

# Professional Services Organization

## Available Services

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## Revision History

Date	Version	Author	Description
6/4/05	1.0	WDK	Initial Draft
8/11/05	1.1	WDK	Management Edits
4/19/06	1.2	WDK	Added Data Sync Service
5/12/06	1.3	WDK	Added 2 new services
5/19/06	1.4	JWC	Updated pricing for Mass Appoint with PDB pull.
7/11/06	1.5	WDK	Various updates and clarifications
4/25/07	1.6	WDK	New services
8/10/07	1.7	WDK	Updated Services
11/30/07	1.8	KNH	Various updates and clarifications. Removed Producer Appointment Reconciliation (PAR)
1/25/08	1.9	WDK	Updated for 2008
4/25/08	2.0	RF	Updated LRAV
8/7/08	2.1	WDK	Removed obsolete services
11/6/08	2.2	WDK	Removed LRAV



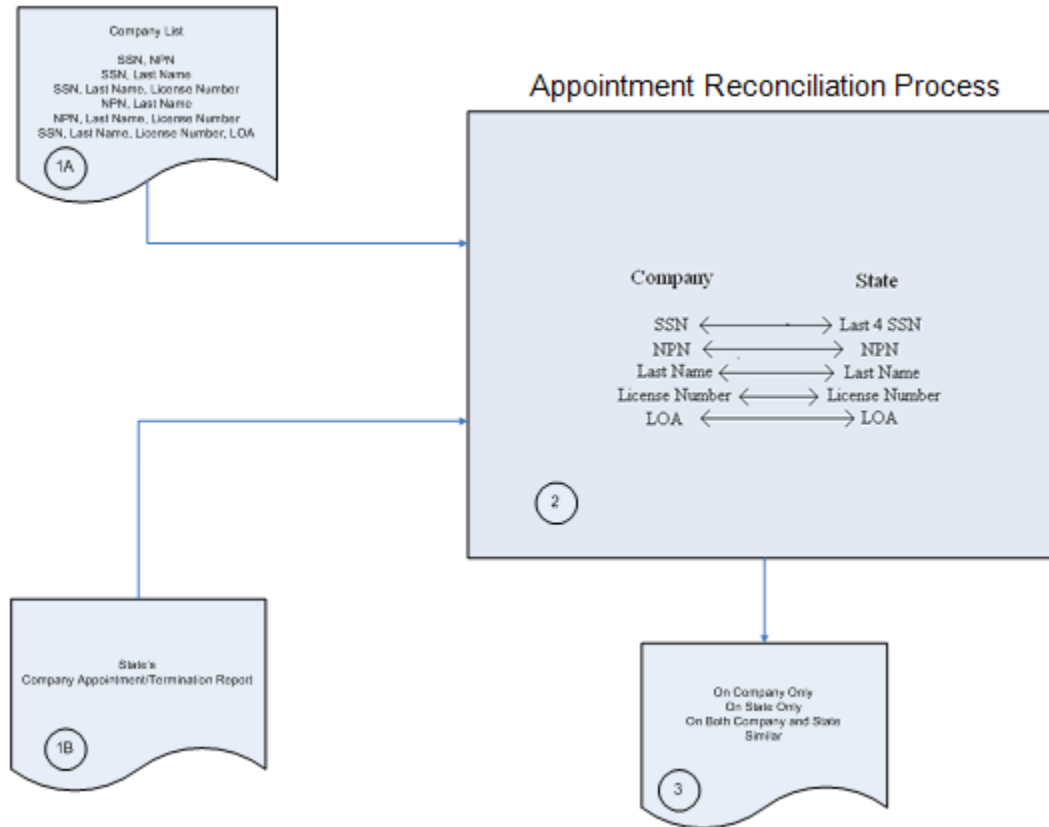
# Appointment Reconciliation Processing (ARP)

## Business Need:

The Appointment Reconciliation Process (ARP) service helps insurance companies manage the state appointment renewal process for agents. The program provides a cost-effective method for reconciling the Company's list of producers with the State's list in time to terminate unwanted producers before the renewal fees are due. Appointment Reconciliation Processing addresses this challenge in a cost-effective and efficient manner by automatically conducting producer data reconciliation in an exception-based workflow manner. The report generated helps carriers identify termination opportunities as well as ensure their compliance with the state regulators.

