

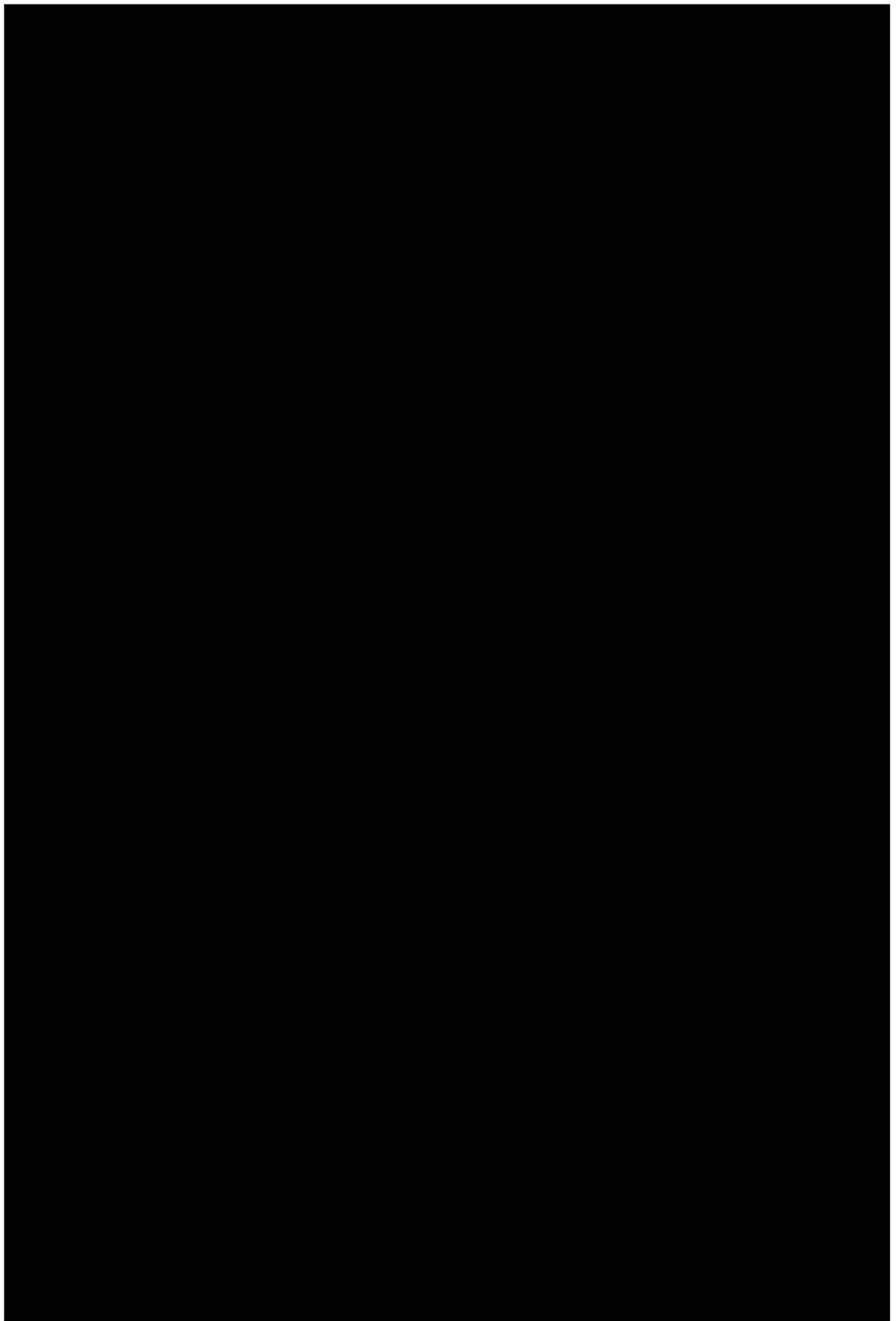
OLIVER WYMAN

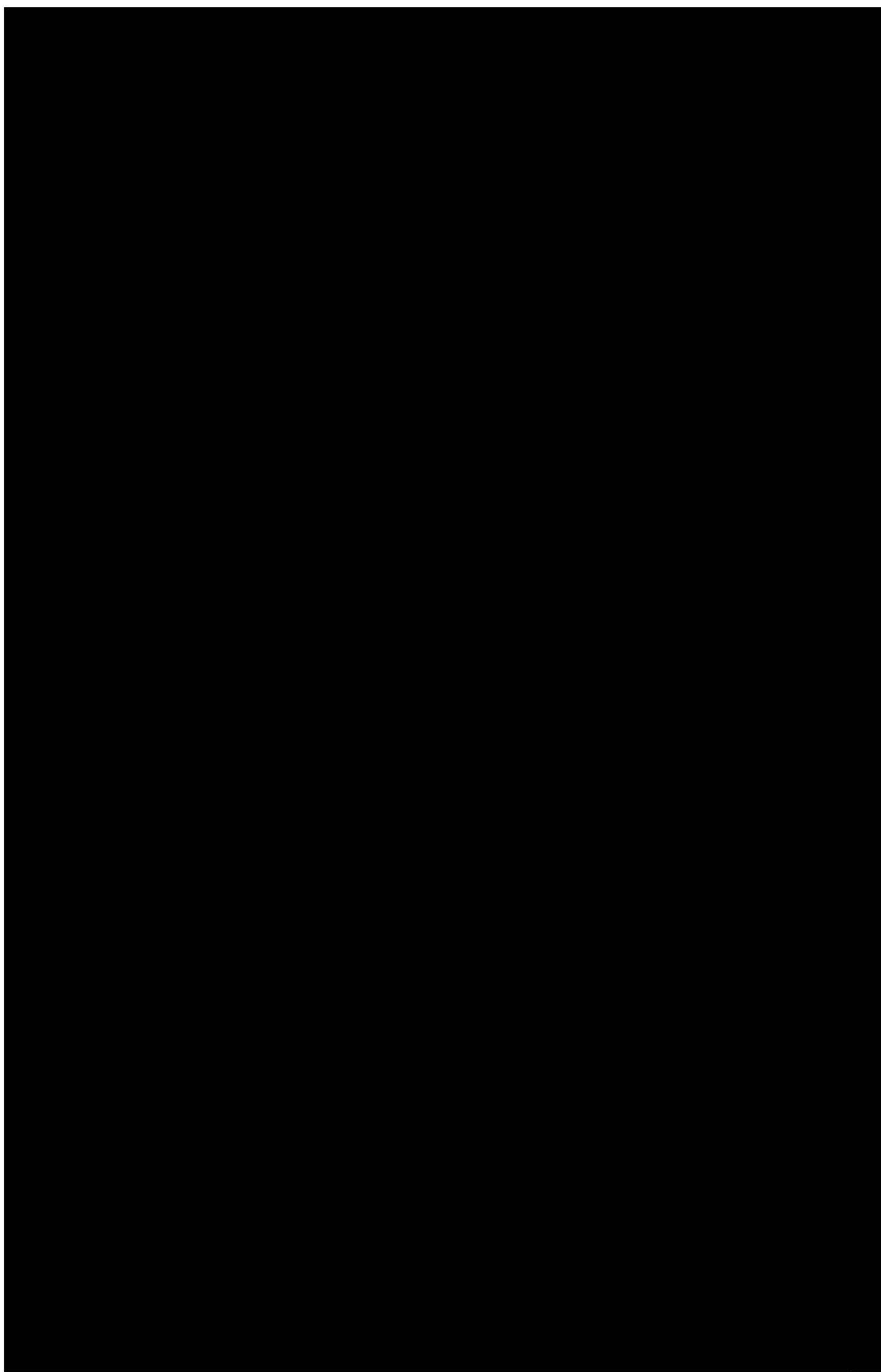
Terms and Conditions of Business

This agreement sets forth the terms and conditions on which Oliver Wyman S.r.l., with registered office in Milan, registered with the Company Register of Milan under number 03540920968, or any of its affiliate companies within the Oliver Wyman Group (each, as applicable, the "Company"), provides services (the "Services") for Bank of Slovenia (Banka Slovenije), with its registered office at Slovenska cesta 35, SI - 1000 Ljubljana, registered under identification number 5023912000, represented by the governor Mr. Boštjan Jazbec, Ph.D. (the "Client"). The Client shall be referred to, together with the Company, as the "Parties", and each of them, a "Party" pursuant to or in connection with the attached document titled "*Bottom-Up AQR & Stress Testing of the Slovenian Banking System - Proposal Document*" dated 14th August (the "Project Description Document"). This agreement together with the Project Description Document shall be referred to herein as the "Agreement".

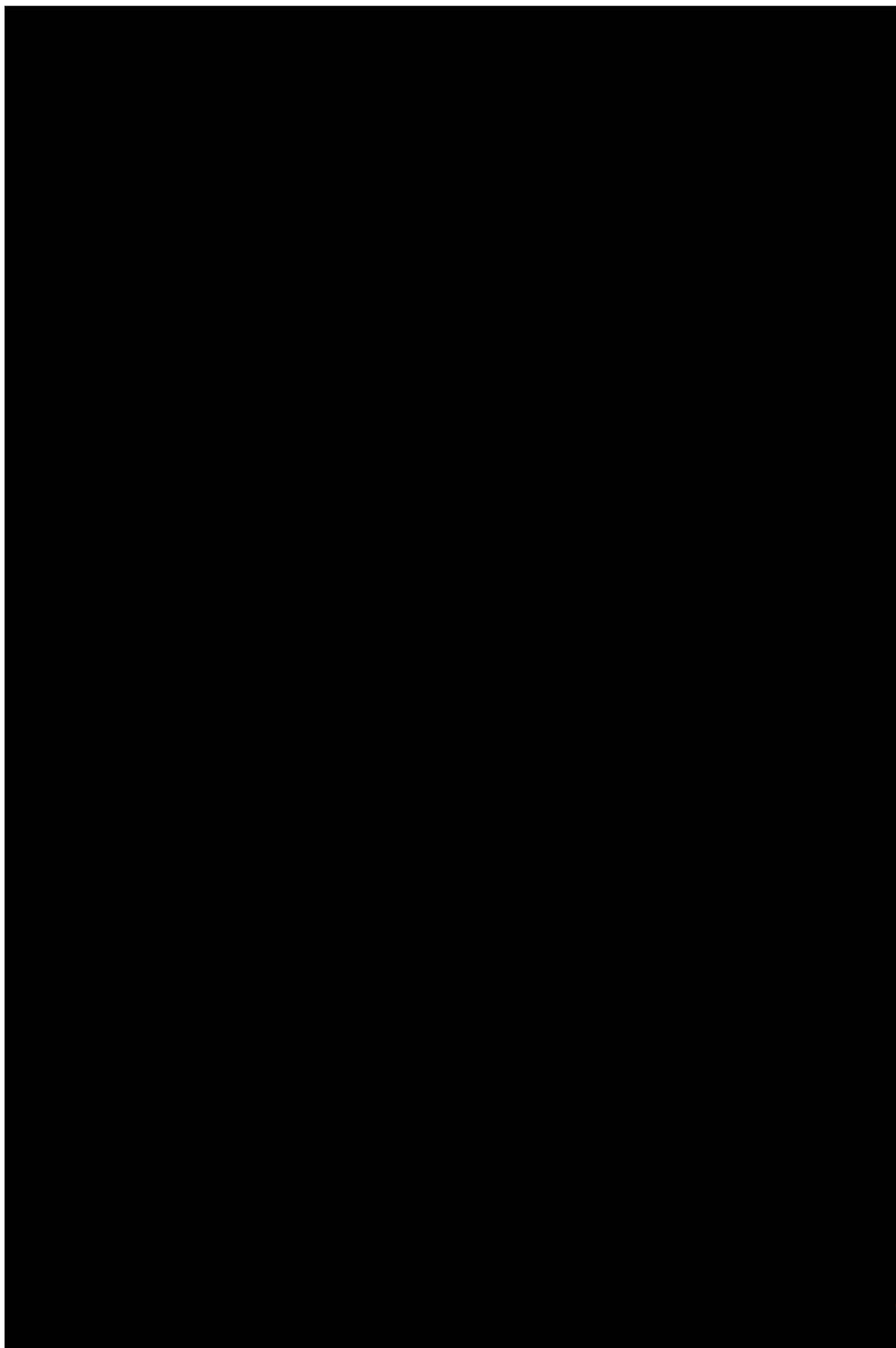
It is urgent that Bottom-Up AQR & Stress Testing of the Slovenian Banking System is performed to allow the Client to obtain system wide assessment of the resilience and capital excess/deficit of individual potentially problematic participating banks listed in the Project Description Document (each, a "Participating Bank" and collectively, the "Participating Banks"). The Client shall use the results in accordance with the terms of this Agreement for the performance of the tasks of the Client.

