



Global reach local service





Make **AIG's** global network your clients' international trade advantage

Local expertise and knowledge underpin the quality and responsiveness of our global service and ensure the best possible protection for our clients' assets and their business reputation.

AIG has offices with dedicated marine staff in more than 75 countries. This local presence gives us an in-depth understanding of local laws, regulations and markets and the ability to respond swiftly and effectively, whether establishing cover or dealing with losses as they occur.

AIG Marine can provide comprehensive insurance protection for goods in transit, across the world. We also deliver bespoke programmes catering for the highly specialised transportation needs of a wide variety of businesses.

Cover

For Importers, Exporters and Manufacturers

- Coverage extensions to protect goods in storage

For companies involved in Multinational Transport Programmes

- A worldwide master policy, tailor-made for each client
- Local admitted policies (secondary policies can be written at a local level and linked to the master policy to take account of legal or other local requirements)
- Coverage extensions for 'Difference in Conditions' and storage

For companies involved in Infrastructure Projects

- High policy limits available (Transport and Consequential Loss limits inclusive)
- Marine Consequential Loss can cover expenses, increased charges (e.g. rents or loan payments) and loss of projected income following damage or non-delivery of equipment
- The simplicity of having just one policy and dealing with just one insurance provider

For logistics companies

- Coverage for Carriers Legal Liability and/or Shippers Interest
- Enhanced liabilities and storage extensions
- On-line services providing IT integration and the elimination of redundant data keying

For Port or Terminal Operators and for all forms of Marine Liability

Confidence and connections

Over more than 50 years, AIG has built an enviable reputation for handling the risk needs of UK businesses. They have come to enjoy a high quality of protection made possible by

- Our broad and innovative product range,
- The quality of our service, knowhow and underwriting experience,

With these strengths, backed by access to the AIG network around the world, we believe that we can offer the mixture of experience, financial confidence and global connections today's clients demand.





Multinational Cargo

As goods move across sea, land or international borders, tracking them becomes both increasingly important and increasingly difficult. With globalisation meaning even more trade with less developed countries, for example, the risk to goods in transit of theft or damage continues to rise.

Meanwhile, advances in technology are sharpening customers' expectations in relation to manufacturing and distribution lead times. Companies today are fully aware of the damage to their business relationships that failure to deliver can bring, so confidence in prompt reliable delivery is a simple commercial necessity.