## Process Flow:

### Appointment Reconciliation Process



### *Step by Step Flow:*

**Step 1A:** Customer sends data file to Sircon. This file can be either a text or Excel file containing data in any of the following formats:

SSN, NPN

SSN, Last Name

SSN, Last Name, License Number

NPN, Last Name

NPN, Last Name, License Number

SSN, Last Name, License Number, Lines of Authority

**Step 1B:** Data is pulled from the PDB for each of the NAIC ID's and states the customer requests.

**Step 2:** The pulled data and customer data file are compared through the ARP program.

**Step 3:** The output of the ARP is an Excel spreadsheet with four separate worksheets. These worksheets include:

#### On Company Only:

This worksheet contains producers that the customer sent to us that the state has no record of.

#### On State Only:

This worksheet contains producers that the state has on their list for the corresponding NAIC ID's, but the customer did not supply as part of their data file.

#### On Both Company and State:

This worksheet contains producers recognized by both the state and customer.

#### Similar

This worksheet contains producers that were not exact matches, but the data is very similar, and most likely are in fact the same producer. If the last 4 digits of the SSN match the full SSN that the customer provides, and other comparisons find discrepancies with the data, the records will show up on this worksheet with an explanation on what did not match.

*Price:*

Base Fee: \$350 per state for each set of up to four reports. \$100 for every report thereafter.

*Turn-around Time:*

Please see Appendix A: PSO Project Lead Time Requirements for turn around time on ARP projects

*Keep in Mind:*

Due to the inconsistent data that exists in the PDB for firms, the ARP works best for individuals. Sircon Corporation can run the ARP for firms, however, it is not recommended as the PDB data for firms is not reliable.

## Producer Data Reconciliation (PDR)

### *Business Need:*

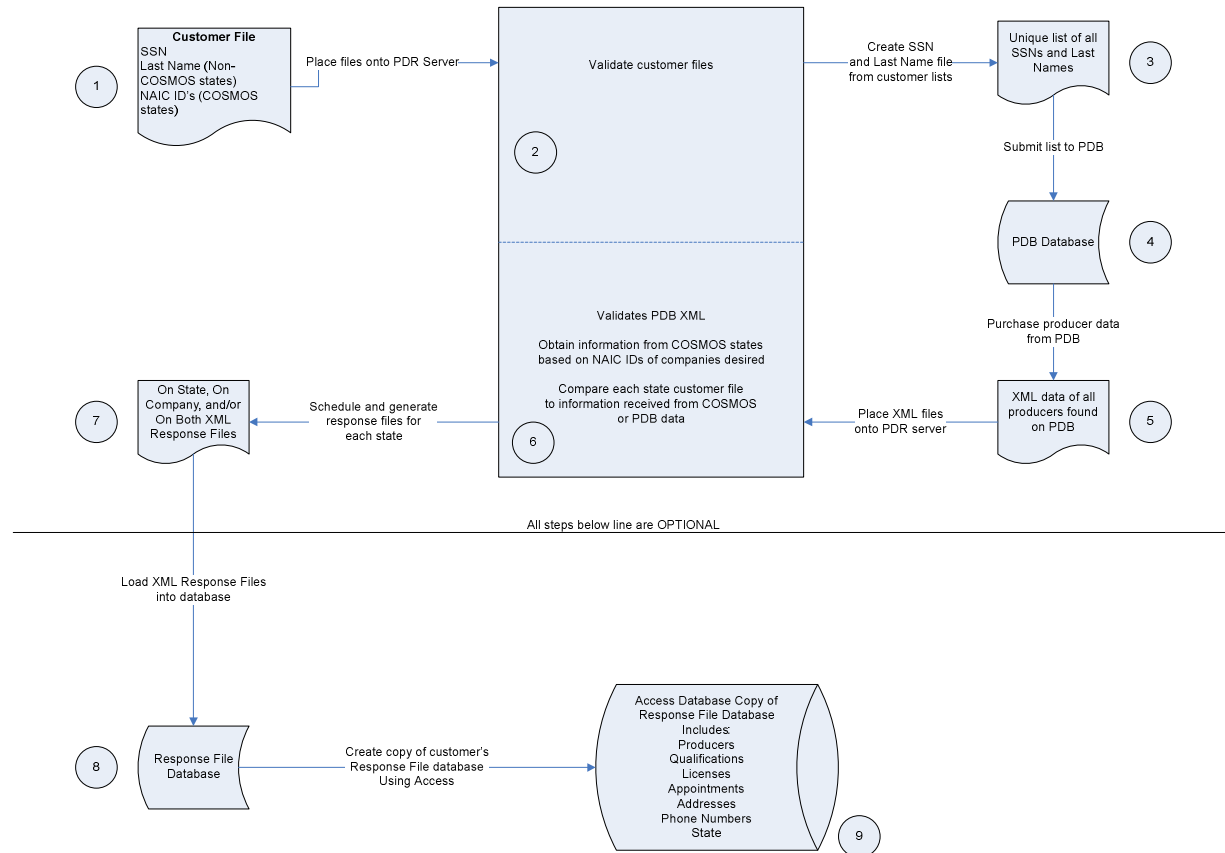
This service will help ensure the customer producer information matches state regulatory records in order to prevent hefty fines and renewal fees. Sircon compares all licensing, appointment and personal information on all producers to current state records, and then provides the results of the comparison in an Access database or XML format.

