KAVIA

THE SOLUTION FOR ASSET MANAGEMENT

Changes in capital markets call for increasingly comprehensive and complex requirements with regard to compliance and risk controlling.

KAVIA is the solution

KAVIA is a comprehensive standard solution for capital investment management and analysis. The first version was developed in 1994 by ISS in cooperation with a group of insurance companies. The solution focused on back-office functions and regulatory reporting rules. Since then, *KAVIA* has been continuously extended in close cooperation with a growing group of users. It now covers the complete application spectrum in portfolio management, spanning front, middle and back-office areas.

With over 140 clients in Germany and Austria, *KAVIA* is the leading asset management system in the insurance sector.

The flexible, modular asset management system enables you to configure the different function modules according to your individual requirements. *KAVIA* thus combines the advantages of using a company-specific solution with the cost advantages of standardised joint development.

In over 20 years, many annual financial statements, complying with legal requirements and certified by financial auditors, have been executed with *KAVIA*. Our clients use *KAVIA* to produce numerous annual financial statements in the appropriate form with auditor certification. In doing so, *KAVIA* also supports international accounting standards, such as IAS/IFRS and the US GAAP. It is also compliant with German tax law, and offers parallel entries in a single input and a comprehensive annual financial statement.

A special feature of *KAVIA* is the particular consideration it gives to regulatory reporting needs. *KAVIA* is thus optimally geared towards the specific requirements of companies which are subject to the control of the insurance supervisory authority.

KAVIA offers an integrated overall view of the investment portfolio from the perspectives of investment policy, accounting and regulatory law, in due consideration of the requirements of risk controlling.

- Audit-compliant sub-ledger system in compliance with principles of correct accounting and with interface to general accounting systems (e.g. SAP®)
- Compliance achieved by multi-level status concept, dual control principle and authorisation protection system
- Additional parallel financial accounting in compliance with German tax law
- IAS/IFRS module with automatic calculation and support for the reporting system concerned
- Look-through provision via interfaces to investment trusts for importing individual fund positions
- Strategic limits to monitor individual company maximum investment values
- High-performance pricing model to carry out portfolio simulations
- User-friendly report generator for individual evaluations and reports to boards
- Risk controlling for MaRisk

Prepared for Solvency II with *KAVIA*

KAVIA interacts perfectly with *SOLVARA*. Support ranges from the classifications and assessments required for Solvency II to the integration of special funds.

Innovate. Solve. Succeed.

ISS
a Sopra Steria company

THE OPTIMUM APPROACH TO MERGING ALL RELEVANT DATA

KAVIA supports the whole analysis and administration process

KAVIA's function logic is geared towards the capital investment administration process. The individual process steps are therefore optimally coordinated with one another. They can be quickly and easily learnt by users and are operated intuitively. Queries are dealt with by an online helpdesk offering support tailored to users' needs.

It is based on contractual and supervisory law information. This is managed centrally in *KAVIA* for all instruments (bonds, loans, shares, property, etc.) and business partners (debtors, issuers, custodian banks, etc.) with their characteristic features, and is displayed in clearly arranged selection windows.

In terms of straight-through processing, all relevant information is entered once and filed centrally in a single data pool, which is then accessed for all portfolio evaluations and data analyses (see Fig. 1). As changes in media format are avoided, an integrated information flow is achieved and data consistency is permanently assured.

The user-friendly input screens enable data to be processed quickly and conveniently, avoiding errors. Complex contract forms can also be deposited in *KAVIA* to provide programmed accuracy and consistency, automatically controlled interdependencies and self-configured default values.

KAVIA relieves you of time-consuming manual routine tasks. It therefore significantly improves efficiency in work processes, thanks to automatic calculation and booking of periodical debit positions for interest and repayments, as well as automatic completion of annual financial statements.

