



PROPHET PROFESSIONAL – FAST, FLEXIBLE AND TRANSPARENT MODEL DEVELOPMENT

INSURANCE | Risk Management

Modeling risk for the vast range of products on offer in today's insurance market needs sophisticated tools, capable of rapid responses to market changes. The insurance industry is experiencing an increasing level of competition, which is driving up the demand for new products, and more stringent regulatory requirements, increasing the effort needed to bring new products to market and to report on existing business.

Both regulators and senior management are asking for more information and greater visibility around the modeling process, and this puts pressure on the actuarial teams to generate results more quickly, with greater levels of confidence and more transparency than ever before. For the creation, testing and pricing of new products, as well as to effectively manage existing business, actuaries need an environment which combines a wide range of pre-defined products with the flexibility to extend them in a clear, easily understood and verifiable manner.

At FIS, we understand this means that our systems need to:

- Support a wide range of insurance products, across all the major markets
- Allow actuaries the freedom to edit or create product models and the calculations behind them
- Present actuarial calculations in a form that is easily understood
- Support the testing and validation of these products
- Provide clear views of the models to show the structure and function of each product
- Give users a clear upgrade path to a formal, production, modeling environment

Prophet Professional offers a comprehensive product set, with room to grow

Prophet Professional's flexible, open architecture, together with the comprehensive set of supporting libraries, gives your business the ability to accurately calculate a range of vital business measures such as:

- Pricing single products by discounting cashflows
- Reserving on Statutory and GAAP bases for a product portfolio, including stochastic valuation of guarantees

- Allowing for dynamic ALM decisions in a fund
- Risk-based capital requirements such as Solvency II SCR
- Projected balance sheets, allowing for the above

The system runs on the Windows operating system, including Windows 8 and Windows Server 2012, and is fully integrated with Excel 2010 and 2013.

Ease of use

Prophet Professional has been designed with ease of use in mind. The interface is easy to learn, and follows the same conventions as the Microsoft Office Suite, using tabs, ribbons and concertina style menus. All the facilities a user would expect of a specialist development environment are there, including code wizards and auto-completes; reusable code blocks; code, object and model documentation; and a debugging facility.

A purpose-built diagram view facility allows users to navigate through their models, showing how the actuarial projections fit together, the products within the actuarial projections right down to the dependencies between the individual formulae, and where they are used.

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Pre-built libraries give the coverage your business needs

Prophet Professional makes use of libraries of variable definitions to support the modeling process. These libraries cover all the conventional insurance products, as well as specific niche products, modeling activities, and geographies. Examples of the more specialist libraries are;

- Asset Liability Strategy Library
- Proxy Fitting Libraries
- Unit Linked Library
- German Health Library

Insurers choosing Prophet Professional only license the libraries they need. All the formula definitions held in the library are modifiable by clients to meet their specific needs.

Actuarial development language allows actuaries to concentrate on the models

Prophet Professional supports a specialized actuarial coding language to ease the process of developing and maintaining models, whether for pricing or reserving/valuation.

The language uses a series of variables associated with a product, which can be constants, formulae, taken from a table such as a mortality table, or data values from a model point file. Formulae are used to combine these variables and produce results, which can either be used in reports or in further calculations. The formulae are described in simple syntax.

The formula definitions are completely transparent, and can be viewed or modified as needed. Prophet Professional also allows the modeler to control which calculations are included for a given product using Indicators, which select different calculations, or versions of a calculation, as appropriate.

Test models within the development environment

Prophet Professional can run models directly to check the results against expectations. Users can select multiple machines with Prophet Professional installed to include in a given model run, or even make use of the Prophet Enterprise infrastructure (if available) to reduce the run time still further.

