



THE PRODUCT DRIVEN PLATFORM

Quick, effective insurance product innovation

Agility. Velocity. Adaptability.

These goals have eluded the insurance industry. Now, Silvermoon Business Systems offers insurance enterprises a cost effective approach to achieving Product Flexibility, Speed to Market, Customer Centricity and Adaptive Systems.

Silvermoon has implemented core insurance functionality common to all insurance companies in a flexible, extensible Product Driven Platform that supports all core insurance processes.

The components are true to IBM's Insurance Application Architecture. Using Silvermoon's Product Driven Platform, insurance companies can transform their application architecture and their business.

We have done this at Professional Provident Society (PPS) in South Africa, a showcase of Smart Insurance, in IBM's Smarter Planet campaign. PPS replaced their legacy environment in 2.5 years using this approach. Today they are able to respond to market challenges, introducing new products in 2-4 weeks.

The initial solution was designed to support Life Insurance. However, PPS found they could move into Property and Casualty, a new market for them without significant additional investment in systems. This speaks to the flexibility of the Silvermoon solution.

"Most of what we need to introduce a new product is now easily accomplished. It is vastly more efficient than it was before"

- Stephan Clark, Head of Life Administration and Systems, PPS

OBJECTIVES OF THE SOLUTION

Emphasize development, launch and support of new insurance products quickly and cost effectively without changing code or data structures.

Support one-stop insurance services by conducting all lines of business on a single platform.

Provide a single view of customers off real-time source data.

Provide cost effective administration of policies with tight business controls.

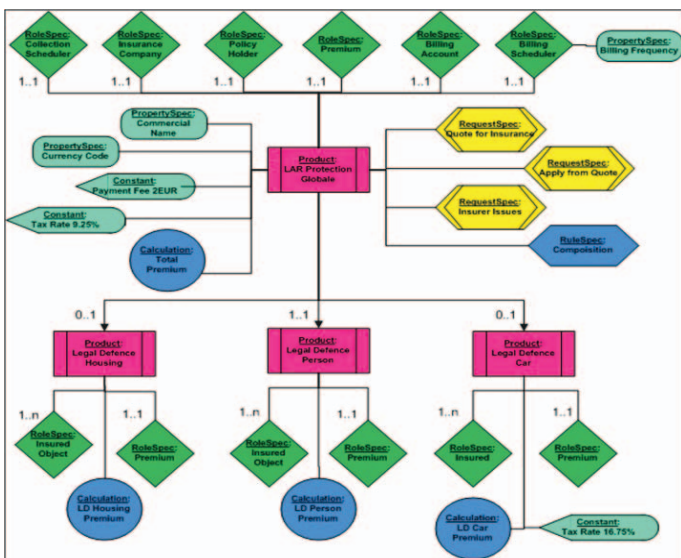
Cover all core insurance functions, in all geographies, without unnecessary duplication of function or data.

Allow customization to meet insurers' full and precise requirements.

Component-based platform, built to industry standards, helping insurers to avoid vendor lock-in.

Reduce the time and money spent on policy administration so that corporate energy can be channeled into business creativity and market innovation.

PRODUCT REQUIREMENTS DRIVE THE SOLUTION



Silvermoon uses the standard Product Modeling Methodology donated to ACORD by IBM. This defines the products graphically, showing:

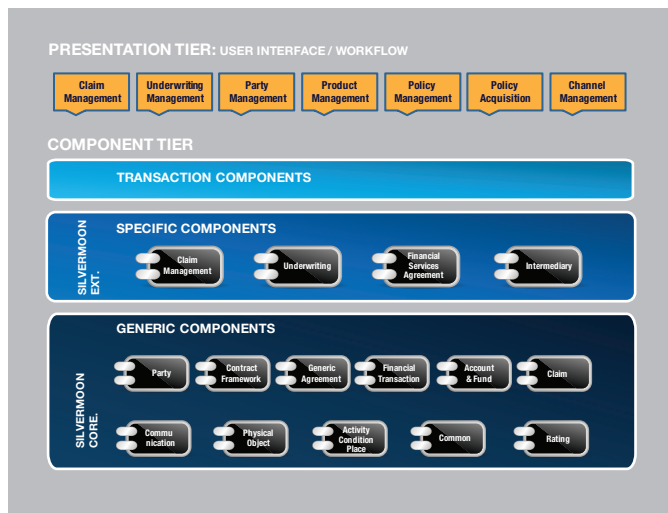
- 1 Product Components (e.g. Coverages)
- 2 Roles Objects play in Agreements based on the Product (Defined in the Business Model)
- 3 Product Rules
- 4 Product Calculations
- 5 Product Specific Information (Properties)
- 6 Requests (Transactions)

