

SOLIAM 14.4.0 : unit-linked improvements – second subdivision

Welcome to the second newsletter in 2021 of VERMEG Wealth & Asset Management. We aim to keep you informed on what VERMEG is achieving and envisioning.

SOLIAM 14.4.0 version will be released on the first week of July 2021 and will focus on the second subdivision of improving the unit-linked cycle feature. It also contains improvements around: the management of company box, minimum subscription & redemption, CAA limits and IRR calculation.

Company box

SOLIAM already allows the management of company box which is used like a “buffer” portfolio associated with the insurance company for the management of the unit-linked cycle. Thus, the management of the SHORT positions is only permitted on a certain type of portfolio (company box).

From the 14.4.0 version, several improvements will be made on company box :

- / A link between the client boxes and the company box will be available to easily allow the transfer between them.
- / A transfer of securities between the company box and the client box as well as the reverse transfer.
- / A reconciliation of quantities of the position and stocks when it is necessary on company box or on client box.

The objective of these improvements is to allow a more flexible and transparent management of the company box on all the stages of the unit-linked cycle.

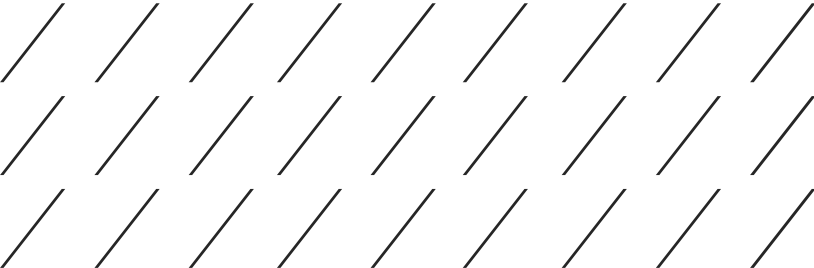
Minimum subscription & redemption

The management of minimum subscription & redemption is already allowed on SOLIAM. The system manages minimum on quantity or on amount. Two improvements will be available on 14.4.0 :

- 1.** SOLIAM will be able to decide whether a market subscription order (obtained following the unit-linked cycle) must be updated by increasing its subscription quantity/amount, based on a threshold that is defined in advance. In order to adjust the quantities and/or the amounts of the market orders and reach the minimum buying quantity/amount, a new batch will be available to automate this task.
- 2.** SOLIAM will give the possibility to make an adjustment on initial minimum subscription. For some insurance contracts, the initial minimum subscription is not the same than the minimum subscription throughout the contract life cycle. Now it will be possible to make an adjustment considering the first subscription.

CAA limits improvement

The use of CAA limits has been optimized for the unit-linked process. With the SOLIAM 14.4.0 version, it will be possible to apply CAA limits to the positions issued from unit-linked stocks. It will be simpler to check if the limits are exceeded during the unit-linked process and make an adjustment.



Front improvement on IRR calculation

The IRR performance result is calculated for each inventory date over different periods. It is not possible to retrieve results for different calculation periods or to set a period start date to look at performance results. In addition, the various cash flows constituting the calculation are included on the transaction date. The possibility of consolidations are also restrictive.

The objectives of this improvement by 14.4.0 version are :

1. Allow a more flexible IRR performance calculation at the level of calculation periods (modularity of the calculation start date).
2. Use a valuation of cash flows on the value date.
3. Have a flexible way to display consolidating criteria for IRR calculation.
4. Be able to choose the type of price used for performance valuation.

Upcoming

The upcoming release will be available in September 2021 and will contain new features for family office & the unit-linked cycle.

- / For family office : SOLIAM will manage the Interest statement on current accounts, Repository in a currency different from the underlying and Link a follow-up to an operation.
- / For unit-linked : a new neutralized /anticipated matching will be available. A new report will be implemented with the "Corrective_Orders_generation " job.

New updates will also be available for technical stack :

- / The SOLIAM Back-end will be compatible with Redhat 8.1, Jboss 7.3, Wildfly 19, Spring 5, Hibernate 5, Java 11 & Open JDK 11.
- / The SOLIAM front-end will be available with the Angular 11 version.