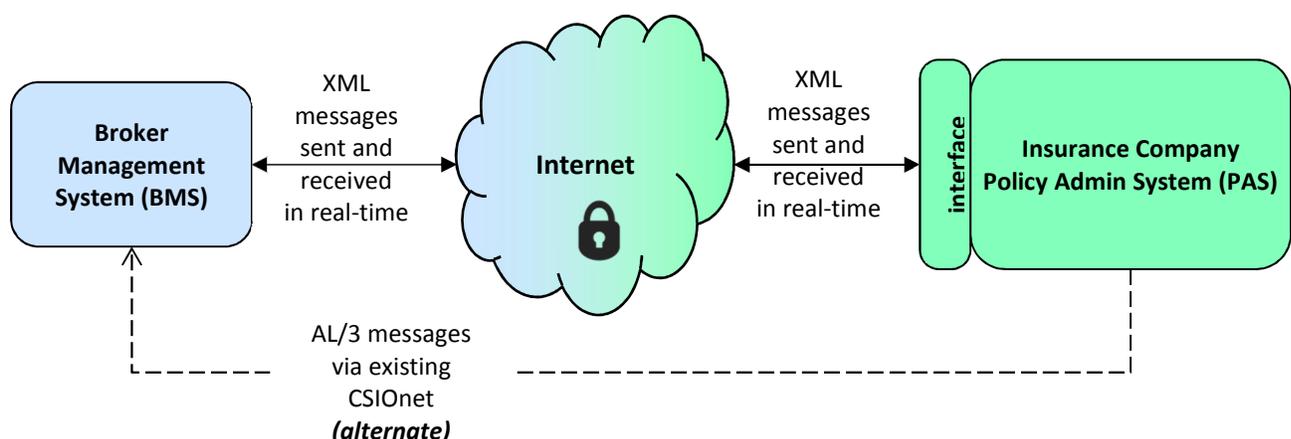


Data Exchange (D/X) Overview

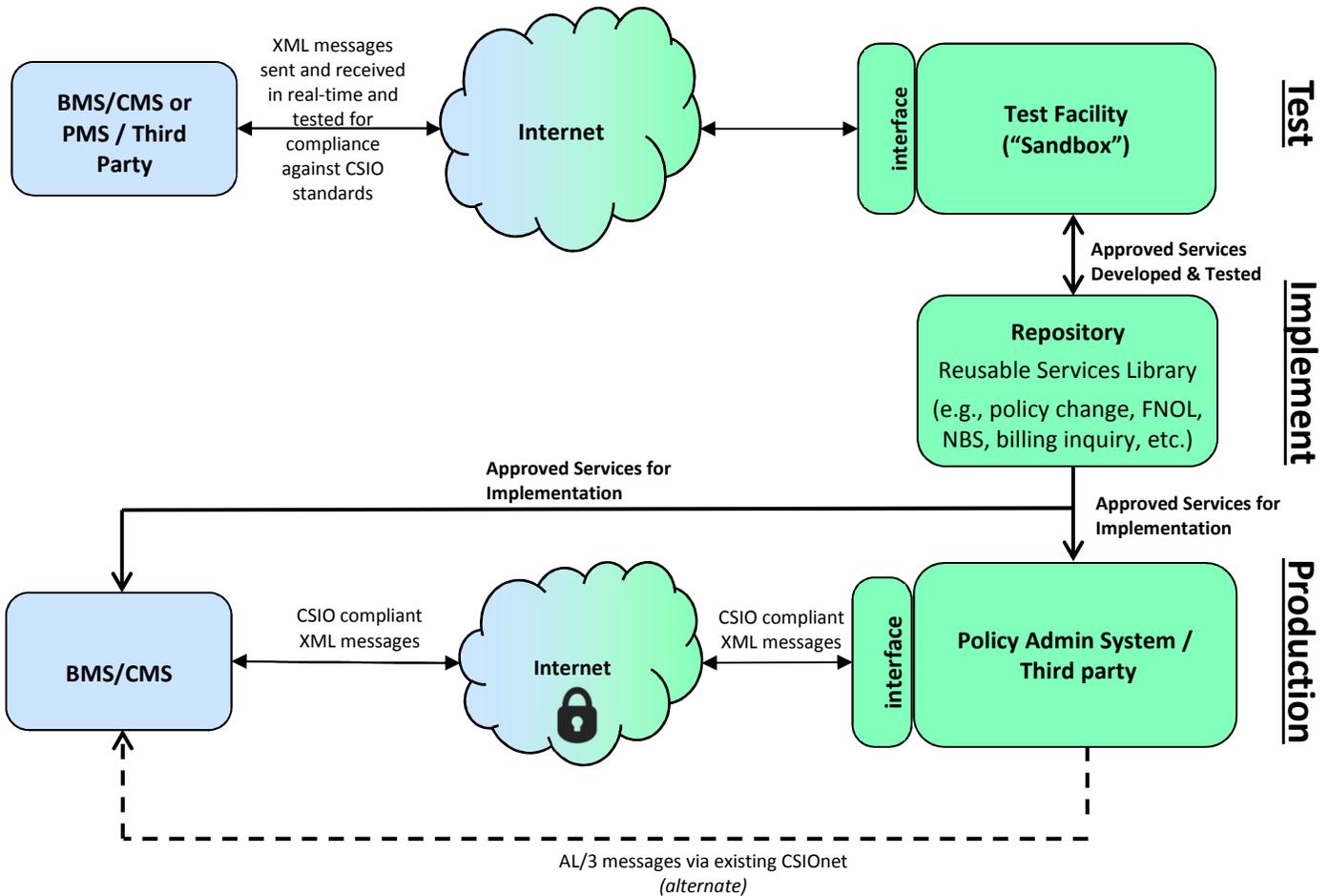
Data Exchange refers to a set of technology principles created by the Insurance Brokers Association of Canada (IBAC) for how real-time technology integration between insurance brokers, insurance carriers, and other third party partners should occur.

