
Advantage Insurance Inc.

Advantage Insurance Inc. is a leading international provider of customized insurance services to high-net-worth individuals and business owners. Based in the Cayman Islands with offices in the U.S. and Puerto Rico, Advantage has two main product lines – a life insurance division issuing Private Placement insurance policies and annuities, and a business insurance division providing captive insurance management services.

Advantage Insurance

Transforming a Manual, Paper-Based System

Since its launch in 1993, Advantage had grown rapidly while operating largely with a paper-based system that was heavily reliant on manually-maintained policy information. These processes were subject to potential human error and time constraints, and relied on a group of key managers to input and handle policy changes and information manually. In many cases, critical business data was entered and updated by hand in spreadsheets.

The leadership team saw that manual methods could potentially inhibit Advantage's growth and scalability, as well as its ability to adapt quickly to a changing marketplace, introduce new and competitive products, and comply with the myriad of regulations in its growing global markets.

Advantage turned to OneShield to implement its enterprise-class OneShield Life Solution – creating new efficiencies in task

and document processing, improving financial management, enhancing customer communication, and ensuring adherence to anti-money laundering and KYC (know your customer) regulations. Using OneShield's core platform, Advantage would be in a distinct position to transform its business for rapid growth and expansion of its private placement life insurance offerings.

Situation Analysis

An initial comprehensive joint analysis by OneShield and the Advantage implementation team identified key business drivers affected by the manual and paper-based processes, including:

- Business process efficiency
- Task management
- Document rendering, storage, and retrieval
- Pipeline and internal auditing efficiencies
- Business intelligence and reporting for internal stakeholders
- Statement generation for clients
- Flexibility in future growth and scalability

The early project goals were simply stated, yet wide-sweeping: digitizing all paper processes, automating anything that could be automated, using the technology to monitor and measure processes which could not be automated, and implementing an in-house capability for rapid process changes and system configuration, based on stakeholder and market feedback.

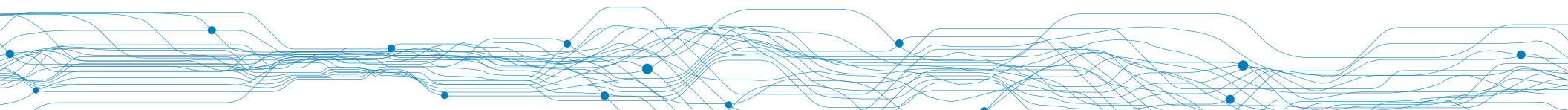
The project scope for the implementation covered two Advantage product lines – Variable Universal Life Policies and Variable Annuities. Specifically, OneShield Enterprise would be used to support the day-to-day operations and jurisdiction requirements for Advantage Life & Annuity Company SPC (ALAC), Advantage Life Puerto Rico AI and Advantage Life USA SC.

Project Objectives

The project scope encompassed three primary phases accommodating the new business development, administration, and termination functions. The primary goal for each phase was to automate and enhance systems, providing added value to internal management, as well as a growing customer base.

The leadership team was looking to enhance the transparency of internal operations and communication, and enable increased information security and segregation of duties among its growing staff. In addition, the leadership team wanted to obtain the flexibility to create new products and future offerings in the marketplace with OneShield Enterprise.

Along with the three-phase approach focused on new business, administration, and termination, the implementation plan included an optional "Phase N" – encompassing additional projects to introduce customized or enhanced functionality, following the completion of Phase 3.



Behind the Multi-Phase Implementation

Each phase involved scoping out Advantage’s specific business requirements. For example:

Phase 1

Policy Onboarding and Front-Office Tasks; Know Your Customer (Base Version); Fund Management – Interim; Loan Management – Interim; Post New Business Transactions – Interim; Entity-Management; Billing – Interim; Business Intelligence and Reporting; and Product and Billing Configuration.

Phase 2

Post New Business Transactions with Financial Impact; Legacy Conversion and Validation; Know Your Customer (Advanced Version: Activities and Result Input); Policy Onboarding and Front-Office Tasks; Business Intelligence and Reporting; Product and Billing Configuration; and Portal Configuration for Carrier Users.

