



realXS

international insurance software



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The insurance sector is facing an identity crisis. Essentially, the entrepreneur in the insurance business has a clear purpose: to provide financial security for private and commercial clients in a profitable way. However, "being profitable" and "providing financial security through high quality insurance products" are perceived to be contradictory. But with realXS software, profitability and quality of insurance products can go hand in hand.



1. INTRODUCTION

realXS software is more than just a software product. It represents a new kind of entrepreneurship in the insurance sector. realXS enables and empowers all parties – whether they be insurance companies, agents or intermediaries – to work efficiently and communicate effectively. The software has been developed on the basis of three principles: **efficiency, transparency and responsibility**.

Smart entrepreneurs use the momentum of a financial crisis to take a critical look in the mirror. Questions arise. How to work more efficiently? How to provide a higher level of service? How to continue to be compliant with rules and regulations that are urging more transparency? With realXS software this is all possible. realXS software is suitable for risk-averse, innovative and sustainable entrepreneurs.

Innovative entrepreneurs will be interested in performance improvement and efficiency (see chapter 4b). In other words, realXS software enables the industry to be profitable in the 21st century whilst offering better products.

Risk-averse entrepreneurs will mostly be interested from a compliance perspective (see chapter 4c). realXS is the perfect software for enabling companies to remain compliant even in the present critical political climate that is pushing for transparency in the insurance sector.

Sustainable entrepreneurs in all sectors – including insurance – are wondering how to create value for society and the environment (see chapter 5). realXS software provides easy-to-implement solutions that help companies to become better employers (people) and to operate in an environmentally sound manner (planet), while saving costs (profit).

In short: the time has come to drop the idea that profitability and quality are contradictory in the insurance sector. You are kindly invited to discover more about realXS software in this brochure.

Yours sincerely,
Hans van Ommen

RealXS is the "brain child" of Hans van Ommen. In 1973, Hans became managing director of Lugt Sobbe & Co B.V., founded in 1835. Lugt Sobbe & Co - later Eurolloyd - consisted of 35 employees on average. The company was the authorized agent of significant players in the market, such as Lloyd's of London and Averro Achmea.



2. ORGANIZATION

Lugt Sobbe, later Eurolloyd, cooperated with over 3000 insurance advisory intermediaries in the Netherlands and Belgium. It was specialized in highly innovative insurance products. In the 70s, the company developed its own software to administer insurance policies efficiently. In the early 2000s, when the Netherlands Authority for the Financial Markets (AFM) was set up, a stress test was developed for the insurance sector. Serving as a pilot case Lugt Sobbe performed the stress test voluntarily and selflessly. There are countless other illustrations of Hans van Ommen's dedication to upholding integrity and transparency in the insurance profession and sector. Eurolloyd was successfully sold to Deltalloyd in 2007. The software, however, was not sold.

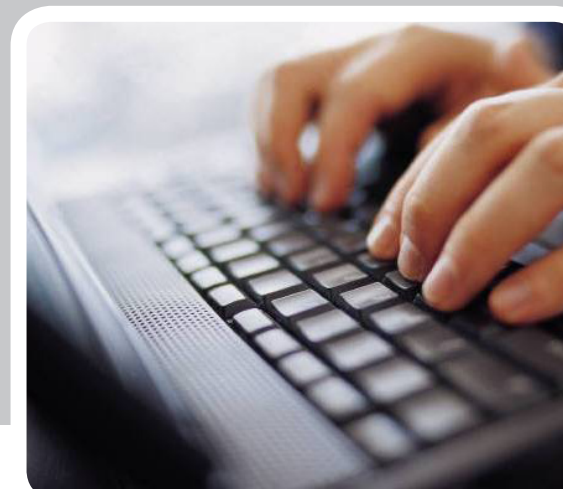
Over the past four years, a team of three has been working full-time to optimize, professionalize and modernize the software now available.

Team

Both Hans van Ommen and Antoine Verstijnen have over 30 years of experience in automation. Antoine joined Lugt Sobbe & Co in 1994 and became a realXS shareholder in 2007. He is specialized in DBC/DX, Databus and MySQL. Bas van Ommen also joined realXS in 2007 and has been focusing on making realXS accessible online and graphic design, besides being a specialist in JavaScript, CSS, PHP and MySQL.

