

# What is SAME?



SAME is an endorsement added to the AIG Primary D&O policy that broadens the Side A coverage of that policy to match the enhancements and DIC features of the AIG Lead Side A policy. With this, the entire tower benefits from this broader A+ coverage throughout, as opposed to only the dedicated Side A tower. Individual directors and officers benefit from more security, while the company can take advantage of broader protection with Related Investigation Costs coverage.

With SAME, AIG supports **a new program design** with an innovative endorsement, which provides **broader coverage** for **less money** and aligns D&O buyers with their **key trading partners**.

## Are you concerned with your primary D&O carrier also acting as your lead DIC carrier?

With SAME, your 1st XS ABC carrier becomes your lead DIC carrier by virtue of following the SAME endorsement on the primary policy. When SAME is added to an AIG primary D&O policy, AIG's first Side A policy is not the lead DIC policy. Instead, the first follow-form ABC policy serves in this function.

Additionally, your entire D&O tower now includes more DIC carriers, providing checks against primary and underlying carriers wrongfully refusing claims to ensure greater consistency of coverage throughout the tower. This also applies to concerns of financial solvency risk to underlying carriers.

A well-designed SAME tower also maintains investment in dedicated Side A limits purchase to protect individual directors from dilution of limits by BC claim payments.

## Will this program structure cost more?

No. The SAME structure allows insureds to maximize their D&O investment by broadening the Side A coverage throughout their entire D&O limits purchase. A SAME tower should not cost more than a traditional tower. Some premium dollars may shift to the primary and follow-form ABC limits from the Side A limits, but without an increase in overall premium paid. Serving in both primary and the first Side A position, AIG can establish this pricing structure for the tower.

Primary and low excess layers pay the largest share of claims dollars for defence costs and settlements. SAME allows for an appropriate allocation of premium to these carriers to support their profitability goals, rather than "overpaying" Side A carriers relative to historical claim payments.

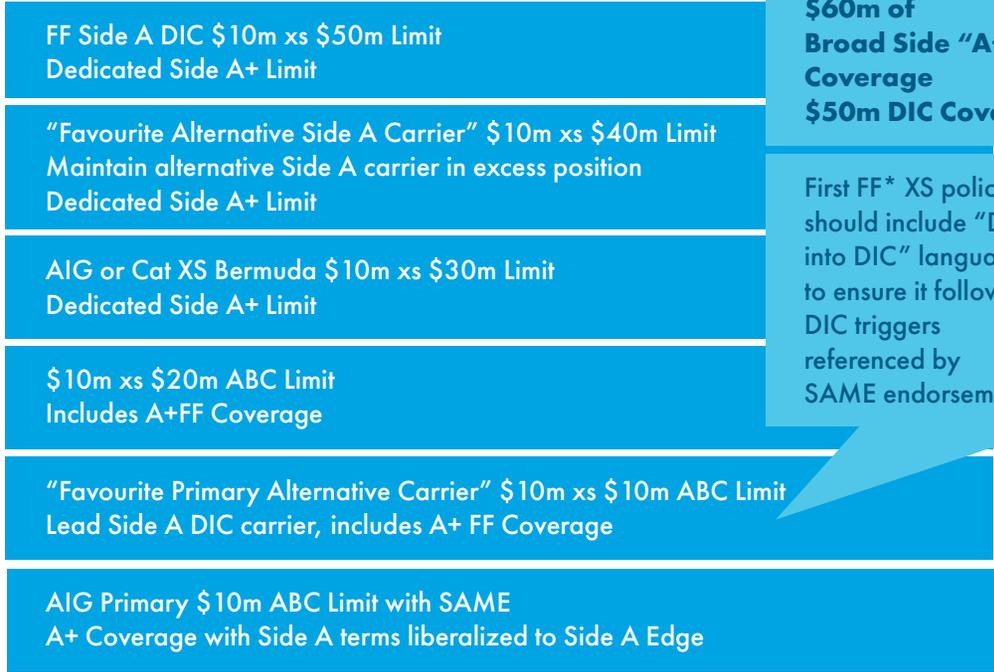
## Do you value relationships with existing carriers?

This SAME structure highlights the importance of an established, strong 1st XS carrier. This carrier must have ample appetite for risk, robust claims experience, and proven financial solvency. Advanced experience in settlement negotiations is highly important as this carrier could serve in a primary capacity by following DIC features.