### *Benefits:*

Discover compliance issues before the states do, reducing exposure to fines and/or penalties for non-compliance.

Avoid unnecessary license and appointment renewals and associated fees by using our built in automated appointment and termination process.

### Process Flow:



### Step by Step Process Flow:

**Step 1:** Customer sends data file to Sircon Corporation in either a text file or XLS format. This data file contains SSN and Last Name.

\* If the PDR is to be run in Sircon states, and the customer wants information for ALL producers in the Sircon state, they can submit NAIC ID's for these states, in lieu of SSN and last name. NOTE: The cost to the customer will be higher, as the cost per producer is \$1.50 per unique SSN.

**Step 2:** The customer data is converted to XML and placed on the PDR server, where the XML is validated.

**Step 3:** The PDR server outputs a unique listing of SSN and last names

**Step 4:** The unique list generated in step 3 is then fed into the PDB database.

**Step 5:** The PDB list is purchased and the XML files with all data is prepared for placement on the PDR server.

**Step 6:** The XML files from the PDB are placed on the PDR server where the following occurs:

The PDB XML is validated

Information from Sircon states based on the NAIC ID's given to us from the customer is obtained.

Comparison is made between each state customer file to information received from the Sircon States as well as the PDB data

**Step 7:** The PDR program schedules and generates response files for each state. These response files include On State, On Company, and/or On Both XML response files.

**Steps 8 and 9 are optional.** The customer can simply request that we deliver the response files in XML format to them.

**Step 8:** The XML response files are loaded into the response file database, which is an Oracle database server housed at Innovative IT.

**Step 9:** The Oracle Database of responses is converted into an Access database which contains the following tables:

Producer Data

Qualification Data

Appointment Data

License Data

Address Data

Phone Number Data

States for which the Data was pulled

### *Price:*

Estimated costs are \$5000. Customer will pay actual time and materials at \$190 per hour.

\$1.50 per unique Social Security number (SSN)

*Turn-around Time:*

Please see Appendix A: PSO Project Lead Time Requirements for turn around time on PDR projects.

## Mass Appointments/Terminations

### *Business Need:*

Faced with the challenge of processing hundreds or thousands of appointments and/or terminations due to a merger, acquisition, or rapidly evolving distribution channel changes?

Sircon can easily and efficiently copy producers from one company to another through our Mass Appointments/Terminations process. Simply provide data such as SSN, Last Name, First Name, Birth Date, etc., in an Excel spreadsheet, and Sircon can make those changes within the same Sircon State, PIN state or even different states.

For more information on required fields contact your Sircon Account Manager for a complete list of required data elements.

### *Price:*

Estimated costs are \$5000. Customer will pay actual time and materials at \$190 per hour.

Customer standard appointment/termination transaction price applies

### *Turn-around Time:*

Please see Appendix A: PSO Project Lead Time Requirements for turn around time on Mass Appointments/Terminations projects.

## Mass Appointments/Terminations with PDB pull

### *Business Need:*

This service is similar to the Mass Appointments/Terminations process; difference exists in the amount of data the customer must submit to Sircon. For this service, the customer simply gives Sircon the SSNs and Last Names of the producers they wish to appoint or terminate. Sircon Corporation will take the customer file and run a PDB query. Through our software, we will populate the fields necessary to complete the mass appointment or termination by using the information supplied to us by the PDB. We then return the spreadsheet to the customer to complete the few remaining elements we cannot get from the PDB, such as appointment state or termination reason.