1. **Fees, Expenses, and Payment.** In consideration for the Services, the Client shall pay to the Company the professional fees and expenses in accordance with the Project Description Document. Payment of each invoice from the Company is due within 30 days after the date thereof. The Company reserves the right to suspend the provision of Services in the event of non-payment by the Client. The description of the fees and expenses in the Project Description Document is exclusive of any applicable taxes imposed directly on fees and expenses.

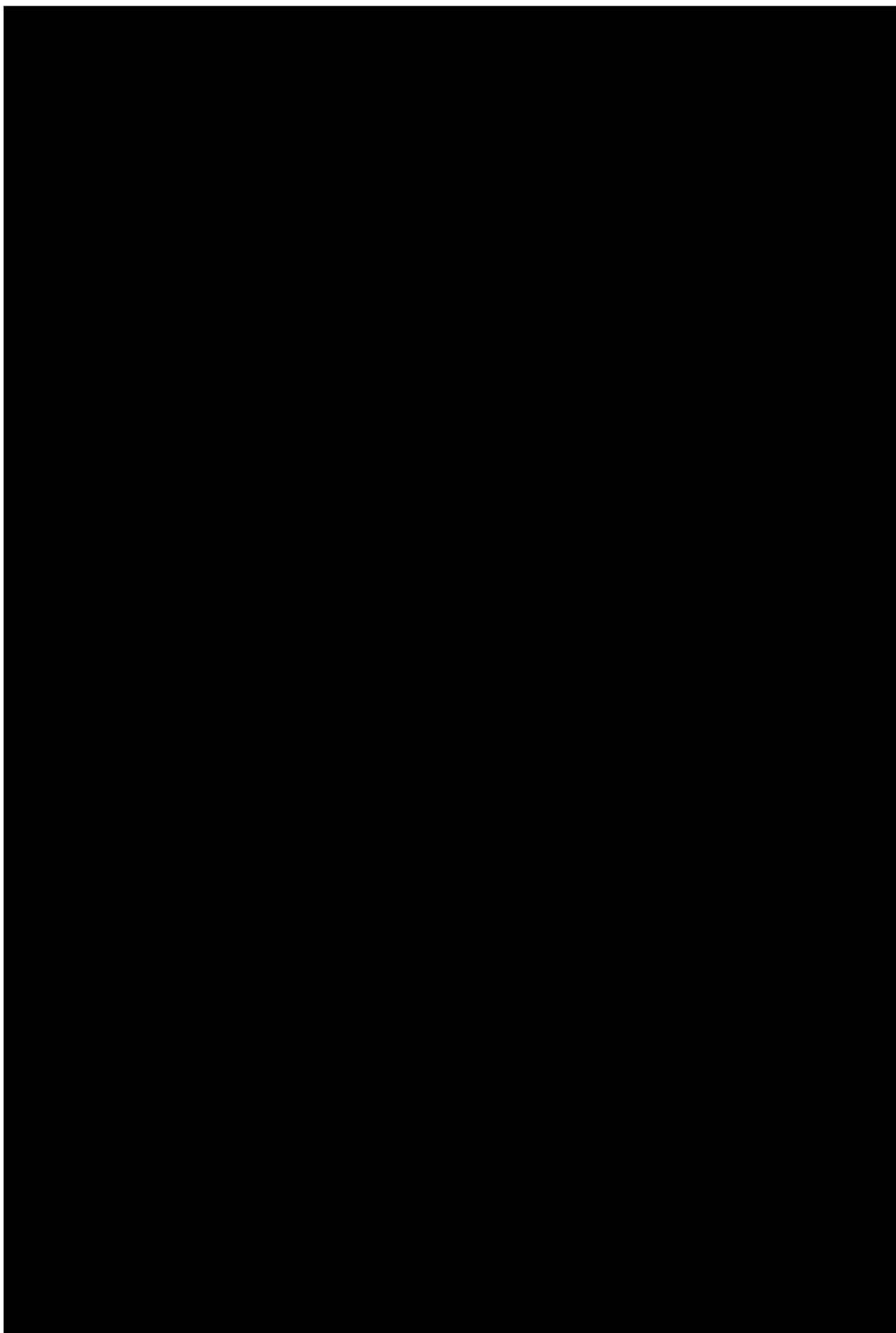




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By:

Date: 16.08.2013

By:

Date: 14.8.2013

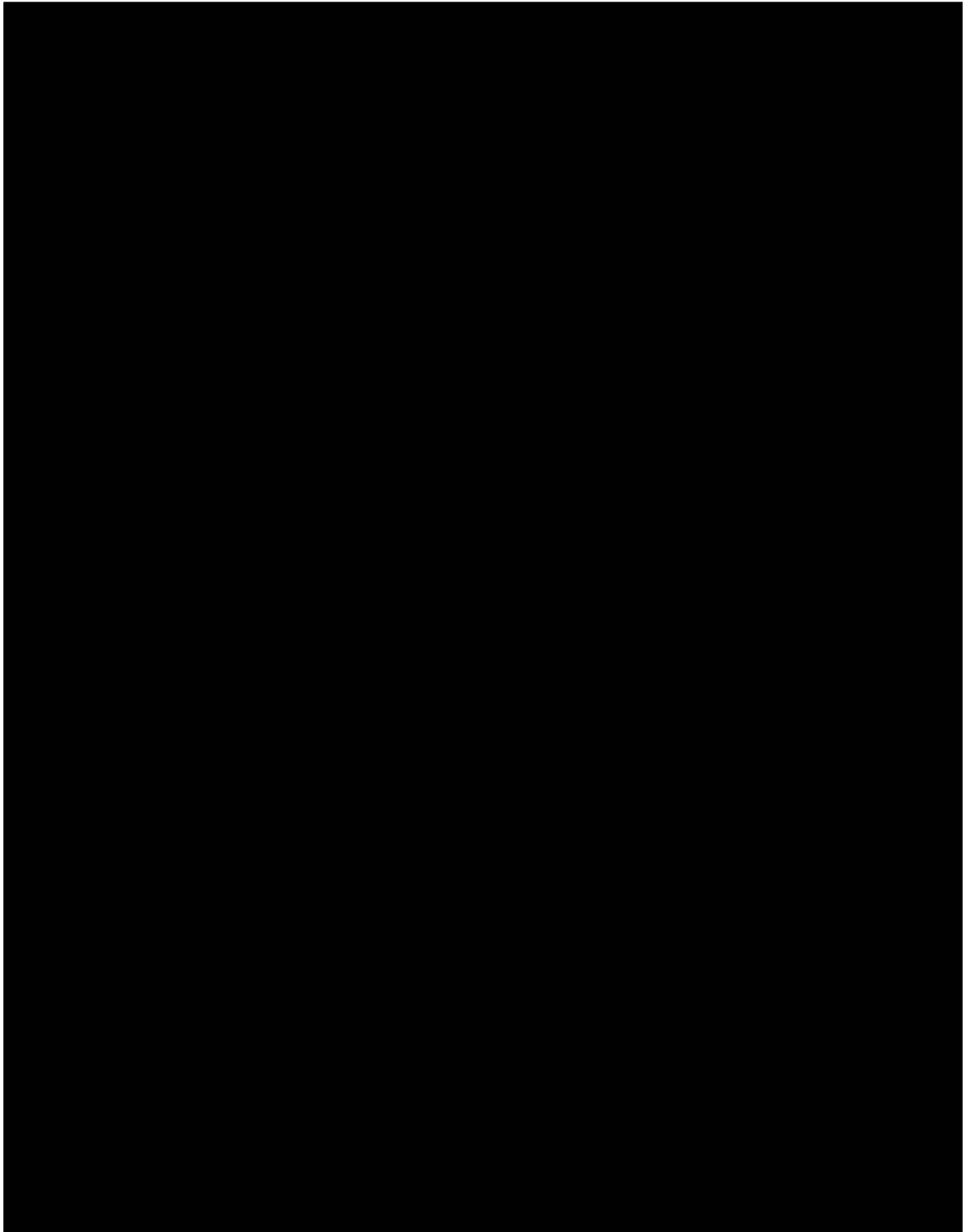
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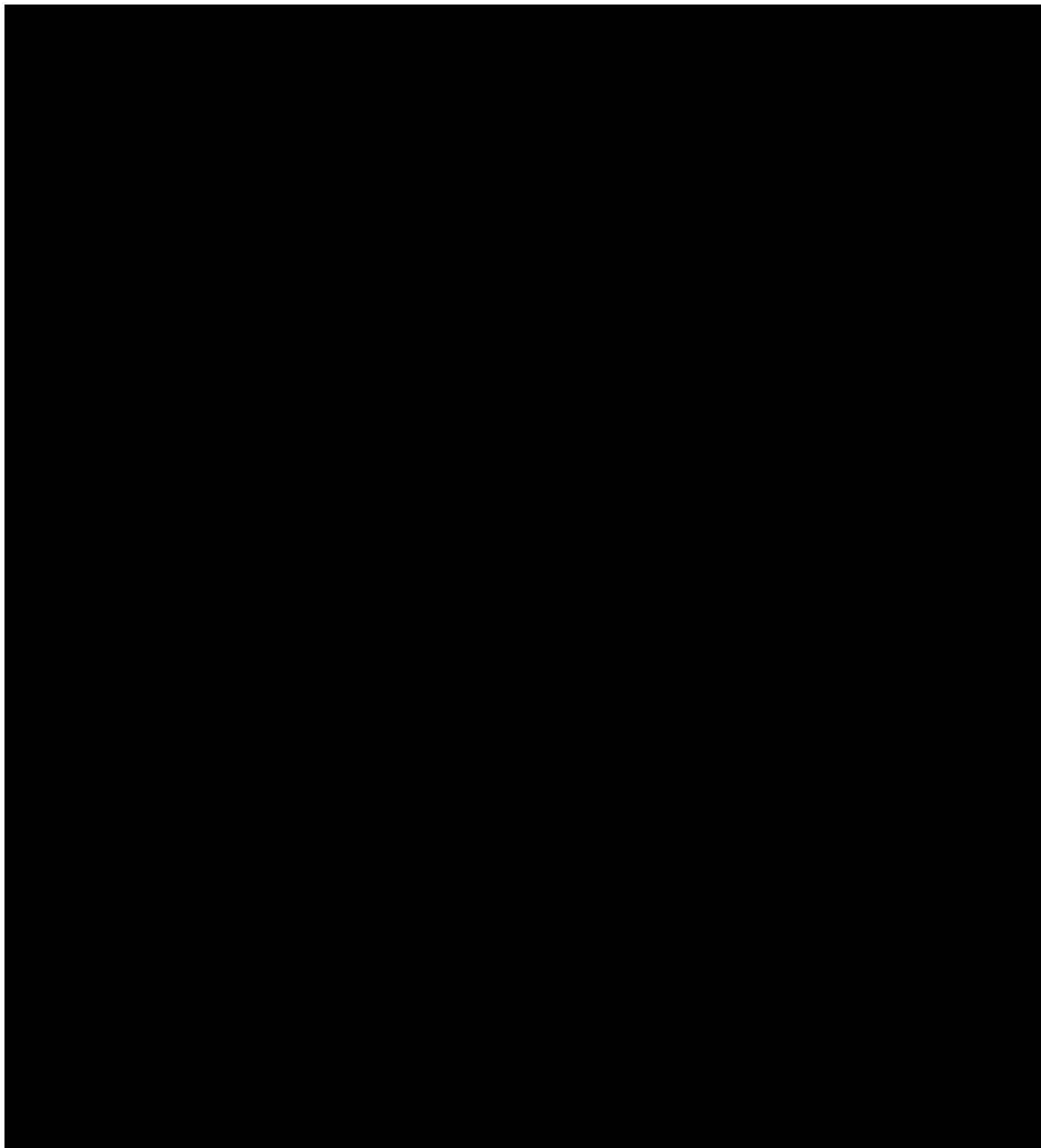
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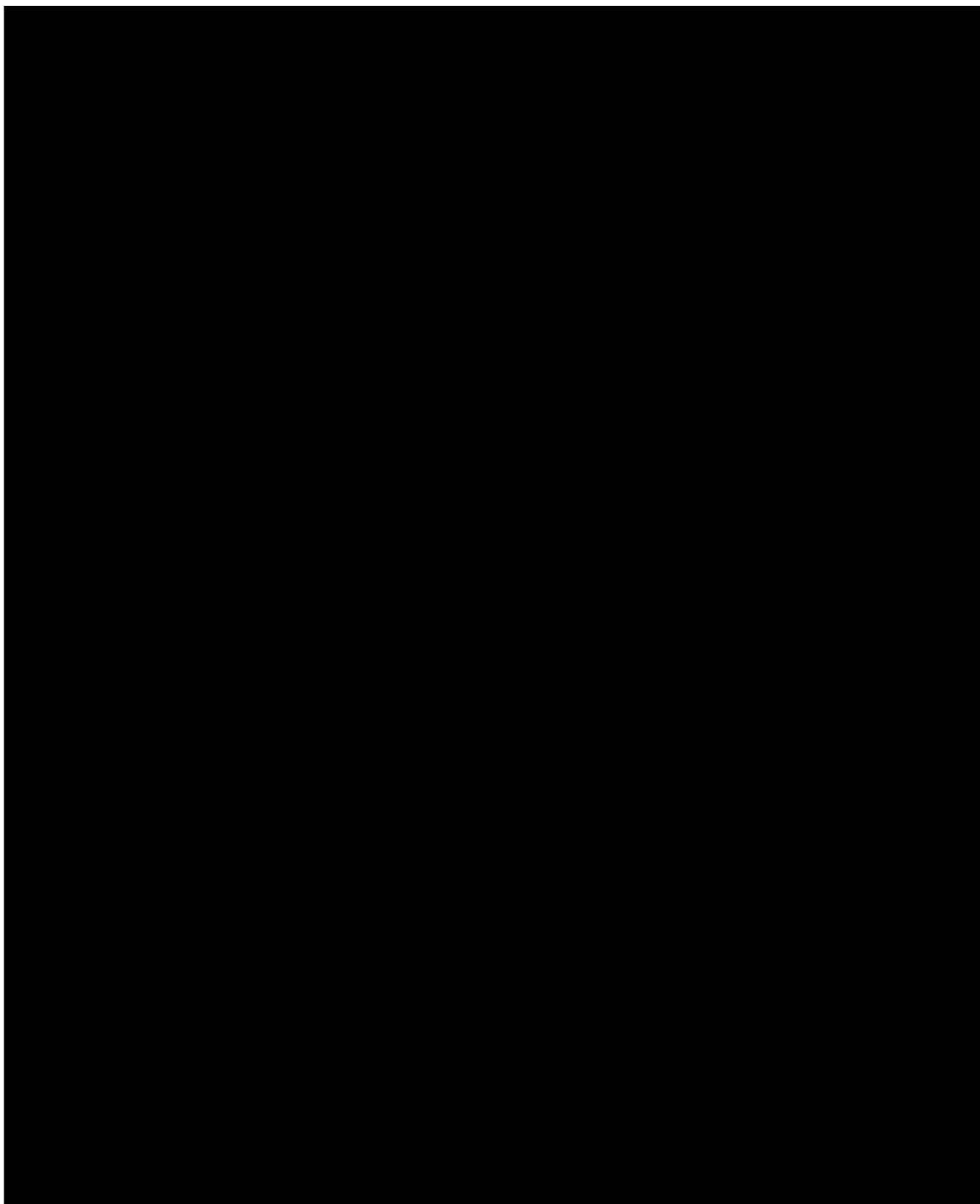
Page 7

