

Multinational



AIG Multinational Captive Fronting

Trust the Experts





Your partner in captive fronting

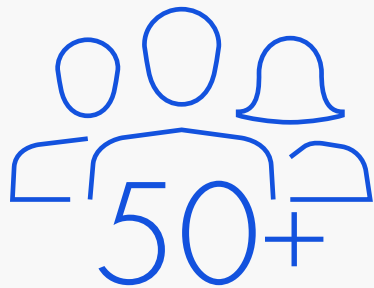
Partner with AIG Multinational to navigate the complexities of global insurance. We provide dedicated expertise to create custom-made multinational and non-conventional solutions for your unique requirements.

With more over USD2bn in premium flowing through AIG's network to client captives each year, we partner with risk managers and brokers to tailor solutions that meet strategic risk management objectives.

Dedicated multinational captive fronting team

A dedicated team of 50+ global fronting experts with a presence in strategic hubs in all regions worldwide, servicing clients wherever they are located and supported by credit, claims, underwriting and Multinational client servicing specialists.

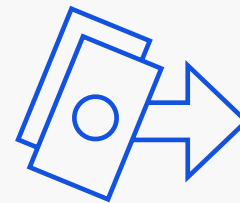
This facilitates efficient and accurate local invoicing, policy documentation issuance, global premium movement, and claims settlement.



Global fronting specialists located across key regions including the UK, EMEA, North America, Bermuda, Asia Pacific and Latin America



ISO Certified Service Quality reinsurance administration team



\$2.3bn+

Premium flowing through AIG's network to client captives each year



Experience and expertise in multinational captive fronting

Decades of experience in multinational captive fronting

Many multinational captive fronting clients have remained partners with AIG since they began their captive journeys, serviced by an award-winning captive fronting underwriting team with direct underwriting authority that is led by a dedicated **Global Fronting Chief Underwriting Officer**, providing specialist expertise and enabling swift decision making.



Our **Multinational Global Head of Complex Solutions** acts as a multinational fronting subject matter expert and focal point ensuring the delivery of a seamless client experience, global best practices, and innovation sharing.



We are able to provide local coverage in over 200 territories through our extensive network, keeping clients protected across borders, wherever their business takes them.

Integrated multinational captive fronting underwriting capabilities allow for expert program design, optimal structuring and implementation, and proactive response in each region, with a **single point of global program ownership**.



**Business Insurance 2022
U.S. Insurance Awards**

Innovation Award for our “Navigating Multinational Risks” accredited insurance training curriculum for clients and brokers



**2021 European Risk
Management Awards**

Global Program Innovation of the Year for the implementation of a globally integrated fronted risk management program

Wide range of captive fronting products and services

Our captive fronting programs provide the **flexibility** clients need to manage multinational risks, whether it's a risk not covered by the traditional insurance market, a desire or necessity to retain risk, or a need to access greater capacity.

AIG has the **product breadth, capacity and ingenuity** to meet virtually any risk challenge, whether a client is looking for higher limits, unique terms and conditions, or a highly structured risk financing.

We employ a dual-underwriting approach with our captive specialists and product **experts across all major lines** of business – from traditional Property and Casualty to Cyber, Marine and Accident & Health.

We partner with experienced AIG risk consulting specialists to provide **risk mitigation guidance and advice** that often provide immediate benefits to our captive clients.



A dedicated AIG team will **design, implement and execute** a custom-made solution and oversee the placements throughout the life-cycle of the program.

Streamlined, **technology-enabled processes and tools** aid in delivering a seamless client experience, while robust reporting provides comprehensive, real-time program, policy and premium information.

When there is a loss, our **industry-leading global claims organization** balances a **quick local response** with centralized coordination no matter where a loss may occur.

AIG fronting programs, whether multinational or single-country/ domestic, provide companies with **flexible, cost-efficient insurance** that complies with local regulatory and counterparty requirements.

Early partnership with risk managers

A well thought through program design is essential to the delivery of an optimal risk retention strategy and critical for effective global program management

Our proactive approach means we engage with risk managers early in the process to discuss and plan a customized risk management solution aligned to their industry, company strategies, and future plans. Preparation, collaboration and communication are the key ingredients for efficient implementation and execution.

It is our mission to achieve a truly in-depth understanding of our clients' businesses and associated risks, and to structure programs that not only conform to our clients' risk profiles, but also support and complement their overall objectives.

Across our expansive global network of highly connected colleagues, supported by the wide-ranging capabilities of the broader AIG organization, we are agile in our approach, devoting the right resources to help shape clients' insurance programs no matter the size, scale and complexity.



Client experience – the AIG difference in action

Optimal client experience is at the heart of what we do, driving our execution and priorities, and focusing our joint discussions with clients on:



Aligning structure to strategy

Tailoring program design and multinational solutions to different client needs and partnering with clients to support them as their businesses evolve and expand.



Flexibility and creativity

Providing alternative risk solutions with bespoke coverage options to manage conventional and unconventional risks.



End-to-end client servicing approach

Seamless execution throughout the process, from pre-bind to implementation and premium and claims settlement.

Through AIG's collaborative and innovative approach, you can rely on AIG's integrated team of experts to develop bespoke solutions for your unique requirements.



