

Referral Module v.2.0 and IDEC White Paper

Modification History

Version	Issue Date	Update By	Abstracts
1.0	21 December, 2023	Ivy	Draft notes after meeting with PB and internal meeting with Lam, Ivy, Leon, CB and Simon
1.1	9 January, 2024	Simon	Revised based on Ivy's meeting note
1.3	23 January, 2024	Simon	Revised after discussion with Ms. Cheung
1.4	24 January, 2024	Simon	Added use-cases
1.5	29 January, 2024	Simon	Added IDEC transactions and change visible to hidden

Glossary

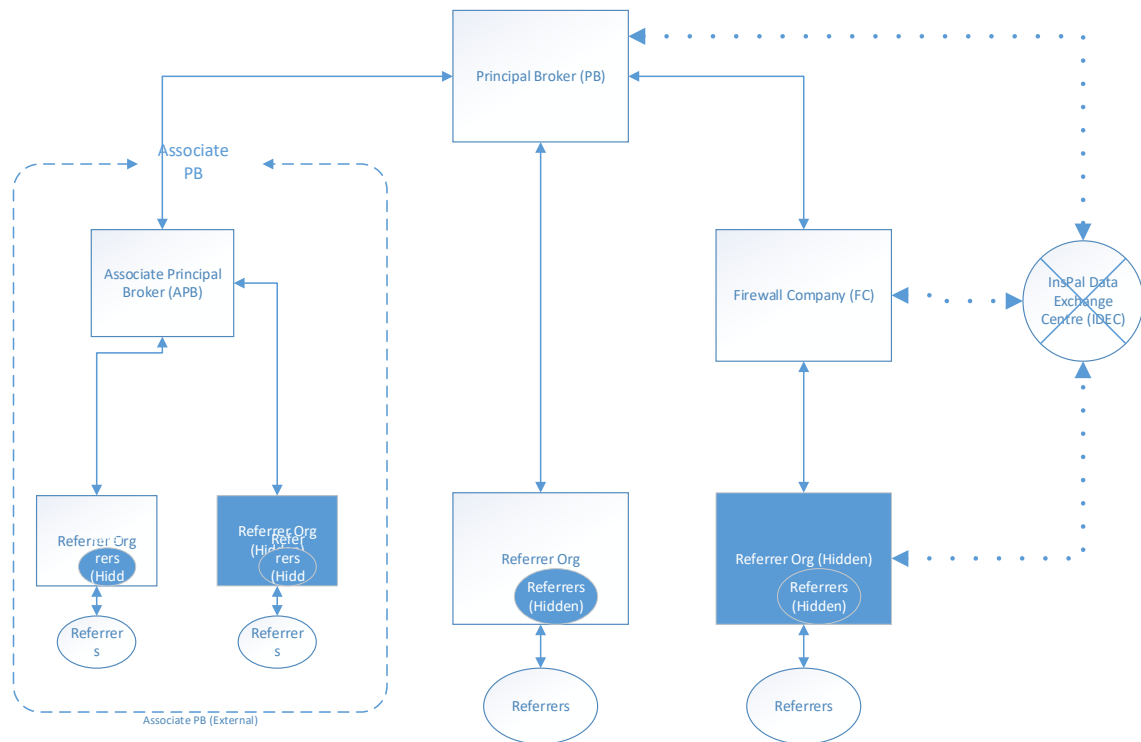
Principal Broker (PB)	The main broker under concern
Firewall Company (FC)	The intermediary company (not an insurance intermediary) and acts between the PB and the sensitive referrers
Associate principal Broker (APB)	Another insurance intermediary that is a separate entity but would like to form a close coalition of the PB.
Referrer Organization (Referrer Org)	An organization of referrers, even only one referrer. It can be a legal entity or just a team.
Sensitive Persons (SP)	Those person(s) cannot directly refer business to PB due to some reasons. He/They must go through FC.

Business Scenario

Scenario	Description
1. PB -> FC -> TR -> [Producers]	Those TRs are not appropriate to appear in PB's record, so must use FC as an intermediary referrer. The TR may have sub-referrers, and can choose whether PB need to take care of its sub-referrers
2. PB -> TR -> [Producers]	The TR is legitimate to appear in PB's record, and can choose whether PB need to take care of its sub-referrers
3. PB -> Associate PB -> ...	For instance, a broker wants to be retired and emigrate to Canada. However, it would like to maintain it's legal entity and producers and clients, but the operation let PB to run.

