate swaps
- Bonds
- Certificates of deposit
- FX futures
- FX swap (spot)

Currently, the Bank uses the following hedge accounting (--> indicates a change in interest rate):

HEDGE INSTRUMENT	HEDGING INSTRUMENT	INTEREST RATE SWAP
Bond issued/Credit liabilities	IRS	FIX-->VAR
Bond/Credit assets	IRS	FIX-->VAR

Bond issued/Credit liabilities	IRS	VAR-->FIX
Bond issued/Credit liabilities in foreign currency	CCIRS	FIX-->VAR
Bond issued/Credit liabilities in foreign currency	CCIRS	VAR-->VAR
Bond/Credit assets in foreign currency	CCIRS	FIX-->VAR
Bond/Credit assets in foreign currency	CCIRS	VAR-->VAR
Bond issued/Credit liabilities in foreign currency	FX SWAP	FIX-->VAR
Bond issued/Credit liabilities in foreign currency	FX SWAP	VAR-->VAR
Bond/Credit assets in foreign currency	FX SWAP	FIX-->VAR
Bond/Credit assets in foreign currency	FX SWAP	VAR-->VAR

Minimum types of functionalities to be provided by CORE for treasury transactions include:

a) Closing of a transaction:
   - Verification of limits of credit risk exposure
   - Verification of other limits (structural, statutory)
   - Verification of authorisations for the closing of transactions
   - Approval by senior management if the level of authority for the closing of a transaction is too low
   - Entry of a new partner
   - Entry of a new investment
   - SPPI test (first purchase of debt instruments)
   - Verification of balance in the pool of collateral at Banka Slovenije (before the sale)
   - AML procedures prior to the conclusion of a transaction
   - Execution of a transaction (entry of the order into Bloomberg)
   - Confirmation email of a concluded transaction
   - Preparation of data for reporting
   - Recording of a transaction
   - Recording the confirmation in the documentation management system and approval
   - Recording the transaction in the liquidity portal (cash flow announcement) and confirmation of announcement by the Treasury Department
   - P&L calculation
b) Transaction verification and posting:
   - Receipt of the confirmation from the Treasury Department
   - Verification of limits of credit risk exposure
   - Verification of authorisations for the conclusion of transactions
   - Transaction entry review and control
   - Verification of the inventory number of investments in the event of a sale
   - Control of the confirmation by a counterparty's confirmation
   - Control and coordination of counterparty instructions
   - Preparation of a confirmation of a concluded transaction (MT300 for currency swaps)
   - Review of the SPPI test (in the event of a new investment)
   - Transaction compliance confirmation
   - Preparation and submission of settlement instructions to a custodian bank
   - Preparation of a payment order
   - Coupons of interest and principals
   - Dividends
   - Corporate actions (split, consolidation, name change, renomination)
   - Cash settlements
   - Advances for unissued financial instruments (posting of receivables)
   - Overview of prices of investments

- Overview of interest rates for valuation of derivatives
- Impairments of debt financial instruments
- Valuation (EIR control in the purchase)
- Maintaining the FIFO series for each investment and accounting category separately within a selected portfolio (customer/fund)
- Automatic cancellations of transactions and valuations by taking to consideration the FIFO series
- No. of investment lots
- Fair value calculation
- Cost calculation
- Amortised cost calculation
- Adjusted fair value calculation
- Impairment group designation recording (Stage)
- Recording of impairments
- Tax rate in %
- Calculation of deferred taxes
- Calculation of EIR
- Average EIR
- Exchange rate differences
- Calculation of hedging performance (hedge accounting)
- Calculation of credit value adjustment (CVA)
- Changing of organisational units
- Classification/removal of investments into/from the pool of eligible collateral at Banka Slovenije
- Value of the pool of collateral at Banka Slovenije
- Valuation and posting of the balance of the pool of collateral at Banka Slovenije
- Off-balance-sheet receivable/liability for investments
- Automatic bookkeeping into general ledger
- Collateral received (addressed also within collateral)
- Collateral provided (addressed also within collateral)

D. Deposits and other borrowing transactions

Currently, the Bank uses the following transactions:

a) Long-term debt instruments (except securities):
- Bonds issued
- Certificates of deposit issued
- Schuldschein Loans
- General purpose loans
- TLTRO (Eurosystem operation: Targeted longer-term refinancing operations)
- Specific-purpose loans of special foreign or international institutions
- Loans of the Republic of Slovenia
- Loans of a Fund of Funds

b) Deposits
- Deposits placed (placements) and deposits received (borrowings);
- Callable deposits;
- Internal deposits between the Fund of Funds accounts;
- Eurosystem operations (Banka Slovenije): deposit facility, fixed-term deposit, intraday credit, marginal lending facility, MRO, LTRO

c) Credit lines (assets or liabilities)

Minimum types of functionalities to be provided by CORE for deposits and other liability transactions:

- Verification of limits of credit risk exposure
- Verification of authorisations for the closing of transactions
- Verification of other limits (structural, statutory)
- Approval by senior management if the level of authority for the closing of a transaction is too low
- AML procedures
- SPPI test (deposits placed, credit lines)
- Entry of transaction/annex (closing, issuance, repayment, purchase)
- Recording the transaction in the liquidity portal (cash flow announcement) and confirmation of announcement by the Treasury Department
- Data on the bond and the issue
- Hedge accounting
- Amortisation schedule
- Document updating
- Loan drawdown
- Internal loan drawdown (loan fund)
- Calculation of the EIR
- Recording of off-balance-sheet items
- Recording of an annex
- Recording of a contract
- Equalisation recording
- Informative calculation of interest
- SOI forms
- Downpayment posting
- Posting in accordance with IFRS 9
- Consolidation of agreements
- Changing of account chain
- Changing of organisational units
- Changing of customer relationship managers
- Calculation of ordinary interest
- Calculation of costs and fees
- Calculation of default interest
- Reminders for contracts
- Automatic bookkeeping into general ledger
- Fair value
- Cost
- Amortised cost
- Adjusted fair value
- Deferred fees and commissions
- Manual journal entry
- Manual calculation of interest
- Manual entry of transactions
- Changing maturity of documents
- Change to % of impairments (deposits placed, credit lines)
- Change to the group of impairments (deposits placed, credit lines)
- Change to the credit rating (deposits placed, credit lines)
- Counterparty conformation (MT320)
- Payment orders
- Cancellations
- Exchange rate differences
- Closing of an agreement
- Collateralisation of liabilities (addressed also within collateral)

- Monitoring contractual commitments
- Loan fund result posting
- Fund of Funds result posting
- Posting of shifts
- FATCA status
- CRS status

E. Payment transactions

Phases of process/functionalities:

- Collection of data on projected downpayments and outflows from/to accounts
- Confirmation of cash flow announcements (projected downpayments and outflows from/to accounts) by Treasury Department
- Drafting of payment orders
- Confirmation of outflows – payment orders
- Internal transfers between accounts
- Preparation of an payment instructions to SWIFT
- Authorisation of an payment instructions to SWIFT
- Sending an payment instructions to SWIFT system
- Preparation of an payment instructions to Halcom E-bank
- Authorisation of an payment instructions to Halcom E-bank
- Sending an payment instructions to Halcom E-bank system
- Control over payment instructions
- Payments reconciliation of the accounts of the Bank
- Exchanging the RMA keys
- Establishing or changing a credit line with the Eurosystem
- Drawdown/repayment of an intraday loan with the Eurosystem
- Payment order posting
- Closing of suspense accounts in general ledger
- Control of suspense accounts
- Verification of the payer of obligations relating to loan and guarantee transactions
- Recording the accounts of the Bank and account balance
- Meeting the minimum reserve requirements
    o Checking the correctness of the calculation
    o Checking the correctness of entries in the internal calculator
    o Confirmation of the proposed measure to meet the minimum reserve requirements (lease, placement)
- Interest calculation on a settlement account

F. General ledger

The general ledger in CORE will completely replace the existing application and will be the only general ledger for all transactions of the Bank.

Phases of process/functionalities:

- It should be possible to record and post any type of amount and any product/service life cycle stage in the analytical and synthetic accounts of the Bank. CORE must permit parameterised entries of products, transactions, process phases and invoices.