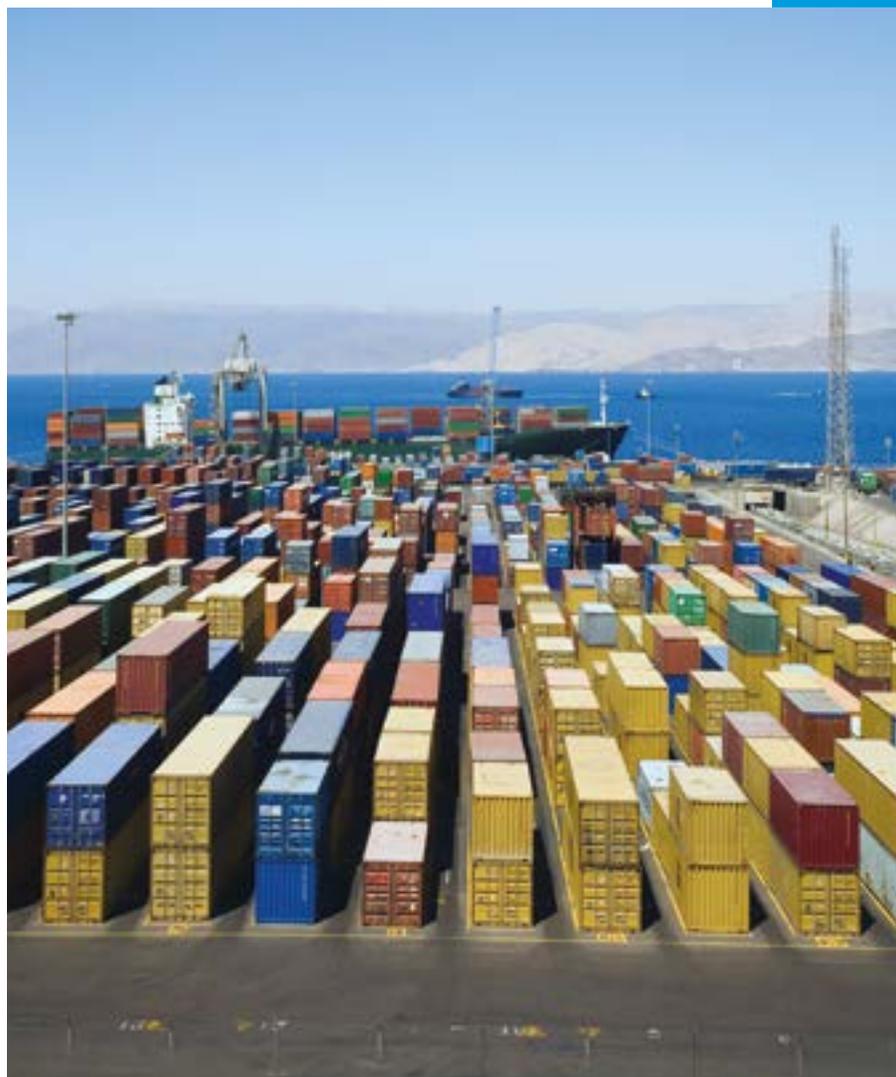
Warehouse to warehouse, worldwide AIG Multinational Cargo programmes are designed to provide comprehensive coverage for goods in transit, whether for manufacturers, importers, exporters, logistics companies and distributors with foreign branches, subsidiaries, affiliates, or joint ventures. We can also provide numerous extensions to coverage such as pure domestic movements, warehouse, storage, or consolidation risks.

A key differentiator for our Multinational Cargo programs is our ability to obtain admitted policies throughout the AIG network of offices around the world and tie these local policies back into a Worldwide Master policy issued in the UK office of our client's choice.

Every Multinational Cargo programme is tailor-made for the particular client's needs, structured to comply with local legislation and maximise tax effectiveness and currency remittance opportunities. Our programs also allow flexibility as to where premium is paid. When the terms and conditions of a local admitted policy are restricted by local regulations, the Master policy's DIC or DIL coverages ensure global continuity in coverage, terms, and limits.

With our access to marine teams located in commercial centers throughout the world, and in-depth understanding of local business practices, customs, tax and currency regulations, we believe we can deliver the technical experience to create Multinational programmes that work to the client's advantage.

We also offer considerable experience in structuring client programmes to accommodate risk management techniques such as captives, management companies and deductible funding programmes.





Stock Throughput

Insuring stock and transit exposures from raw material to final product within one single policy ("Stock Throughput") ensures seamless coverage on a worldwide basis eliminating gaps in cover and simplifying administration.

AIG Marine provides comprehensive insurance protection for their clients, from the time the cargo is first set in motion, through all intermediate storage locations until it reaches the final customer or until the client's responsibility for insurance ceases. A Stock Throughput policy can also provide cover for stock in overseas storage locations and this demands an ability to deal with more complex tax or regulatory issues.

AIG Marine understand that each industry has a unique set of logistical issues and risks. That is why we work closely with individual client companies and brokers, to develop cost-effective, tailored and risk-mitigating solutions by providing this continuous and consistent coverage.



Coverage for all transit and stock exposures in a single programme



Infrastructure Projects

AIG has developed marine cargo solutions specifically for companies undertaking infrastructure projects. This cover is not limited to physical loss or damage to items, but can be extended to encompass expenses incurred, increased charges (e.g. rents or loan repayments) through to any loss of profits resulting from damage or non-delivery of equipment.

Good planning - the critical first step

successful marine infrastructure operations start with and depend on the quality of the planning undertaken beforehand.

Drawing on our long and extensive experience in marine cargo operations, we've developed user-friendly project cargo guidelines that can be invaluable when developing the contractor's procedure/ method statement. The guideline and contractor method statement, forms a blueprint for the operation and ensures that all parties are being responsible, are able to keep in budget and ultimately can help to prevent losses.