Timeline





3. realXS SOFTWARE

realXS International Insurance Software means:

PROFESSIONAL

developed by experts with decades of experience in the insurance sector

EFFICIENT

reducing costs and risks significantly, enables ongoing transfer of knowledge

COMPLIANT

empowering the sector to comply with the demands of the 21st century

TRANSPARENT

accelerating the transition to accountability and clear responsibilities

COMMUNICATIVE

optimizing digital and targeted internal and external communication

SUSTAINABLE

enabling a balance between people, planet and profit

ACCESSIBLE

remotely accessible online, incl. integration of VOIP (Skype) and Google Maps

INTERNATIONAL

multilingual (adjustable for both user and output language)

all currencies available and taxes adjustable per country



4. SOLUTIONS

more efficiency, more transparency

This chapter starts off with a quick mapping exercise of key issues in the sector. It provides the context for the subsequent two sections on the solution: realXS software makes insurance businesses more efficient (4b) and the sector as a whole more transparent (4c).

4a. Problems in the insurance sector

Problem #1: information in the supply chain

The sector lacks the necessary infrastructure to transfer information between parties. Insurers do not provide accessible information about what exactly is covered in their products, and what is not. As a consequence, advising intermediaries cannot perform optimally, as more and more complex products are available. This makes a comparative analysis difficult. Clients, at the other end, are often unable to access and update the information as filed by the insurer or intermediary. Unintentionally, this may lead to the perception that the client has been "withholding" information. In the case of a claim, conflicts over (I) unclear coverage of risks and (II) incorrect information about the insured risk are a logical result - with legal costs for both parties.

Problem # 2: inefficiency

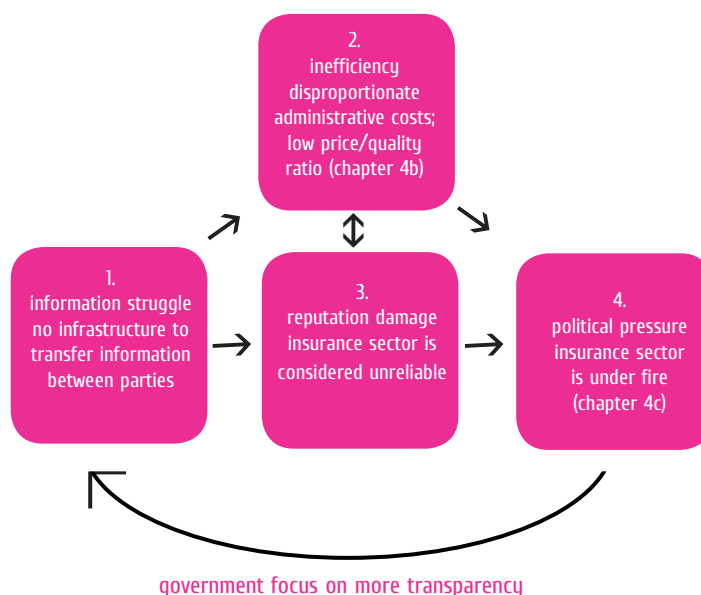
Businesses in the insurance sector face disproportionate administration costs: between 35% and 45% of the client's premium is consumed for this purpose only. As a result, clients get little value for their money (low price/quality ratio).

Problem #3: reputation damage

Society regards the sector as unreliable, since it is ridden with obscure products (such as single-premium insurance policies) and scandalous misrepresentations are widespread. For decades, large intermediaries and insurance companies have been collapsing due to undisclosed liabilities or insolvency. Clients are losing their confidence in a sector, where lack of knowledge has led to a bubble of products that do not take clients' interests into consideration. There is a widespread demand in society for transparency in the sector and the questions being asked include: What is the exact division of roles? Who is independent? Who has vested interests in the sale of certain products?

Problem #4: political pressure

The sector is under fire. It has been facing a rapid increase in complex rules and regulations. Remaining compliant is a costly exercise. Government demands a high degree of transparency, but the measures designed do not necessarily match what is realistically feasible in the current system and information infrastructure. realXS is ready to comply.