For more information on the required fields see Mass Appointment Data Requirements.doc that is available in Salesforce.

### *Price:*

Estimated costs are \$5000. Customer will pay actual time and materials at \$190 per hour.

Customer standard appointment/termination transaction price applies

Customer standard PDB inquiry cost applies

### *Turn-around Time:*

Please see Appendix A: PSO Project Lead Time Requirements for turn around time on Mass Appointment/Termination projects.

## Integration Express

### *Business Need:*

Sircon Corporation has expanded the functionality of Compliance Express to process large numbers of appointments, terminations, or background investigations through an XML offline feed. The data, prepared by your company, can be scheduled to run on a regular basis. Files can be submitted in either our standard XML format, or as a flat text file. If you choose the Custom option, you can submit your data in any format your company chooses, and Sircon will convert the file for you.

### *Integration Express Options:*

<b>Standard</b>	<b>Custom</b>
<p><b>Setup Fee:</b>                      Estimated costs are \$5000. Customer will pay actual time and materials at \$190 per hour.                      \$500 monthly maintenance.                      Customer will be invoiced monthly for hours used.</p>	<p><b>Set-up Fee:</b>                      \$15,000 for inbound fixed fee                      \$15,000 for outbound fixed fee                      \$1000 monthly maintenance.                      Payment is due at signing of SOW</p>
<p><b>Sircon Responsibilities:</b></p> <ul style="list-style-type: none"> <li>○ Provide Customer with the XML schema and all appropriate documentation required by Sircon for offline integration.</li> <li>○ A one day on site visit to get project started and help get customer technical team started.</li> <li>○ Provide assistance during the implementation of the offline appointment process.</li> <li>○ While testing, customer will be notified in advance of any changes to the XML schema due to software changes from</li> </ul>	<p><b>Sircon Responsibilities:</b></p> <ul style="list-style-type: none"> <li>○ Sircon will map the data elements from the customer input file to the Sircon XML schema.</li> <li>○ A one day on site visit to get project started</li> <li>○ Sircon will set up the procedure to process Offline files in automated fashion.</li> <li>○ While testing, customer will be notified in advance of any changes to the XML schema due to software changes from the states or Sircon. These notifications will be available to customer as soon</li> </ul>



<p>the states or Sircon. These notifications will be available to customer as soon as verified by our regulatory analysts.</p> <ul style="list-style-type: none"> <li>○ Support customer with any work involving the encryption and decryption of customer files.</li> </ul>	<p>as verified by our regulatory analysts. The customer will then need to add the required element to the input file sent to Sircon.</p> <ul style="list-style-type: none"> <li>○ If outbound files are required, Sircon will translate the response file from Sircon into a file format specified by customer.</li> <li>○ Support customer with any work around the encryption and decryption of customer files.</li> </ul>
<p><b>Customer Responsibilities:</b></p> <ul style="list-style-type: none"> <li>○ Customer is responsible for mapping their current file format to the Sircon specific XML schema.</li> <li>○ Customer will have access to a test server that will allow them to test files that they create for integration to Sircon.</li> <li>○ Work with Sircon around the encryption and decryption of customer files.</li> </ul>	<p><b>Customer Responsibilities:</b></p> <ul style="list-style-type: none"> <li>○ Customer is responsible for sending all data elements required for appointment, license application or Background investigation in a text format</li> <li>○ Any state changes after go live, customer is responsible for sending new data elements.</li> <li>○ Customer will have access to the test results as provided by Sircon for integration to Sircon.</li> <li>○ Work with Sircon around the encryption and decryption of customer files.</li> </ul>
<p><b>Monthly Maintenance:</b></p> <p>Cost: \$500 a month</p> <ul style="list-style-type: none"> <li>○ Includes test server maintenance</li> <li>○ Access to Sircon automated test bed, which allows customer to test changes to their system at any time with no human intervention in SIRCON and real time pin states.</li> <li>○ 8 hours of Professional Services support per month to answer technical questions or provide help where needed</li> <li>○ Provide Assistance and Implementation of the Offline</li> </ul>	<p><b>Monthly Maintenance:</b></p> <p>Cost: \$1000 a month</p> <ul style="list-style-type: none"> <li>○ Includes PSO mapping when state changes are made.</li> <li>○ Test Server maintenance</li> <li>○ Access to Sircon automated test bed, which allows customer to test changes to their system at any time with no human intervention in SIRCON and real time pin states.</li> <li>○ Re-mapping of all data elements as states make changes.</li> <li>○ Customer will be notified of any</li> </ul>