Typically, project cargo operations span a number of critical phases, including:

- Construction at the fabrication yard
- Transportation to the load port
- Loading on to the vessel
- Securing the cargo on board the vessel
- Transportation to the discharge port
- Discharging from the vessel
- Transportation by trailer, barge or a combination to site

As well as presenting our guidelines we endeavour to arrange a 'kick-off' meeting, review procedures, utilise a project specific shipment notification pro-forma, appoint surveyors using a surveyor's work instruction and issue the surveyor at the outset with a pro-forma report and the relevant checklists.

Apart from poor planning – or as a result of it – the common problems that can disrupt or endanger project cargoes include adverse weather, hardware breakdowns, inadequate controls, commercial company biases, inexperienced crews and lack of marine input. AIG can offer a worldwide network of Marine Loss Control Engineers (MLCE), a global preferred surveyor database, robust internal procedures and a wealth of in house expertise. These strengths can make a significant contribution to the success of a project and overcoming any problems that may occur.



Pulling it all together

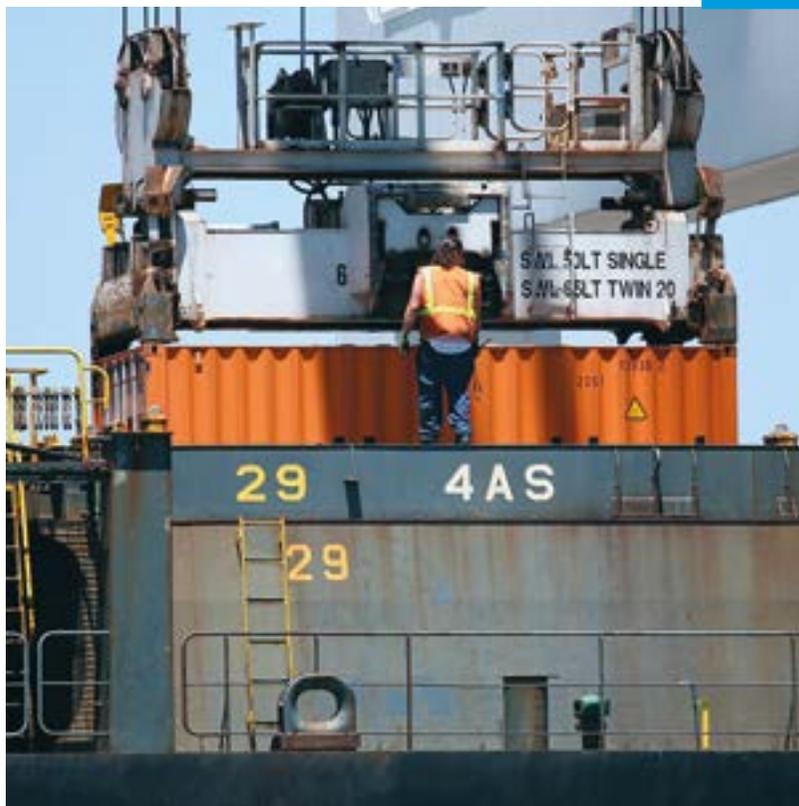
Within the UK underwriting team, our depth of technical insurance knowledge is backed up by individuals with working experience in project cargo and hands-on seafaring knowledge. We understand that a number of separate companies may be involved in a single project; each with different priorities and subject to varying commercial pressures throughout the project lifespan.

Our pro-active underwriting approach and focus on loss control management can deliver enormous benefits to well planned projects run by responsible, experienced personnel, helping to significantly reduce avoidable losses.



Loss Control Engineering: Shipping

The timely and safe arrival of cargo at the intended destination can make all the difference between keeping and losing key customers. This applies to Open Covers as well as to Infrastructure Projects. AIG Marine Loss Control Engineering (MLCE) brings extensive and long-standing organisational skills to the critical function of reducing the business risks of transportation and minimising costly delays.



Being reasonable

There is much at stake in today's competitive business environment. Our marine insurance team can offer our clients the assurance of marine loss control consultancy services designed around their individual needs and applied across the globe.