APPLICATION COMPONENTS

The Silvermoon solution is modeled to customer specific requirements by addressing three important aspects specific to the customer:

- 1 Mechanisms to drive application behaviour based on the externalized product specifications (IAA Specification Framework)
- 2 A framework to implement customer requirements for product calculations, rules, and transactions (IAA Interface Design Model)
- 3 A set of application components to maintain data defined in a standard Business Model (IBM donation to ACORD)

In the next Section we define the Tiers of the Solution Architecture. The above aspects are addressed in the Component Tier of the Silvermoon Platform.



SOLUTION ARCHITECTURE TIERS

1 Production Line

The Production Line is where work happens. Different lines of business and geographies require some differences in support. The Silvermoon Platform provides the application functionality through “Requests” or “Services” to support the Workflow.

2 Process Layer

The “Requests” or “Services” are made available to the Workflow in the Process Layer. Business controls are implemented here. When it receives a request, the Process Layer consults with the Product in the Product Tier to determine what information is required to execute the Request.

It communicates this information to the Workflow and passes information received to the Product. An insurer may extend Platform functionality with additional Requests.

The Requests are generic (e.g. Quote for Insurance). Request Behaviors (Transaction Behavior) may be specific to the Product or Product Family. The customer has access to Request Behavior code and uses existing patterns to customize the functionality.

3 Product Specifications

The Product Tier houses the Product Specifications and the Generic Component Foundation. The separation of Product from Process is vital for Insurance companies to achieve the speed to market and flexibility they seek. It allows the implementation of standardized, reusable processes across Product Lines without forcing a “one size fits all” solution.

4 Generic Components

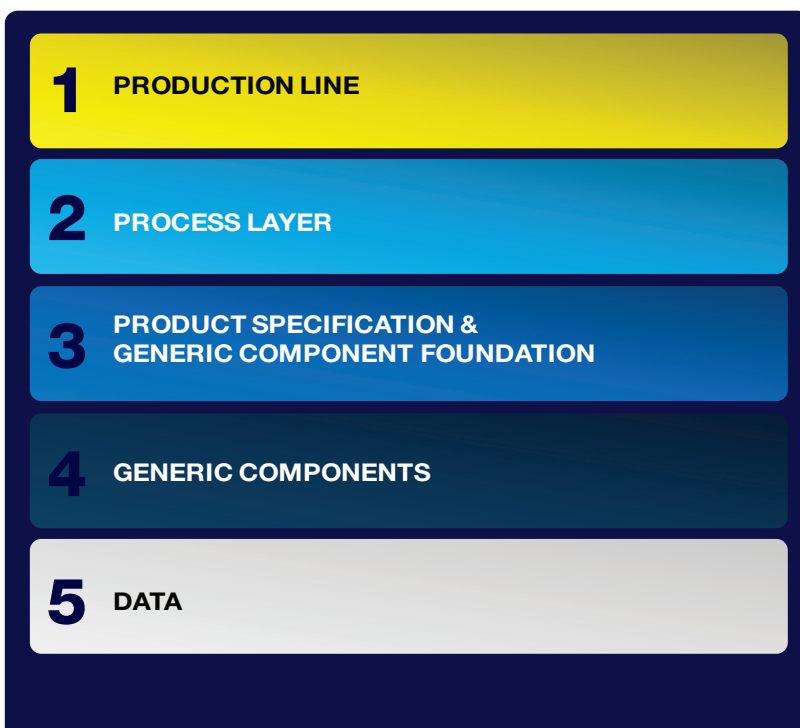
The Component Tier provides Generic Services as laid out in the IAA Interface Design Model. Silvermoon has implemented the set of normalized components defined in the IAA IDM, with each component maintaining a specific data domain (as described below) and its assigned service responsibilities. The Components directly support Insurance Company requirements as depicted in the IAA Insurance Business Model.

5 Data

The Data Tier provides the Data Structures to support the Objects defined in the IAA Business Model. An important design feature is that this Tier is protected by the previous 4 Tiers.

What this means is that by the time data enters the database it has faced a gauntlet of rules in the production line, process, product and component tiers. This data is therefore highly reliable and provides a robust platform for automation.