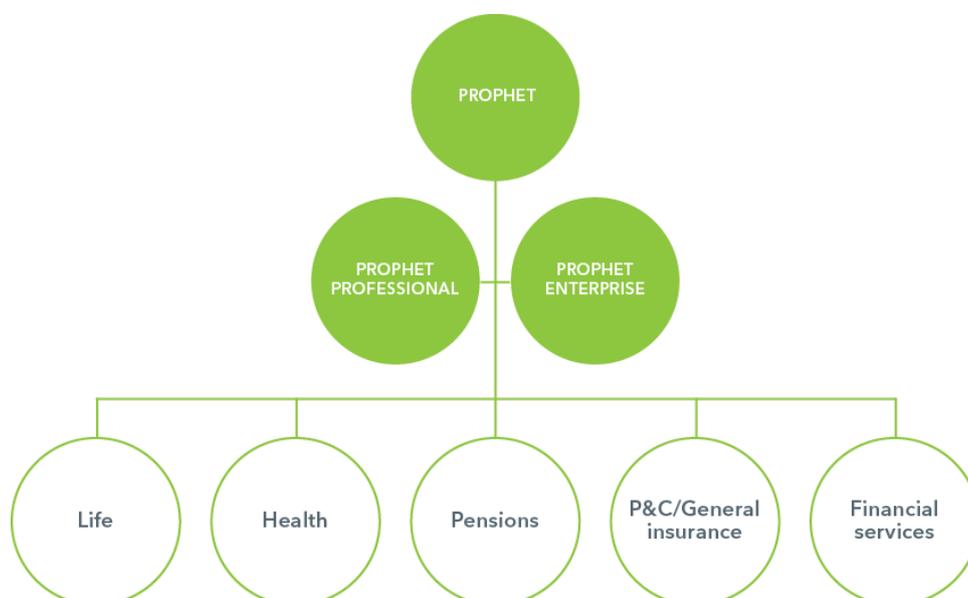
For regression testing of model and system updates, Prophet integrates into the Prophet QA testing harness.

The calculation engine used by Prophet Professional is the same as that used by Prophet Enterprise, ensuring that the results of local tests will be accurately reflected in the results of production runs.

Integrated with Prophet Enterprise

Models developed on Prophet Professional can either be run directly, or they can be uploaded to Prophet Enterprise as part of a governed and auditable production process. Prophet Enterprise provides an execution framework for the models created by Prophet Professional, with clear separation between test and production environments, access control and version management.

Comprehensive industry coverage



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Managed by the Prophet Data Management Platform

The business processes surrounding Prophet Professional or Prophet Enterprise can be automated using the Prophet Data Management platform, which also provides tools for mapping the resulting output data from Prophet to business concepts such as organizational units, legal entities or product lines. It includes a business intelligence capability which can create powerful visualizations of risk on printed reports or interactive dashboard.

Benefits of Prophet Professional

Prophet Professional helps actuaries model their business by providing an environment optimized for the development of financial models. The wide range of libraries available means that actuaries can quickly model many different business lines, many different products, or perform sophisticated Asset Liability Modeling all within the same system. It also:

- Speeds up the process of new product design and pricing by providing purpose-built tools and templates for actuaries
- Increases confidence in models and results, based on robust code re-use and widely used libraries
- Supports the documentation of actuarial models to meet regulatory requirements and ease the burden of maintenance
- Forms part of the automated Prophet Data Management Platform, providing a clear future path for the development of your business

About the Prophet Data Management Platform

Prophet Professional forms one component of the Prophet Data Management Platform. The platform links together all of FIS's insurance risk management products using proven technology to provide a complete solution for insurance risk measurement, risk management and corporate governance, enforcing control of insurers' risk data from source to report. Process management tools help orchestrate and automate processes while maintaining an audit trail, giving executives the confidence they need to ensure their decisions are accurate, timely and communicated throughout the enterprise.

About FIS's Prophet

FIS's Prophet is a leading actuarial modeling system that helps insurance and financial services firms develop more profitable products faster, improve risk management decisions, and meet their reporting responsibilities efficiently. Prophet provides comprehensive coverage across life, general insurance, health and pensions for all major insurance markets on a single platform, providing common models, code, assumptions and reporting capabilities, plus end-to-end data management and business intelligence. It offers actuaries an easy-to-use, flexible product design environment combined with a controlled, enterprise-level production environment, enabling the fast delivery of accurate, auditable and clearly presented information to risk managers, senior management and regulators. Prophet can be deployed on-premise, hosted or on the cloud, and is relied on by more than 10,000 users at over 850 customer sites in more than 65 countries.

Enabling the adaptive enterprise

Sitting at the intersection of technology and finance, FIS is focused on delivering fresh ideas and inventive solutions to help our customers adapt and thrive in an ever changing environment. With a blend of software solutions, cloud infrastructure, global service capabilities and deep domain expertise, FIS is capable of supporting virtually every type of financial organization, including the largest and most complex institutions in the world. For more information, please visit www.fisglobal.com