Appendix 1
Non-Disclosure Letter



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2. 3



BOTTOM-UP AQR & STRESS TESTING OF THE SLOVENIAN BANKING SYSTEM PROJECT DESCRIPTION DOCUMENT

14 AUGUST 2013



FINANCIAL SERVICES
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Purpose of this document

- *Summarize the key features of the Asset Quality Review and Stress Testing exercise as it is being finalized with the Slovenian Authorities and the European Authorities and Institutions*
- *Submit to Bank of Slovenia Oliver Wyman's amended proposal on project set up and fees*

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Contents

1. Our understanding of your situation and objectives
2. Proposed approach
3. Project organisation and timeline
4. Resource implications

Appendix: Detailed timeline and contacts

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1

In the context of the Slovenian Bank Stability Act and in line with EC/ECB suggestions, Slovenian Authorities will perform a bottom-up review of the banking sector

Your situation

- The Republic of Slovenia has enacted the **Bank Stability Act** for the purpose of **strengthening the stability of Slovenian banks** and in order to maintain the stability of the financial system in Slovenia
- The eligibility to a **proposition of the European Institutions** (European Commission and ECB) is subject to the performance of an independent **Asset Quality Review (AQR)** and a **Bottom-up Stress Test exercise (ST)** of the Slovenian banking system
- The exercise will be conducted developing a **system-wide model** and incorporating the risk assessment in the banks' development plans, in particular
 - The **system-wide model** will be applied to **assess forward looking riskiness**, and
 - **Dedicated interview / workshop** with banks will be planned and the relative findings will be incorporated in the stress test
- It is paramount to tick all the **"data quality"** boxes to ensure the exercise is built on a robust and reliable data environment
 - Check for **data integrity** of the data used
 - Review **real estate collateral valuation** through professional third party assessment
 - Conduct the **single file audits** on a **fully representative sample of the portfolio**

Your objectives

- Provide a **system-wide assessment** of the **resilience and capital excess/deficit** of individual banks under a baseline and an adverse macroeconomic scenario for a three-year projection – this should then serve as a reference point to **determine potential additional capital needs** in the ICAAP / SREP processes
- Ensure **system-wide relevance** of the exercise by covering **~70% of the total banking system**, including the most fragile domestic banks
- Ensure **credibility** of the exercise by establishing clear governance and responsibilities between the involved parties
 - Bank of Slovenia (BoS)
 - Slovenian Ministry of Finance (MoF)
 - International observers (ECB, EC, EBA)
 - Consulting firm Oliver Wyman
 - Auditors and real estate (RE) appraisers
- **Restore market confidence** by publishing parts of the results to the general public

The Asset Quality Review (AQR) and Stress Test (ST) exercise follow different objectives but are strongly inter-linked

Asset Quality Review (AQR)

- Definition: An asset quality review considers the key attributes of the different asset portfolios of the bank to evaluate the "quality" of a bank's assets
 - Loan tape AQR provides an overall characterisation of each portfolio
 - Manual AQR allows to get an on-the-ground understanding of the real portfolio quality
 - Supplemented by independent real estate appraisals of top and random real estate collaterals by specialist firms
- Objective: For each portfolio the objective is to
 - Understand portfolio asset mix and quality
 - Assess need for adjustments to categorisation
 - AQR outputs will serve as the basis for bottom-up stress tests

• Elements

| |
|--------------------------------------|
| Data completeness and reconciliation |
| Data Integrity Verification (DIV) |
| Individual loan file review |
| Real Estate collateral review |

Bottom-Up Stress Testing (ST)

- Definition: A stress test quantifies and projects future losses under a baseline and an adverse macroeconomic scenario
 - Bottom-up stress tests draw on detailed data at the individual bank level
 - Individual calculations designed in detail and subsequently aggregated to system-level results
 - Generally more accurate, precise and reliable since they use individualised, loan-by-loan data
 - Top-down stress tests draw on system-level data (some breakdown at bank-level but not in-depth)
 - Generally apply techniques uniformly to all banks
 - Designed with the help of system-level assumptions
- Objective: Provide a loan-level loss estimate for each portfolio to estimate the capital required to maintain a specific capital ratio under said scenarios

• Elements

| |
|--|
| Loss forecasting |
| Loss absorption capacity |
| Capital needs (under the specified scenario) |

The AQR includes a data completeness and integrity exercise as well as an individual file and real estate collateral review

Asset Quality Review (AQR)

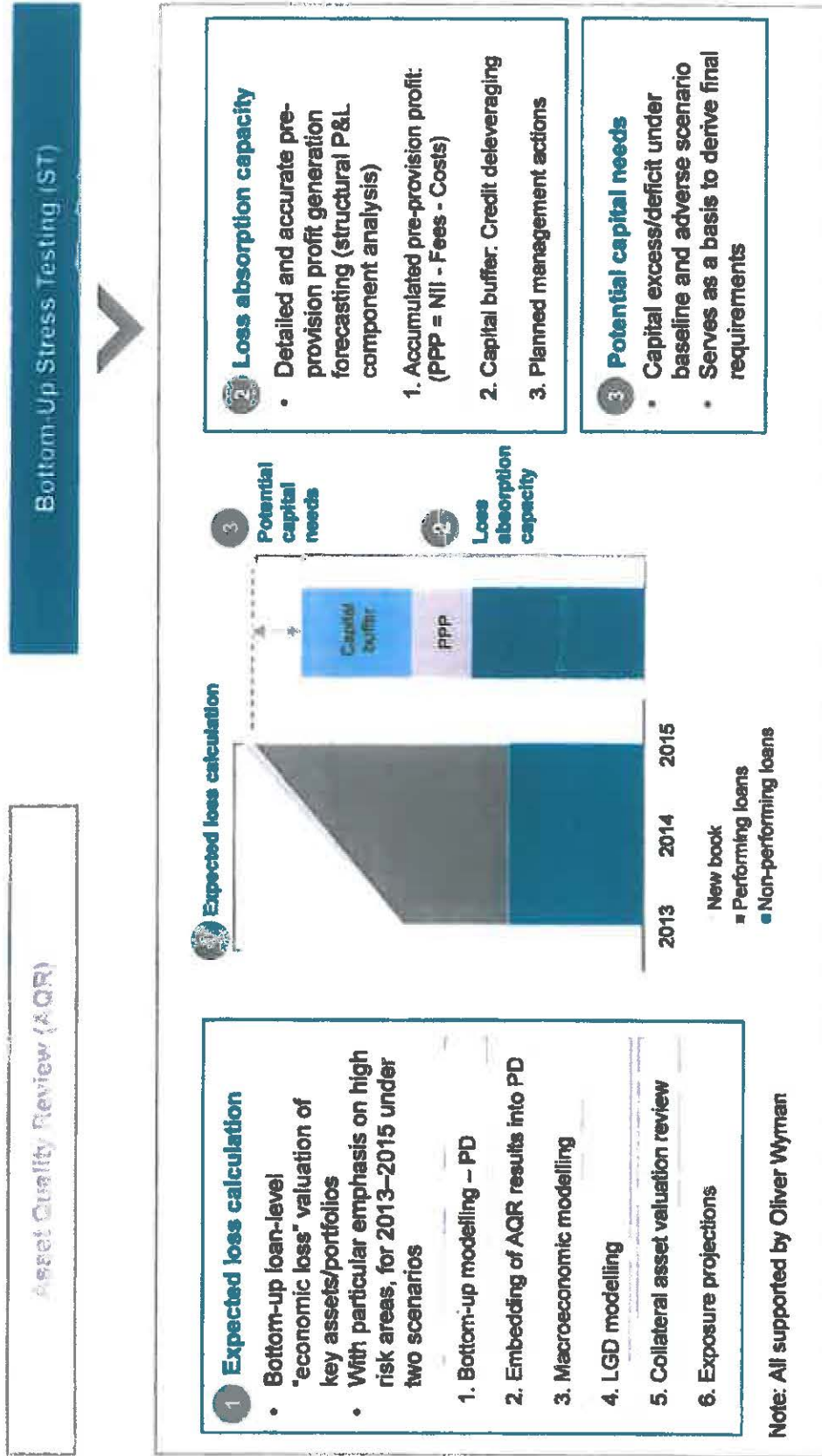


| | |
|---|---|
| Data completeness and reconciliation | <ul style="list-style-type: none"> • Check (and set basis for amendment of) accurateness of loan data • Raw output tables at individual loan level (based on loan tape) |
| Data Integrity Verification (DIV) | <ul style="list-style-type: none"> • Signed-off by auditing firm in line with BoS standards and comparable exercises |
| Individual loan file review | <ul style="list-style-type: none"> • Identification of required loan status changes (e.g. Performing to Non-performing) • Focus on identification of loan performance status and restructured loans characteristics |
| Real Estate collateral review | <ul style="list-style-type: none"> • Review/update of actual collateral values (supported by appraisers) • Commercial: evaluated using desktop or drive-by valuations as appropriate • Retail: automated and desktop valuations of random sample |