- Each record must contain a posting source, number of batch or journal entry, business unit and analytical data: account, cost centre, date of entry, date of the period or period, amount debited or credited, and for entries in a foreign currency the currency code and amount in foreign currency debited or credited as well as its equivalent debited or credited as well as other data where relevant for a specific entry such as a cost unit, business partner, document date, maturity date, document number, closing number or reference and transaction description.
- User recording in a specific record.
- Maintaining accounting records at the level of a business unit, account, cost centre and cost units.
- All transactions are to be recorded with an entry date, date of the period or period and document date, as well as with a maturity date depending on the type of transaction.
- Setting a time lock to limit retrospective posting. By setting the maximum number of days for posting, the posting is limited for a date of the period or period.
- Automatic numbering of journal entries by a specific source.
- Manual entry of transactions into the application, including the recording by business partner and entering a business partner to the revenue and expense accounts.
- Import of a created journal entry from Excel.
- Creation of automatically reversed journal entry.
- Copying of a posted journal entry.
- Manual entry of transactions without any controls or with limited system controls.
- Automatic transfer of data from analytical accounting records, including manual activation.
- Carrying out system controls in manual entry of transactions (e.g. blocking on account existence, cost centre, business partner, warning on cost unit existence, blocking on the wrong side of posting and date control of period date or period due to the time blocking and consequently limiting retrospective posting) and transferring data from analytical records (e.g. on account existence, account activity, side of posting, correctness of equivalent in domestic currency for a foreign currency, including a conversion in relating to the exchange rates, and date control of the period date or period due to the time block and therefore the limiting of retrospective posting).
- Automatic transfer of transactions for a selected period between business units, accounts, cost centres or business partners.
- Maintaining the general ledger in domestic and foreign currency with the equivalent in domestic currency.
- Automatic closing of transactions by business partner, including manual closing.
- Review of account cards, including an insight into counter entries and entire journal entries of a selected entry.
- Search for entries and entry batches.
- Review of trial balance and by choosing an account, an immediate insight into the selected account card.
- Automatic calculation of a tax on financial services, calculation and preparation of the Tax on financial services form, submission of the report directly to web portal of Financial administration of the Republic of Slovenia (eDavki) and creation of a file.
- Drafting of internal reports at the level of a business unit, account and cost centre.
- Closing revenues and expenses by business unit and cost centre.
- Preparation of opening balances by business unit and cost centre.
- Preparation of data for data warehouse (DWH) at each posting/record into the general ledger.
- Automatic control of the matching of the balances in analytical applications and the general ledger.
- Maintaining a general ledger for multiple companies.
- Calculation of exchange rate differences through automatic posting to foreign currency accounts and accounts of foreign exchange losses and gains.
- Carrying out control and confirming manual journal entries in the general ledger, "four-eyes controls".
- Impairments in accordance with IFRS 9.

G. ERP for receivables, payables and inventory

ERP for receivables, payables and inventory ("Saldakonti") application is used at SID Bank as a sub-ledger for entering and posting transactions relating to trade receivables and trade payables as well as their settlement, various overviews and printouts by business partner for the needs of internal and external users and for maintaining VAT records.

The invoicing ("Fakturiranje") application is intended for the preparation of outgoing invoices for the services provided or the sale of fixed assets on the basis of a contract concluded.

Phases of process/functionalities:

- Each record must contain a posting source, number of batch or journal entry, business unit and analytical data: account, cost centre, date of entry, date of the period or period, amount debited or credited, and for entries in a foreign currency the currency code and amount in foreign currency debited or credited as well as its equivalent debited or credited and other data where relevant for a specific entry such as a business partner, a cost unit, document date, maturity date, document number, closing number or reference, transaction description and an additional description field.
- User recording in a specific record.
- All transactions are to be recorded with an entry date, date of the period or period and document date; when establishing trade receivables or trade payables, a maturity date, a date of receiving the accounting document and a date for the VAT ledger must be recorded.
- Setting a time lock to limit retrospective posting. By setting the maximum number of days for posting, the posting is limited to a date of the period or period.
- Setting the time lock for the VAT period;
- Invoicing, creation of the outgoing invoice:
  - Automatic numbering of outgoing invoices;
  - Possibility of creating an outgoing invoice, a credit note, pro-forma invoice;
  - Calculation of discount for an individual item or the entire invoice;
  - Calculation of default interest for late payments and preparation of a reminder for overdue invoices;
  - Electronic liquidation, preparation and submission of e-invoices;
  - Copying of the data of the already created outgoing invoice;
  - Type of tax linked to the VAT clause according to the service in the code list and a type of buyer (domestic/EU/third countries/taxable person/non-taxable person);
  - Preparation of outgoing invoice postings based on account matrices (posting rules);
  - Transfer of metadata to the documentation system;
  - Transfer of entries to the ERP for receivables, payables and inventory;
- Automatic numbering of journal entries by a specific source;
- Manual entry of transactions;
- Import of a created journal entry from Excel;
- Acceptance of entries from other programs (e.g. Invoicing – outgoing invoices);
- Creation of an auto-reversing journal entry;
- Copying of an already posted journal entry;
- Transfer of metadata and PDF invoice from the documentation management system and transfer of the date of the invoice payment from ERP for receivables, payables and inventory to the documentation system;
- Posting of trade receivables and trade payables with the simultaneous posting in VAT accounts;
- Recording a business partner to the revenue and expense accounts;
- Distributing entries by cost centre or cost unit using a key;
- Preparation of an automatic journal entry for deferred costs;

- Automatic preparation of a payment order for domestic and foreign suppliers simultaneously with the entry in the ERP for receivables, payables and inventory and the possibility of setting rules for creating a reference. A possibility of combining payment orders of the same supplier into one payment order, creating a payment specification which is sent to the supplier via email, and automatic closing by individual document according to the created specification when entering a bank statement;
- Storing of unfinished entries for subsequent further processing;
- Forwarding of payment orders to electronic banking;
- Electronic acceptance of a bank statement from the electronic banking system and the setting of rules for automatic account allocation and closing of invoices received and issued;
- Performing system controls when entering business events based on the parameters defined in the application or code lists (e.g. date of period control and thus the restriction of retroactive posting, date restriction for the VAT period, blocking on the existence or validity of accounts, cost centres, business partners, business units, cost centres or a wrong posting side);
- Automatic transfer of the postings of transactions for a selected period between business units, accounts, cost centres or business partners;
- Automatic closing of transactions by business partners at the level of a document, including manual closing;
- VAT calculation
    - Setting rules for automated posting to VAT receivables and payables accounts according to the selected type of taxation, including separate setting of automated VAT posting for transactions in one's own name and transactions in one's own name on behalf of a third party;
    - Keeping a tax ledger of invoices issued and received;
    - Automated input of the data on VAT exempt transactions from other analytical applications;
    - A possibility of manual entry in tax ledgers;
    - Calculation of the VAT form (DDV-O) and automatic control of tax account entries and of tax in VAT ledgers;
    - Preparation of the EC Sales Lists (RP-O reports) and automatic control of supplies of goods and services within the community with a VAT ledger of invoices issued;
    - Generation of records of supplies (Value Added Tax Act, Article 76a);
    - Submission of VAT reports directly to web portal of Financial administration of the Republic of Slovenia (eDavki) and creation of a file;
    - Creation of an automatic journal entry for VAT;
    - Automatic closing of VAT receivables and payables accounts by individual document/invoice;
    - Calculation of the changed deductible portion of VAT for invoices received;
    - The "txt" file of the tax ledger of invoices issued and received in the format prescribed by the Financial administration of the Republic of Slovenia.
- Calculation of exchange rate differences at the document level through automatic posting to foreign currency accounts and accounts of foreign exchange losses and gains.
- Calculation of cent roundings.
- Search for entries using conditions of various parameters.
- Review of account cards, including an insight into counter entries, VAT entries or the entire journal entry of a selected entry.
- Printout of account cards, printout of open items, SOI form (review on screen, PDF, Excel).
- Review of the journal of entries.
- Drafting of internal reports at the level of a business unit, account and cost centre.
- Transfer of data to the general ledger at the synthetic level by type of transaction.
- Preparation of data for data warehouse at each posting/record into the ERP for receivables, payables and inventory.
- Automated preparation of entries of accrued costs (optional).
- Impairments according to IFRS 9

- Automatic control of the matching of the balances of the analytical application and the general ledger.
- Implementation of controls and the confirmation of entries, "four-eyes controls".
- Closing of the year and the preparation of opening balances.

H. Fixed assets and small inventory

The application is intended for managing transactions related to tangible fixed assets, small inventory and intangible fixed assets (e.g. purchasing, depreciation, disposal, revaluation and reallocation of fixed assets), keeping records and preparation of overviews and printouts for the needs of internal and external (audit) users, and for the purpose of inventory. Fixed asset management takes place in accordance with IFRS.

Required functionalities:

a) Monitoring of transactions linked to an individual item of property, plant and equipment, small inventory or intangible asset (hereinafter: fixed asset) by location, cost centre and account:
- Entry of a new item of fixed assets (possibility of entering multiple identical items of fixed assets with one entry and of entering a new item of fixed assets using an already existing inventory number), where the possibility of entering the supplier and the number of the invoice received must be supported;
- Upgrade of the existing item of fixed assets, where the possibility of entering the supplier and the number of the invoice received must be supported;
- Disposal of an item of fixed assets due to write-off or sale;
- Impairment and reversal of fixed asset impairment;
- Calculation of amortisation/depreciation by day (applying the linear method), whereby the temporary (monthly) amortisation/depreciation and the final (annual) amortisation/depreciation are calculated and attributed to the fixed asset item, using the percentage of amortisation/depreciation specified in the code table of the depreciation category and taking into account the changes resulting from impairment or the reversal of impairment of the fixed asset item and transfers between cost centres; the calculation of amortisation/depreciation for previous months if the fixed asset item is activated with a retroactive date and the possibility of posting amortisation/depreciation of an individual fixed asset item to different cost centres (distribution by key);
- Keeping records of amortisation/depreciation for tax purposes at rates determined in accordance with applicable legislation (Corporate Income Tax Act);
- Transfers between locations or cost centres;
- Automated adjustment to the input VAT in case of a change to the percentage of the deductible portion of VAT;
- Separate user rights when making entries in the fixed assets register for administrators of fixed assets (possibility of entering new fixed asset items and upgrading the existing ones, printing handover records and receipt forms (a form to assign a fixed asset to an employee), transfers between locations and cost centres) and the administrator of the fixed assets register (recording of all the above-mentioned business events associated with fixed assets).
b) Creation and printout of journal entries for posting to the general ledger accounts at the level of business unit, cost centre and account, and automatic transfer to the general ledger or the preparation of a file to be imported into the general ledger.
c) Overviews and printouts:
- Printout of handover records and receipts;
- Overview and printout of the register of fixed assets (xls, PDF) by various parameters on a specified date and fast and transparent search in the register (search on the basis of several criteria – fixed asset code, name, account, location, cost centre, date of purchase, disposal date, depreciation category, etc.);

- Various journals (printouts by type of transaction or business event);
- A fixed asset card (with the possibility of taking into account temporary depreciation);
- Calculation of disposed fixed assets;
- Depreciation charged for assets in use and disposed assets;
- Calculation of depreciation of existing fixed assets in future periods;
- Overview of assets on receipt;
- Monitoring business and tax depreciation by individual fixed assets item;
- Overview of the history of changes;
- Adjustable printouts.

d) Inventory:
- Printout of inventories, including their customised arrangement;
- Preparation of files for fixed asset inventory using a barcode scanner;
- Import of inventory results into the register for further processing and automatic entry of inventory surpluses, shortages and disposals and transfers between locations.

e) Optional:
- Drawing up forms according to statistical codes for the purpose of reporting to the Statistical Office of the Republic of Slovenia;
- Fixed asset management in accordance with IFRS 16 Leases.