The process begins with reviewing the clients' existing procedures and claims history, as well as conducting ad hoc inspections at various points along the logistics chain. The information gathered enables us to table cost-effective and reasonable risk improvements that will help clients prevent avoidable transport losses, minimise interruptions to the safe delivery of cargo and reduce potential financial exposure.

To achieve this, we can draw on the vast resources of AIG and employees worldwide, as well as a large and expanding network of qualified, independent surveyors and experts with specialities in infrastructure projects, cargo loading, towing and heavy lift operations.

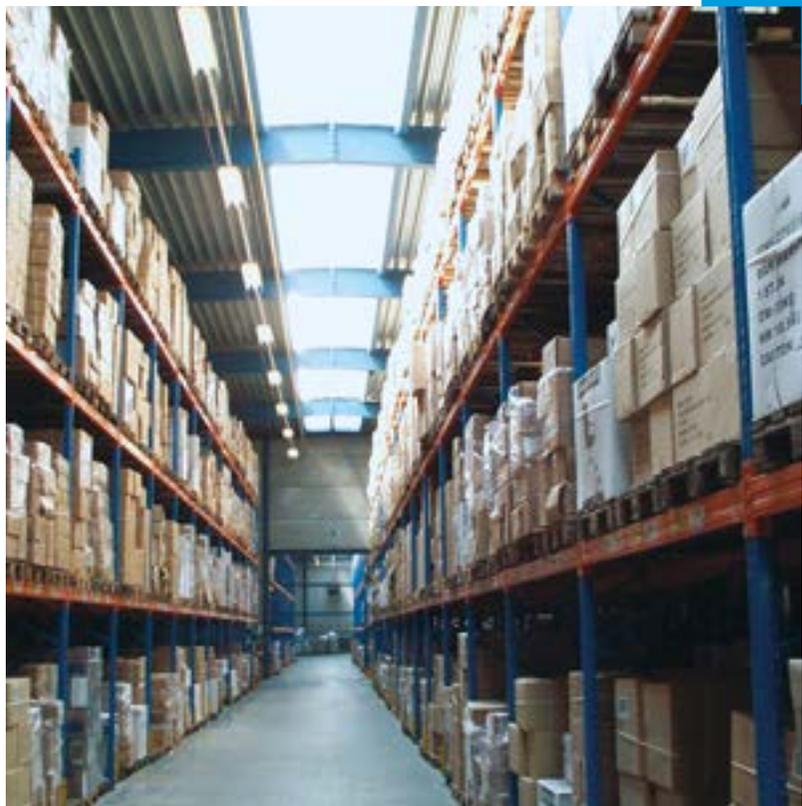
We believe in building partnerships with clients and their insurance brokers and nowhere is this more important than in loss prevention. Only a joint effort involving the insured, the underwriter and the broker will result in successful establishment and implementation of prudent reasonable loss control safeguards.

So, whether a client needs assistance with a gas turbine shipped to Saudi Arabia, a tempting container load of attractive cargo en route to Mexico or a transformer manufactured in inland Germany and needed in Africa, then we're ready and able to help. AIG Global Marine MLCE team has the experience, personnel and global contacts to help secure the safe arrival of clients' cargo worldwide.



Loss Control Engineering: Logistics

In today's world of Just-In-Time ordering and delivery practices the pressures on the entire logistics chain can be immense and the consequences of a failure at any single point severe. This is why it has become critical that the business risks of transportation and warehousing are addressed as the components of one whole. AIG Marine Loss Control Engineering (MLCE), supported by AIG Global Marine colleagues in other countries, can bring valuable expertise and experience to the logistics function.



Well connected

Our group MLCE skills and connections permit our clients to benefit from individual loss control consultancy programmes that can span the globe. We are members of such international crime prevention bodies as the Transported Asset Protection Association (TAPA) and Eurowatch and enjoy an established working relationship with the UK Metropolitan Police.

Delivered by an expanding team of AIG logistics personnel and independent surveyors, a review of the client's existing shipping arrangements and their impact on past claims is complimented by on-site inspections along the logistics chain. Cargo safety is a primary area of concern, whether that means better security from theft or reducing the dangers of spoilage, fire damage or from accidents.