Hence, actually this is a 2-dimensional issue:

1. Whether the TRs can be exposed
2. Whether this is a need to take care of sub-referrers or the Referrer Org would like to let it "hidden".



Business schematics of RM2.0 and IDEC

Business Requirements

1. Data encryption
2. Has upline downline concept (be consistent with concept of InsPal's Producer Option)
3. Has Producer Setup. Allows Referring Organization to create their own producers. Only like this can allow Referring Organization or FC to calculate the commission of its producers.
4. Can print report. E.g. Producer Statement. Can check how much commission to be received
5. Can check proposal status, Can download proposal copy (Client's Copy) PDF. Can see the versions assigned by PB.
6. Premium Status. Can check DN Settled and download Producer's Copy
7. Smartphone version and web version (but should be ONE version)

Use-Cases

1. Referrer refers business - "Sensitive Persons" (SP)

- a. Referrer uses RM2.0 to input a Ask-for-Quote (AFQ) quickly and easily (e.g. for motor insurance, just input the client info and motor info)
- b. Via IDEC, this record is transformed into a Proposal Record in FC, which in turn, via IDEC, this record is also duplicated in PB Proposal Record.
- c. PB furnishes the Proposal Record, print proposal and send to client. The printed proposal (in pdf format), will be sync'ed to the referrer's RM2.0
- d. During the course of proposal -> DN, the referrer should be able to know the status via

RM2.0.

- e. After the client accepts the quote and this case turn into a policy/DN, referrer will also know DN status (including whether the policy is delivered to client, etc.)
- f. When clients settled the premium, referrer will see the payment status in RM20, and should also show commission pending.
- g. Referrer can also print a Commission Report by himself

2. Referrer Org admin

- a. Referrer Org admin can add new referrers in RM2.0. But referrer logon should be created by InsPal (收費問題). Need further discussion.
- b. Referrer Org admin can set whether a referrer is “hidden”. If not hidden, PB or FC can know it and can generate commission report for them (even better, can issue commission to referrer directly. TBA)
- c. Referrer Org admin can see all records entered by the referrers under it (similar to Producer Option)
- d. Referrer Org can print Commission Report for all referrers under it.

3. Referrer refers business – Non-SP

- a. Repeat 1 & 2 except can skip FC and do directly to PB

4. FC admin

- a. When a referrer refers business via RM20, it should sync and “value-add” to FC via IDEC
- b. Also, it should sync’ed to PB under a Referrer Org Code
- c. Each month-end, when PB settled the referrer fee to FC, FC can in turn run a Commission Report, depending the nature of its Referrer Org (whether visible or invisible). It can even settle the commission of individual referrers under its Referrer Org (if they are visible).

5. Associate PB refers business

- a. The process below APB is the same as 1-3
- b. Other things are same as 4

IDEC Transactions

Tx No	From	To	Tx Description	Remarks
1	RM20	FC	Ask-for-quote	Referrer input simple data, basically client and subject matter. IDEC should transform into proposal record and post to FC
2	FC	PB	Proposal	Directly copy to PB except the producer should be mapped. E.g. Referrer Chan Tai Man (Code=CTM) should be mapped to RO-001-FC-001 in PB. If the referrer is “hidden”, then map to RO-001
3	PB	FC	Proposal	The proposal record returned to FC from

				PB (pdf or proposal record)
4	FC	RM20	Proposal	Proposal pdf
5	PB	FC	DN	TBA. After DN is issue by PB, what records of FC should be updated. Consider in accounting's angle.
6	FC	RM20	DN	TBA
7	PB	FC	Receipt	TBA
8	FC	RM20	Receipt	TBA
9	RM20	PB	Ask-for-quote	Same as 1, except no need to go thro' FC
10	PB	RM20	Proposal	Same as 4
11	PB	RM20	DN	TBA
12	PB	RM20	Receipt	

Technical Considerations

As far as I know, InsPal Mini has implemented similar things (i.e. AFQ and proposal status sync, etc). Can we port this function to RM2.0 and generalize it to other business objects (such as claims, renewal, etc) in the future.

I.e. We establish a standard for insurance business object data exchange. **THIS IS A BIG THING!**

Other Considerations

Should Referral Module "sold" via InsPal or via the Principal Broker (PB). General consent from team is charge both sides by transaction.