Additionally, a buyer can keep its incumbent DIC lead carrier and policy form by moving them up the tower rather than replacing with AIG. This allows an insured to maintain relationships with other preferred DIC carriers and take advantage of unique coverages available in the Side A marketplace.

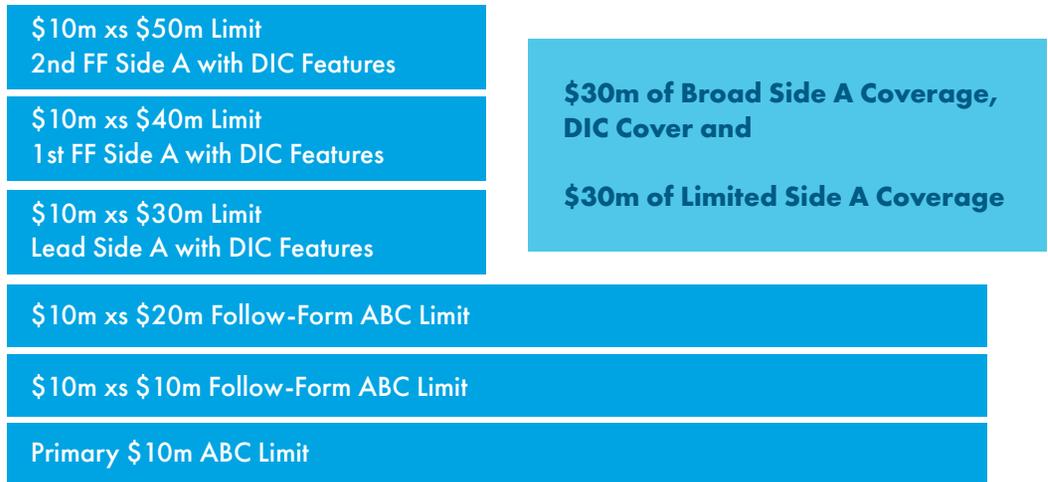
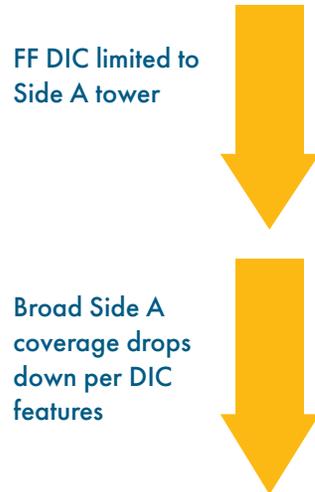


## SAME PROGRAM STRUCTURE WITH A+ COVERAGE THROUGHOUT



Policy Retention Applies to B&C Coverage only

## TRADITIONAL PROGRAM STRUCTURE WITH BROAD SIDE A LIMITED TO SIDE A TOWER LIMITS



Policy Retention Applies to B&C Coverage only

\*"FF" means Follow Form Excess

American International Group, Inc. (AIG) is a leading global insurance organization. Founded in 1919, today AIG member companies provide a wide range of property casualty insurance, life insurance, retirement products, and other financial services to customers in more than 80 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's core businesses include Commercial Insurance and Consumer Insurance, as well as Other Operations. Commercial Insurance comprises two modules – Liability and Financial Lines, and Property and Special Risks. Consumer Insurance comprises four modules – Individual Retirement, Group Retirement, Life Insurance and Personal Insurance. AIG common stock is listed on the New York Stock Exchange and the Tokyo Stock Exchange.

Additional information about AIG can be found at [www.aig.com](http://www.aig.com) and [www.aig.com/strategyupdate](http://www.aig.com/strategyupdate) | YouTube: [www.youtube.com/aig](http://www.youtube.com/aig) | Twitter: @AIGinsurance | LinkedIn: <http://www.linkedin.com/company/aig>.

AIG is the marketing name for the worldwide property-casualty, life and retirement, and general insurance operations of American International Group, Inc. AIG Insurance Company of Canada is the licensed underwriter of AIG Commercial and Consumer insurance products in Canada. Coverage may not be available in all provinces and territories and is subject to actual policy language. Non-insurance products and services may be provided by independent third parties. The AIG logo and AIG are trademarks of American International Group, Inc., used under license by AIG Insurance Company of Canada. Additional information about AIG Canada can be found at [www.aig.ca](http://www.aig.ca).

© 2017 American International Group, Inc. All rights reserved.

04/17 3906D