Client Experience Case Study

Fronted solution solves market capacity challenge



Finding limited market capacity, an advertising company that leverages data and technology to help their clients with operations in 17 countries sought an alternative solution that would allow it to evidence full Cyber coverage and trade in accordance with local market requirements.



Solution

Our Cyber, Fronting and Multinational teams partnered with the client to design an excess captive participation placement enabling the client to provide coverage confirmation fully aligned to the many different local market requirements and practices.



Benefit

The client can evidence coverage in a globally compliant structure that enables it to trade in different local market environments and deliver on its business strategy.



Why is this important?

Deep local and global product and regulatory knowledge, coupled with a flexible and innovative program design helped to support our client's business needs when the required capacity was not available in the traditional insurance market.



Client Experience Case Study

Cell captive solution supports creative risk retention strategy



A strategic information firm with confidence in the high reliability of financial, industry, legal and commercial information they provided to clients was able to convert a high-deductible structure into a captive cell solution that gave additional 'peace of mind' to end-users and enhanced an already attractive market proposition.



Solution

Our product and captive fronting underwriting teams partnered with the client to workshop an innovative ground-up Trade Credit insurance solution with a unique reinsurance structure in which the client retains a primary layer in a protected cell captive within AIG's sponsored cell captive facility domiciled in Bermuda.



Benefit

Through a protected cell structure, end-user clients are provided a comprehensively insured product that is part of our client's key value proposition and a market differentiator.



Why is this important?

AIG's ability to fully support a flexible and creative risk retention strategy allowed our client to offer a significantly improved product to its end users.



Client Experience Case Study

Captive capabilities and expertise solve capacity challenge



Finding limited primary market capacity, a global recycling company was unable to find adequate Property coverage for its global operations. Using innovative captive and indemnity fronting structures, the client 'filled the missing pieces of the jigsaw' and gained access to vital global reinsurance markets.



Solution

Our Property and Captive teams closely collaborated to blend different risk management tools and structures to complete missing pieces in a tower that was having difficulty finding a full solution in the traditional risk transfer market.



Benefit

As each layer of the tower became 'filled', the client was able to access reinsurance and excess markets that would have otherwise been unavailable.



Why is this important?

The client was able to confirm a comprehensively insured property placement to its local operations and enable them to continue to operate with full confidence.



Client Experience Case Study

Third-party coverage solution results in captive profitability



Having been challenged by the client's management board to think outside of the box for a unique solution, AIG assembled a team of Personal Lines underwriters (Warranty and A&H) to work with the client to 'brainstorm' different ways that the client's captive could generate greater returns.



Solution

Using AIG's fronting and servicing capabilities, the client's captive was able to generate several revenue streams from sales of 'value add' insurance products to third parties that were subsequently reinsured in full or part to the captive.



Benefit

The management board's challenge was met, and the captive is now considered a revenue generator as well as a strategic risk management vehicle.



Why is this important?

The captive becoming a profit-making entity resulted in the captive gaining greater internal exposure and positively raised the profile of the risk manager and the captive at the client's senior board level.



Client Experience Case Study

Multi-year bespoke solution meets client's business needs



A global mining client sought a creative solution as it faced a hard market along with a need for an increased deductible on its Property Damage Business Interruption (PDBI) program.



Solution

AIG created a multi-year solution whereby costs associated with losses within the client's vastly increased deductible were spread over three years, rather than experienced immediately.



Benefit

Solution met the insurer's need to increase the deductible, reduce insurance spend and increase the available capacity, while simultaneously giving the client the option to either retain deductible losses or to spread the cost over a number years.



Why is this important?

When the market took a quick turn, the client had time to adjust future budgets to the greater retentions and for the captive to build the necessary funds for the increased deductibles.



Client Experience Case Study

Flexible program design enables evidence of insurance



A global investment bank seeking multinational Professional Indemnity (PI) and Errors & Omissions (E&O) insurance found limited capacity and prohibitive costs in the traditional market. Client also desired more control over claims handling.



Solution

AIG designed a flexible indemnity program, fronting insurance in multiple countries, and allowing the client to “self-insure” this exposure, while also allowing for the issuance of certificates to evidence coverage to relevant business partners and regulators.



Benefit

The client was able to retain the risk and evidence insurance at a fraction of the cost of risk transfer and avoid onerous local collateral costs in each country of operation. Client can also choose to manage their own claims, or to work with AIG Claims.



Why is this important?

Solution provided the client with overall cost savings, certainty of coverage for all operating entities, and claims management options.

About AIG

AIG and its member companies provide a wide range of property casualty insurance, life insurance, retirement solutions, and other financial services that help businesses and individuals manage risks, protect their assets and provide for retirement security.

What unites us across all these offerings is our commitment to helping businesses, communities and individuals prepare for and respond to times of uncertainty.

AIG's Multinational Complex & Captive Solutions Leadership



Bill Rabl
CEO, AIG Multinational



Stephen Morton
Multinational Head of Complex Solutions

To access the latest on: Multinational services and product sheets, training courses, podcasts and analysis on multinational hot topics

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American International Group, Inc. (AIG) is a leading global insurance organization. AIG member companies provide a wide range of property casualty insurance, life insurance, retirement solutions, and other financial services to customers in approximately 70 countries and jurisdictions. These diverse offerings include products and services that help businesses and individuals protect their assets, manage risks and provide for retirement security. AIG common stock is listed on the New York Stock Exchange.

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