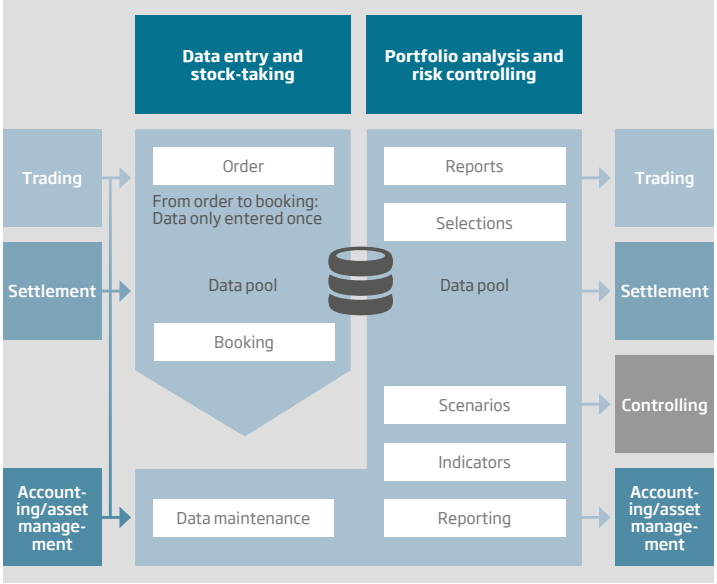

Fig. 1: Straight-through processing

KAVIA guarantees communication with existing systems

KAVIA can be seamlessly integrated into your existing system landscape as a sub-ledger system for capital investments.

KAVIA is equipped with numerous flexible interfaces for this purpose. These enable data to be exchanged with external financial data service providers (e.g. Reuters, Bloomberg, DPG), capital investment companies with regard to look-through provisions, standard Microsoft® programs (e.g. Excel®, Word), as well as *DÜVA* (data transmission to the insurance supervisory office) and *SOLVARA* (the solution for QIS and Solvency II – see Fig. 2).

The interface to your financial accounting system plays a special role in this process. It transmits all recorded transactions, the automatically generated debit positions for interest and repayments, and all periodical entries, such as depreciations and accrued interest, into accounting records for the central accounting system.

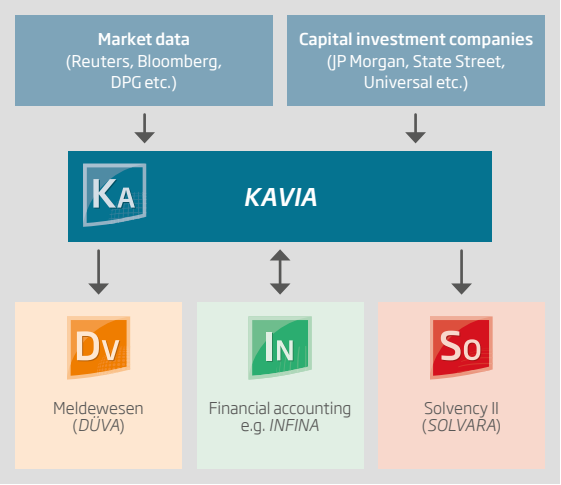

Fig. 2: Interfaces of *KAVIA*

KAVIA complies with regulations

Supervisory regulatory requirements are becoming increasingly complex. With *KAVIA*, you can be sure that all reports to supervisory authorities are complied with explicitly and in due form at all times.

- Validation and filing of supervisory regulation categorisations into the main system
- Automatic indexing of deposit premiums in accordance with BaFin (Federal Financial Supervisory Authority) regulation
- Creation of verifications 661, 662, 663, 670, 671 and 673
- Direct transfer of reports into *DÜVA*
- Support of stress test in accordance with BaFin specifications
- Key quarterly reports according to the respective currently applicable circular
- Creation of reports for loans exceeding one million euros for the German Federal Bank in accordance with the German Banking Act, Section 14 (§ 14 KWG) and German foreign trade regulations (AWV)

Adjustments to changes in the external reporting system are reliably implemented in due course as part of the program service. *KAVIA* thus always guarantees practice-oriented mapping of existing and future requirements with regard to insurance asset management.

KAVIA provides an overview

KAVIA can provide the necessary transparency for capital investment portfolios on-screen or in printed form. Besides a comprehensive set of pre-defined standard reports, you can also develop, design and export individual analyses with the help of the user-friendly report generator at any time.