II. Development bank features

A. SEGIP

SEGIP is a programme of equity and near-equity financing of Slovenian growth companies (exceptionally also in the early stages of development).

Firm commitments have been given by SID Bank to contribute EUR 50 million and by EIF to contribute EUR 50 million to the SEGIP. The SID Bank's contribution of EUR 50 million covers the costs of managing the SEGIP and provide equity and near-equity financing of companies. The latter is carried out through three types of activities:

- Investments in private equity funds in accordance with an open call ("Primary Fund Investment – open call") – as regards this type of financing, the investments are made in equity holdings or units of private equity funds[1] via primary issues in accordance with the principle of "advance contribution"; under the investment policy, these funds undertake to invest in Slovenian companies; the funds include Slovenian and foreign funds managed by the managers identified as appropriate by EIF;
- Investments in private equity funds in accordance with a closed call ("Primary Fund Investment – Closed call") – this is the same type of financing as in the preceding indent except that these are investments solely in Slovenian private equity funds committed to invest primarily in Slovenia companies;
- Co-investment – together with the EIF, funds are paid in shares or equity holdings of a newly set up company (SPV) to provide equity and near financing to one or more Slovenian companies, alongside private investment funds.

In accordance with the contract, SID Bank has authorised EIF to make investment decisions and carry out payments of funds (own or SID Bank's funds) for investments in CIU, whilst SID Bank has the ability to veto the investment proposals. EIF makes investments of SID Bank's funds on its own behalf and it is, therefore, a legal owner, whereas SID Bank is the financial beneficiary from investments. SID Bank's contributions to investments in CIU take place via a fiduciary account held by EIF. The Bank monitors exposure to CIU in

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[1] These are funds treated as collective investment undertakings (CIU) in accordance with EU regulations

analytical applications; however, it wants to have the data on investments in final beneficiaries of programme funds.

Main SEGIP process stages:

- Receipt, assessment and approval of investment proposals/transactions submitted by EIF and subsequent recording of approved investment transactions (investments in CIU) in SID Bank's books via payment instructions to the fiduciary account,
- Receipt of requests for payment of SID Bank's funds into the fiduciary account and transfer of funds into the fiduciary account,
- Monitoring downpayments /outflows in the fiduciary account,
- Monitoring investments in CIU (valuation of investments in CIU (possibility of separate valuation by payment round, possibility of averaging to the entire portfolio of payments for a specific investment; excluding the automatic valuation of new entries/payments in the fund), reporting to external institutions, exposure monitoring, calculation of the impact on own funds, compilation of reports for the management board and supervisory board, etc.),
- Possibility of subsequent recording of transactions in relation to an increase/decrease in fair value on investment transaction recognition and on disposal of investment operations (subsequent sales price correction),
- Exit from investments in CIU and the related recording in analytical records of the Bank.

B. Fund of Funds (FOF)

The Bank obtains a Fund of Funds loan from the ESI funds. Fund of Funds are assets managed by SID Bank on the basis of the Financing Agreement for FI 2014-2020 operation and/or Financing Agreement for FI COVID-19 operation. As such, it constitutes a contribution of the Operational Program for the Implementation of Cohesion Policy in the programming period 2014-2020 for the implementation of several financial instruments. SID Bank holds these assets in a separate sub-account where SID Bank has no legal title in accordance with the provisions of agreements. Within the Fund of Funds assets are allocated to several sub-funds in accordance with the relevant thematic objectives. As manager of the Fund of Funds, SID Bank allocates funds to final recipients either through financial intermediaries or itself as a provider of financial instruments and portfolio guarantees for financial institutions. In implementing the financial instruments, the ESI funding is complemented by the funds of other public and private investors.

Process	Core Yes/No	Functionality
Selection of Fund of Funds manager	No	
Signing of the Financing agreement	Yes	Recording of the Agreement/recording of off-balance-sheet items
Manager's funds drawdown	Yes	Recording of downpayment /recording of off-balance-sheet items
Selection of financial intermediaries through a call	No	
Signing of the Framework funding agreement	Yes	Recording of the agreement/recording of off-balance-sheet items
Transfer of funds to financial intermediaries	Yes	Recording of downpayment /recording of off-balance-sheet items
Signing of the appendix to the Funding agreement	Yes	Recording of the appendix

Liquidity redistributions within priority investments in the context of the Funding agreement	Yes	Recording of "internal deposits" in the context of investment priorities, cohesion regions
Liquidity redistributions with financial intermediaries	Yes	Posting of liquidity redistributions
Management fee (SID Bank as manager)	Yes	
Performance fee (SID Bank as manager)	Yes	
Management fee (SID Bank as financial intermediary)	Yes	
Performance fee (SID Bank as financial intermediary)	Yes	
Management fee (other financial intermediaries)	Yes	
Performance fee (other financial intermediaries)	No	
Direct implementation of financial instruments by SID Bank	Yes	
Selection of financial institutions for the provision of portfolio guarantees	No	
Signing of the agreement on participation without funding (portfolio guarantees)	Yes	Recording of a contract
Release of a guarantee quota	Yes	Recording of off-balance-sheet items
Inclusion/exclusion of loans in the guarantee	Yes	Recording of off-balance-sheet items, recording of collateral
Enforcement of a guarantee	Yes	Payment of a guarantee, recording of off-balance-sheet items
Reporting by financial intermediaries - financial report	Yes	Recording of shifts, management fee control
Reporting by financial institutions	Yes	Recording of shifts
Preparation of SID Bank's financial report	Yes	Recording of shifts, drafting a report
Deferral of interest from the sub-account balance	Yes	
Calculation of interest from sub-account balance	Yes	
Settlement of interest from sub-account balance	Yes	
Establishing the Fund of Funds performance	Yes	

C. Loan funds

A loan fund is a permissible type of the implementation of a financial engineering measure in accordance with public finance regulations applicable to state budget users. A financial engineering measure is a financial

support measure by which the state provides refundable funds from the state budget, increased by other public or private funds, and implemented through a combination of various financial instruments in order to achieve one or more specific objectives of the development programme.

SID Bank does not implement the financial engineering measure as an agent of the Republic of Slovenia but in its own name and for its own account, and is obliged to report to the ministry in charge on a regular basis. As a result, SID Bank is to keep separate accounting records for each loan fund as if each loan fund is maintained in a legally independent organisation.

In addition to the assets of the state budget, SID Bank also provides other own assets for the implementation of the financial engineering measure thru Loan funds. As part of the financial engineering measure, SID Bank provides, for example, financially more favourable loans for final recipients. SID Bank reuses the funds arising from the repaid loans for final recipient financing. The manner of managing any loan fund assets not transferred to final recipients at a given moment (hereinafter: available funds) is prescribed. All available funds of each loan fund, i.e. cash, deposits, investments, etc. are to be kept separately from other assets of the Bank.

Process	Core Yes/No	Functionalities
Monitoring of the first use of loan fund assets	Yes	The Republic of Slovenia loan agreement lays down the volume of transactions relating to the first use of loan fund assets. As long as the first use in the loan fund is not completed, the Bank monitors the volume of originated and drawndown loans of the loan fund until all drawdowns are carried out as agreed for the first use. If no drawdown of the approved loans takes place, the undrawn loans are to be replaced by other loans, including any loans already executed (or an appropriate portion thereof) from the second use before proceeding with the financing within the second use.
SID Bank's lending to the loan fund	Yes	SID Bank transfers own funds into the loan fund up to the amount as specified in the Republic of Slovenia loan agreement. To this end, SID Bank uses other sources of long-term borrowing. The structure of such funds is defined at the financial programme level. On the date of the drawdown of a given loan from the loan fund, the relationship manager prepares an internal payment order for the transfer of the SID Bank's assets into the loan fund, including a specification of sources of funding of the drawdown loan given. The specification is prepared on the basis of the funding structure as identified at the financial programme level. The Treasury Department approves the internal payment order referred to in the preceding paragraph. The funds are transferred to a special loan fund sub-account on the basis of the approved internal payment order.
Calculation of loan fund management fee	Yes	SID Bank is entitled to a management fee for the loan fund management. The fee calculation is based on loans concluded within the framework of the fund. The fee is calculated on a quarterly basis.
Determination of the loan fund performance	Yes	Under the Republic of Slovenia loan agreement, the liability of SID Bank towards the Republic of Slovenia varies in accordance with the loan fund performance. The Accounting Department carries out monthly calculations of the result of the loan fund based on the performance data of each loan fund. The loan fund result is included in the analytical records for each Republic of Slovenia loan agreement.

