

GLOBAL RISK SOLUTIONS: YOUR GLOBAL PARTNER FOR NON-TRADITIONAL SOLUTIONS TO UNIQUE RISKS



Global Risk Solutions (GRS) develops innovative, customised solutions to unique risks that are either not addressed or addressed inefficiently by traditional insurance or financial markets. We specialise in programmes involving significant client retention (i.e. Global Fronting and Captive Management Services), risk transfer programmes for difficult-to-address risks (i.e. Alternative Solutions), breakthrough product innovation and assumed reinsurance.

Global Fronting Programmes

Efficient utilisation of capital is critical to the strength and growth of a company. Traditional insurance programmes may not adequately address these exposures or be the most efficient use of capital. Our Global Fronting programmes may provide a better solution by helping clients retain risk through a captive, rent-a-captive or other protected cell structure, fully funded structure or indemnity programme. Our services include policy issuance, claims administration, claims reporting, premium management and reporting, and administration of insurance premium taxes. Around the globe, we deliver a coordinated international team-based approach with consistently high quality service backed by our extensive global network, in-depth experience and our local expertise. Global Fronting may provide a better solution for companies that are:

- Seeking an insurance programme that allows them to retain significant elements of risk in order to benefit from positive loss experience
- Experiencing an above-average risk profile that is not properly reflected in the market prices for traditional insurance
- Pursuing more efficient access to the reinsurance markets
- Looking to expand the use of an existing captive, rent-a-captive, or other protected cell structure to insure all or part of a risk
- Requiring evidence of insurance for regulatory, disclosure, marketing, trading, or counterparty needs
- Facing a specific problem for which there is no clear risk transfer solution
- Seeking greater certainty and flexibility on coverage and premium through varying market cycles

Captive Management Services

GRS provides captive advisory and management services to clients. We provide a complete range of services regarding the feasibility, structuring, formation, and management of captives with an in-depth understanding of each domicile's regulatory requirements and local business practices. Our global product portfolio ranges from single parent insurance and reinsurance captives, associations, risk retention and group captives to traditional 'rent-a-captives', protected cell companies and segregated account structures. Clients without a captive can experience many of its benefits with a captive arrangement through participation in AIG's own captive cell facilities in Vermont and Bermuda.

Alternative Solutions

Sometimes companies face complex or unusual risks that are difficult to address in the conventional insurance and financial markets. GRS' Alternative Solutions are specifically designed to address these challenging risks through:

- Blended Structure: A single policy combines client funding of expected losses and the utilisation of risk transfer above the funded layer.
- Customised Risk Transfer: Primary or excess risk transfer insurance policies are tailored to provide solutions for complex, unusual, or difficult-to-insure risks.
- Buyout: Customised programmes are designed to offset liabilities resulting from traditional insurance risks or unusual exposures.

Alternative Solutions can help companies that are:

- Requiring evidence of insurance for regulatory, disclosure, marketing, trading, or counterparty needs
- Facing a specific problem for which there is no clear risk transfer solution
- Encountering a situation where current market conditions or shifting underwriting capacity are limiting availability of risk transfer
- Planning a merger, acquisition, or divestiture in which difficult risks are impeding the transaction
- Confronting significantly increased retentions or premiums
- Experiencing restricted coverage due to adverse industry claim trends
- Challenged with high attachment points due to poor loss experience or market conditions

Breakthrough Product Innovation

GRS designs and launches new products and services not currently available in the insurance or financial markets.

Assumed Reinsurance

AIG re-writes third party assumed treaty reinsurance on a worldwide basis. Its seasoned team of industry professionals offers pro rata and excess of loss treaty reinsurance concentrating in structured (property and casualty, commercial and personal lines), specialty (agriculture, marine and title), and traditional (property catastrophe and property catastrophe retro).

Key Sectors

- Large commercial
- Financial institutions
- Growing middle market companies
- Multinational corporations



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