4b. Solutions: Efficiency

realXS software is a revolutionary performance improvement tool. Up to 50% cost reduction. A variety of software systems and converters (hundreds in some cases) running parallel within the same company can be replaced by realXS software. Time previously spent on maintenance of many systems is no longer necessary. The same amount of work can be realized with less staff.

Managers are enabled to retrieve and filter tailored management information, relevant to their responsibilities. Setting up information filters is easy and quick; it is hardly necessary to consult ICT specialists for help.

It is common practice for intermediaries and insurers to produce on behalf of different businesses. realXS enables the administration of different labels within the same software. Employees can work for different businesses within one system and are thus flexibly employable between them. This is also efficient for specialist underwriters working on different businesses: they can switch between them with a simple click. Each system allows up to 999 different companies, which can handle up to 99 labels internally.

Fewer risks and liabilities

Semi-skilled employees can administer prefixed products and operate in a protected environment to prevent mistakes and conflicts. Optimal information exchange between the clients and the insurers/intermediaries, significantly reduces potential recriminations. Thanks to the fully automatic realXS Advisory File, all parties can track and trace the information communicated.

Efficient, targeted and online communication

Internal documents need not be printed. Both incoming and outgoing documents – whether for clients, intermediaries or insurers – can be digitally archived and dealt with. realXS also enables external marketing and communication materials to be exclusively sent to target groups selected from the client file. The receiver chooses whether to be informed digitally or by post. Thanks to this innovation, communication is faster and less costly. The software also has integrated VOIP (Skype) video conferencing and is remotely accessible online. To read more on what this means for flexible working, please see the section “people” in chapter 5.

