1.0 Purpose

To document and to provide standard guidelines for system change management process. SDLC policies and procedures provide guidance to management in planning and implementing system projects and changes that may entail significant investments, costs or resources. This will help ensure that system projects and changes are developed and implemented in accordance with management requirements and standards, and an effective and successful system is delivered to maximize productivity. The policy covers all types of system changes at the network, operation system, application and database levels.

2.0 Scope

This procedure applies to employees, staff, temporary employees, independent agents, and other personnel within the Atlas Insurance organization, including employees of affiliated third-party organizations. This procedure applies to all equipment and software that are owned, leased, operated, or maintained by Atlas Insurance Agency, including equipment owned by independent agents but used in conducting the business of Atlas Insurance.

3.0 Policy

Exhibit 1, 2 and 3 represents a high-level System Development Life Cycle process. The following are subject to the life cycle process:

➲ **New System** Evaluating, acquiring and installing a new system or other third party software

➲ **Existing System** Installing ugrades, fixes, patches, customization released by the Vendor and maintenance of existing system

➲ **System conversions** Converting existing system by transferring data to a new environment

Other points to consider in the life cycle:

1. Importance of Planning. Requirements analysis and setting up specifications are the most important part of a good planning stage to ensure that the objectives are achieved.

2. Importance of Business Plan and Project Goal alignment. Ensure that the goals achieved by the new system or change is aligned with the business goals of the agency.

3. Moving Back is not a Bad Thing. During the life cycle, it is okay to go back to a previous step if subsequent assessment warrants a review of a prior decision or action. Sometimes as new information is gathered or results are analyzed, be prepared to refine and/or change the requirements.

4. Testing. A good testing plan is essential to the success of implementation. Write out all the testing scenarios and compare the results to what's expected. This is one of the last opportunities before production to make corrections or to adjust expectations.

5. Build Monitoring into the Life Cycle. To ensure that the product after implementation is performing in accordance with specifications and requirements, build monitoring and maintenance activities into the life cycle. This will help to catch issues and deviances early so that fixes can be executed in a timely manner.

4.0 Exemptions

As determined appropriate by Management.

5.0 Enforcement

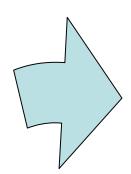Violation of this policy may result in disciplinary action up to and including termination.

6.0 Effective Date

March 30, 2007

7.0 Policy Revisions

Atlas retains the right to make revisions and changes to this policy at any time.

EXHIBIT 1 – NEW SYSTEM

7. <u>Monitoring and maintenance</u>. Ensure that the system continues to function and meet expectations. Resolve issue as they arise.
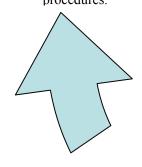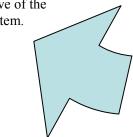
1. <u>Identify</u> <u>an objective and the need</u> for a new or improved system.

6. <u>Testing and implementation</u>. Test to ensure system functions as expected & required, then implement with appropriate procedures.

New System

2. <u>Feasibility study & requirements analysis</u>. Is goal achievable, realistic in terms of money, time & worth the end result. Determine the specifications.

5. <u>Management decision</u>. Select the optimal solution based on the analysis, requirements and objective of the system.
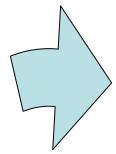
3. <u>Fact finding and research</u>. How is the current system performing & what options are out there in relation to stated objective.

4. <u>Evaluate alternatives</u> free of cost constraints. Assess the pros and cons and how to eliminate or mitigate the disadvantages.
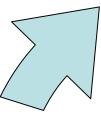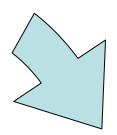
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EXHIBIT 2 – CHANGE TO EXISTING SYSTEM

Change to the Existing System

7. <u>Monitoring and maintenance</u>. Ensure that the system continues to function and meet expectations. Resolve issues as they arise.

1. <u>Identify the need for a change</u> to the existing system, such as upgrade, patch, fix, deployment of a new product feature
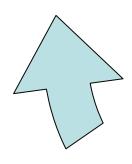
6. <u>Implementation</u>. Install in production; train and publish procedures, as appropriate.
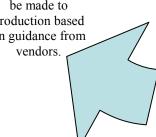
2. <u>Determine the purpose, benefit, pros/cons & risk assessment.</u> Why should change be deployed? What is the impact? What are the costs?
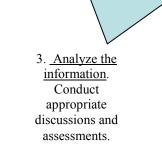
5. <u>Test major changes in test environment.</u> Minor changes or critical fixes will be made to production based on guidance from vendors.

3. <u>Analyze the information</u>. Conduct appropriate discussions and assessments.

4. <u>Present the recommendation to management</u> for decision and/or approval.

EXHIBIT 3 – SYSTEM CONVERSION

System Conversion

1. Initial conversion planning process

2. Data conversion sample testing. Conduct minimum of 3 testing samples

3. Facilitators training (key Atlas trainers)
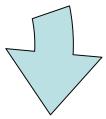
4. Workflow assessment and write procedure manual. Personalization and other forms, templates & administration

5. Train staff on new system. Utilize various methods and both individual & classroom sessions

6. Testing complete and sign off on sample conversion

7. Final data conversion and activation.

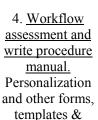8. Monitoring and cleanup. Ensure that the system continues to function and meet expectations. Resolve issues as