☒ Supported by third party auditing firms ☐ Supported by third party appraisers

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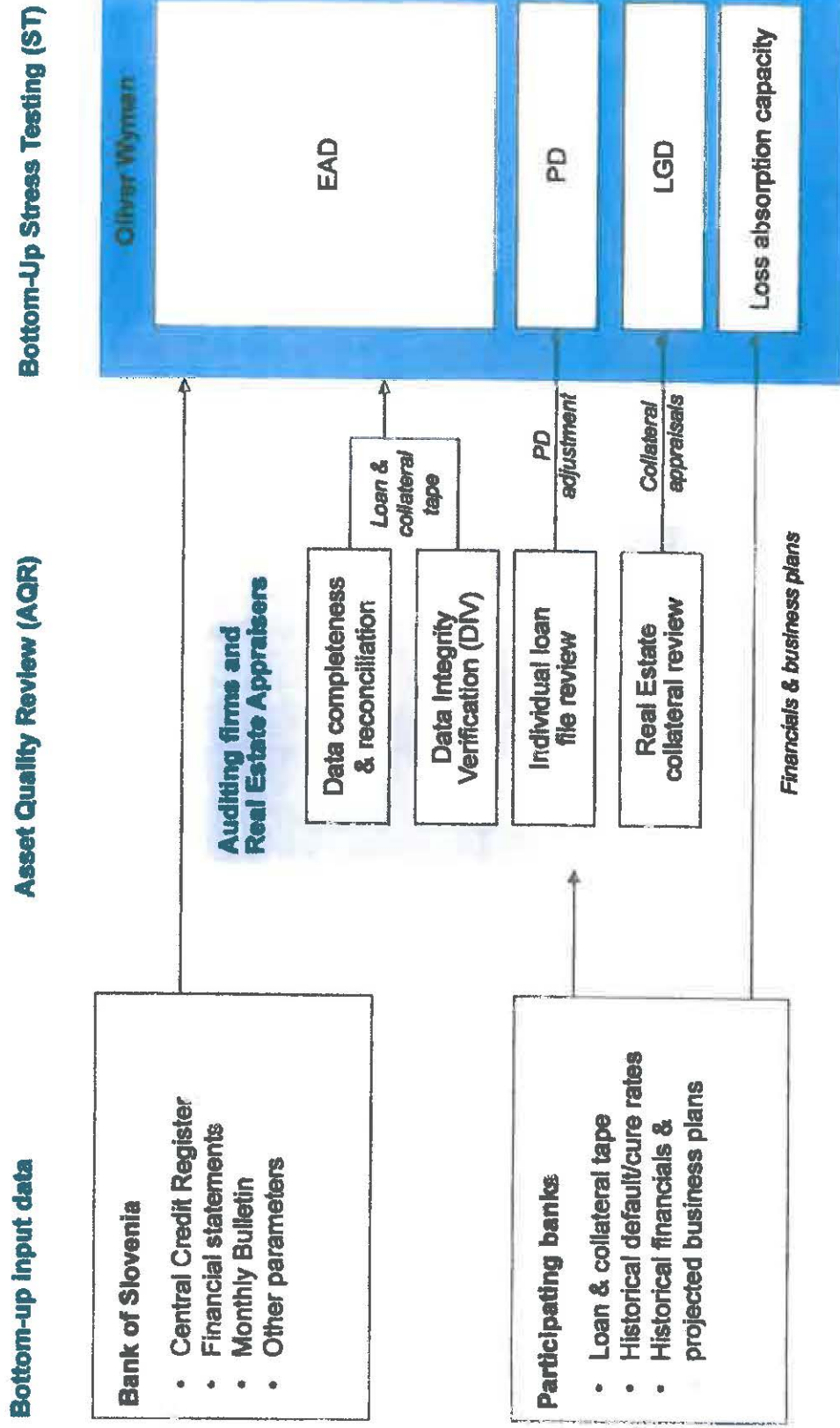
The bottom-up stress testing exercise estimates the potential capital need by comparing expected losses and the loss absorption capacity



Note: All supported by Oliver Wyman

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In our perspective, it is essential to establish strong links between the data providers, the AQR and the Stress Testing exercises



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Bank of Slovenia's proposal to include 10 banks representing ~70% of the Slovenian banking sector was accepted by EU Institutions

Scope and criteria

| Bank | Rank | | | Capital Adeq. | Average | Total |
|--------------------|--------------|-------------------|----|---------------|---------|-------|
| | Market Share | Portfolio Quality | | | | |
| Abanka Vipac | 4 | 7 | 2 | 4 | 1 | |
| NKBM | 2 | 10 | 4 | 5 | 2 | |
| NLB | 1 | 7 | 9 | 8 | 3 | |
| Hypo Alpe-Adria | 9 | 3 | 5 | 6 | 3 | |
| Factor Banka | 15 | 1 | 3 | 6 | 5 | |
| Probanka | 14 | 5 | 1 | 7 | 6 | |
| Banka Celje | 8 | 5 | 8 | 7 | 7 | |
| Railfelsen Banka | 12 | 4 | 8 | 7 | 8 | |
| Gorjanska Banka | 10 | 1 | 15 | 9 | 9 | |
| UniCredit Banka | 5 | 13 | 13 | 10 | 10 | |
| DBS | 16 | 7 | 10 | 11 | 11 | |
| Banka Koper | 7 | 15 | 12 | 11 | 12 | |
| Sberbank | 11 | 12 | 11 | 11 | 12 | |
| Sparkasse | 13 | 14 | 7 | 11 | 12 | |
| SKB Banka | 6 | 15 | 14 | 12 | 15 | |
| SID Banka | 3 | 17 | 16 | 12 | 16 | |
| Poštna Banka Slov. | 17 | 10 | 17 | 15 | 17 | |

Source: Bank of Slovenia analysis

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Rationale

- The criteria for the selection are: market share, quality of portfolio and capital adequacy
 - Quality of portfolio represents combined assessment derived from NPL share and internally (BoS) calculated expected loss from credit risk
 - Capital adequacy is measured by the gap between existing ratio and our SREP (Supervisory Review and Evaluation Process) requirements
- SID Banka, SKB Banka and Banka Koper (rank market share respectively 3, 6 and 7) are out of scope because they are not problematic considering above criteria
- Coverage of 70.8% of the total banking system, achieving a balance between domestic and foreign banks and between big and small banks
 - 82% of domestic ownership
 - 45.7 % of foreign ownership

In scope

9

The review will be focused on the commercial banking activities and deliver final reports both on the aggregate sector as well as on each of the banks

Perimeter and modelling approach

Perimeter

- Focus on commercial banking activities following a simplified framework for the rest of the balance sheet
 - Incl. Private sector customer loan book (Corporate / Small Bus. / Retail)
 - Incl. national and international subsidiaries of participating banks
 - Incl. Assets to be transferred to BAMC
 - Incl. Treasury assets (Trading Book, AFS, HTM)
 - Areas excluded from AQR: Loans to governments, public administrations, banks & central Banks (NBFI such as insurers, pension funds, asset managers included)

Modelling approach

- Development of a bottom-up, system wide rating tool to assess forward looking riskiness (PD) at client and collateral level (LGD)
- Loss-absorption capacity based on structural analysis of individual entities' business plans (incl. extensive interaction with entities)




Oliver Wyman deliverables

- Methodological workshop with Steering Committee members to discuss and agree on modeling approach based on data availability
- Detailed report including the assessment of system-wide resilience, individual bank capital needs/excess under stress (narrow range) and technical appendix with explanation and documentation of the work conducted

Disclosure of report

- Detailed OW report shall be disclosed in full to the Steering Committee and Working Group of the exercise
- Final detailed report will be for private use only of the involved national authorities (namely Ministry of Finance, Bank of Slovenia) and the involved departments of the European Authorities and Institutions that act as international observers (namely ECB, European Commission, EBA)
- Bank of Slovenia will publish a report on the system-wide resilience and aggregated results with a level of detail detailed enough so that market analysts can work with them to instil market confidence. As per contractual arrangements with the consulting firm the report by Bank of Slovenia can incorporate parts of the detailed report of the consulting firm and reference their name, subject to consent of the consulting firm on the content to be published.
- Bank of Slovenia will make available to each individual bank participating in this exercise the results of the AQR and ST. Banks will be allowed and encouraged to publish their individual results.

Similar exercises in other European countries use different levels of granularity in the final published results

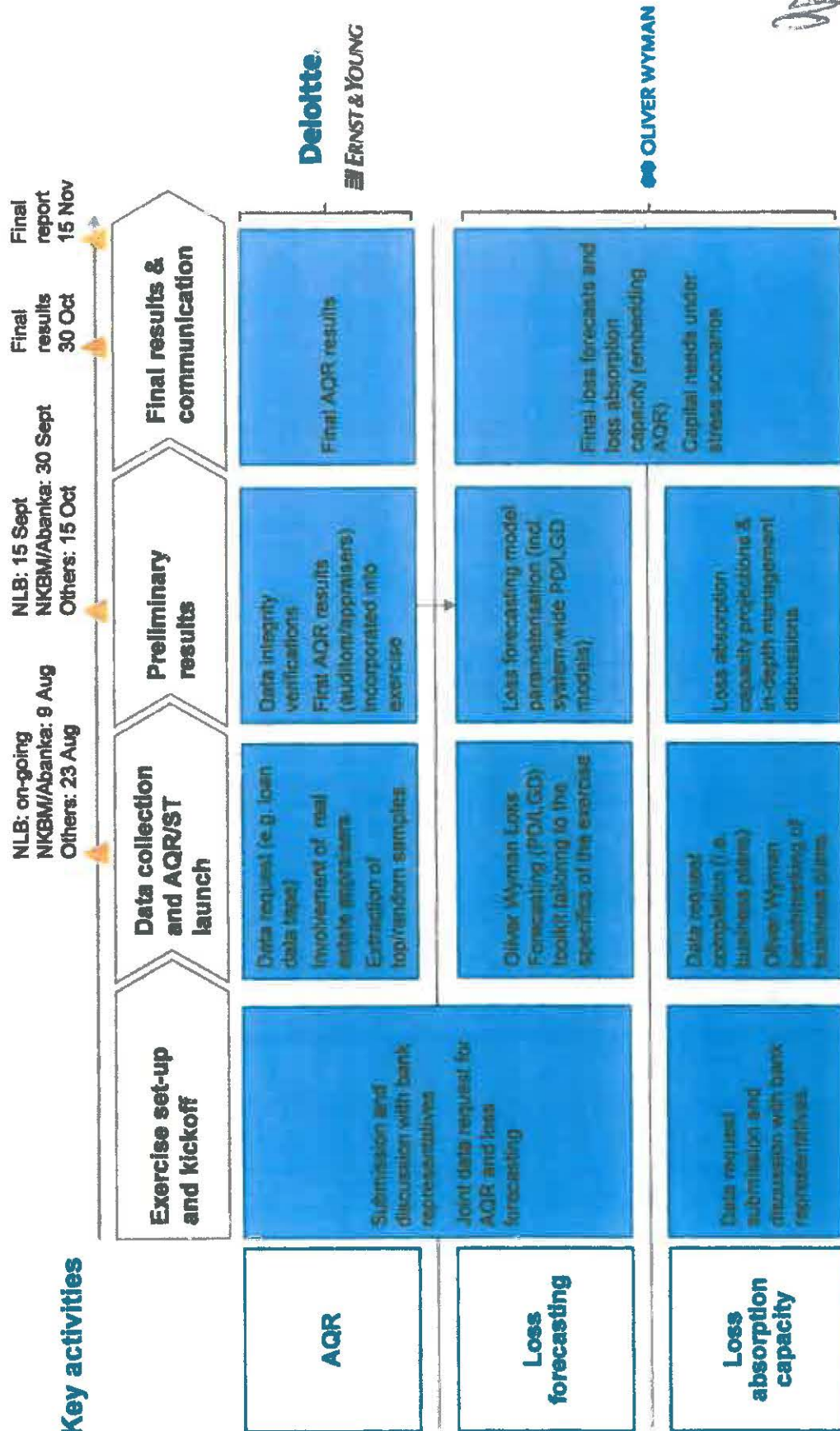
| |  Ireland |  Portugal |  Spain |  Greece |  Cyprus |
|--|---|--|---|--|--|
| Date published | March 2011 | December 2011 | September 2012 | December 2012 | March 2013 |
| Published by | Central Bank | Central Bank and Banking groups | Consultant (Oliver Wyman) | Central Bank | Consultant (PIMCO) |
| Sponsored/endorsed by¹ | Troika | Troika-appointed Steering Committee | Troika, Bank of Spain, Ministry of Economics and Finance, EBA | Troika, Bank of Greece | Troika, Bank of Cyprus, EBA, EFSF/ESM |
| Scope | 4 major banking groups | 8 banking groups | 14 banking groups | 18 commercial banks | 5 major banks and a sample of co-operative banks |
| Level of Granularity | Current Credit Book by Segment | | | | |
| | ✓ Entity level | ✓ Entity level | ✓ Entity level | ✓ Entity level | ✓ Entity level |
| | ✗ | ✗ | ✗ | ✗ | ✗ |
| | ✗ | ✗ | ✗ | ✗ | ✗ |
| | ✓ Entity level | ✓ Entity level | ✓ Entity level | ✓ Entity level | ✓ Entity level |
| | ✓ Entity level | ✓ Entity level | ✓ Entity level | ✓ Entity level | ✓ Entity level |
| | ✓ Entity level | ✓ Entity level | ✓ Entity level | ✓ Entity level | ✓ Entity level |
| | ✓ Entity level | ✓ Entity level | ✓ Entity level | ✓ Entity level | ✓ Entity level |
| | ✓ Entity level | ✓ Entity level | ✓ Entity level | ✓ Entity level | ✓ Entity level |
| | ✓ Entity level | ✓ Entity level | ✓ Entity level | ✓ Entity level | ✓ Entity level |
| Capital Needs | | | | | |
| | ✓ Entity level | ✓ Aggregate | ✓ Entity level | ✓ Entity level | ✓ Entity level |

1. Although there have been no official endorsements, a Steering Committee including the Troika has overseen each project.

