

Proposal

MEPS SAN ATM switch Integration

For KFHMB



Prepared and Submitted by:

International Turnkey Systems

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1. Executive Summary

International Turnkey Systems (ITS) is delighted to be in a position to address and meet the business requirements and solution needs of **Kuwait Finance House- Malaysia (KFHM)**. ITS will work with the Bank's team to achieve the vision and objectives set by your management.

The Bank has embarked on **MEPS (Malaysian Electronic Payment Systems) SAN (Shared ATM Network)**. This will enable the bank to have the following services:

Acquirer services:

MEPS Cardholders will be able to use KFHM ATMs for Balance Inquiry, Cash withdrawal and Fund Transfer transactions.

Issuer Transactions:

- KFHM Cardholder will be able to use MEPS member banks ATMs for balance Inquiry, Cash withdrawal and Fund transfer.

Internet banking transactions:

KFHM account holder will use KFHM internet banking to interbank transfer from his account in KFHM to other beneficiary account in other MEPS bank member.

In Branch Fund transfer:

The Bank has embarked on MEPS IBG system to accommodate customer to remit fund to MEPS member.

Globalfs (GFS) as a front-end system will be used by KFHM branches to process/initiate MEPS IBG transaction and to integrate with IBG Core system via Web Services interface. IBG Core is a back-end engine that processes Incoming and Outgoing MEPS IBG transaction.

Following Proposal covers the service Implementation in PowerCARD ATM system (As Acquirer and Issuer).

Separate proposal will be provided to cover PowerCARD integration with bank Internet Banking. Other proposal will be provided covers service implementation in GlobalIFS (GFS).

2. Proposed Solution

2.1 PowerCARD Scope of work:

2.1.1 Scope of Proposal

Subsequent to the request of the Bank, ITS/HPS will provide the necessary implementation and customization in order for the Bank to be a MEPS SAN member. The Project will include implementation of Phase I (Interbank Balance Inquiry, Interbank Cash Withdrawal) and Phase II (Interbank Fund Transfer) as seen in the document: BRS_SAN_V2_05022010 – Latestv1.docx

The full scope of the implementation and customization is summarized below:

- Interbank Balance Inquiry
- Interbank Cash Withdrawal
- Interbank Fund Transfer
- Implementation of scenarios described in document " BRS_SAN_V2_05022010 - Latest v1.docx" chapter 3 – System overview
- Implementation of the interface with MEPS
- Modification of the interface and reconciliation with Phoenix

2.1.2 PowerCARD Services

PowerCARD Implementation services include the following tasks:

Project Phase	Deliverables
Customization	<ul style="list-style-type: none"> • PowerCARD customized
Installation	<ul style="list-style-type: none"> • PowerCARD installed
Parameterization assistance	<ul style="list-style-type: none"> • PowerCARD parameterized
Test assistance	<ul style="list-style-type: none"> • PowerCARD tested • Integrated system tested
Certification assistance	<ul style="list-style-type: none"> • PowerCARD Certified by the international payment organizations
Go live assistance	<ul style="list-style-type: none"> • System live



2.2 ISO8583-Parser Scope of work:

2.2.1 Scope of Proposal

ISO8583-Parser will be upgraded to the latest version. A GAP session will be held to finalize the bank requirements and scope the needed ISO8583-Parser customization.

Following are the scope of work:

- GAP session for ISO8583 customization.
- Implementation of the new ISO8583-Parser module.
- Testing the interface with PowerCARD
- Going live assistance.