Monitoring the potential for loan fund assets refinancing	No	SID Bank approves new investment transactions as part of the reuse of funds returning from the loan fund loans based on the available potential for refinancing. For the purpose of monitoring the maximum volume of new loans arising from the reuse, SID Bank carries out monthly calculation of available potential for refinancing based on monthly accounts and other data, and reports this to the competent decision-making body.

Loan fund accounting principles:

The transactions carried out by SID Bank within the framework of loan funds in its own name and for its own account are included in SID Bank's balance sheet. The same accounts are used for entries as for other banking transactions. Pursuant to the Republic of Slovenia loan agreement, SID Bank is to keep separate accounting records for each loan fund by creating separate cost centres.

Considering that sources of funds (and the related expenses and revenues) invested in the loan fund by SID Bank need to be recorded to ensure the correct presentation of balance sheets of each loan fund as well as the correct presentation of the Bank's balance sheets, a separate business unit (PE 500) is set up for this purpose. SID Bank's contribution is invested in the loan fund as a so-called internal loan and is posted in the context of this business unit (PE 500). The management fee is also posted in the PE 500 business unit.

The liability of the Republic of Slovenia arising from its contribution to the loan funds is measured at amortised cost. On the basis of the agreed upon first loss clause the result of each loan fund is established on a monthly basis and the liability towards the Republic of Slovenia valued/adjusted. A separate analytical account is created for the valuation of liabilities.

D. State aid

State aid is an advantage stemming from state resources that distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods/services.

Process	Core Yes/No	Details
State aid calculation (NKA, Calculator)	No	
State aid recording	Yes	Data transfer: type of state aid, amount, type of interest rate to calculate the interest in the event of unlawful/misused state aid
State aid reporting (NKA)	No	
Unlawful/misused state aid	No	If it is established when monitoring the special purpose use that unlawful state aid has been granted to a customer or that the state aid has been misused, the customer is requested to repay the unlawful or misused aid. If the customer rejects the repayment of the aid, the loan is cancelled. In addition to the whole loan the customer is to repay the unlawful/misused state aid, plus interest. The amount of the unlawful/misused state aid is calculated in a spreadsheet (Excel). A letter – a notice from NKA is sent to the customer.

Recording the amount of the state aid to be recovered	Yes	A relationship manager submits the order for recording the unlawful/misused state aid through the documentation management system on the basis of the confirmed report on monitoring the special purpose use. The amount of state aid to be recovered is recorded in the application as of the date of the order and the calculation of interest on the said amount. Currently, the amount of state aid to be recovered, including interest, is recorded as interest, whilst in CORE we need separate recording, since the closing priority is diverse (first costs, followed by fees and default interest, then contractual interest, principal and all other overdue unpaid claims, including the amount of state aid to be recovered).
Calculation of interest on the amount of state aid to be recovered	Yes	The interest rate is determined by adding 100 basis points to the base rate applicable in the period of a specific transfer until the recovery of the unlawful/misused aid or until the initiation of the insolvency procedure. As regards the interest calculation, the applicable interest rate is determined first in relation to the date of each drawdown. Subsequently, a new interest rate is determined each year on 1st January (based on the published base interest rates). At the same time, the interest calculated of the previous year is added to the base providing a new basis for the current year (a compound basis). Moreover, the interest rate may be fixed in a contract, e.g. statutory interest rate for late payment. Interest is calculated on a monthly basis on the last day of each month. The first but not the last day is taken into consideration when counting the days. The interest calculation method is specified in the contract.

III.   Examples for POC

The following examples are to be prepared for a POC covering specific areas indicated in this chapter under individual sub-chapters. The bidder is to recognise the feasibility of a candidate if the candidate receives at least 50 points out of 90 points after the presentation of the POC as indicated in this chapter. Scoring is described in more detail in the "POC and requested functionalities.xlsx" document.

A. Loans, guarantees and collateral

1.   Long-term loan in EUR

Parameters of agreement:

- Amount of agreement: EUR 800,000.00
- Date of signature of agreement: 11/06/2020
- Agreement maturity date: 11/06/2030
- Drawdown date: 17/6/2020 (300,000.00), 15/07/2020, (500,000.00)
- Principal repayment period: 1M
- First instalment due date: 10/02/2021 If the instalment due date falls on a non-working day, move the due date back to the last working day.
- Interest rate: 6M Euribor (zero floor) + 2.5%.
- Reference interest rates period: 6M, linked to the drawdown date.
- Calculation method: linear, actual/360. The calculation takes account of the first day but not the last day.
- Calculation period: monthly (calendar) (01/07/2020, 01/08/2020, etc.)

- Due date: On the 10th of each month; if the instalment due date falls on a non-working day, move the due date back to the last working day.
- Penalty interest rate: 1%. The ordinary interest rate is increased by 1% in the event of late payment of interest, costs, principal.
- Cost: approval fee amounting to 0.5% of the amount of the agreement, 0.35% p.a. on the undrawn amount of the undrawn loan amount.
- Security: the loan is secured by a guarantee. The amount of security is adjusted to the loan agreement balance.

Expected functionalities:

Recording of the agreement, loan drawdown (transfer to the customer not being a borrower, creation of a MT order), moratorium, amortisation schedule (partial), interest calculation for one year, review of repayments/downpayments (various types of downpayments), review of transactions, review of outstanding liabilities (e.g. the instalment due on 10 February 2021 was paid on 15 February 2021), default interest calculation, review of matching the value of collateral with loan balance, review of the source from the passive contract (link between contracts on assets side and contracts on liabilities side), review of entries in accordance with IFRS 9 (three examples: a loan measured at amortised cost, group 1, impairment 5%; a loan amortised at fair value; a loan with deteriorated credit quality upon recognition-POCI).

On 1 March 2021, the customer repaid the loan of EUR 200,000.00 early, partially (the instalments are closed proportionally). Our desire is to see how an early repayment is recorded. On 20 March 2021, the customer announced early repayment in full to be carried out on 25 March 2021 (review of an indicative amount for repayment, recording of an early downpayment). We expect to see the closing procedure of contracts and connected collaterals.

2. *Long-term revolving loan in USD*

Parameters of agreement:

- Amount of agreement: USD 1,000,000.00
- Date of signature of the agreement: 12/06/2020
- Agreement maturity date: 30/06/2021
- Drawdown date: 18/6/2020 (600,000.00), 22/06/2020, (400,000.00)
- Principal repayment period: at maturity
- First instalment due date: 30/06/2021.
- Interest rate: 6M USDLIBOR + 1.0%.
- Reference interest rate period: 6M, linked to the drawdown date.
- Calculation method: linear, actual/360. The calculation takes account of the first day but not the last day.
- Calculation period: 1M (18/07/2020, 18/08/2020…).
- Due date: On the 10th of each month; if the due date falls on a non-working day, move the due date back to the last working day.
- Penalty interest rate: 1%. The ordinary interest rate is increased by 1% in the event of late payment of interest.
- Cost: of approval EUR 1,000.00
- Collateral: bill of exchange, deposit, real property.
- The loan is measured at amortised cost, group 1.

Expected functionalities:

Recording of the agreement, drawdown of loan (transfer and preparation of a MT order), cost calculation, interest calculation for one year, review of downpayments and new drawdowns, review of transactions, review of outstanding liabilities, exchange rate differences, review of collateral liquidation procedure, review of write-off (off-balance sheet, write-off).

3. *Long-term loan in EUR – annex: changed interest rate*

Parameters of agreement:

- Amount of agreement: EUR 1,000,000.00
- Date of signature of agreement: 11/06/2020
- Agreement maturity date: 11/06/2030
- Drawdown date: 17/6/2020 (1,000,000.00)
- Principal repayment period: 1M
- First instalment due date: 10/02/2021 If the instalment due date falls on a non-working day, move the due date back to the last working day.
- Interest rate: 6M Euribor (zero floor) + 1.0%.
- Reference interest rates period: 6M, linked to the drawdown date.
- Calculation method: linear, actual/360. The calculation takes account of the first day but not the last day.
- Calculation period: monthly (calendar) (01/07/2020, 01/08/2020, etc.)
- Due date: On the 10th of each month; if the due date falls on a non-working day, move the due date back to the last working day.
- Penalty interest rate: 1%. The ordinary interest rate is increased by 1% in the event of late payment of interest, costs, principal.
- Cost: approval of 0.1% of the amount of agreement, management fee of 0.01% of the balance of the principal - quarterly calculation, cost of the annex EUR 500.
- The loan is measured at amortised cost.

Expected functionalities:

Recording of the agreement, loan drawdown, moratorium, amortisation schedule, EIR, calculation of interest for one year, review of repayments/downpayments , review of transactions.

An annex to the agreement was signed on 8 January 2021 increasing the interest rate to 6M Euribor (zero floor) +1.35%. Our desire is to see the recording of the annex, assessment for IFRS 9 (modification, derecognition), calculation and posting of modification, accrual of adjustment of gross carrying amount of the financial asset as a result of a modification of contractual cash flows, contract closing upon repayment.