2. Bank of Portugal's provisions concern foreseen requirements, all others concern provisions already in place.

As per agreement with the European Authorities and Institutions, the exercise will consist of four steps

Key activities



Given the interdependence between the AQR and the stress test, a close coordination between Oliver Wyman and the auditing firms is required

Proposed split of responsibilities

Input data collection, cleansing and reconciliation (DIV) will be designed and executed by the auditing firms; Oliver Wyman will provide data templates and source relevant data related to entity business plans

AQR activities incl. individual file reviews and collateral valuation appraisals will be designed/executed by the auditing firms in line with the criteria agreed with the Oliver Wyman

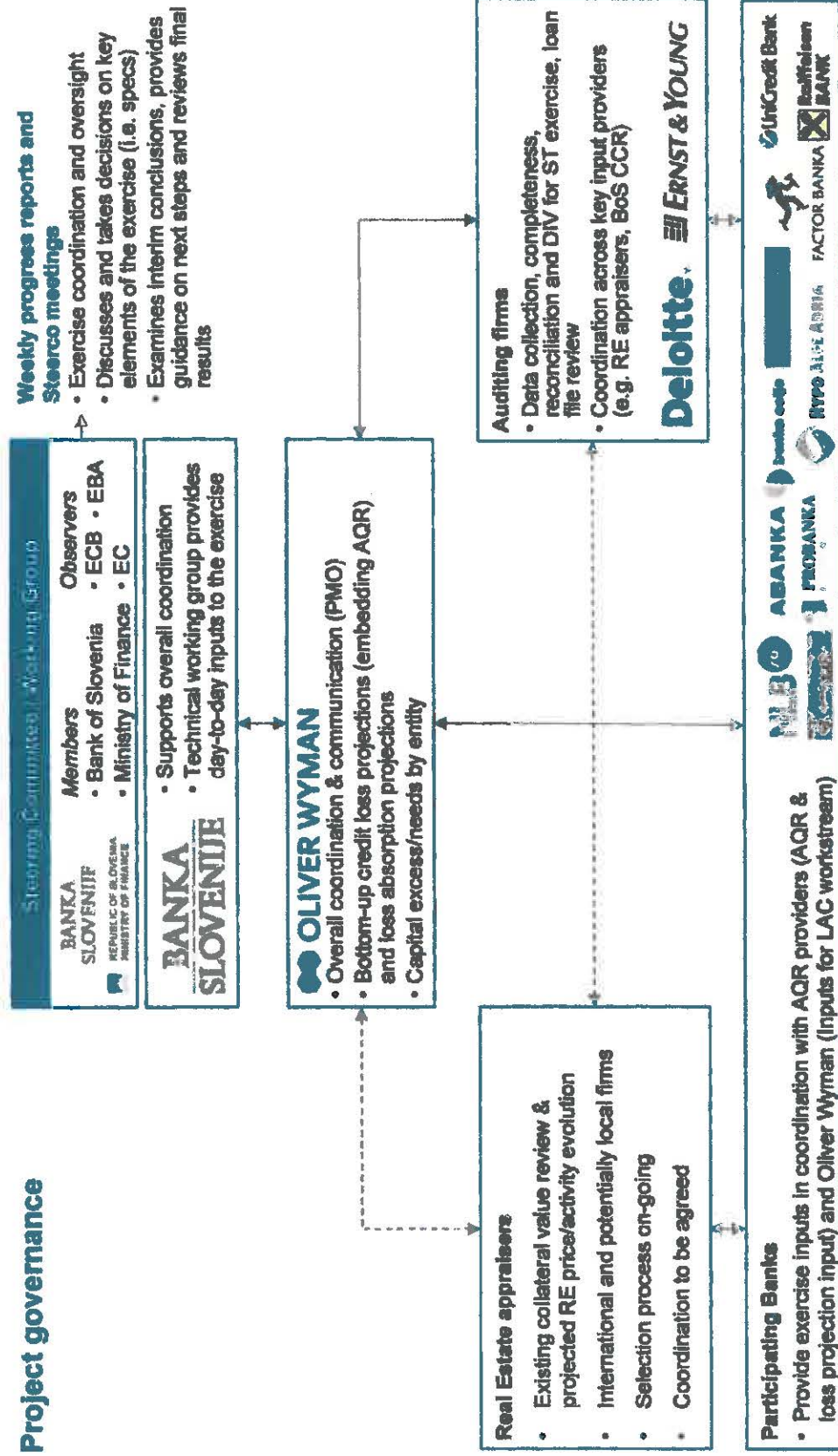
Oliver Wyman will be responsible to conduct the bottom-up credit loss projections, with areas where the auditing firm's specific input will be required

Oliver Wyman will lead the **loss absorption capacity** analysis to project future pre-provision profit, existing insolvencies and capital requirements

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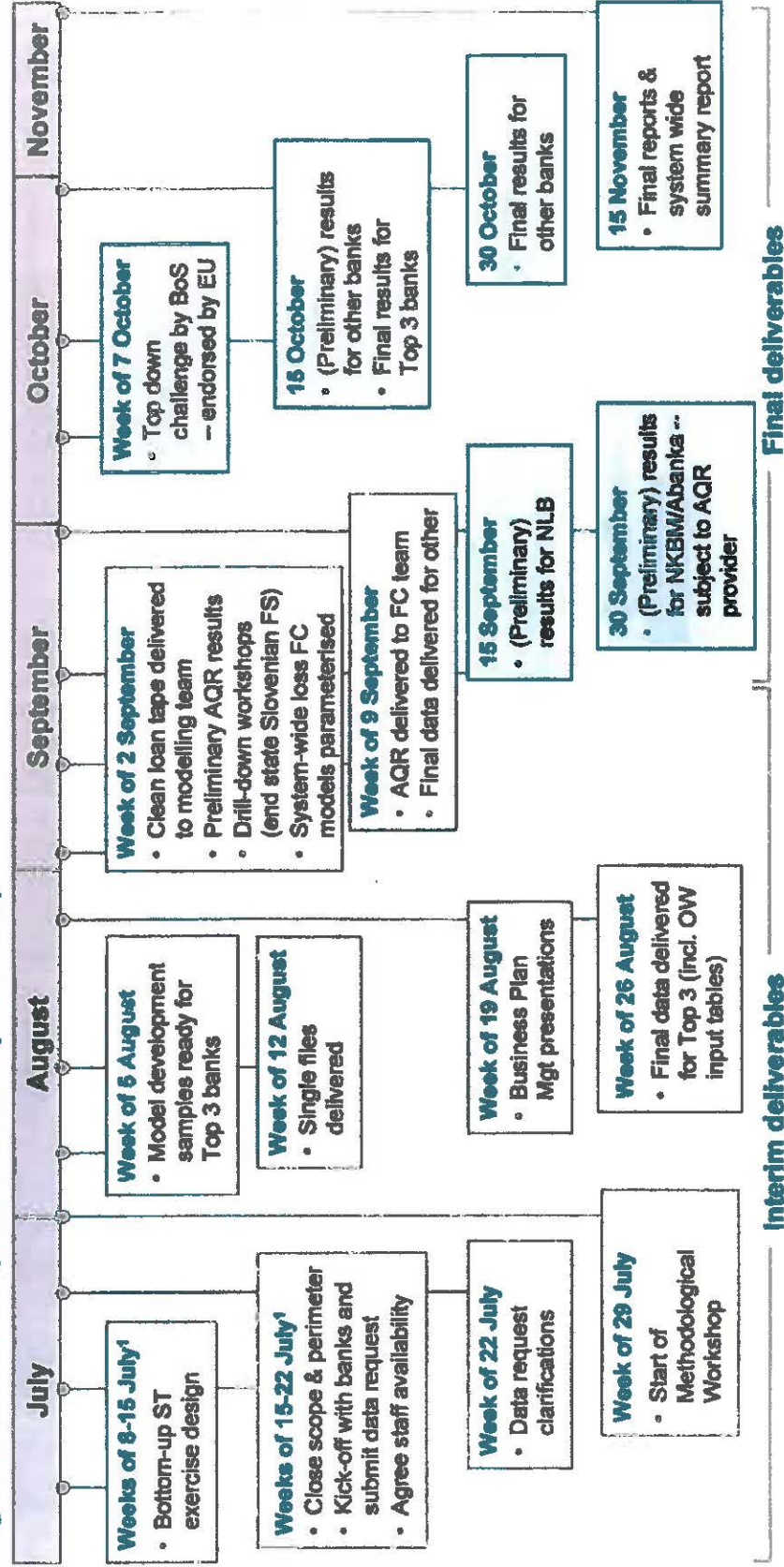
The Steering Committee and Working Group, supported by Oliver Wyman, will ensure coordination and oversight across all stakeholders involved

Project governance



The revised time line for this exercise runs up to mid-November – Oliver Wyman's team started working on this exercise for NLB as of June 26th

High-level timeline (focused on Top 3 banks)



On-going dialogue with banks and with Slovenian Authorities and European Authorities and Institutions.


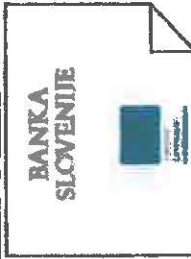

1. Top 3 banks to come in first week of this portimeter.

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The following documents will govern our project

Governing documents

| Document | Objective and involved parties | Contents |
|--|--|---|
| Contract of Work (this document) |  <p>BANKA SLOVENIJE OLIVER WYMAN</p> | <ul style="list-style-type: none"> • Objectives and scope • Approach • Governance and timeline • Resources and professional fees • Terms & Conditions including disclosure |
| Terms of Reference (ToR) |  <p>BANKA SLOVENIJE DELLOITTE</p> | <ul style="list-style-type: none"> • Objectives and scope • Information landscape • Description of work carried out • Governance and timelines • Final results |
| Memorandum of Understanding (MoU) |  <p>DELLOITTE ERNST & YOUNG OLIVER WYMAN</p> | <ul style="list-style-type: none"> • AQR scope • Sampling criteria for non-DIV exercise • Outputs • Methodological guidelines • Timelines |

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Professional fees and payment schedule

Professional fees per phase

Assuming 10 banks perimeter and current timeline
(project end date 15 November 2013)

| Phase | Weekly fees (excl. expenses and VAT, in EUR) | Weeks per phase | Total fees (excl. expenses and VAT, in EUR) | Fixed amount for out-of-pocket expenses – 5.5% ¹ (in EUR) |
|---|--|------------------|---|---|
| (1.) 26 June – 5 July | 180,000 | 1.5 | 240,000 | ca. 15,000 |
| (2.) 8 July – 2 August | 226,250 | 4.0 | 905,000 | ca. 55,000 |
| (3.) 5 August – 30 August | 395,000 | 4.0 | 1,580,000 | ca. 90,000 |
| (4.) 2 September – 4 October | 496,000 | 5.0 | 2,480,000 | ca. 145,000 |
| (5.) 7 October – 1 November | 437,500 | 4.0 | 1,750,000 | ca. 100,000 |
| (6.) 4 November – 15 November (end date) | 392,500 | 2.0 | 785,000 | ca. 45,000 |
| Total (1.) to (6.) | | 20.5 | 7,740,000 | ca. 450,000 |
| (7.) Additional PMO support for BoS (no RE coordination) | 46,430 | 7.0 | 325,000 | ca. 20,000 |
| (8.) Weekly extension beyond 15 November 2013 | 279,000 | 1.0 ² | 279,000 | ca. 16,000 |
| (9.) Coordination of RE appraisers by Oliver Wyman | 52,000 | 5.0 | 260,000 | ca. 15,000 |
| (10.) One off reduction if scope reduced from 10 to 9 banks | | n.a | (250,000) | not relevant |

Notes on the table

(1.-6.) The current setup includes a lean, dedicated Project Management Office (PMO), starting as of 5 August and rolling off on 1 November) as well as a small team coordinating and consolidating the input of the two AQR providers Deloitte and Ernst & Young and normalise their output (which was not included in the initial estimates provided, starting as of 19 August and rolling off on 1 November). We are currently estimating the peak of the efforts to occur in September. Depending on compliance with deadlines by the AQR providers we may move our resources to October without a change in the fee schedule for BoS.