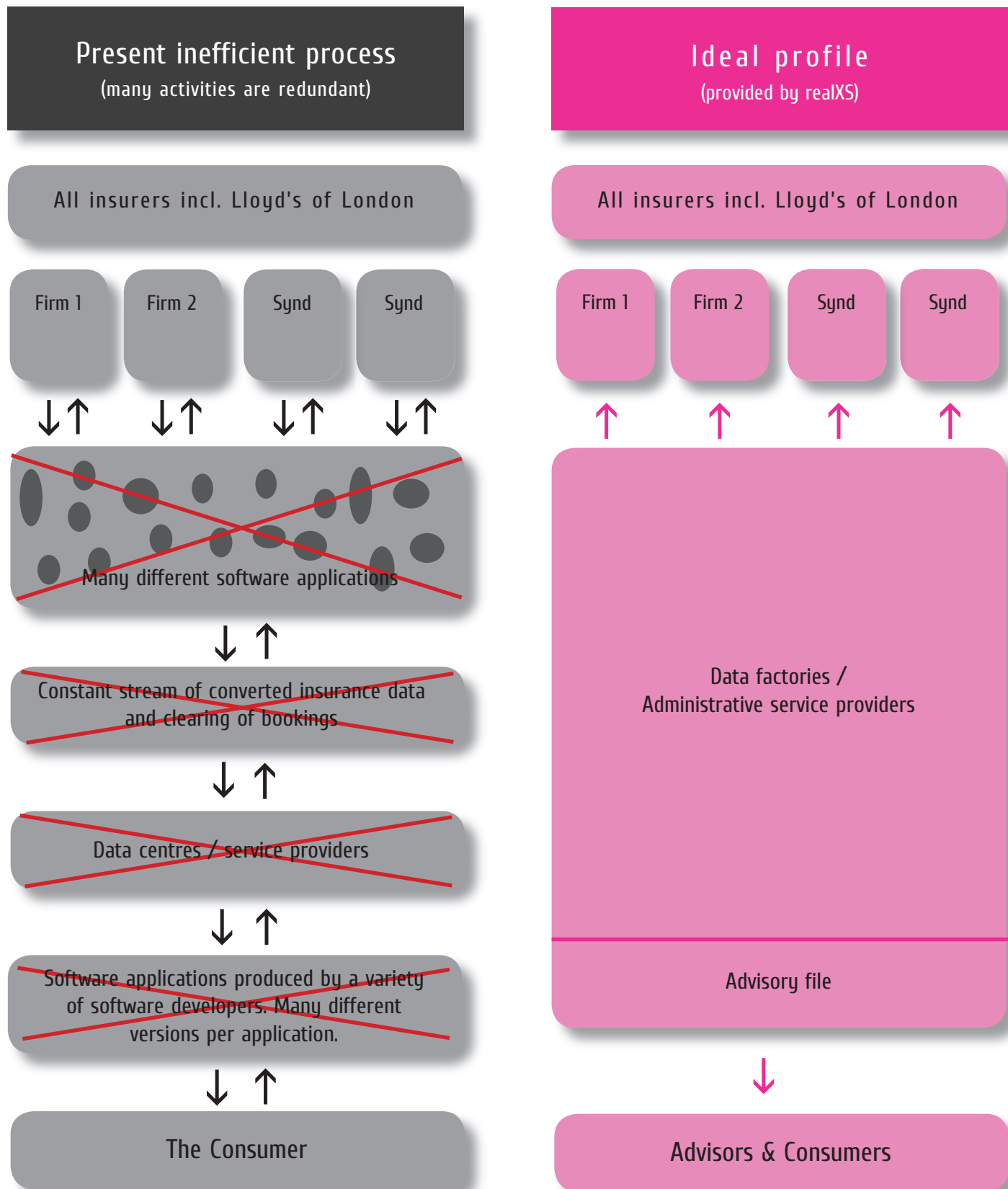
Decisiveness

In the design phase of an insurance product, parties can formulate in the realXS software precisely what information is required to efficiently assess client proposals instantly. As a result, insurers can decide much quicker than they can at present. At the same time intermediaries who compile policies can use digital signatures, raising service to an even higher level and speed.

Transfer of knowledge

Knowledge can be transferred regardless of internal rotations, high turnover rates of staff or retirement. Extraordinary costs due to the loss of knowledge can be prevented, therefore, by means of timely digitalization. realXS software was developed so that experts (even retired ones) can file their knowledge at various levels within the system, enabling knowledge transfer to become part of corporate culture.

"How realXS International Insurance software can help **All Parties** to work towards a sound insurance industry in the future"



4c. Solutions: Transparency

Governments are increasingly demanding transparency in the insurance sector. The division of roles must be changed and realXS software has the potential to facilitate and accelerate this transition. Four roles can be identified in this **new supply chain**:

1. Insurers
2. Administrative service providers
3. Independent advisors
4. Commercial and private clients

Present situation

Corporation of insurers; a Holding company with up to 100 individual insurance (franchise) companies each using its own admin software. Marketers developing turnover-driven products. Rewarding intermediaries/advisors with commissions and bonuses.

Many types of service providers

A continuous process of data integration has to take place.

Variety of intermediaries: different types of brokers, (underwriting) agents each using admin software for individual purposes. Independent advice not guaranteed due to bonuses.

Individual advisors and intermediaries using simple, sub-optimal admin software and websites, linked to one or more of the abovementioned players. Independence not guaranteed due to bonuses.

Commercial and private clients have no knowledge or insight into what is covered by the policies; nor do the abovementioned advisors. No access to their own files to be aware of necessary updates.

Future scenario possible with realXS software

Corporation of insurers; providing specialized insurance products at a net rate. No brokerage or bonus paid to intermediaries. Admin not necessary, as service providers (below) are reliable and accountable.

Accountable and efficient service providers, specialized in administration for all parties. Competing on the basis of efficiency. Paid by clients via the advisors; not insurers.

Independent advisors consult with clients on (I) the most efficient service provider and (II) the best insurance products. No admin carried out; all done by service provider. Information obtained from the realXS system is put in the Advisory file, which includes all the client's insurance products. The (dis)advantages of each product are clearly communicated in the Advisory file. Paid by clients.

Commercial and private clients interacting with the independent advisors only, for all of their insurance products (including social security and direct writer products). Access to their own files to signal the need for updating the information.

The previous chapters have made it clear that profitability will increase when realXS software is used. Here we take a closer look at the impact of realXS on people & planet.

5. CORPORATE RESPONSIBILITY

People, Planet, Profit

realXS software enables the insurance market to:

- ✓ Be the #1 employer of choice and retain a diverse and motivated workforce (people).
- ✓ Reduce the environmental impact (planet).
- ✓ Increase financial sustainability (profit).