4. *Long-term loan in EUR - reprogram and bankruptcy*

Parameters of agreement:

- Amount of agreement: EUR 320,000.00
- Principal repayment: monthly, on the 10th of each month. If the instalment due date falls on a non-working day, move the due date back to the last working day.
- First instalment due date: 10/11/2022
- Agreement maturity date: 05/10/2028
- Interest rate: 6M Euribor (zero floor) + 3.72%
- Reference interest rates period: 6M, linked to the drawdown date.
- Calculation method: linear, actual/360. The calculation takes account of the first day but not the last day.
- Calculation period: monthly (calendar)
- Due date: On the 10th of each month; if the due date falls on a non-working day, move the due date back to the last working day.
- Penalty interest rate: 1%. The ordinary interest rate is increased by 1% in the event of late payment of interest, costs, principal.
- The loan is measured at amortised cost, group 3, impairment 85.66%.

The balance according to the agreement as at 13 November 2020 as shown below (by taking into consideration the fact that the interest is recorded until 1 November 2020):

Due date	Type	Amount EUR				Due date	Type	Amount EUR
10.11.2022	Principal	4.444,44						
09.12.2022	Principal	4.444,44						
10.01.2023	Principal	4.444,44						
⋮	⋮	⋮						
10.08.2028	Principal	4.444,44						
08.09.2028	Principal	4.444,44						
05.10.2028	Principal	4.444,76						
	PRINCIPAL total	320.000,00				Due date	Type	Amount EUR
10.05.2019	Interest	1.178,67				08.05.2020	Interest	1.258,67
10.06.2019	Interest	1.300,62				10.06.2020	Interest	1.291,74
10.07.2019	Interest	1.258,67				10.07.2020	Interest	1.258,67
09.08.2019	Interest	1.300,62				10.08.2020	Interest	1.300,62
10.09.2019	Interest	1.300,62				10.09.2020	Interest	1.300,62
10.10.2019	Interest	1.258,67				09.10.2020	Interest	1.258,67
08.11.2019	Interest	1.300,62				10.11.2020	Interest	1.300,62
10.12.2019	Interest	1.258,67					INTEREST total	8.969,61
10.01.2020	Interest	1.300,62				08.05.2020	Default interest	10,67
10.02.2020	Interest	1.300,62				10.06.2020	Default interest	11,02
10.03.2020	Interest	1.216,71				10.07.2020	Default interest	10,67
09.04.2020	Interest	1.300,62				10.08.2020	Default interest	11,02
	INTEREST total	15.275,73				10.09.2020	Default interest	11,02
10.12.2019	Default interest	11,38				09.10.2020	Default interest	10,67
10.01.2020	Default interest	11,02				10.11.2020	Default interest	11,02
10.02.2020	Default interest	11,02					DEFAULT INTEREST total	76,09
10.03.2020	Default interest	10,31				**Total balance 05.11.2020**		**344.376,18**
09.04.2020	Default interest	11,02						
	DEFAULT INTEREST total	54,75						
Total balance 31.03.2020		**335.330,48**						

Expected functionalities

On 5 November 2020, reprogram takes place with the effective date on 1 April 2020. According to the reprogram , the total outstanding liabilities as of 31 March 2020 become the new principal.
- Principal repayment: monthly, on the 10th of each month. If the instalment due date falls on a non-working day, move the due date back to the last working day.
- First instalment due date: 10/04/2021
- Agreement maturity date: 10/03/2028
- Interest rate: 6M Euribor (zero floor) + 1.15%
- Fee for the change: EUR 500, due date 8 days from the date of calculation

Other parameters under the contract remain unchanged.

Recording and posting of the reprogram – a change to the master data and carrying out the entries. New amortisation schedule. Entry of forbearance. IFRS 9 – derecognition is recorded. This is a loan with a deteriorated credit quality – POCI. Change in % of impairments to 78.12%. Calculation of a significant delay in accordance with the EBA Guidelines on the application of the definition of default.

- On 10 March 2021, bankruptcy was declared.
- On 12 October 2021, bankruptcy proceedings were concluded.
- On 27 October 2021, definitive conclusion of bankruptcy proceedings.

Review of the recording of changes and entries from the reprogram to the completion of bankruptcy proceedings.

5. *Syndicated loan - the Bank as an agent*

Parameters of agreement:

- Amount of agreement: EUR 20,000,000.00
- Bank as an agent: share 30%
- Bank 1: 25%
- Bank 2: 35%
- Bank 3: 10%
- Date of signature of agreement: 20/07/2020
- Agreement maturity date: 22/07/2030
- Drawdown date: 30/7/2020 (10,000,000.00), 10/08/2020, (10,000,000.00)
- Principal repayment period: 6M
- First instalment due date: 30/07/2024 If the instalment due date falls on a non-working day, move the due date forward to the next working day.
- Interest rate: 6M Euribor (zero floor) + 1.5%.
- Reference interest rates period: 6M, linked to the drawdown date.
- Calculation method: linear, actual/360. The calculation takes account of the first day but not the last day.
- Calculation period: half-yearly (30/01/2021, 30/07/2021…)
- Due date: 8 days from the date of calculation; if the due date falls on a non-working day, move the due date forward to the next working day.
- Penalty interest rate: 1%. The ordinary interest rate is increased by 1% in the event of late payment of interest.
- Cost: approval fee amounting to 0.1% of the amount of the agreement.

Expected functionalities:

Recording of the agreement, preparation of notifications on drawdown for other participants, loan drawdown, calculation of costs for all loan participants, amortisation schedule (a schedule for the Bank as an agent as well as for other participants), calculation of interest (for the Bank as an agent as well as for other participants), posting of downpayments , preparation of orders for transfers to other participants, preparation of notifications to participants upon loan repayment.

6. *Purchase of receivables*

Parameters of agreement:
- Amount of agreement: EUR 227,685.00
- Date of signature of agreement: 14/08/2020
- Agreement maturity date: 30/09/2022
- Drawdown date: 15/10/2020
- Principal repayment period: 6M
- First instalment due date: 31/03/2021 If the instalment due date falls on a non-working day, move the due date back to the last working day.
- Discount rate: 2.25%
- Cost: processing fee EUR 2,500.00

Expected functionalities:

Recording of the agreement, calculation of discount (VAT), processing fee calculation, drawdown, posting of downpayments , accounting of discount.

If available, our desire is to see the support for a syndicated purchase of receivables with multiple drawdowns (as an agent).

7. Guarantee

Parameters of agreement:
- Amount: EUR 10,000,000.00
- Agreement date: 13/04/2018
- Validity date: 26/07/2018
- Maturity date: 26/07/2023
- Purpose of the guarantee: payment
- Cost: guarantee fee of 0.1% of the amount of the agreement, risk fee of 0.7% (monthly). The cost is due to be paid within 8 days of the date of the calculation; if the due date falls on a non-working day, move the due date back to the last working day.

Expected functionalities:

Recording of the agreement, posting the off-balance-sheet items, decreasing the guarantee in relation to the loan balance, cost calculation, default interest calculation, collection of the guarantee (partial).

Take into consideration the fact that the delay in payment of the guarantee fee was 10 days.

8. FOF – Direct financing

The specific of the FOF direct financing product is that it the contract has two sources of financing (SID Bank's source, ECP's source), and that each part (source) of the contract is maintained in its own organisational unit. Each source of the contract has its own interest rate (the interest rate of the ECP's source may be 0%). Each drawdown takes place from both sources simultaneously as a single transfer. The customer is given a single amortisation schedule and one interest calculation containing both sources (including the one, for example, with the 0% interest rate). Another specific feature refers to the calculation of fees that may belong to one source or are divided proportionally between two sources. The customer also receives a single calculation in this case. In the event of a delayed payment the contractual interest rate increases in both sources. The payments are divided appropriately by sources. Each source may have a different percentage of impairment.

Parameters of agreement
- Amount of agreement: EUR 2,700,000.00 (the source of 62.5% of the amount of the agreement is ECP, and 37.5% of the amount of the agreement SID Bank)
- Date of signature of agreement: 18/07/2019
- Agreement maturity date: 18/07/2044
- Drawdown date: 19/7/2019
- Principal repayment period: 6M
- First instalment due date: 15/01/2020 If the instalment due date falls on a non-working day, move the due date back to the last working day.
- Interest rate for SID source: 6M Euribor (zero floor) + 0.77%
- Interest rate for ECP source: 0%
- Reference interest rates period: 6M, linked to the initial date of the drawdown.
- Calculation method: linear, actual/360. The calculation takes account of the first day but not the last day.
- Calculation period: 6M calendar (01/01/2020, 01/07/2020…)
- Due date: On the 15th of each month; if the due date falls on a non-working day, move the due date back to the last working day.
- Penalty interest rate: 1% for both sources. The ordinary interest rate is increased by 1% in the event of late payment of interest, costs, principal.
- Cost: approval fee amounting to 0.5% of the amount of the agreement (divided between two sources), for the change of EUR 500 (belongs solely to the SID Bank's source).

Expected functionalities

Recording of the agreement, loan drawdown, amortisation schedule, calculation of interest for two years (deferred, ordinary), review of transactions for two years.

Take into consideration the fact that the first interest charged was paid on 22 January 2020 and the first instalment of the principal on 30 January 2020.