(7.) This amount may be charged for a stronger PMO (running in September and October for a total of 7 weeks). Optional amount negotiable based on exact scope to be mutually agreed in writing.

(8.) This amount shall be charged should timelines get moved for reasons beyond OW control after 15 November 2013.

(9.) This amount may be charged for the coordination of RE appraisers and needs to be mutually agreed in writing.

(10.) Should the perimeter of banks in-scope be reduced by one bank, this one-off reduction of fees applies. A replacement of one bank has no impact on fees. Both types of changes to perimeter need to be communicated in writing by no later than 15 August 2013

Payment schedule

15% of total fees and related expenses will be invoiced at the end of August, 40% on delivery of preliminary results and in any case no later than 5 October, remaining 45% upon delivery of the final report and in any case no later than 30 November; in case of fees incurred beyond 30 November, these will be invoiced on a monthly basis.

1. Out of pocket expenses include – for example – boarding, lodging, travel and incidentals while travelling to and from client location incurred as per Oliver Wyman standard travel policy. These are estimated to be ~5.5% of team fees. 2. Priced per week. Number of weeks to be determined during the course of the project should it be required.

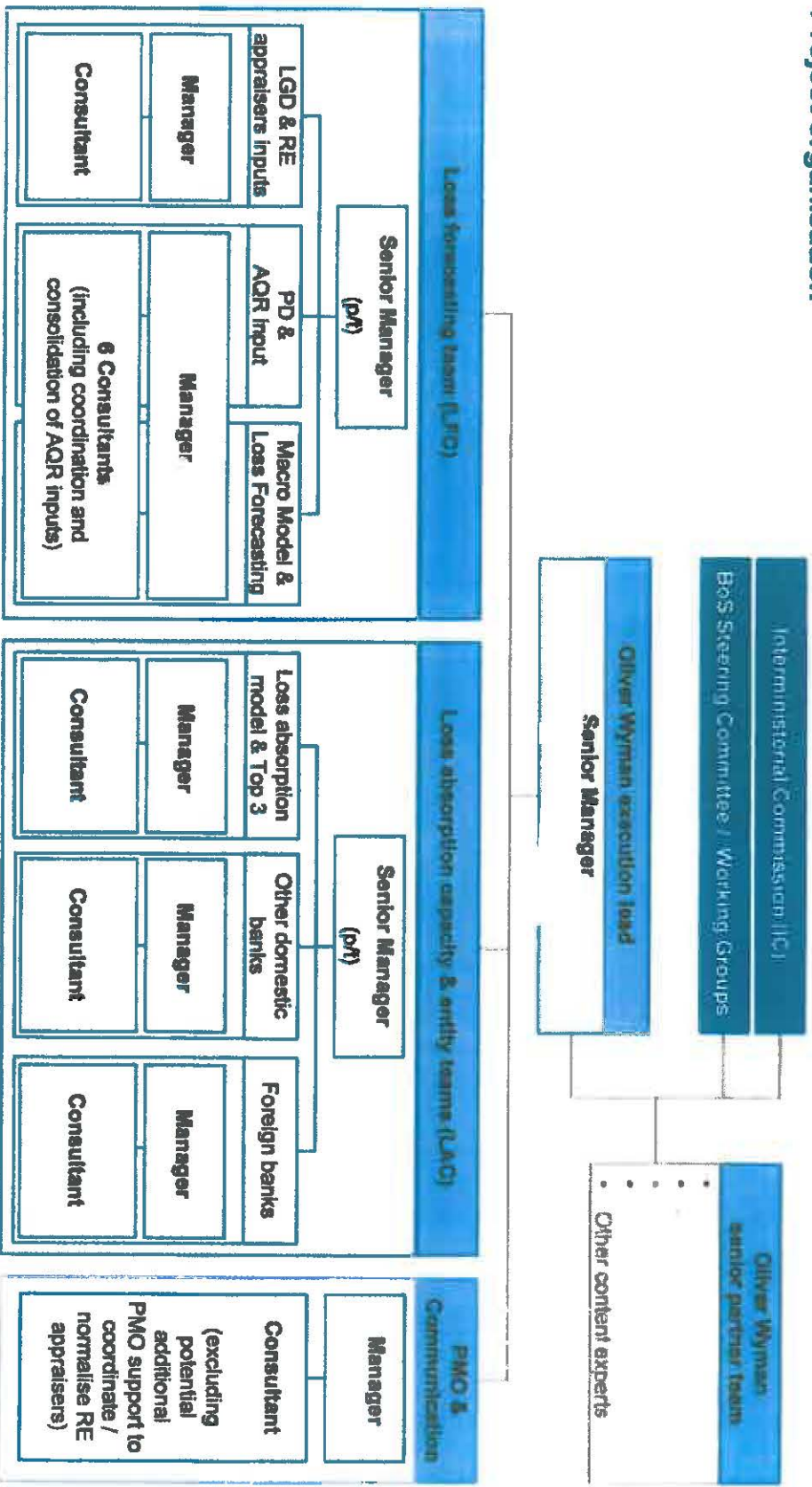
Oliver Wyman's team composition and expected involvement up to 15 November (assuming all deadlines are met)

| Oliver Wyman Team Composition | Total man days per level | Weeks of involvement (up to 15 November 2013) |
|---|--------------------------|--|
| Partners and Principals | 420 – 480 | 20.5 |
| Managers | 500 – 580 | 20.5 |
| Consultants | 800 – 920 | 20.5 |
| Research analysts and assistants | 450 – 520 | 20.5 |
| Total | 2,170 – 2,500 | 20.5 |
| Further FTE requirements | | |
| If PMO gets strengthened (more support to the Authorities – no RE coordination) | 115 – 130 | 7.0 |
| If work gets delayed by three weeks for reasons out of OW control | 360 – 420 | 23.5 (up to 5 December 2013) |

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Oliver Wyman is devoting a senior team with deep experience in managing similar exercises to ensure the success of this engagement

Project organisation

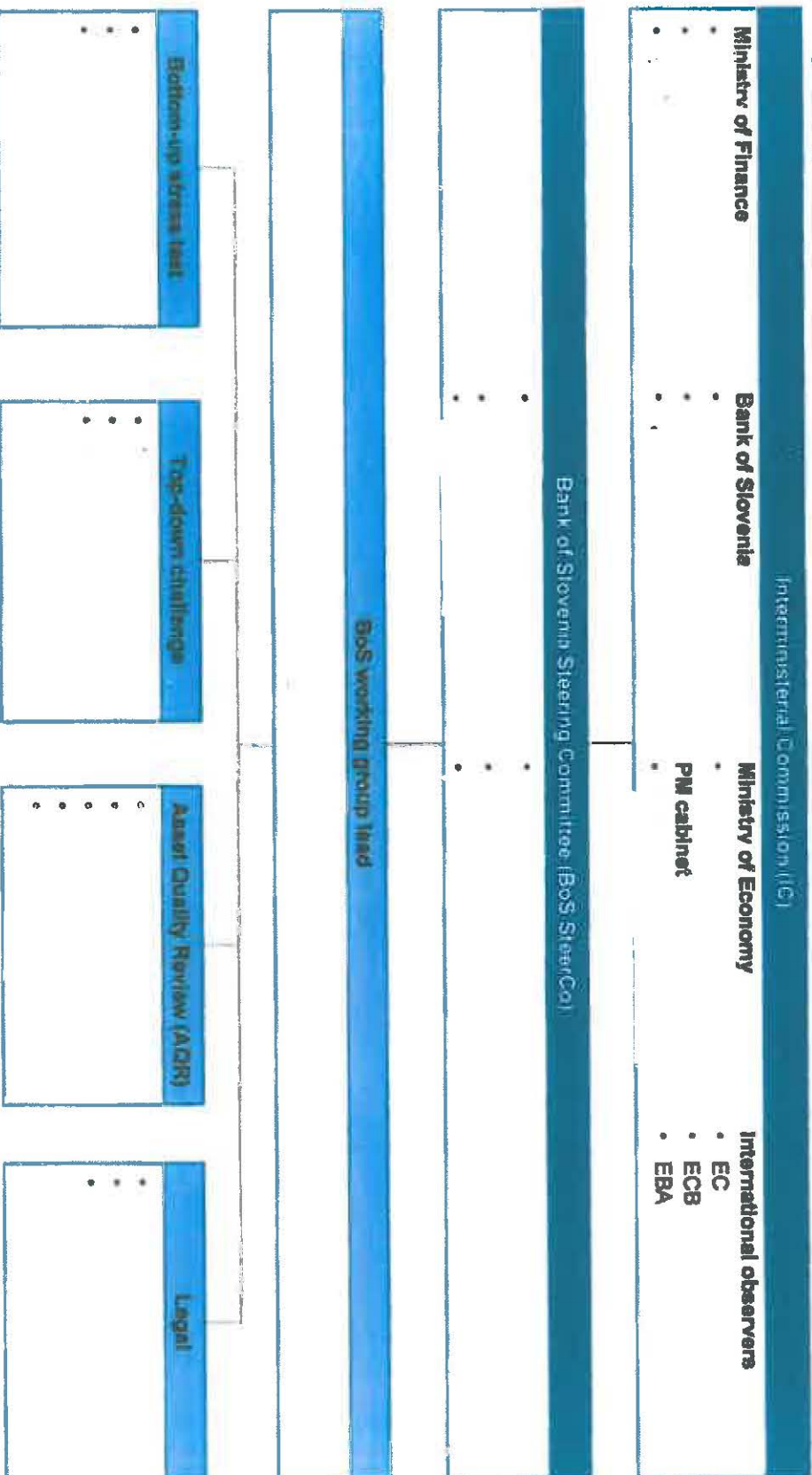


pft = part time
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The Slovenian Authorities have defined their decision bodies and operational working groups that will closely interact with the Oliver Wyman team

