



Knowledge based software

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Mobius Life Invest | Pro™ Case Study

How Invest | Pro™ assisted
the growth of a fund of funds
manager's business while
reducing their operational risk



Case study: Mobius Life Invest|Pro™

How Invest|Pro™ assisted the growth of a fund of funds manager's business while reducing their operational risk

Highlights

- **Implementation of the new system allowed Mobius Life to more than double its funds under management and expand their range of funds without any increase in staff.**
- **Mobius life were able to move to a forward pricing basis for some funds while maintaining the existing processes for other funds**
- **The project was delivered on schedule, in under 6 months.**

Background

Mobius Life is an authorised unit - linked UK life insurance company. They are an independently owned business committed to helping UK institutional pension schemes and asset managers implement their investment strategies and meet their investment objectives.

They offer clients access to an investment platform operating within a life company structure, supported by a wide range of investment services. Uniquely, they do not represent proprietary funds and therefore avoid conflicts of interest associated with proprietary fund providers.

The challenge

Mobius Life was using a number of systems to manage the different parts of the overall investment administration process, i.e. different systems for unit pricing, unit dealing and cash allocation, order management and investment accounting.

This combination of systems:

- a) **was not scalable without increasing staff headcount**
- b) **would require significant investment to allow true forward pricing and to allow end client access**
- c) **was subject to operational risk which required management attention.**

In 2011, following a rigorous evaluation process, Mobius Life chose to implement FRS's Invest|Pro™ system to manage its Fund of Funds investment administration.

The solution

The challenge for FRS was to convert from the existing systems and business processes into the Invest|Pro system with revised business processes designed to improve efficiency and reduce operational risk.

A fixed deadline was put in place for the go-live of Invest|Pro which corresponded with the date, pre-advised to policyholders, that some funds were moving to a true forward pricing basis. Meeting this deadline required very rigorous project management from both the Mobius Life and FRS project teams through weekly project assessments.

In September 2011, Mobius Life met with consultants from FRS to thoroughly map out every aspect of their existing business processes and investigate how Invest|Pro could help improve, re-design and streamline them. This developed into an extensive framework for their business including:

- **Data import of cashflows/deals from policyholders**
- **Configuring the rules for cascading cashflows down through the fund hierarchy**
- **Agreeing fund hierarchical rebalancing rules and processes**
- **Creating trade orders in external assets**
- **Transmitting orders to the market and importing contract confirmations**
- **Fund accounting**
- **Market pricing data links with Telekurs**
- **Fund valuations and unit pricing**
- **Custodian reconciliations**
- **Charging structures**
- **User groups, user permissions, automated checking processes**

This provided the project team with a clear view of the requirements and targets associated with the project and how these targets would be met.

There were three major aspects of the project once the requirements phase was completed:

- a) **The data conversion process**
- b) **Systems integration**
- c) **The roll-out of Invest|Pro across the company including staff training and documentation of new procedures**

Data Conversion

The data conversion process involved capturing point-in-time balances and in-flight transactions from the existing systems, loading these on to the Invest|Pro database and reconciling the Invest|Pro valuation to the valuation from the existing systems. This process commenced in November 2011 following the delivery of the Invest|Pro application with some enhancements agreed in the workshops.

Three data take-on iterations were run between December 2011 and February 2012 to reorganise data configurations and ensure consistent valuations between Invest|Pro and the legacy systems.

In March 2012 the team conducted a parallel run for those funds remaining on the existing pricing basis and also to test the new forward pricing business processes.

Invest|Pro went live on the targeted go-live date of 30th March 2012. FRS staff were on-site for the first week following go-live as well as providing ongoing support as and when required.

Systems Integration

Mobius Life needed robust controlled communication between their outsourced member administration systems and Invest|Pro. These were managed using the Invest|Pro data import tool.

Accounting extracts were produced to feed into Mobius Life's corporate general ledger.

The Invest|Pro data import tool was used to import security prices from Six Telekurs and contract confirmations from fund managers.

Training

FRS provided full-time on site consultants site who worked in conjunction with a team of experienced Mobius Life staff. During the UAT phase of the project, FRS trained the Mobius Life project team using a 'train the trainer' approach to enable them to subsequently train the wider user group.

The results

The whole project was delivered on time, to meet Mobius Life's required schedule. The implementation of the Invest|Pro solution has provided Mobius Life with a scalable solution which has underpinned significant growth and opportunity, without impacting resources.

"Following a Mobius Life systems evaluation process it became clear that FRS's Invest|Pro™ system, which is specifically designed for the life industry, was the only potential proprietary solution for the complex set of requirements Mobius Life had for their unit linked funds in a hierarchical structure.

FRS's staff demonstrated a deep understanding of these requirements which gave us great comfort throughout the implementation project.

The commitment of the FRS team contributed significantly to us meeting our deadline."

Laura Catterick,
COO,
Mobius Life

"The FRS team and the Invest|Pro™ system have transformed our fund of funds business. Using Invest|Pro™ has allowed us to more than double our funds under management and expand our range of funds without any increase in staff. It also allowed us to move to a true forward pricing basis for some funds while maintaining the existing processes for other funds. We consider using Invest|Pro™ to be a significant factor in our ability to win new business. The quality of people and level of service provided by FRS is exceptional."

Adrian Swales,
CEO,
Mobius Life

About Financial Risk Solutions (FRS)

Founded in 1999 by actuaries and IT specialists, Financial Risk Solutions Ltd (FRS) is a leading provider of unit pricing, investment administration, asset reporting and compliance oversight software specifically designed for the Life Assurance and Asset Management industries.

FRS offer a proven range of modular, intuitive technology solutions which allow customers to pro-actively monitor and administer investments as well as mitigate risk by continually monitoring breaches and exceptions to critical investment processes. These solutions include:

Invest|Pro™ securely automates multiple complex fund administration processes within a single application.

Invest|Pro™ unit-pricing and investment administration software is scalable, modular and flexible.

Invest|GRC™ empowers insurers and asset managers to meet Pillar III asset reporting standards in the Solvency II world via a single, analytics-driven database, combining data from internal and external sources.

Invest|OPS™ automates the validation of operational activity performed by outsourcing partners, enabling firms to supervise outsourced functions, data and to manage the associated risks.

For more information visit <http://www.frsLtd.com> or follow FRS on LinkedIn at www.linkedin.com/company/frs-ltd



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