9. Long-term loan in EUR – two interest rates

Parameters of agreement:
-   Amount of agreement: EUR 500,000.00
-   Date of signature of the agreement: 06/01/2021
-   Agreement maturity date: 36 months from the signing of the agreement If the instalment due date falls on a non-working day, move the due date back to the last working day.
-   Drawdown deadline: 28/02/2021
-   Drawdown date: 11/02/2021 (EUR 495,500.00)
-   Principal repayment period: 1M, on the last working day of the month
-   First instalment due date: 31/03/2021
-   Interest rate: 1M Euribor (zero floor) + 1% maturing on the tenth working day of the following month, and 1M Euribor (zero floor) + 3% maturing with the final maturity of the agreement
-   Reference interest rate period: 1M, it is first determined at drawdown and then re-determined with each period (for each interest calculation)
-   Type of calculation: linear, actual/360. The calculation takes account of the first day but not the last day.
-   Calculation period: on the last working day of every month
-   Penalty interest rate: 1%. The ordinary interest rate is increased by 1% in the event of late payment of interest, costs, the principal.
-   Cost: approval fee amounting to 0.5% of the amount of the agreement, fee due date 8 days from the date of calculation (calculated on the date of signing the agreement)

Expected functionalities

Agreement recording, drawdown under the agreement, moratorium period, amortisation schedule Calculation of costs and accounting of fees and commissions The customer pays the cost at maturity. Review of entries The undrawn loan amount is cancelled after expiry of the drawdown deadline Calculation of interest for a year, review of transactions. Review of the documents generated for the customer. Review of the informative schedule – repayment of principals and interest (liquidity forecast) Posting in accordance with IFRS 9 (loan is measured at amortised cost, stage 1, percentage of impairments: 13%)

10. Long-term loan in EUR – cancellation of the agreement and collateral in the form of a surety bond (additional agreement)

Parameters of agreement:
-   The agreement was drawn in full and partially repaid.
-   Balance of the principal as at 30 September 2020: EUR 1,000,000.00
-   Agreement maturity date: 25/08/2022
-   Principal repayment period: 1M, on the 10th of each month If the instalment due date falls on a non-working day, move the due date back to the last working day.
-   Interest rate: 6M EURIBOR + 2.5%
-   Reference interest rate period: 6M, it changes every 1 April and 1 October (no adjustment to working days)

- Type of calculation: linear, actual/actual The calculation takes account of the first day but not the last day.
- Calculation period: monthly (calendar) (01/07/2020, 01/08/2020 …)
- Due date: on the 10th of each month; if the due date falls on a non-working day, move the due date back to the last working day.
- Penalty interest rate: 1%. The ordinary interest rate is increased by 1% in the event of late payment of interest, costs, the principal.
- Legally prescribed default interest rate.
- Collateral under the agreement: 2 guarantors – natural persons – "A" Guarantor: EUR 50,000.00; "B" Guarantor: EUR 30,000.00.

Expected functionalities:

Amortisation schedule: from 30 September onwards In 2020, the customer regularly settles its liabilities. In 2021, it fails to pay any of the liabilities. Calculation of interest for a year from 30 September 2020 onwards. Review of the calculation of ordinary interest (inclusion of penalty interest) and default interest. Review of entries on the collateral (surety) – linked to the balance under the agreement.

On 5 July 2021, the contract is cancelled – review of the posting.

In October 2021, a special agreement is concluded with each of the guarantors according to which they will make monthly repayments of a specified amount (the 10th of the month starting in November 2021). "A" Guarantor will be paying EUR 3,000.00 per month (up to a total of EUR 30,000.00, the remaining amount of the guarantee will be waived). "B" Guarantor will be paying EUR 2,500.00 per month (up to a total of EUR 25,000.00, the remaining amount of the guarantee will be waived).

Review of the recording of this change to the agreement and the collateral. Review of the posting of downpayments of the guarantors – the assumption is that the guarantors settle their liabilities in a timely manner.

11. Real estate collateral

a) Real estate pledged as collateral under multiple loan agreements (LA), different places of registration of SID Bank (real estate 718 and 1019)

LA 1: balance of the principal EUR 884,912.30
plots pledged to SID Bank with the highest priority

Parcel no/building ID/part ID	Appraised value of the investment	Link to previous entries
parcel B	244,562.50	
parcel C	1,790,505.40	

LA 2: balance of the principal EUR 600,000.00

investment	parcel no/building ID/part ID	Appraised value of the investment	Link to previous entries
1	parcel A	39,455.00	1
2	parcel B	244,562.50	2
3	parcel C	1,790,505.40	2, 3

Previous entry	Type of entry	To the benefit of	Customer name	Amount	Link to the investment
1	entered mortgage	000000	mortgagee 1	32,025.00	1
2	entered mortgage	000592	SID Bank	884,912.30	2, 3
3	entered mortgage	000000	mortgagee 2	1,827.21	3

With previous entries, index (required ratio) 150 is taken into account with other mortgagees; and index 100 with the previous entry of SID Bank

It is necessary to show how the collateral is posted under both loan agreements.

b) Valuation made for the whole lot, there are different mortgages on individual parts (real estate 428)

Total value of the valuation = EUR 1,718,000.00

Parcel no.   Appraised value of the investment

524 497/11

524 497/16

It is necessary to show the method of distribution of values by individual part (the value of each parcel).

c) Review of collateral valuation (real estate 1075)

št. parcele	m2	delež %	vrednost €
230/19	1.637	33%	624.366 €
230/29	2.170	43%	827.657 €
230/28	1.094	22%	417.261 €
230/27	19	0%	7.247 €
230/26	69	1%	26.317 €
SKUPAJ	4.989	100%	1.902.849 €

parcel nº	m²	part in %	appraised value
230/19	1.637	33%	624.366 €
230/29	2.170	43%	827.657 €
230/28	1.094	22%	417.261 €
230/27	19	0%	7 247 €
230/26	69	1%	26.317 €
TOTAL	4.989	100%	1.902.849 €

A mortgage of the X bank has been entered on parcels 230/19 and 230/28 in the amount of EUR 319,565.20 (index 150).

Review of the value of collateral to be posted.

B. Treasury

1. Purchase of bonds

Expected functionalities

- Closing a transaction
- Acceptance of the confirmation from the Treasury Department
- Drafting of a payment order
- Preparation of settlement instructions for the custodian bank
- Booking of a transaction
- Measurement at fair value and at amortised cost, booking of deferred tax, etc.
- Posting of payments (cash settlements)
- Reporting to the SMA according to MiFID

2. Subscription of a bond in the pool of eligible collateral at Banka Slovenije

Expected functionalities

- Preparation of the confirmation to enter the bond in the pool of eligible collateral
- Acceptance of the confirmation from the Treasury Department to be entered in the pool of eligible collateral
- Preparation of settlement instructions for the custodian bank
- Preparation and submission of settlement instructions to Banka Slovenije (MT540/542)
- Review of the position of the bond
- Entering daily values of the pool of eligible collateral

3. Interest rate swap and a deposit as collateral for the interest rate swap

Expected functionalities:

- Conclusion of a transaction
- Acceptance of the confirmation from the Treasury Department
- Booking of a transaction
- Measurement at fair value and the calculation of exposure
- Calculation of required provision of collateral with a deposit
- Preparation of a payment order or collateral acceptance
- Calculation and payment of interest for the interest rate swap
- Drafting of a payment order
- Settlement of interest

Deposit parameters

- Amount of the agreement: not specified
- We offer/receive a deposit to secure derivatives. When the value of derivatives exceeds the threshold (EUR 250,000), we receive/offer a deposit.
- First transfer: SID Bank transfers the amount to the counterparty on 10/03/2021 (EUR 250,000.00)
- Second transfer: SID Bank transfers the amount to the counterparty on 12/03/2021 (EUR 280,000.00)
- Third transfer: the counterparty transfers the amount to SID Bank on 15/03/2021 (EUR 300,000.00)
- Fourth transfer: SID Bank transfers the amount to the counterparty on 22/03/2021 (EUR 250,000.00)
- Fifth transfer: the counterparty transfers the amount to SID Bank on 25/03/2021 (EUR 500,000.00)
- Interest rate: €STR

- Type of calculation: linear, actual/360. The calculation takes account of the first day but not the last day.
- Calculation period: monthly (calendar) (01/04/2021, 01/05/2021 …)
- Due date: the third working day of the month (interest accrued over the period 01/04/2021 to 01/05/2021 is paid on 05/05/2021)

Expected functionalities of the deposit

- The recording of a collateral
- Calculation of the value of interest rate swap (exposure) and deposit calculation
- Booking of transfers or repayments
- Calculation and payment of interest on the deposit
- Review of posting in accordance with IFRS 9 (valuation at amortised cost, stage 1, % of impairments: 0.01%)

C. Deposits and other borrowing transactions

1. Issue of bonds and collateral in the form of interest rate swap with the prepayment of bonds

Expected functionalities:

- The issue of 5-year bonds where the Bank pays interest at fixed interest rates.
- The issue of 5-year bonds, the conclusion of a 5-year interest rate swap where the Bank receives interest at fixed interest rates and pays interest at variable interest rates.
- Upon the issue of 5-year bonds and the conclusion of a 5-year interest rate swap, hedge accounting – Fair Value Hedge is established in accordance with accounting standards.
- 1 year after the conclusion of the above contracts and the establishment of the hedge accounting: review of the valuation of the interest rate swap, valuation of the hedged item at adjusted fair value (taking into account the risk-free interest rate) and the review of performance results of the established hedge accounting - Fair Value hedge in accordance with accounting standards.
- 2 years after the conclusion of the above contracts and the establishment of the hedge accounting: early repayment of 50% of the nominal value of the issued bond and early termination of 50% of the nominal value of the 5-year interest rate swap. Review of the effects