Project organisation Slovenian Authorities



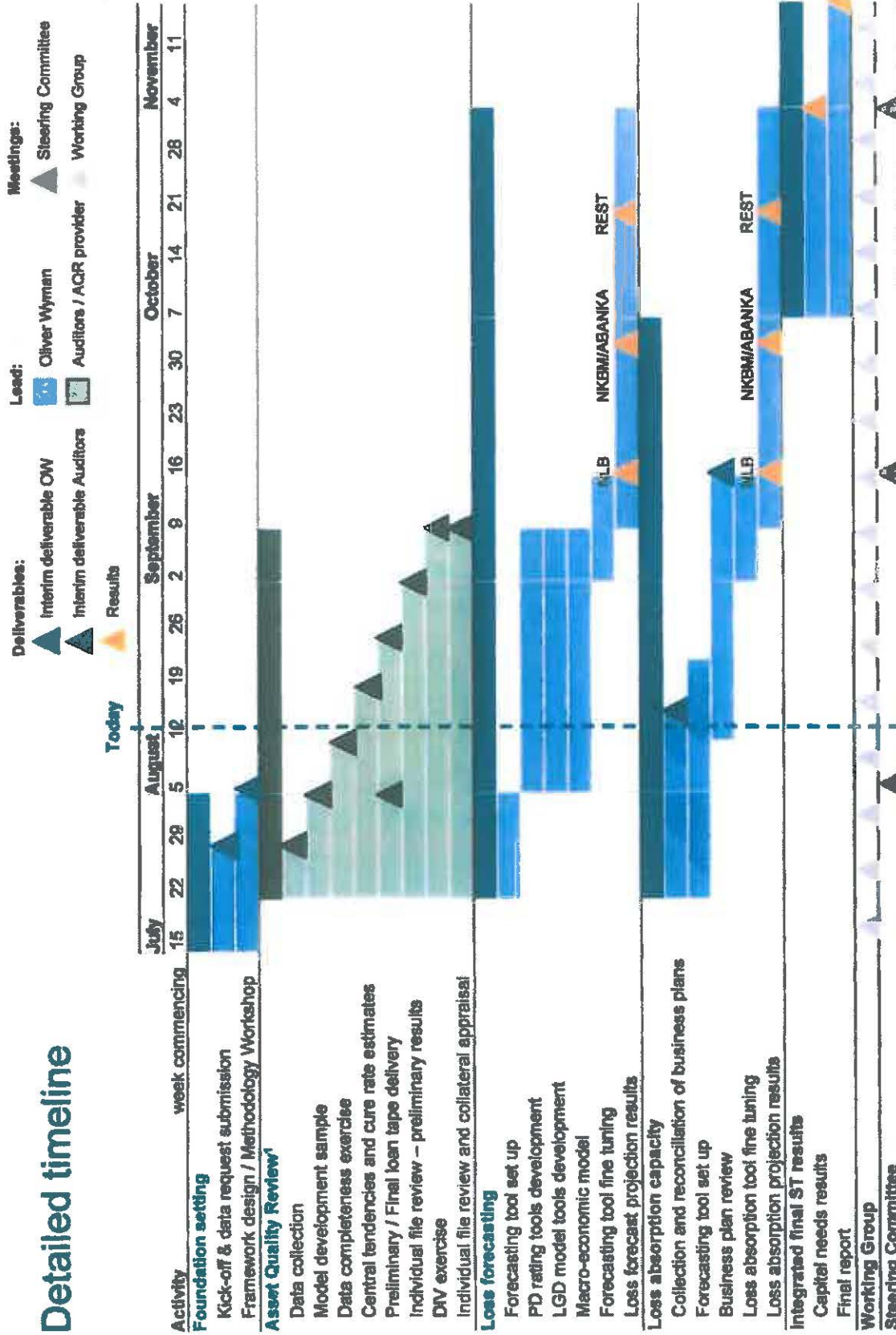
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Appendix

Detailed timeline and contacts

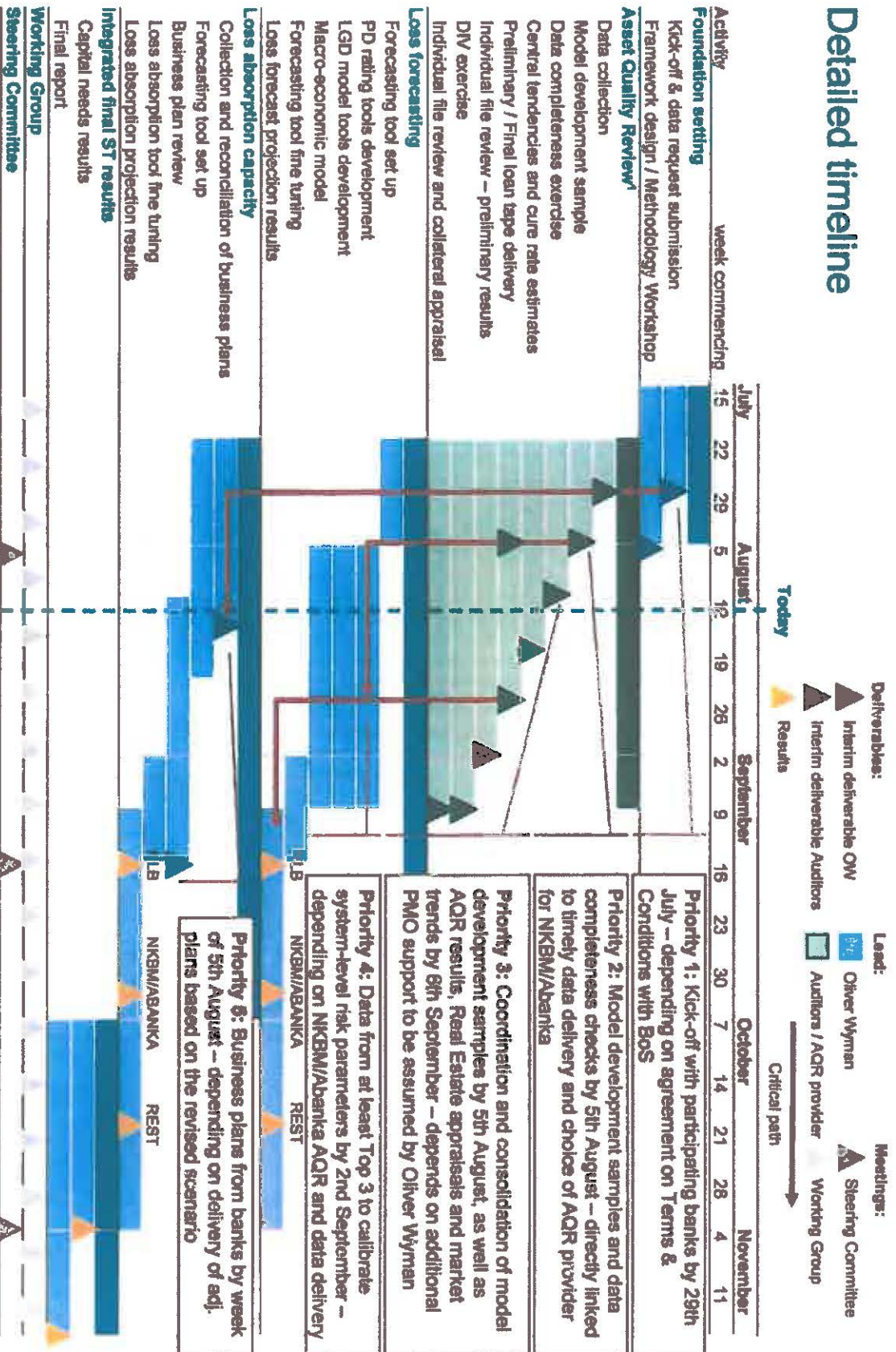
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Detailed timeline



Notes: Public holidays in Slovenia on Thursday, 15 August and Thursday, 31 October.
 1. Timelines for remaining participating institutions: 3 weeks from first delivery of data and loan files by Participating Institutions will be assumed for the AQR provider to provide first results. 4 weeks to deliver cleaned data, individual file reviews and collateral appraisals (assuming complete data is delivered by Participating Institutions within 1 week of delivery of first data). In any case, final data for all Participating Institutions is expected by September 16th.
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Detailed timeline



Key contacts

| | Name | Email | Phone |
|------------------|-------------------------|-------|-------|
| Bank of Slovenia | Financial Stability | | |
| | Financial Stability | | |
| | Banking Supervision | | |
| | Legal | | |
| | Legal | | |
| | Advisor to the Governor | | |
| Oliver Wyman | Partner | | |
| | Partner | | |
| | Partner | | |
| | Principal | | |
| | Principal | | |
| | Manager | | |
| | Manager | | |
| | Legal | | |
| | Legal | | |