<p>Appointment Process.</p> <ul style="list-style-type: none"><li>○ Customer will be notified of any changes to the XML schema due to software changes from the states or Sircon</li></ul>	<p>changes to the XML schema due to software changes from the states or Sircon. (Customer need not worry about such changes, other than to know what Sircon is modifying)</p> <ul style="list-style-type: none"><li>○ 8 hours a month of access to Sircon Professional Services resources to answer technical questions, set up new mappings, or provide help as needed</li></ul>
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### *Turn-around Time:*

The turn around time is customer driven. Since the bulk of the work falls on the customer to create an XML outbound feed, that meets the Sircon Corporation standard, Sircon turn around time does not apply for Offline projects.

## Producer Data Extract (PDE)

### *Business Need:*

This handy service will gather all of the state information on your producers, including licensing, qualification, appointment and personal information. Simply send Sircon Corporation a text file with all your producers and their SSN's, and we will capture the information and return it to you in an easy-to-use Access database.

### *Benefits:*

Discover compliance issues before the states do, reducing to the potential for fines and/or penalties for non-compliance.

Avoid unnecessary license and appointment renewals and associated fees by using our built in automated appointment and termination process.

### *Price:*

Estimated costs are \$5000. Customer will pay actual time and materials at \$190 per hour.  
\$1.50 per unique Social Security number (SSN)

### *Turn-around Time:*

Please see Appendix A: PSO Project Lead Time Requirements for turn around time on PDE projects.

## Sircon Express Extract

### *Business Need:*

The Sircon Express Extract™ service provides a cost effective way to receive individual producer license, qualification, and appointment data to complete internal reconciliation projects. Sircon will extract data from the PDB or Sircon States and provide it to you in an Access database so it can be used to:

- Prepare for market conduct exams and avoid market conduct fines
- Improve compliance
- Reduce annual appointment renewal fees
- Reduce labor cost and effort associated manual reconciliation projects,
- Reduce transaction failures with the states

### **Producer Identification**

For firms, all records are identified using FEIN. The FEIN is acquired from the appointment information extracted from the PDB or Sircon States. For individuals, all records are identified using either SSN or NPN, or both if available. The NPN or SSN is acquired from the appointment information extracted from the PDB or Sircon States.

### **Data Extracted**

#### **Standard Data:**

<b>Individual</b>		
Producer First Name	Producer Middle Initial	Producer Last Name
Producer Date of Birth	NPN (Where available)	Full or last 4 of SSN (Where Available)

<b>Firm</b>		
Firm name	FEIN	

**License Data:**

<b>Individual: PDB State</b>		
State Code	Type	Residency
Status	Status Effective Date	Original Issue Date (Where Available)
Expiration Date (Where Available)	Number	

<b>Individual: Sircon State</b>		
State Code	Type	Residency
Status	Status Effective Date	Original Issue Date (Where Available)
Expiration Date (Where Available)	Number	Type Code

<b>Firm: PDB State</b>		
State Code	Type	Residency
Status	Status Effective Date	Original Issue Date (Where Available)
Expiration Date (Where Available)	Number	Type Code

<b>Firm: Sircon State</b>		
State Code	Type	Residency
Status	Status Effective Date	Original Issue Date (Where Available)
Expiration Date (Where Available)	Number	Type Code

**License Line of Authority (Qualification) Data**

<b>Individual: PDB State</b>		
LOA State Code	LOA Type	LOA Status
LOA Status Effective Date	LOA Original Issue Date (where available)	LOA Expiration Date (Where Available)

<b>Individual: Sircon State</b>		
LOA State Code	LOA Type	LOA Type Code
LOA Status	LOA Status Effective Date	LOA Original Issue Date (where available)



LOA Expiration Date (Where Available)		
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<b>Firm: PDB State</b>		
LOA State Code	LOA Type	LOA Status
LOA Status Effective Date	LOA Original Issue Date (where available)	LOA Expiration Date (Where Available)