2. Callable deposit – accrual of interest to the principal

Parameters of agreement

- Amount of the agreement: not specified
- First transfer: 10/03/2021 (EUR 1,000,000.00)
- Second transfer: 15/04/2021 (EUR 800,000.00)
- First call: a call notice sent on 22/04/2021 (EUR 500,000.00)
- Second call (of the entire amount): a call notice sent on 20/05/2021 (EUR 1,300,000.00 + interest)
- Another transfer: 01/07/2021 (EUR 2,000,000.00)
- Interest rate: fixed 0.05% p.a.
- Type of calculation: linear, actual/360 The calculation takes account of the first day but not the last day.
- Calculation period: monthly (calendar) (01/04/2021, 01/05/2021 …)

Expected functionalities

- Conclusion of a deposit given with a 31-day notice – recording
- Performance of a transfer

- Calculation of interest
- Partial redemption
- Redemption of the remaining amount in full
- Another transfer after concluding an agreement
- Review of the posting in accordance with IFRS 9 (valuation at amortised cost, stage 1, percentage of impairments: 0.10%)
- Review of the creation of MT messages for deposits

3. Callable deposit – monthly payment of interest

Parameters of agreement:

- Amount of the agreement: not specified
- First transfer: 10/03/2021 (EUR 1,000,000.00)
- Second transfer: 15/04/2021 (EUR 800,000.00)
- First call: a call notice sent on 22/04/2021 (EUR 500,000.00)
- Second call (of the entire amount): a call notice sent on 20/05/2021 (EUR 1,300,000.00 + interest)
- Another transfer: 01/07/2021 (EUR 2,000,000.00)
- Interest rate: fixed – until 01/04/2021: 0.01% p.a., from 01/04/2021 onwards: 0.001% p.a.
- Type of calculation: linear, actual/360 The calculation takes account of the first day but not the last day.
- Calculation period: monthly (calendar) (01/04/2021, 01/05/2021 …)
- Due date: the last working day of the month (interest accrued over the period 01/04/2021 to 01/05/2021 is paid on 30/04/2021))

Expected functionalities

- Conclusion of a deposit given with a 31-day notice – recording
- Performance of a transfer
- Calculation and payment of interest
- Partial redemption
- Redemption of the remaining amount in full
- Another transfer after concluding an agreement
- Review of the posting in accordance with IFRS 9 (valuation at amortised cost, stage 1, percentage of impairments: 0.15%)

4. Purpose-specific long-term loan in EUR

Parameters of the agreement

- Amount of the agreement: EUR 50,000,000.00
- Date of signature of the agreement: 28/09/2016
- Drawdown deadline: 24 months from the date of signature of the agreement
- Interest rate and maturity are unknown at the time of concluding the agreement.
- Approval fee: EUR 40,000,00
- Fee for the undrawn loan amount: shall begin to be charged from the date 12 months after the date of signing the agreement until the expiry of the drawdown deadline; 0.10% p.a.; the fee falls due on 20 January, 20 April. 20 July and 20 October or on the date of the expiry of the drawdown period; if the due date falls on a non-working day, move the due date forward to the following working day in the same month, otherwise move the due date back to the last working day.

First drawdown:

- Drawdown date: 23/12/2016 (EUR 25,000,000.00)

- Principal repayment period: 6M
- First instalment due date: 23 December 2020; if the due date falls on a non-working day, move the due date forward to the following working day in the same month, otherwise move the due date back to the last working day.
- Interest rate: 0.80%
- Type of calculation: linear, actual/360 The calculation takes account of the first day but not the last day
- Calculation period: 6M, linked to the drawdown date; it is adjusted to working days in the same manner as the due date
- Due date: the last day of the interest period; if the due date falls on a non-working day, move the due date forward to the following working day in the same month, otherwise move the due date back to the last working day.

Second drawdown:

- Drawdown date: 05/12/2018 (EUR 25,000,000.00)
- Principal repayment period: 6M
- First instalment due date: 5 December 2022; if the due date falls on a non-working day, move the due date forward to the following working day in the same month, otherwise move the due date back to the last working day.
- Interest rate: 6M Euribor + 0,612%; zero floor to overall interest rate
- Reference interest rate period: 6M, linked to the drawdown date; it is adjusted to working days in the same manner as the due date.
- Type of calculation: linear, actual/360 The calculation takes account of the first day but not the last day.
- Calculation period: 6M, linked to the drawdown date; it is adjusted to working days in the same manner as the due date.
- Due date: the last day of the interest period; if the due date falls on a non-working day, move the due date forward to the following working day in the same month, otherwise move the due date back to the last working day.

Expected functionalities

- Recording of an agreement
- Fee calculation (approval fee, fee for the undrawn loan amount)
- Accounting of fees and commissions
- Drawdown under the agreement, moratorium period, amortisation schedule
- Calculation of interest for a year
- Review of transactions – drawdown, interest, principal repayment, fee calculation
- Review of the informative schedule – repayment of principals and interest (liquidity forecast)
- Collateral given
- Over the course of the agreement, the customer is changed (e.g. the first customer sells our debt) – the new customer has a different SCIS (e.g. from S.122 to S.11) – review of the change in customers and presumably the account chain.
- Review of the drawdown deadline

D. Payment transactions

1. *Collection of data on projected downpayments and outflows from/to accounts and the confirmation of cash flow announcements*

The loan agreement administrator announces the drawdown under the concluded loan agreement: date, customer, amount, source of funds, account of the Bank, agreement no., note. The data on the scheduled outflow is received by the account manager in the Treasury Department who verifies the availability of funds on the day of the scheduled outflow and confirms the outflow announcement. In the event of a change (correction, deletion) of the announcement by the customer relationship manager, the Treasury Department shall reaffirm this change.

After the announcement is confirmed, it is recorded among the outflows scheduled for that day.

We wish to see how a trader in the Treasury Department can monitor real-time cash flows which include both automatically generated downpayments /outflows and those manually scheduled by individual organisational units and confirmed by the Treasury Department.

2. *Recording accounts of the Bank and account balance*

We wish to see how the Bank's settlement account and its characteristics are managed in the analytical application: current balance, opening morning balance, interest rate of funds on the account, limits (according to liabilities, to Banka Slovenije, etc.). It should support the overview of realised cash flows, separate downpayments and outflows, sorting or searching options (by date, customer, etc.).

After concluding a loan agreement, an downpayment is received to the settlement account: closure of receivables under the loan agreement, increasing the balance on the settlement account, posting to the suspense account and closing the transitional accounts in the general ledger.

Interest is accrued on a monthly basis. At the end of the interest period (reserve maintenance period), interest is calculated on the balances on the settlement account: printout of interest, posting of interest by individual business unit and cost centre of the Bank. Interest is closed by direct debit (MT204) performed by Banka Slovenije.

3. *Manual entry of a payment order*

Expected functionalities:
- Manual entry of an payment instruction
- Order verification
- Order entry (when is the order entered)
- Overview of entered, verified and posted orders

E. General ledger

1. *Manual entries in the general ledger*
2. *Automatic transfer of data from analytical applications*
3. *Calculation of exchange rate differences*
4. *Creation and printout of internal reports*
5. *Closing of revenue and expense accounts*
6. *Closing of year/reorganisation (opening balances)*
7. *Printout of batches/journal entries recorded in the general ledger*
8. *Printout of an analytical account card*
9. *Printout of all entries*
10. *Printout of open items*
11. *Printout of trial balance*
12. *Review of an analytical account card*
13. *Review of trial balance*

F. ERP for receivables, payables and inventory and invoicing

1. *Creation of the outgoing invoice*
2. *Entering an invoice received and the preparation of a payment order*
3. *Electronic acceptance of a bank statement from the electronic bank, entering and closing of invoices received and issued*
4. *Calculation of exchange rate differences*
5. *Printout of an analytical account card, SOI*
6. *Overview of VAT ledgers of invoices issued and received*
7. *Creation of VAT reports*
8. *Automatic control of the matching of the balances of the analytical application and the general ledger*

G. Fixed assets and small inventory

1. *Entry of a new item of fixed assets*
2. *Entry of the upgrading of an item of fixed assets*
3. *Disposal of an item of fixed assets*
4. *Calculation of amortisation/depreciation*
5. *Adjustment to the input VAT due to a change to the deductible portion of VAT*

