

## CASE STUDY

# HELPING DISCOVERY'S INVESTORS GO GLOBAL

## “Flawless execution” of a groundbreaking multinational investment solution

Founded in South Africa but also operating across the US, Asia and Europe, Discovery provides a range of innovative financial services and assurance products that integrate with its trend-setting wellness program, Vitality.

Discovery has been using FIS® Policy Administration Suite (formerly Compass) since 2007 to support its local investment solution, Discovery Invest, helping it become South Africa's fastest-growing unit trust company. Policy Administration Suite also administers the group's risk policies for life and disability and the complementary investment products are cross-sold to this client base.

In 2020, how did FIS help our client meet a tight deadline to launch Discovery Invest International – an equally revolutionary global endowment plan?

Technology partnership between since **2007**

**3** months to launch an innovative global investment solution



### Goals

- Meet the complex operational requirements of a global endowment plan
- Handle multicurrency pricing and tax calculations for offshore investments
- Support a flexible product structure within regulatory constraints



### Solution

- FIS Policy Administration Suite



### Results

- Implementation and testing achieved in three months, ahead of schedule
- Successful launch of an innovative new tax-efficient investment vehicle
- More opportunities to attract and retain customers and grow market share

## The challenge

To meet its customers' growing appetite to diversify their portfolios globally, Discovery faced a complex set of operational challenges.

### Multicurrency portfolios

For offshore investment around the world, a new policy administration solution would need to manage exposure to multiple currencies.

### Offshore pricing and tax requirements

As well as automatically retrieving and calculating prices for offshore products in US dollars, the solution should help structure investments for an optimal tax outcome, for example by minimizing capital gains tax.

### Regulatory restrictions

Local regulation limits investors to making only one withdrawal from an endowment contract in the first five years. Under its new global plan, Discovery wanted to give its customers the opportunity to make multiple withdrawals in that time.

### Comprehensive capabilities

Policy Administration Suite allows insurers to manage multiple lines of insurance business through a single solution, with business process management and workflow tools to improve operational efficiency, reduce manual processes and support decisions.

### Fast functionality

The flexible digital architecture of Policy Administration Suite makes it easy to configure rules quickly for any line of business and rapidly construct virtually any type of insurance product.

### New multi-contract capabilities

Policy Administration Suite was enhanced to support the creation of 100 contracts per endowment plan, so that investors can make multiple withdrawals from the plan, even in the first five years.

Lance Geyser, chief operating officer, Discovery, says, "As our long-term technology partner with a proven policy administration solution, FIS was the natural choice to help us meet the complex operational requirements of a global investment product."

## The impact

In just three months, ahead of the client's schedule, FIS helped Discovery launch its new international investment vehicle.

### Operational efficiencies

In Policy Administration Suite, Discovery now has a single solution for managing premiums in multiple currencies, handling capital gains tax on a US dollar basis – and converting capital gains tax from South African rand to US dollars for existing business.

### Flexible policies

Investors in the new global plan can now access flexible and tax-efficient policies in multiple currencies, with a multi-contract structure that allows for greater investment liquidity. After five years, investors can also convert a newly launched local endowment plan to offshore endowments at an enhanced exchange rate.

### New business opportunities

A successful, timely launch with Policy Administration Suite has given Discovery increased market share and made global investment opportunities more accessible than ever.

**"Once again, FIS has delivered a high-quality service that surpassed our expectations, with flawless execution of development and testing.**

**Having played a major role in the success of our local shared-value investment product, FIS Policy Administration Suite has now helped us strengthen our international offering and add real value for both financial advisors and investors."**

Lance Geyser, chief operating officer, Discovery

## About FIS

FIS is a leading provider of technology solutions for merchants, banks and capital markets firms globally. Our employees are dedicated to advancing the way the world pays, banks and invests by applying our scale, deep expertise and data-driven insights. We help our clients use technology in innovative ways to solve business-critical challenges and deliver superior experiences for their customers. Headquartered in Jacksonville, Florida, FIS is a Fortune 500® company and is a member of Standard & Poor's 500® Index.

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