<b>Firm: Sircon State</b>		
LOA State Code	LOA Type	LOA Type Code
LOA Status	LOA Status Effective Date	LOA Original Issue Date (where available)
LOA Expiration Date (Where Available)		

### Appointment Data

<b>Individual: PDB State</b>		
Appointment Company NAIC ID	Appointment State Code	Appointment Type (Where Available)
Appointment Type Code (Where Available)	Appointment Status	Appointment Active Date (only available for active appointments, PDB does not provide for terminated appointments)
Appointment Termination Date (Only available for terminated appointments)	Appointment Termination Reason (Only available for terminated appointments)	Appointment Termination Reason Code (Only available for terminated appointments)
Appointment Renewal Date (Where Available)		

<b>Individual: Sircon State</b>		
Appointment Company NAIC ID	Appointment State Code	Appointment Type (Where Available)
Appointment Type Code (Where Available)	Appointment Status	Appointment Active Date
Appointment Termination Date (Only available for terminated appointments)	Appointment Termination Reason (Only available for terminated appointments)	Appointment Termination Reason Code (Only available for terminated appointments)
Appointment Renewal Date (Where Available)	Appointment Type Code	

For non-appointment filing states, no appointment data will be provided. Data extracts will be completed in the non-appointment filing states using the list of NPNs/SSNs extracted from appointment filing states. The extract will not provide information on individuals that are only licensed in non-appointment filing states since there is no way to identify those individuals.

<b>Firm: PDB State</b>		
Appointment Company NAIC ID	Appointment State Code	Appointment Type (Where Available)
Appointment Type Code (Where Available)	Appointment Status	Appointment Active Date (only available for active appointments, PDB does not provide for terminated appointments)
Appointment Termination Date (Only available for terminated appointments)	Appointment Termination Reason (Only available for terminated appointments)	Appointment Termination Reason Code (Only available for terminated appointments)
Appointment Renewal Date (Where Available)		

<b>Firm: Sircon State</b>		
Appointment Company NAIC ID	Appointment State Code	Appointment Type (Where Available)
Appointment Type Code (Where Available)	Appointment Status	Appointment Active Date
Appointment Termination Date (Only available for terminated appointments)	Appointment Termination Reason (Only available for terminated appointments)	Appointment Termination Reason Code (Only available for terminated appointments)
Appointment Renewal Date (Where Available)	Appointment Type Code	

For non-appointment filing states, no appointment data will be provided. Data extracts will be completed in the non-appointment filing states using the list of FEIN extracted from appointment filing states. The extract will not provide information on firms that are only licensed in non-appointment filing states since there is no way to identify those firms. Some states do not license firms so the license information is not provided for these states.

Firm data is provided "As Is." Due to the nature of firms and firm branch hierarchies, multiple or duplicate licenses, qualifications and appointments may be reported for a same FEIN in a state.



*Price:*

The investment to our customers to pull the individual report is \$250 per state per company for licensing data.

The investment to our customers to pull the firm report is \$250 per state per company for licensing data.

*Turn-around Time:*

Please see Appendix A: PSO Project Lead Time Requirements for turn around time on Sircon Express Extract projects.

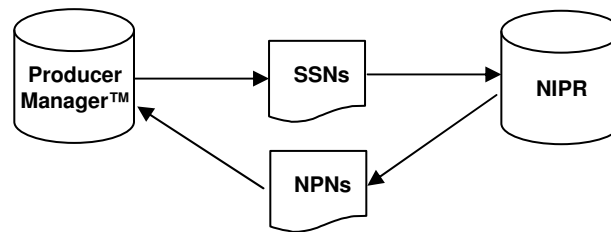
## Sircon Express NPN

### *Business Need:*

The Sircon Express NPN™ service provides a cost effective way to retrieve National Producer Numbers from the NIPR. The National Producer Number is increasingly used by states to identify producers instead of the Social Security Number.

### *How it Works:*

Sircon's Professional Services team will extract Social Security Numbers from your Producer Manager™ data and retrieve the associated National Producer Numbers from NIPR's database, where available. Your producer records are then updated with the National Producer Numbers.



### *Price:*

The investment to our Producer Manager customers for this service is .25¢ per NPN, with a \$500 minimum investment and a \$5000 maximum investment per customer.

