



PolySystems, Inc. HORIZONS

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New Advanced Maintenance Package

—Robert S. Keating - Vice President

Then Versus Now

PolySystems is celebrating its 40th anniversary this year. We started as a time-sharing company, offering actuaries an opportunity to put their pencils down and start using a computer without the expense of purchasing a computer.

As technology advanced, PolySystems advanced. Clients that once used a time-sharing service started purchasing their own computers. Computers became faster and smaller, and we started creating software that clients could use on their site. Eventually, everybody had a PC on his/her own desk.

This advancing technology drastically changed the average actuary's day at work, as well as the insurance industry at large. Back when actuaries were relying on pencils, paper and calculators, product designs were limited. Every new product meant premium calculations, reserve calculations and benefit calculations. As computing technology advanced, it became easier to calculate premiums, reserves and benefits. Products could become more complex, because actuaries could handle the complex calculation demands.

Today, calculation demands are unlike any we have ever known. Running thousands,

hundreds, or even dozens, of scenarios would have never been feasible without the advancement of technology. Very little is the same as it was as little as five years ago, and very little will be the same five years from now.

In response to these new realities, PolySystems is introducing a new service package. The need for software support to be fully integrated with a financial reporting and modeling framework is more important than ever. Our new Advanced Maintenance Package offers many benefits to both your reporting process and our testing and support procedures.

Proposed Solution

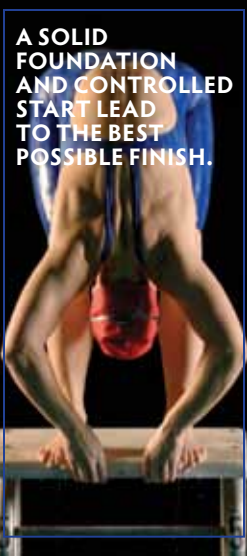
With the Advanced Maintenance Package, PolySystems will build a mirror image of your processing in our data centers. As we get started, we will help you streamline and automate begin-to-end processes and remove/solve quick fixes and stop-gap solutions; review your organizational structure for functional optimization and elimination of bottlenecks; and document methods and processes.

When your process is of production quality, we will download your starting data and your month-end, quarter-end or year-end results. We will then duplicate your process

POLYSYSTEMS ADVANCED MAINTENANCE PACKAGE OFFERS:

Streamlined Testing of Systems Modifications	Documented Software Change Control Procedures for Model Audit Rule and SOX Compliance
Enhanced Quality Control of Financial Reporting Process	Additional Disaster Recovery and Business Continuity Back Up Process
Inclusion of your business in IFRS Workbench	Potential to Reduce Annual Audit Fees

A SOLID FOUNDATION AND CONTROLLED START LEAD TO THE BEST POSSIBLE FINISH.



*PolySystems
Wishes
Everybody a
Safe, Happy,
and Healthy
Thanksgiving
Holiday!*

and compare our final results to your final results, including valuation/VMF results, historical and projected cash flow results, Projection Report output, asset forecasts and Measure output. When we finish our work, we will provide you with a report explaining the process we employed, our analysis of any discrepancies and recommended changes.


When we make changes to any of our software modules, we will use your process and your data in our regression tests and easily be able to identify and assess any impacts on you and your results. This will enhance our software delivery and roll-up process, as we can ensure you will always have the most current version of our software while keeping installation errors at a minimum. It is impossible to eliminate all errors, but we can improve performance by changing our testing and support procedures. Your data will be stored and processed in our

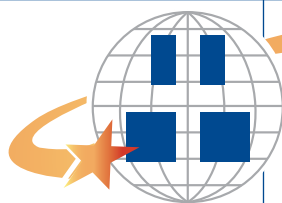
controlled-access data center to guarantee security and prevent contamination.

Next Steps

Developing and maintaining a process that is correct is more important than ever.

We are ready to start discussing our Advanced Maintenance Package with you. Additional fees are associated with this service. In the build stages, PolySystems will charge time and materials at our standard hourly rates. We are aware of the pressure on expenses, but there is a growing need to step up to the new maintenance service. It takes time to bring this on-line, so let's start a discussion today. There is still time to get a process in place in time for 2011 reporting.

Contact me at 312.332.5670 or via email at BKeating@PolySystems.com for more information. 



BITS & BYTES

How Often Do You Visit Our Website?

—*Jackie Smith - Actuarial Assistant*

We offer a wealth of information on our website, and there will be lots of new additions in the coming months!


If you have not already logged on to our secure Client Information System, this is the time to check it out. This new functionality allows you to view software change and/or feature information from a specific date range and on specific product lines. Additionally, you can search the entire change and feature database for words or phrases. We are updating the new database every month, so reviewing this information is easier and more convenient than ever before.

We are currently in the process of adding a Knowledge Base to our secure Client Information System as well. After you log in, you will be able to view change and feature reports or browse through our knowledge base. Bear with us as we add content. We decided to make this new functionality available to you now instead of waiting until we have more information to share.

Currently, our Knowledge Base consists of a sample Cashflow File Analyzer file. The Cashflow File Analyzer has a multitude of uses, and we have made one such example available to you. The sample TRM and DEF files can be used to look for zero values in cash flow files and will return the month and year of the zero value. Download the file, open the TRM file and replace all XXXX's with the vector number in which you want to look for zero values, and run the Cashflow File Analyzer. Log in for more information on how to use these files with the Cashflow File Analyzer.

We plan to add more examples and more information in the coming months. Check back regularly.

Finally, we have updated our website with new staff biographies. Stop by and learn a little more about your PolySystems contacts.

For information on how to log on, contact Jackie Smith at 312.332.5670 or via email at JSmith@PolySystems.com. 

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