3. Solution Proposal Assumption

This Proposal has been written based on a set of assumptions detailed below. If any of these assumptions proves to be incorrect, it may have a negative impact on the successful and timely delivery. In this case **ITS** reserves the right to change the terms and conditions of this Proposal:

3.1 General Assumptions

- **KFHM** will set up a dedicated task-force made by a sufficient number of resources to guarantee that **KFHM**'s required skills are available to the project when required according to the agreed project schedule
- **KFHM** will make available to **ITS/ITS/HPS** staff facilities on site similar to those that **KFHM** makes available to their own staff
- **KFHM** will respond to all **ITS** requests for information in a timely manner
- **KFHM** shall be responsible for timely availability of software, hardware and applications required to develop/customize or implement the proposed solution
- **KFHM** will provide appropriate testing, training and production environment for the proposed solution
- **KFHM** will fulfill any other request, which may arise and needed to ensure the success of the overall project
- Some of the activities shall be done off-site where and when required and **ITS** project manager will periodically report the progress of these tasks to **KFHM** steering committee and project manager
- Civil work and Site Preparation are not part of this scope of work
- **KFHM** will arrange all necessary authorizations on LAN or any other infrastructure for **ITS** employees to be able to carry out the project.
- **KFHM** has to develop all the suitable test data cases according to the test plan submitted by **ITS**, The test plan and test cases will be the foundation for accepting the proposed solution
- **ITS** will require a mobilization period of one month starting from the date of signing the contract.

3.2 Solution Assumptions

- **KFHM** should provide testing environment that includes test servers, HSM, ATM, links to MEPS, etc....
- **KFHM** will be responsible for arrangements with other project parties.
- Integration between **KFHM** Internet Banking system and **PowerCARD** is out of scope of this proposal, separate proposal will be provided to accommodate these requirements.
- Applying the service on GFS is out of scope of this proposal, separate proposal will be provided to accommodate these requirements.
- The requirements may include customization for ISO8583-Parser from **ITS**, This will be finalized during the GAP session with the bank. Extra costing will be applied for the customization.



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- Although system support full list of services, System standard list of services will be provided. Detailed system requirements will be handled during requirements gathering sessions.
- The Bank should take into full consideration the solution proposed I.T architectural mandates and as explained in the solution architecture.

4. Financial Proposal

4.1 Investment Summary

Item	Description	Amount
1	Licenses	25,000
2	Implementation	72,300
TOTAL – US\$		97,300

4.2 Investment Details

4.2.1 ITS/HPS PowerCARD

4.2.1.1 Malaysia National Switch Customization

Products and Services	Price in USD
Licenses	
Front-End	
Malaysia National Switch	20,000
ISO8583 Parser	5,000
Total Licenses	25,000
Implementation	
Powercard Customization Provision	22,500
ISO8583 Parser Implementation Services	15,000
Installation, parameterization and SIT	9,000
MEPS pre-certification and certification	9,000
Go Live Preparation	1,800
Post Go Live Assistance	9,000
Project Management Services	6,000
Total Implementation	72,300
Total Project Price (USD)	97,300

ITS/HPS Maintenance Fees Price List

11,250

4.3 Terms and conditions

4.3.1 Prices

All prices quoted are in US\$ and the above prices does not include any related Taxes,

4.3.2 Warranty

- Software – No warranty – First year support is mandatory to be paid initially and the license support will start from the date of delivery.

4.3.3 Resources Mobilization

Resources mobilization requires 4-weeks after LPO.

4.3.4 On-Site, Off-Site Team

ITS\HPS implementation team assigned for this project will complete their assignments (tasks) either on-site at **KFHM** premises or off-site at ITS/HPS premises. It's the responsibility of ITS project manager to distribute tasks among his team on/off site.

4.3.5 Project expenses

Travel and living expenses, which are not included in the above prices, will be either taken in charge directly by the Bank (prepaid air tickets, "Bed & Breakfast" accommodations in an international standing hotel, daily allocation of US \$ 100 for HPS resources and US \$ 50 for ITS resources), or charged by ITS/HPS with an overhead of 5% for administration costs.

4.3.6 Payment Terms

The project total cost would be invoiced and paid by the bank according to the following schedule:

- 50% down payment upon P.O,
- 50% upon delivery

Annual Charge:

1. Quarterly in advance, after one year of the delivery date.

4.3.7 Validity

This proposal is valid for 30 days only from the submission date.