People

Our society faces different issues. We have a rapidly ageing population. Attracting young talent in the insurance sector is a challenge. Meeting their demands to work flexibly is difficult. Traffic jams waste disproportionate amounts of productive time and frustrate employees. In the meantime, the potential of physically challenged talent is not fulfilled. realXS solves these problems while increasing the productivity and motivation of the (future) workforce. With realXS, many employees are no longer bound to fixed working hours or physical offices. Flexible working becomes a reality, as the entire system can be made accessible online, through a remote connection.

This makes businesses using realXS an attractive employer for people combining work with care for parents or children. Employees who are too old or physically challenged to work full 8-hour days, can work shorter days from home using realXS remotely. In short; the software from realXS helps businesses to be an attractive, inclusive and flexible employer.

Planet

If citizens in all countries had the same lifestyle as in the Netherlands, we would need 3.4 planets. Climate change, threats to biodiversity and scarcity of natural resources are a fact. Governments increasingly apply sustainability criteria in the services and products they procure. At the same time, the prices of energy and resources rise each year. realXS helps businesses in the insurance sector to accept environmental responsibility while saving costs.

Communication

With integrated digital communication features, such as VOIP (Skype) and e-mail, realXS facilitates an online, efficient alternative to face-to-face meetings. This is less costly, saves time and prevents the carbon emissions that come with the usual car rides and airline flights.

Real Estate

As realXS software enables flexible working and working from home (see "People"), less physical office space is needed. This saves both energy costs and the environment. Financial growth no longer has to go hand in hand with physical growth.

Paper

As mentioned before in chapter 4b, it is possible to communicate more effectively. Internal documents need not be printed. Both incoming and outgoing documents – whether for clients, intermediaries or insurers – can be digitally archived and dealt with. realXS software also enables external marketing and communication materials and newsletters can be exclusively sent to target groups within the client file – digitally if the receiver has indicated so. This tailored approach helps to effectively save the extraordinary amounts of paper used by offices in the insurance sector on a daily basis.

Data Center

As realXS software uses the internet, it is possible to make use of the services of externalized specialized data centers where energy use is bundled efficiently. New sustainable techniques are combined, lowering the carbon emissions resulting from data use. It is also possible, of course, to locate the software as extranet on the business's own hardware.



APPENDICES

APPENDIX I.

Client Record 046355

Function: General | References | Contacts | Document distribution | Notes and Diary | Relation management | Contract management | Financial | Criminal Dossier | Medical Dossier

Main | Premium Components | Insurers | Object List | Notes and Agenda (One or more Considerations NOT yet concluded!)

Header

Policy: 120.011 version: 0001 2007-11-13

Client: 046355 The Glenn Guest House (?)

Insured: 000000

Broker: 003694 Avero & Partners Verzekeringen

Pr. Debtor: 000000

Sum Insured: EUR 2164196.16 15000.00 Limits

Branch: 2 20-03 Horeca Risks Package insurance

Target Group:

Text Code: 006040

Risk

Description: buffetterie

Digital Archive Maps

Country: 0528 Nederland

Zip Code: 2161AM House No+Add: 59

Address:

City: LISSE

Prov/State: Zuid-Holland

ISIC Code: 56102 Cafeterias and take-out eating places

Risk Code: 101 Commercial Special "Simple risk"

Tariff Code: 2010 Tariff 2010

Identifier: KK

Technical inspection: 0000-00-00 Pre-valuation report: 0000-00-00

Contract

Type: 01. 100% Underwritten (No Pool)

ID:

Business Label: 003 Erasmus

Date of Cover: 1994-11-24

Inception Date: 1995-01-01

Duration: 120 months

Expiry Date: 2011-01-01 Notification: 060 days = before 2010-11-02

Cancellation Date: 0000-00-00

Date last change: 2007-11-13

Draw Up: 1. By Us

Renewal

Primary date: 2010-01-01 Next renewal: 2010-11-01

Coll. Period: 003 3 Months

Status: 000 No blocking

Annual Renewal: ☒ Automatic (Otherwise Manual) ☐ Reset to manual after renewal

Renewal Set: 000 Invoice Only

Description CA:

Collection at Client: 2. By our Broker

Insurance Tax liability: 1. By Us

Annual Declarations: 82.91 % Claims History

Reload | Repro | Delete | New Transaction | Correspond | Save | Exit

Example

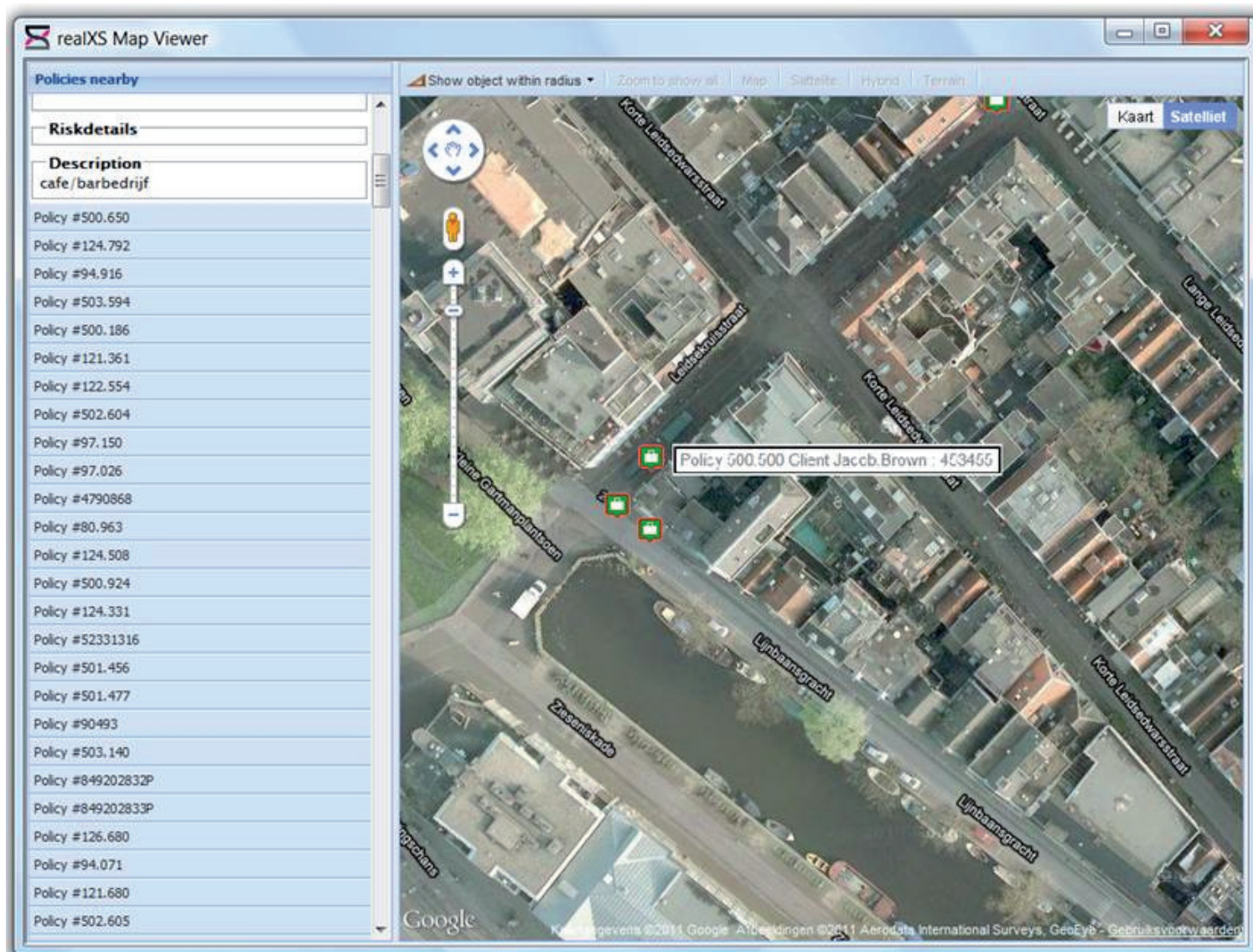
Screenshot realXS

Automatically generated insurance contract.

This register is used to produce the contract on paper or digitally.



APPENDIX II.



Example

Screenshot realXS

Google Map viewer

Geographical concentration of risks are immediately visible to the applicable insurer.





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