### *Turn-around Time:*

Please see Appendix A: PSO Project Lead Time Requirements for turn around time on Sircon Express NPN projects.

## Consulting Services

### *Implementation of Sircon Corporation's Flagship Products:*

Sircon's expert PSO team will assist in the deployment of any of our flagship products in order to ensure a smooth transition from your current system to the more efficient, automated Sircon solutions. Each of the products described below can be customized to your business needs, and the PSO team is standing by to assist and advise you through each step.

#### **Producer Express**

Producer Express™ is a web-based system for sharing and managing producer lifecycle documents, enabling carriers to better manage their producer recruiting, hiring, contracting, appointment, and due diligence-related requirements. These documents can be filled in and signed just like paper forms. As a document is added to or shared, an audit trail is created. Notifications can be passed up or down the chain of actors or to additional parties.

Producer Express helps customers manage multiple channels with:

- Intelligent Documents
- Common Workflow options Support
- Email Notification
- Enforceable E-Signature
- Appointment Engine Back End Integration

With Producer Express carriers are able to:

- Focus on attracting the best producers
- Look forward to a licensing process measured in days, not weeks or months
- Accelerate producer-centric strategies by offering an immediate, on-demand managed service available 24/7
- Better grow and manage their producer networks while at the same time handle the vast requirements by state regulators
- Flexible enough to be used by any company and can be tailored to meet their specific needs

## **Sircon For States**

Sircon For States provides state insurance regulators an automated and more efficient way to manage, process and track critical information on insurance companies, agencies and individual producers. Sircon For States was designed with the insurance regulator in mind and builds on the years of experience and state business knowledge Sircon has gained by working closely with state departments of insurance. As a result Sircon for States is an intuitive application that flows in a manner that is natural to regulators' way of conducting business.

Delivered through an intuitive and easy-to-use Web interface, Sircon For States provides regulators the ability to process a high percentage of their regulatory transactions electronically because it leverages more than 1,600 insurance industry subscribers of Compliance Express that submit regulatory transactions such as appointments, terminations, renewals, or license applications, electronically instead of submitting the various paper forms.

NAIC compliant – Sircon For States is guaranteed to remain compliant with the Producer Database (PDB) and Complaints Database System (CDS).

## **Producer Manager**

Producer Manager is a complete database solution that allows carriers of all sizes to leverage the power and security of the Web to manage and track all producer data. It also helps carriers to maintain vital compliance and contract information on all producers, individuals and firms that's in sync with the states – always. Best of all, Producer Manager is priced to fit all sized businesses. For smaller carriers, this means access to the same functionality previously available to insurers with significant IT resources. For large carriers, this means enterprise-wide view of producer data without the risk. The end result is better service to producers. With Producer Manager, carriers can provide their producers with the speed and ease of getting appointed they demand while maintaining accurate producer information to ensure compliance.

### ***Built-in SIRCON Connectivity:***

In addition, Producer Manager integrates seamlessly with carriers using Compliance Express to interact with the states. This connectivity saves carriers time and money by allowing them to automatically create appointments and transactions with states without re-keying information. It also eliminates the need to separately log into Compliance Express or use batch file, offline or manual appointment processing, to license or terminate producers with states.

*Producer Manager Business Benefits:*

Producer information is automatically in sync with carriers, their distribution network and insurance regulators.

Entries and updates automatically trigger transactions and push updated information to everyone who needs it.

Appointments, renewals, terminations and inquiries are processed real-time.

Information seamlessly integrates with legacy systems such as those used for compensation/commission, policy administration or document imaging.

**Please call Sircon Corporation and ask to speak to any of our knowledgeable account executives for more information on any of these products or services.**

## Appendix A: PSO Project Lead Time Requirements

<b>Process Step</b>	<b>PSO Assorted Services</b>	<b>Producer Manager</b>	<b>Producer Express or Sircon for Carriers</b>
Lead time for SOW creation	2 -3 days	5 – 10 days	5 – 10 days
Resources allocated with signed SOW	30 – 60 days	30 – 60 days	30 – 60 days
Responsible for developing SOW	PSO	Contracts, Sales and PSO	Contracts, Sales and PSO
Reviews / approves SOW	Sales and PSO	Contracts, Sales and PSO	Contracts, Sales and PSO
Typical range for SOW work	7 – 10 days	30 – 120 days	90 – 120 days

