



THE PANGBURN GROUP

*Third Party Administrators of Nonqualified
Executive Benefit Plans & Bank-Owned Life
Insurance Programs*





Development of Open Source Software Sales/Support Platform for the Nonqualified Marketplace

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The Need...

The financial professional interested in marketing nonqualified plans often bears the responsibility/burden of bringing together the components needed:

- Marketing
- Illustrations
- Case Tracking
- Documents
- Plan Administration
- Trust Support
- Policy Administration
- Asset Management
- Integration of Qualified Plan Reporting



The Need...

These products and services are generally provided via a combination of relationships with:

- Insurance Carriers
- Mutual Fund Wholesalers
- Producer Groups
- Third Party Administrators
- Law Firms
- Software Companies and/or
- In-House Developers



Current Solutions

The financial professional is responsible for juggling these components / relationships in order to provide a seamless package to the end client

OR

The financial professional shares compensation with another professional or firm to handle “the details”



Proposed Solution

Develop an open, *product-independent* framework / platform for marketing nonqualified plans and integrating the ongoing servicing components

Develop *product-specific* implementations of the platform for Carriers / Wholesalers / Producer Groups

Develop *service-specific* integrations of the platform for TPA's, Policy Administrators, Trust Companies, etc.



Product-Independent Framework / Platform

Case Management Engine: provides high-level management of prospective and inforce clients throughout life-cycle of plan

Presentation Engine: generates “generic” sales materials based on a wide variety of client needs and plan designs

Illustration Engine: illustrates various informal funding products (e.g. life insurance, mutual funds, etc.)

- load product-specific illustration formulas
- load illustration data from existing illustration platforms

Document Engine: generates executable plan documents based on actual plan design details

- generate documents dynamically based on parameters
- pass parameters to partner firm(s) for document generation
- all documents may be exported for additional customization



Product-Independent Framework / Platform

Policy Administration Integration: allows for ongoing policy management via interface to various policy administration platforms

Plan Administration Integration: allows for ongoing plan management via interface to various third party administrators (including some qualified plan integration)

Trust Administration Integration: allows for ongoing trust management via interface to various trust companies

Deployed as a web-based software

Based on open standards (e.g. OpenDocument or other XML formats)

Developed as open source software (OSS)



Why Open Source Software (OSS)?

Core framework / platform would be OSS, while product and service components would be proprietary

- Encourages collaborative development
- Higher quality code
- Flexible
- No lock to specific vendor
- Costs of development can be distributed
- Licensing
 - Many available (see <http://www.opensource.org/licenses/category>)
 - Most appropriate would probably allow, but not require proprietary add-ons and enhancements



Product-Specific Implementations

Developed on a fee-for-service basis to custom tailor the platform for specific carrier / wholesaler products

OR

Developed by carrier / wholesaler internally

Implementation is owned by the customer (carrier / wholesaler)

Implementation is closed-source & proprietary



Service-Specific Integrations

Developed on a fee-for-service basis to custom tailor the platform for specific TPAs / policy administrators / trust companies

OR

Developed by TPA / policy administrator / trust company

Implementation is owned by the customer (TPA / policy administrator / trust company)

Implementation is closed-source & proprietary



Software Services Company

This initiative would probably be best managed as a separate entity

Could be started/funded by a single party, partnership, or a consortium

Would identify & design required OSS components of framework / platform

Could offer hosting services

Would offer fee-for-service / contract development of implementations to carrier/wholesalers/producer groups

Would offer fee-for-service / contract development of integrations to TPAs, policy administrators / trust companies



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