Our aim is to provide the client with advice on cost-effective and reasonable risk improvements that will help prevent transportation losses, minimise interruptions to the safe delivery of cargo and reduce potential financial exposures.

Years of experience means the team have dealt with numerous logistics operations and are aware of the widely varying styles these may employ. We've also come across the causes and results of a huge number of loss-threatening situations and risks. We believe that this organisational knowledge, combined with a structured approach to MLCE can actually assist our insureds in becoming increasingly competitive within the marketplace.

A joint effort involving the client, their broker and the insurance provider is required for successful establishment and deployment of prudent reasonable loss control safeguards. AIG Global Marine has the experience, personnel and contacts to lead this task and secure the safe arrival of our clients' cargo where and when it's required.

Claims

Even the most prudent client cannot prevent every loss from occurring. Natural disasters give little warning about where and when they will strike. And who can predict when a cargo consignment will go down with a vessel at sea, be destroyed in a warehouse fire, or be hijacked at gunpoint in transit?

Local Expertise, Regional Back-Up

But, when a claim does occur, our clients expect fast, expert claims service and that's where our global marine claims network sets us apart. AIG operates in around 130 countries worldwide, giving us an enviable marine claims network.

Our access to AIG's Marine network worldwide helps us to deliver valuable operational benefits to our clients. Our claims operations are staffed with Marine Claims specialists who understand local laws and business practices, and have years of experience handling claims locally and worldwide. In any given day our handlers deal with a wide range of claims from standard cargo, advanced loss of profits, freight forwarders and charterer's liability to ship-repairer's liability and terminal operators claims.

Our clients also vary from small to medium sized enterprises to large multinational companies and captives. Our claims handlers' knowledge

of international marine insurance laws and conventions and our deep understanding of local procedures and regulations all deliver tremendous benefits to our policyholders, enabling us to resolve claims quickly and maximise recoveries.

The network offers clients the best of both worlds. Their customers can resolve their claims in their own country and in their own language, while the original insured can liaise with regional management to address any particular concerns or requirements they may have. This can be very helpful to clients operating in different time zones to their customers or business units. It can also be invaluable around complex issues where an understanding of the local environment needs to be supplemented with a more lateral problem-solving approach.





Risk Management and Loss Control

Clients and their risk managers and brokers are under considerable pressure to contain costs and to allocate costs to the correct business unit. They look to their insurers to provide specific data that will enable them to conduct the necessary analysis and cost allocations.

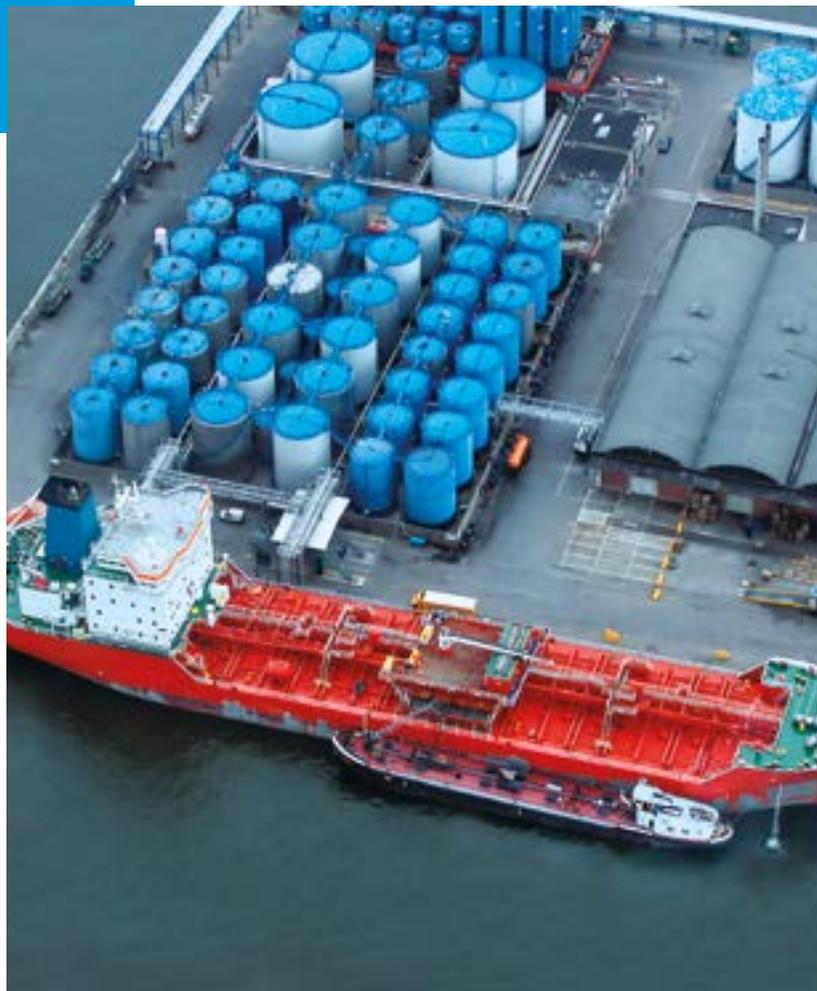
Our response is to assist clients in identifying the types of information most relevant to their requirements. Local offices can then be instructed in the collection and inputting of this data, which is then collated centrally for distribution to clients.