IBAC Data Exchange workflow principles:

- *All transactions that start in a broker management system (BMS) must finish in the broker management system.* This is to ensure that the broker remains the primary contact with the public for transactions.
- *Data flow between systems occurs electronically and transparently, without user intervention.* Intervention adds latency, cost, and complexity to the transaction which is why it needs to be avoided.
- *All data transmissions must strictly adhere to Centre for Study of Insurance Operations (CSIO) standards.* The use of standards reduces cost and complexity of a transaction, and allows the ecosystem to move at the “speed of the fastest runner.”
- *XML data that flows from a company’s system is processed and returned in real-time (or alternatively, is processed and sent back via CSIONet, using existing BMS download procedures).* Real-time is the ultimate goal, but during the transition period the use of existing transmission infrastructure could be used.
- *Workflows must avoid connection to, and a broker’s use of, an insurer’s web portal.* Insurer investment in web portals creates additional costs for the broker community, diverts critical investment in the real-time integration infrastructure, and thus does not improve the customer experience.
- *Translations are to be addressed on the insurer’s side of the transmission – not on the broker’s side.* Translations add cost, complexity and potential errors to the transmission. Insurers should only have to do one set of mappings, or translations, from their back-end systems to industry-standards. Insurers that embrace industry data standards internally, as well, are rewarded with even lower costs and speed to market.



IBAC Data Exchange Implementation



Re-usable data services are things such as API's and Web Services. They are software access points that allow two applications to "talk" (i.e. exchange data) with each other. A good re-usable data service makes it easier to develop a software program by providing the building blocks which a programmer then uses to put the blocks together. If the re-usable data service on both sides of a transmission is speaking the same language there is no translation required. Otherwise, an intermediary is needed to perform the translation for the two applications to communicate.

The testing facility or "sandbox" will allow any vendor, carrier, or third party to test their re-usable data services for compliance with CSIO data standards. This will allow them to test their re-usable data services by running them through a pre-determined set of transactions that use the data standards. If there are no errors it will be certified as CSIO compliant.

The industry should maintain a repository of these re-usable and compliant data services so they can be available for testing against other applications developed within the industry, and deployed in the marketplace to enable straight through real-time connectivity.