H. I. Common code lists and data (master data management)

1. *Types of business partners*
2. *Parameters associated with a business partner*
3. *Product catalogue*
4. *Types of loan value (e.g. principal, ordinary interest, default interest, etc.)*
5. *Types of deposit values*
6. *Types of investment values*
7. *Credit process phases (agreement, approval, drawdown, repayment, early repayment, etc.)*
8. *Active loan posting models*
9. *Passive loan posting models*
10. *Deposit posting models*
11. *Investment posting models*
12. *Master data for business partners – banks*
13. *Printout/report parametrisation*
14. *Types of collateral*
15. *Types of limits*
16. *Types of exposures*
17. *Types of interest rates*
18. *Types of exchange rates, investments*
19. *Account plan*
20. *Cost centres*
21. *Organisational structure*
22. *Types of SWIFT messages*
23. *GDPR and data anonymisation (a tenderer may present any solution in accordance with Article 21 of the ZVOP)*
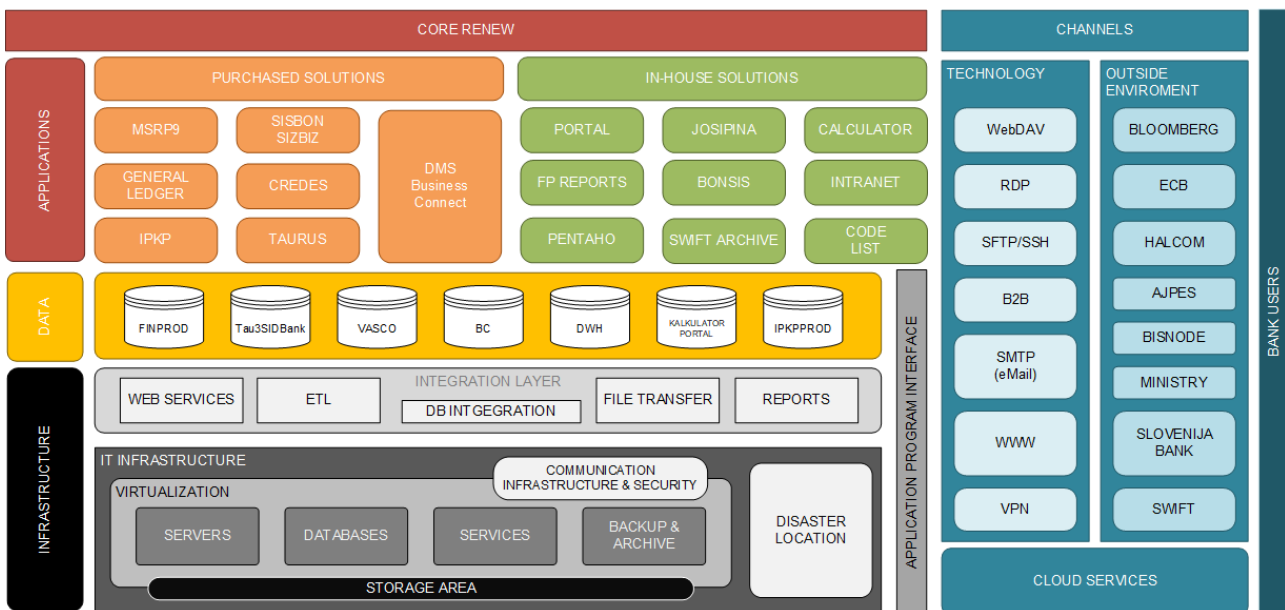
24. *Prioritisation model of customer credit rating*

IV.   Technical specifications

6. Architectural model

The architectural diagram in the figure below shows the architecture of the building blocks of the existing information system combining the purchased and in-house solutions, and the links to other levels of the Bank's information system.

The Bank's data warehouse (DWH) is a collection of all data on the Bank's transactions which the Bank currently manages in Credes, Taurus, GK, code lists, BONSIS, IFRS 9, AJPES and exchange rates, and that the Bank needs for internal reporting, the preparation of notices to users within the Bank and regulatory reporting. Data is prepared in the data warehouse on a daily basis, and data history is generated, linked to accounting policies and requirements for accounting recording and reporting "retrospectively". The data granulation is equivalent to the granulation at the source – the lowest level is an individual business event at the transaction level, planned cash flow; the characteristics of the transaction are monitored at the transaction level, and the change history is kept at the individual transaction level. With the introduction of new applications, the Bank is planning to keep data more up to date, update data several times a day based on the preparation of changes at the source with the aim of providing data for real time reports and, where possible, for data exchange between applications.

10. Layout rules

Information communication technology (ICT) must be designed into multiple tiering layout. There must be at least 3 tier layout where the first one is to support outside access for external users (bank customers) and is placed into security network (DMZ – network segment). DMZ network segment is required for installation of application firewalls, load balancers, proxy servers and other FrontEnd servers which has no critical data. Internal users like employees must have access to application server only from inside network segment where

is installed application servers that has access to data on the BackEnd environment. Third tier is BackEnd network segment which is reserved for database servers that users does not have direct access.

The application environments are:

-   DEVELOPMENT (development environment for in-house and/or external development);
-   TEST (test environment for testing developed solutions and confirmatory user acceptance tests);
-   PRE-PRODUCTION (for final user acceptance tests before deployment to production environment, there must include all necessary tests for deployment), and
-   PRODUCTION (production environment).

A version is installed in the production environment only after successfully performed and approved user acceptance tests (UAT) the test has been successfully completed. UAT tests before production shall include at least the following verification:

-   that the installation was performed in accordance with the requirements or technological instructions;
-   that the application operates in accordance with the functional expectations;
-   that the application is appropriate in terms of safety and performance.

12. Service-level agreement (SLA)

The subject of the service-level agreement is the provision of the appropriate quality level of services for maintenance and additional development services for the CORE support software, including any regulatory changes and disclosures during the term of the agreement.

The basis for this agreement is a valid contract between the Contracting Entity and the contractor.

MAINTENANCE OF THE SOFTWARE TO SUPPORT THE CORE SYSTEM

The CORE support software shall be deemed to include all the elements implemented by the supplier, i.e. the standard part of the CORE solution, the customised part of the CORE solution (customisations and integrations), the migration and all interfaces.

The maintenance services of the software to support the CORE system include:

*   detecting and eliminating faults in the implemented CORE support software (including security vulnerabilities), and the elimination of the consequences of these faults;
*   remedying faults in the CORE support software that prevent users from working;
*   remedying faults in the CORE support software that prevent certain tasks from being performed, but which can be performed in another software-supported manner;
*   remedying faults in the CORE support software due to which the software is not functioning in the correct, expected or specified way;
*   performing a monthly preventive inspection of equipment performance (application, base) and the diagnosing of any faults;
*   services required for the smooth operation of the CORE support software to ensure the operability and up-to-dateness of the Contracting Entity's data, and such supplementation and adjustments that do not change the essential principles and the project solutions for the system operation or the course of processing and the data model;
*   the services supplementing and adjusting solutions resulting from amendments to applicable legislation, in particular banking regulations and accounting rules, including any regulatory changes in reporting and changes in disclosures;
*   services for supplementing and adapting solutions to the new business needs of the Bank;
*   services for supplementing and preparing technical and user documentation;
*   more complex relational database maintenance (e.g. database optimisation, database migration);

- regular solution improvement services in accordance with the increasing amount of data to be processed in order to achieve the required response times;
- assistance in using the CORE support software.

The contractor shall perform tasks that are not specified in this documentation, but are essential for the operation of the comprehensive CORE support software system.

RESPONSE TIMES, ACCEPTANCE AND SUBMISSION OF REQUESTS FOR INTERVENTION

The contractor undertakes to ensure the following response times for interventions relating to the subject of the public contract:

Severity of the stoppage	Response time	Period with which the service provider undertakes to eliminate the stoppage or fault
a) Critical or severe faults – "A" fault	Within two (2) hours	On the day the fault was reported.
b) Major faults – "B" fault	Within four (4) hours	By the end of the following working day
c) Minor or negligible faults – "C" fault	Within twenty-four (24) hours	Subject to agreement, but no longer than three (3) working days

A critical fault is error resulting from a fault that prevents the emergency operation of the CORE support software regardless of the cause.

A major error is a fault due to an error or a fault that causes disruptions in the operation of the CORE support software regardless of the cause, although these disruptions do not directly affect the operations of the Contracting Entity or its relationship with customers or regulatory institutions which the Contracting Entity is obliged to report to base on the data obtained from the software solution.

A negligible fault is every other error due to a fault that does not affect the ordinary operations of the CORE support software while preventing its full functionality.

The severity of the faults or stoppage is determined by the Contracting Entity upon reporting it at its own discretion on the basis of the aforementioned criteria.

The response time concerning the reported faults or stoppage is the time elapsed from receiving the Contracting Entity's report of the stoppage under the communications protocol for the submission of requests to the time the contractor begins to resolve the stoppage. The time of acceptance for resolution is recorded in the electronic application for the submission of requests. Response time depends on the severity of the stoppage. The contractor performs the resolution of a critical stoppage until the stoppage is eliminated or the situation is restored to normal.

The person authorised by the Contracting Entity may also report a critical faults or stoppage by phone. In such cases, a written request indicating the time of reporting the stoppage and its acceptance is submitted subsequently into the electronic application for the submission of requests. For this purpose, the contractor provides telephone numbers through which it can be reached to ensure a continuous response, including outside regular working hours.

The period in which the contractor undertakes to eliminate the stoppage or fault runs from the acceptance of the Contracting Entity's report for resolution by the contractor until the fault is eliminated.

If the contractor believes that the stoppage or fault is such that it cannot be eliminated in the required time, this is communicated in writing immediately or no later than within the period prescribed for the elimination of the stoppage to the Contracting Entity, with an explanation and the proposed time required to eliminate the fault. The Contracting Entity approves or rejects the contractor's proposal in writing. The Contracting Entity must provide an explanation with the rejected proposal.

Requests for maintenance will be accepted by the contractor during regular working hours (Monday to Friday from 08:00 to 17:00 CET), taking into account the schedule of public holidays as determined by Slovenian regulations.

If the Contracting Entity reports a fault or a stoppage outside regular working hours, the contractor is deemed to receive the report at 08:00 on the first working day following the submission of the report, except in the case of a critical stoppage which the Contracting Entity may report outside working hours.

Faults or stoppages that are not critical or can be eliminated subsequently without any major consequence are eliminated during regular working hours.