This service is supported by AIG Marine Loss Control services, dedicated to mitigating losses and helping clients prevent future claims. Often, our loss control services are called upon before goods are shipped, to assess routing, loading, stowage procedures, or the suitability of vessels. Loss Control also reviews clients' claims experiences, feeding back information on problem areas regularly – not just at pre-renewal meetings.

Recoveries

Marine recoveries are central to our claims proposition. We organise these along local and regional lines to make sure that the client receives the maximum recovery on every claim. The sheer volume of work that we undertake in this area frequently allows us to negotiate discounted rates with lawyers and recovery agents; cost savings that we can pass on to our clients.





Liabilities

Some of the range of Liability policy coverages tailored around the particular needs of transportation and facility operators and available through AIG Marine include:

Stevedore's Liability

For client's liability as Stevedore for third-party property damage and bodily injury arising out of vessel loading and unloading operations.

Wharfinger's Liability

For client's liability as a wharf owner for third-party property damage and bodily injury arising out of the care and custody of vessels.

Terminal Operator's Liability

Combines Stevedore's Liability and Wharfinger's Liability with other coverages, depending on the nature and scope of the client's activities.

Ship-repairers Liability

For client's liability for vessels and other third-party exposures (including bodily injury) arising out of repair operations.

Charterer's Liability

For client's liabilities assumed under a charter party; primarily hull damage and Protection and Indemnity (P&I) risks.

Excess Marine Liabilities

For client's capacity needs in excess of any of the above coverages and/or excess P&I, Collision Liability and Tower's Liability.

Bumbershoot

A marine umbrella policy provides coverage excess of marine and incidental non-marine primary policies, with a self-insured retention feature for uninsured marine perils.

www.aig.co.uk

BELFAST

Enterprise House
55/59 Adelaide Street
Belfast BT2 8FE
Tel: 02890 726002
Fax: 02890 726085

BIRMINGHAM

Embassy House
60 Church Street
Birmingham B3 2DJ
Tel: 0121 236 9471
Fax: 0121 233 3597

CROYDON

2-8 Altyre Road
Croydon
Surrey CR9 2LG
Tel: 020 8681 2556
Fax: 020 8680 7158

GLASGOW

4th Floor
69 Wellington Street
Glasgow G2 6HJ
Tel: 0141 303 4400
Fax: 0141 303 4440

LEEDS

Yorkshire House
Greek Street
Leeds LS1 5SX
Tel: 0113 242 1177
Fax: 0113 242 1746

LONDON

58 Fenchurch Street
London
EC3M 4AB
Tel: 020 7954 7000
Fax: 020 7954 7001

MANCHESTER

4th Floor,
201 Deansgate
Manchester M3 3NW
Tel: 0161 832 8521
Fax: 0161 832 0149



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