Phase 3

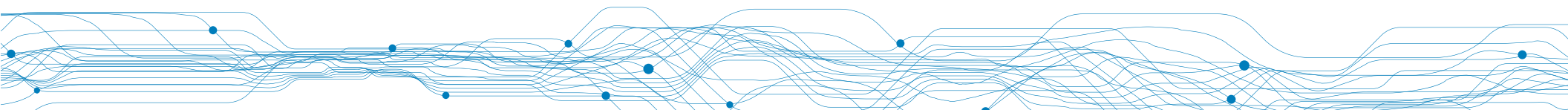
Compliance Result and Statement Generation; Quarterly Charges and Reporting; Billing; and Product and Billing Configuration. To help ensure a rapid implementation, OneShield hosted the Production environment via cloud-based Amazon Web Services (AWS). New releases were delivered every 3 weeks, allowing both Advantage and OneShield to jointly test system functionality. In addition, OneShield provided regular demonstrations to Advantage’s leadership team to gather ongoing feedback on the application.

From a technology and workflow design standpoint, the data model schema required the creation of programming “objects” that described Advantage’s life, annuity, and asset concepts. Leveraging some of their existing frameworks, OneShield was able to quickly create workflows for the sale and service of current and future Advantage products.

Within the OneShield Enterprise application, policy administration is handled under a role-based user access model that allows

Advantage personnel to manage and self-configure their entire business process flow – from prospecting to policy termination.

The user interface was configured to meet Advantage’s specific requirements for viewing, managing, and analyzing its business pipeline to monitor and procure new business opportunities. In addition, the solution automates report and statement



generation, and serves as the primary tool for data storage, analysis, and tracking.

OneShield leverages a variety of powerful proprietary tools to help customize solutions to meet the needs of individual clients. In this case, OneShield Designer 6 was used for the configuration of the Policy Management and Billing workflows and rules. The OneShield Business Intelligence (BI) tool delivers enhanced management capabilities and internal user reporting.

In the optional “Phase N,” essential third-party applications can be integrated with the solution, such as financial systems (Sage 300, in this case), a document rendering and management tool, actuarial systems (Eckler Ltd.), investment and asset management software used to update net asset values, and compliance software.

Implementation Strategy and Anticipated Business Outcomes

OneShield’s extensive experience with enterprise implementations of complex software solutions helps ensure a streamlined and successful result for clients. For Advantage, a number of “success” factors helped drive the implementation.

First, it is important to have effective documentation and output during and after the initial analysis and design (A&D) review. For



Benchmarks Achieved

- Increased operational efficiency by 150%
- Near-complete automation of its paper-based processes, with new and modernized controls and paperless management of policy documents
- Improved business intelligence and reporting capabilities for internal stakeholders, with 100% automated and customized reporting for rapid information sharing and monitoring
- Major pipeline automation and internal auditing efficiencies, with reduced manual intervention and a 70%-80% improvement over previous processes
- Dramatic decrease in overhead costs, while enabling horizontal and vertical growth in product offerings

example, the team used version and implementation controls to ensure A&D documentation was kept up-to-date.

Another important step is using a “thin process model” to manage various operations across product discovery,

requirements analysis, A&D, and development. In this implementation, the team members followed a “4 Eyes/2 Man” rule for key decision making, and ensured that effective change management controls and configuration management measures were in place.

Finally, training and orientation are important success factors in bringing any new team members onboard.

As the implementation moved through each phase, Advantage expected a range of enhancements and new efficiencies, including:

- A significant increase in Business Process efficiencies
- Fully-automated policy document rendering, storage, and retrieval

- Automated business intelligence and reporting capabilities for internal stakeholders
- Reductions in manual interventions in the business pipeline and increased internal auditing efficiencies
- Reduced overhead for administrative functions and task management
- Efficient and fault-tolerant document management with the use of a cloud-based document management system

Most importantly, Advantage has gained the flexibility and horsepower needed to meet its goals for future growth and scalability. With its metadata-driven approach to configuring workflows and rules, OneShield Enterprise has the scalability to support Advantage’s horizontal and vertical growth for many years to come.

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