INTERNAL ONLY

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graph TD; SC[Steering Committee / Working Group] --> M[Members]; SC --> O[Observers]; M --> OW[Oliver Wyman]; M --> SM[Senior Manager]; O --> OW; O --> SM;
```

Steering Committee / Working Group

Members

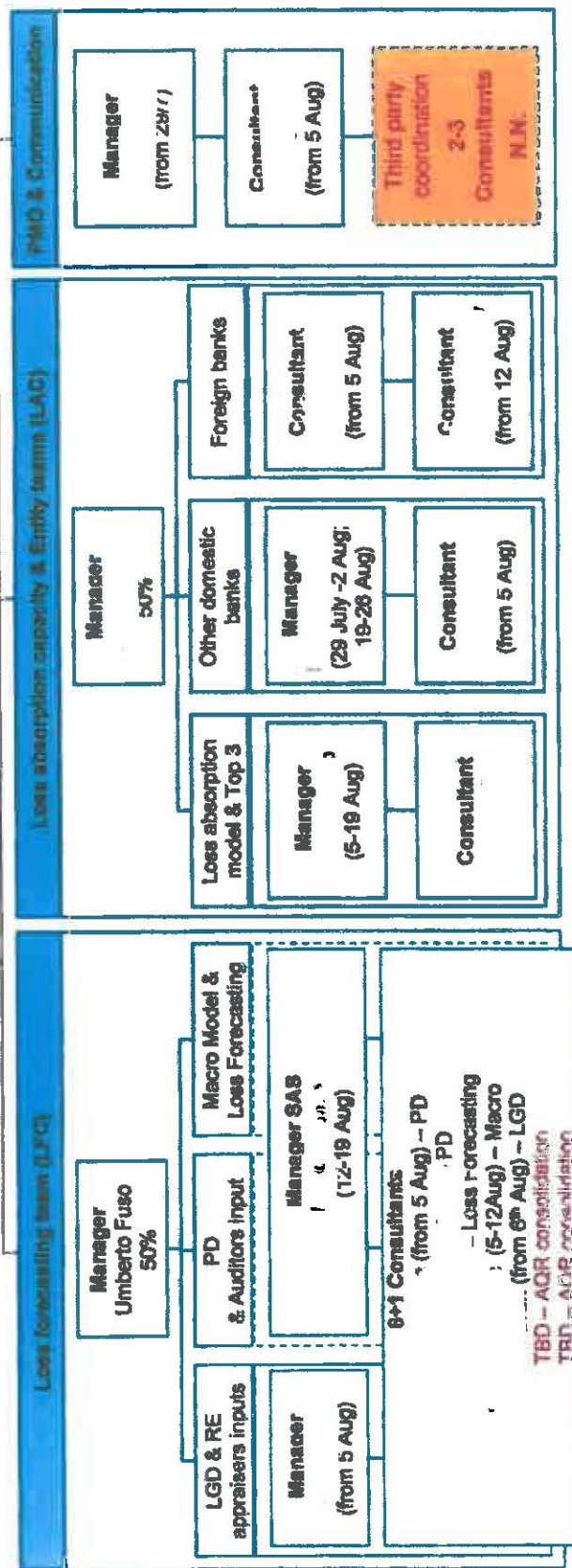
- Bank of Slovenia
- Ministry of Finance

Observers

- ECB
- EC

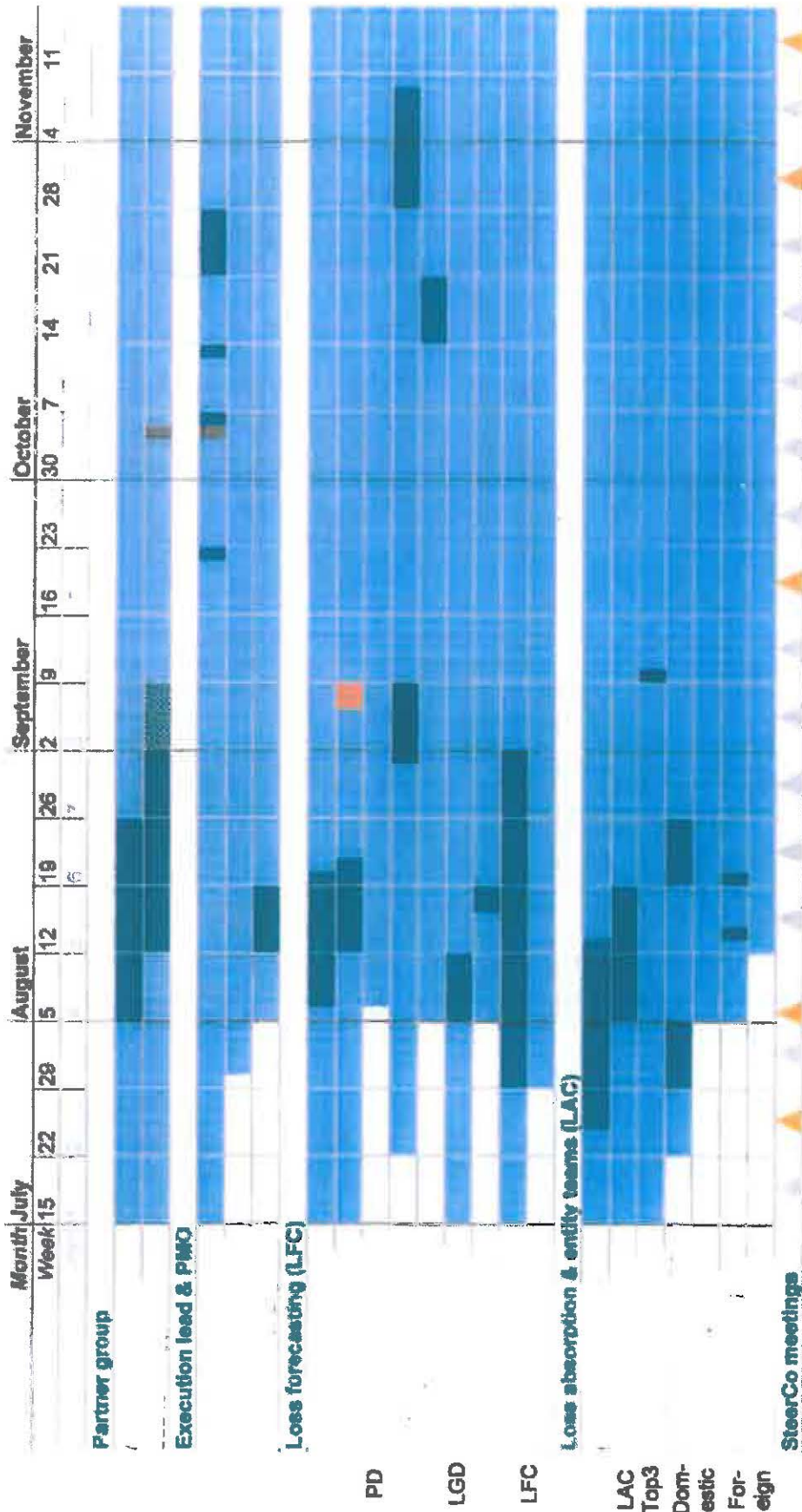
Oliver Wyman
Senior partner/lead

Senior Manager



Team capacity

OW Internal only
Status: 8 Aug



Legend: Available Vacation Public holiday Training YTD Not started Weekly SteerCo (phone) ResultsSteerCo (physical)

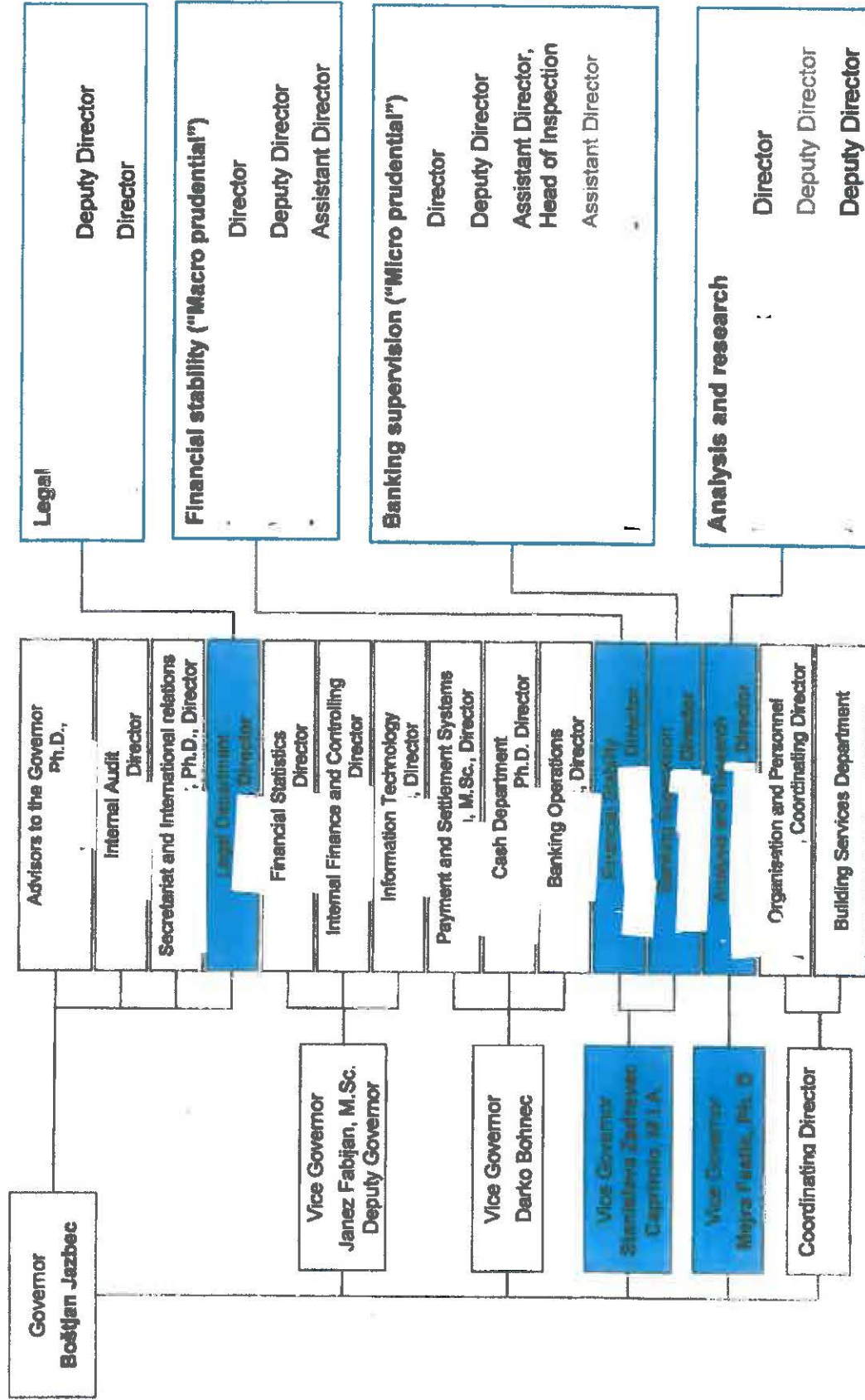
Note: Public holidays in Slovenia on Thursday, 15 August and Thursday, 31 October.

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BoS organisation structure and key project contacts





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Mobile: +
www.oliverwyman.com

Mr. Boštjan Jazbec
BANK OF SLOVENIA
Slovenska 35
1505 Ljubljana
Slovenija

4 September 2013

Subject: Mutually agreed amendment to Project Description Document "Bottom-up AQR & Stress Testing of the Slovenian Banking System" dated 14 August 2103 ("PDD")

Dear Mr. Jazbec,

We would like to thank you again for giving us the opportunity to working with you on this important project for Bank of Slovenia. We refer to the PDD which forms part of our contract with you for the provision of services in respect of the above project dated 14 August 2013 ("Agreement"). The purpose of this letter is to set out one agreed amendment to the PDD, all other terms and conditions of our Agreement with you remains the same.

We refer to page 17 of the PDD and item 9 in the table. As discussed last week, an important part of the Asset Quality Review and Bottom-up Stress Testing is the evaluation of Real Estate (RE) collaterals and aggregation to system-wide results. This activity includes a view on the Slovenian RE market and outputs to be used in the Stress Test exercise (e.g. historical and future indexation of prices, price haircuts, time-to-sell). This activity is step 3 in the RE evaluation exercise and is preceded by Activity 1 – RE appraiser selection & coordination (performed by Deloitte) and Activity 2 – Individual bank RE appraisals (performed by both AQR providers Deloitte and EY).

Oliver Wyman is best positioned to perform this activity as it is closely linked to final LGD results and as it requires a top-level overview of potential Real Estate value drivers based on system-level results of the Stress Test exercise.

We agree to perform this activity as set out in this letter for EUR 110,000.00, excl. expenses and VAT. The fixed amount for out-of-pocket expenses (5.5%) equals to EUR 6,000.00. This amount will be charged in addition to the professional fees and expenses agreed in the PDD, and will be invoiced on delivery of preliminary results and in any case no later than 5 October 2013.

FOR VALUABLE CONSIDERATION, AGREED TO:



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OLIVER WYMAN S.r.l.

By:

Jochen Peppel
Jochen Peppel

Name: Jochen Peppel

Title: Partner

Date: 4 September 2013

BANKA SLOVENIJE

By:

Boštjan Jagbec

Name: Mr. Boštjan Jagbec

Title: Governor

Date: 4 September 2013

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Tel:
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Boštjan Jazbec
Governor

Banka Slovenije
Slovenska, 35
SI-1505 Ljubljana
Slovenia

cc:
Uroš Čufer
Minister of Finance

Ministry of Finance
Župančičeva 3
SI-1000 Ljubljana
Slovenia

6th November 2013

Subject: Assistance in communication

Dear Governor,

In the context of the on-going AQR and Stress Testing exercise you have requested to strengthen our support around communication efforts of the exercise itself given how crucial such communication effort will be for the success of the overall exercise. In line with your request, Oliver Wyman would be delighted to assist you and your teams on the following activities:

1. AQR and ST

- Support to the drafting of BoS press release announcing ST and AQR exercise
- Support the development of disclosure policy for AQR & ST results
- Develop a list of frequently asked questions for publication in order to allow BoS teams to best prepare for these



- On responses to press in relation to ST and AQR, review the draft press responses prepared by your dedicated teams and comment on the content

2. Action plan

- Prepare one briefing note for the MoF and BoS on the needed action plans (for private use only)
- Support the MoF and BoS teams charged with the preparation of the presentation about the possible needed action plans

Leveraging our previous experiences and involving all the key partners that are experts in this space (including a number of those whom you already met, namely:
), we are confident that with a focused team we can add material value in this delicate phase.

Specifically we will be operating on a “sounding board basis” and providing you and your teams access to our experts. This will allow the Bank of Slovenia and the Ministry of Finance teams involved in the above mentioned activities to get the best possible content leverage, in the shortest possible timeframe.

With this in mind, our sounding board approach will be aimed at supporting your team/s towards the development of 4 specific deliverables (for private use only). Your teams will be able to use these deliverables when producing material for public disclosure without mentioning the OW as the author of these deliverables (this will need to be done in line with the disclosure procedures agreed in the context of our AQR and ST mandate):

- I. A briefing note for the MoF on the needed action plans with a focus on the financial sector (word document)
- II. A strawman presentation with reference to the action plan (powerpoint)
- III. An integrated communication plan encompassing AQR and ST and action plan (powerpoint)
- IV. A list of frequently asked questions with reference to AQR, ST and action plan (word document)

We will deploy a team of a manager and three dedicated consultants to work alongside the Ministry of Finance and Bank of Slovenia until December 13th. Assistance for the responses to the questions will be provided until December 13th.

The team will be guided by

will ensure coordination with the AQR and ST work. and
will provide "on the ground" support as necessary. Our team of experts
will be involved "on demand", to provide on-going content input.

The Ministry of Finance and the Bank of Slovenia will need to identify as well key
officials to dedicate to such exercise.

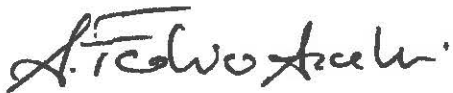
Oliver Wyman's team will be closely linked and will leverage the work undertaken by
our PMO team that currently supports Bank of Slovenia in the AQR and ST exercise.

In the interest of the best possible results of the AQR and ST project and to be able to
support The Republic of Slovenia in this delicate phase of the AQR and ST project, we
will undertake this work for a symbolic fee only: Our professional fees for this piece of
work only will be equal to 19.990 EUR (including all expenses) plus any applicable tax.
We will render invoice for our professional fee after the completion our work according
with the plan of Assistance in Communication. These invoices are due for settlement
within 30 days after receipt and OW reserves the right to charge legal default interests
on overdue amounts from the due date.

The services described in this letter are governed by the terms and conditions dated
on or around 16 August 2013 between Oliver Wyman S.r.l. and Bank of Slovenia. This
project will be performed by Oliver Wyman S.r.l. By signing below, you authorize the
services to be performed pursuant to the above referenced agreement.

We are delighted to be able to assist you in your communication efforts and look
forward to your confirmation that the terms detailed in this note are in line you're your
requirements and that we can officially start our work.

Best regards,



Angelo Federico Arcelli
Partner



Andrea Federico
Partner



OLIVER WYMAN

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Bank of Slovenia – Assistance in Communication

Agreed and Accepted by:

BANKA SLOVENIJE

Name: Vida Šeme Hočevar, J.S.D.

Title: Secretary General

Date: 5. 12. 2013