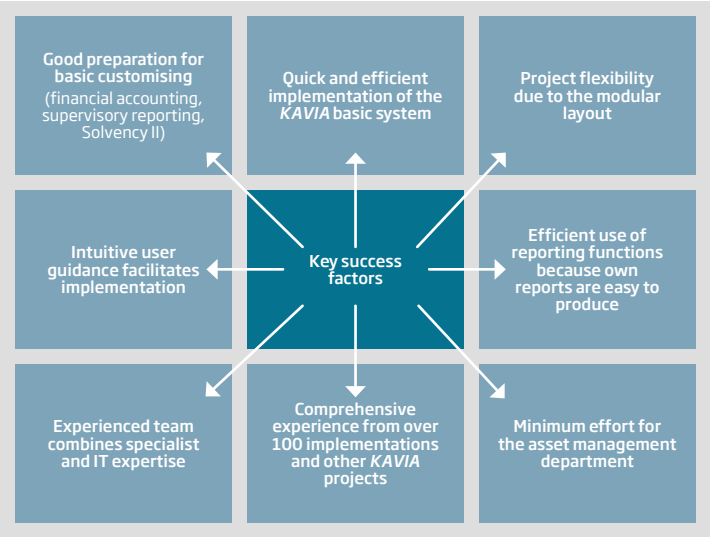

Fig. 3: Key success factors for the implementation of *KAVIA*

In order to enhance the informative value of your analyses, the portfolio can be segmented according to need using flexibly generated selections and summarised using all criteria supported in *KAVIA*.

KAVIA offers you a high-performance pricing model to calculate current market values:

- Scenario specifications for all portfolio segments
- Evaluation of return maturity structures and individual spreads
- Market-value simulation for security and foreign exchange rates

An integral part of *KAVIA* is its extensive range of analysis functions

- Financial calculation figures
- Yield and portfolio growth
- Value-at-risk
- Cash flow evaluations
- Performance figures
- Credit-rating analyses

Individual fund portfolios can also be optionally integrated into analyses using look-through provision, thus ensuring you always receive a complete picture of your risk exposure. The limit system ensures you can set your own specific investment guidelines in order to monitor overall risks and individual purchase and sale orders.

Selected individual evaluations and limit system results can be configured to provide comprehensive capital investment reporting. They are presented in customised layouts using colour-coded systems, summaries and diagrams. This enables *KAVIA* to map differentiated requirements for reporting for different boards and for risk controlling with regard to MaRisk in an automated, verified and traceable process.

KAVIA can be implemented in a short period of time

KAVIA can be implemented quickly and efficiently as a result of our extensive experience (see Fig. 3).

Innovative standard software solutions for financial service providers

ISS is amongst the leading providers of software solutions for the financial services sector in Germany, Austria and Switzerland. We have over 20 years of experience focusing on standard software development and maintenance, implementation consulting and integration into existing system environments. The products cover key task areas tailored to insurance companies, such as portfolio management, asset management, financial accounting, registration and Solvency II.

Our comprehensive sector and technology know-how is based on extensive experience gained from an array of projects in numerous financial services companies. In close cooperation with our clients and complementary solution providers, we engage in integrated software development and implementation projects and provide our customers with comprehensive product support.

Several hundred well-known financial service providers in Germany and abroad use ISS products, and trust our expertise, reliability and innovative spirit. The long-standing, trust-based relationships we maintain with our clients are valuable assets that we are particularly proud of.

Throughout the changes, we have preserved our corporate philosophy and the underlying values of our service culture. Pragmatic, target-oriented recommendations as a basic principle, fairness as a business ethos, creativity, entrepreneurial spirit and transparency in the development of innovative solutions, are features which distinguish us and set us apart from competitors.

Portfolio Management

WI

winsure / winsure Webservices
Portfolio and claims management system for insurance companies

Asset Management

KA

KAVIA / KAVIA-ALM
The solution for asset management and asset liability management

Financial Accounting

IN

INFINA
Financial accounting system for insurance companies

Registration

DV

DÜVA
Data transmission to insurance supervisory authority

DA

DÜVA-Austria
Supervisory authority reports for insurance companies in Austria

GA

GALA
Profit analysis with supervisory authority reports

VS

Versicherungsstatistik
Insurance industry data

Solvency II

SO

SOLVARA
Solvency and Risk Analyser – the solution for Solvency II

SO

SOLVARA-QRT
The solution for reporting under Solvency II

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