Each Component has its own database which is optimized for the specific component domain. Based on the design principles, individual components can also be replaced at any time.



“Our end-to-end implementation of IAA gave us that solid core, and we’ve been able to build on it and leap far ahead of the competition”

- David Gnodde, Chief Operating Officer, PPS

BREAKING THROUGH THE PRODUCT DEVELOPMENT BARRIERS

(COST, RISK & TIME TO MARKET)

STAGE 1

Design & Deploy Product

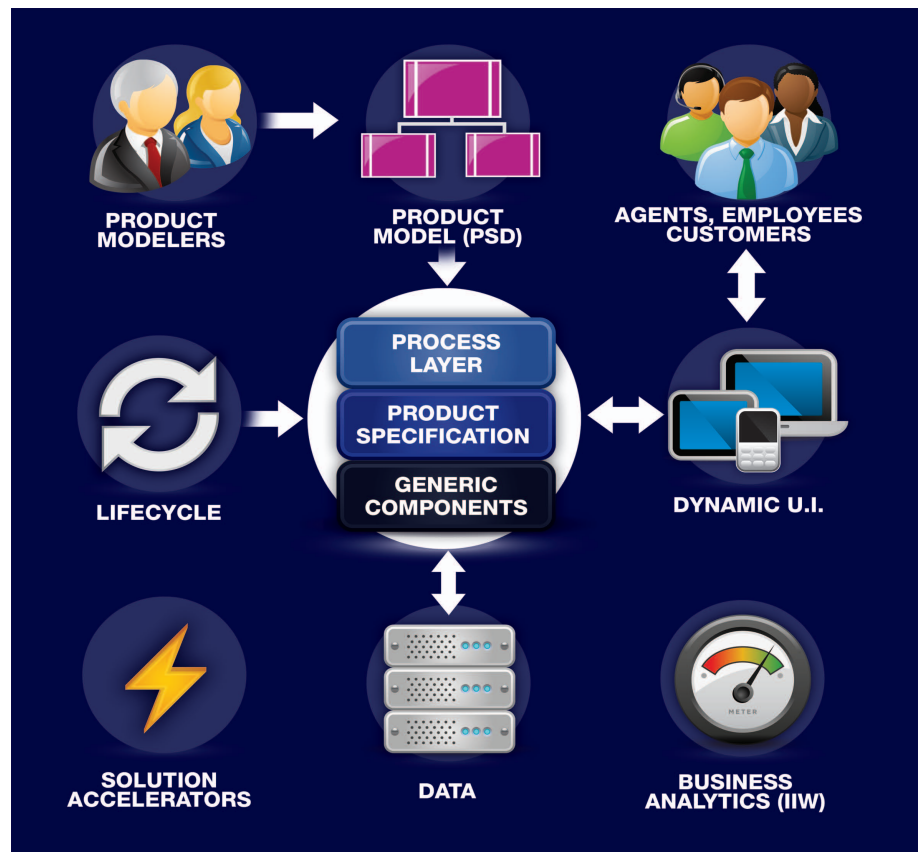
Product Modelers use an industry standard methodology to capture the product design while business experts (product managers, actuaries, underwriters, claims experts, etc.) discuss the product objectives, design and details.

The resulting Product Model captures the structure, rules, calculations and other essential elements of the product design. The Policy Lifecycle transactions are configured.

The Product Model and Lifecycle are deployed to the Silvermoon Platform.

The Product drives the behavior of the dynamic, back-office user interface (UI).

Business Experts can immediately see the product structure, available transactions and information requirements for the product. They can step the Insurance Policy through its lifecycle - quote, apply for insurance, issue policy, etc. - to further define transaction requirements.



STAGE 2

Design & Deploy Transactions

The solution designer leverages the toolkit with existing transactions and standard patterns to customize the transaction behavior for the specific product or product family.

The customized transactions along with rules and calculations are deployed to the Platform.

Business Users can now submit a request for a quote and get a real result right away.

The dynamic Graphical User Interface displays product specific details without any programming change to the UI. Once Business Experts have been trained in using the dynamic UI they do not need additional UI training for new products.

STAGE 3

Leverage Clean, Complete & Compliant Data

The data platform maintains new product data in existing standard structures. The product and transaction rules ensure data is clean and complete... pristine!

Data is available for other operational, analytical and reporting solutions.

Solution Accelerators

The working solution and solution artifacts enable the customer to move relatively quickly from requirements to deployment, delivering significant and durable business benefit.



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