



Property Performance Sales Playbook



Bring on tomorrow



Property Performance is a sophisticated property damage and business interruption insurance product for high quality, medium to large sized risks. It offers outstanding benefits to our broker partners and clients taking clients' business continuity capabilities to even higher levels and providing brokers with exciting business opportunities.



Market opportunity

The potential market for brokers to sell Property Performance is substantial – as it is suitable for high calibre well managed businesses in all sectors and multiple countries and jurisdictions.

Business acquisition

Property Performance is clearly differentiated from competing MD/BI products. This in turn helps our brokers stand out from their competitors and get a strong foothold with potential new clients.

Business retention

The outstanding coverage and service provided by Property Performance also makes it a powerful business retention tool for our brokers.

Sustainable business continuity

Property Performance coverage and service is designed to strengthen clients' business continuity. This strengthens our brokers' positioning as valuable risk management partners to their clients, generating increased client loyalty.

Cross sell opportunities

Property Performance coverage extends into several non-traditional property exposures such as Cyber and Upgrade to Green. It opens the door for discussions about clients' exposures in these areas and additional insurance solutions.

Property performance is designed for well managed medium to large businesses across multiple sectors:



Size

Property Performance is designed for businesses with total Property Damage and Business Interruption sums insured over £50m and premiums in excess of £50,000 (or local market equivalent).

Sector

Property Performance is designed for well managed businesses in a wide range of sectors, including manufacturing, engineering, technology, services, leisure, and education.

See "We're Stronger Together" for our target risks



By pinpointing our preferred industries we want to make it as easy as possible for our brokers to get the best out of AIG and improve their productivity.

[EXPLORE >](#)

Geography

Property Performance is not just for local business but also for clients with one or more overseas locations. Our global wording provides consistent coverage levels. AIG's vast global network means expert local support on the ground, wherever in the world your clients might be.

Broad Comprehensive Coverage

Comprehensive coverage

Property Performance is for mid-sized to large clients who are interested in broad coverage and contract certainty. In response, we have removed many of the warranties and conditions traditionally included in property policy wordings. For instance: there are no sprinkler warranties, no security alarm warranties, no stock-stillage warranties.

Full replacement cost

Clients benefit from full replacement cost coverage to ensure all their needs are met in the event of a loss. Our underwriters will work with our broker partners and clients to ensure values are adequate.

Simpler claims settlement and business continuity

A key objective of the Property Performance policy is to provide a contract that is easy to read and navigate. We are also committed to ensure a smooth claims process start to finish, so clients get their claims paid quickly, with minimum interruption to their business operations.



Traditional warranties to store stock above floor level to avoid water damage are redundant for property performance clients who would do this as a matter of course.

“It is exceptional in the commercial property market not to have an average clause. This is a key benefit for our clients.”

Key broker partner



Optimised Business Interruption Cover

Client choice of cover - to maximise business continuity

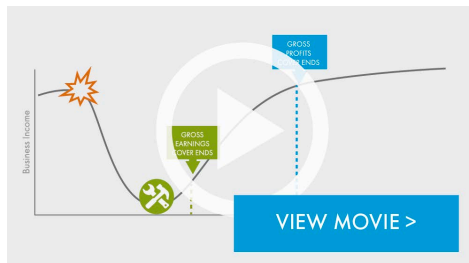
Property Performance gives clients great flexibility after a Business Interruption loss by allowing them to select the most favourable basis of cover. Cover on a Gross Profits basis covers loss of Business Income up to the maximum period of indemnity. Cover on a Gross Earnings basis covers loss of Business Income up to when the property is repaired and the business can resume operation.

Optimising client recovery

The most favourable basis of cover depends on the individual loss scenarios. To ensure your client gets the benefit of this, we undertake both calculations and pay the greater of the two amounts.

The most favourable BI cover depends on the individual loss scenario. To make sure clients get the benefit, we make both calculations and pay the greater of the two amounts.

Learn more about the best Business Interruption option for your client



When is cover on a gross profits basis advantageous?

After a loss, repairs are completed quickly and the business resumes operations but there is an ongoing loss of business income, as it takes time to recover sales lost to local competition. In this situation a Gross Profit basis of claims settlement, covering loss of business income up to the maximum indemnity period may be beneficial to clients.

[VIEW CHART >](#)



When is cover on a gross earnings basis advantageous?

After a loss repairs take longer than the indemnity period. (This can be the case after a local catastrophe creates difficulties sourcing labour and materials, or there may be delays when the premises are not owned and controlled by the insured). In these situations cover on a gross earnings basis up to the point where the property is repaired may be beneficial.

[VIEW CHART >](#)

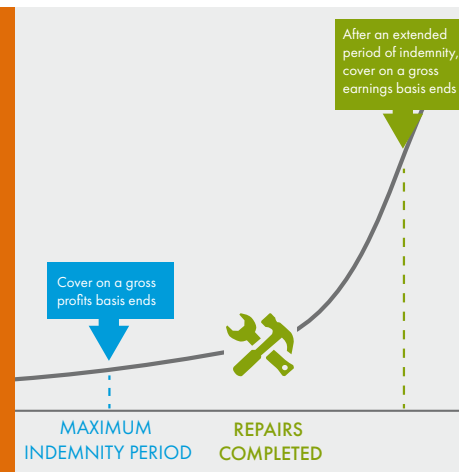


Chart 1

In this scenario cover on a gross profits basis covering loss of business income within the indemnity period may be more beneficial to the client than cover on a gross earnings basis.

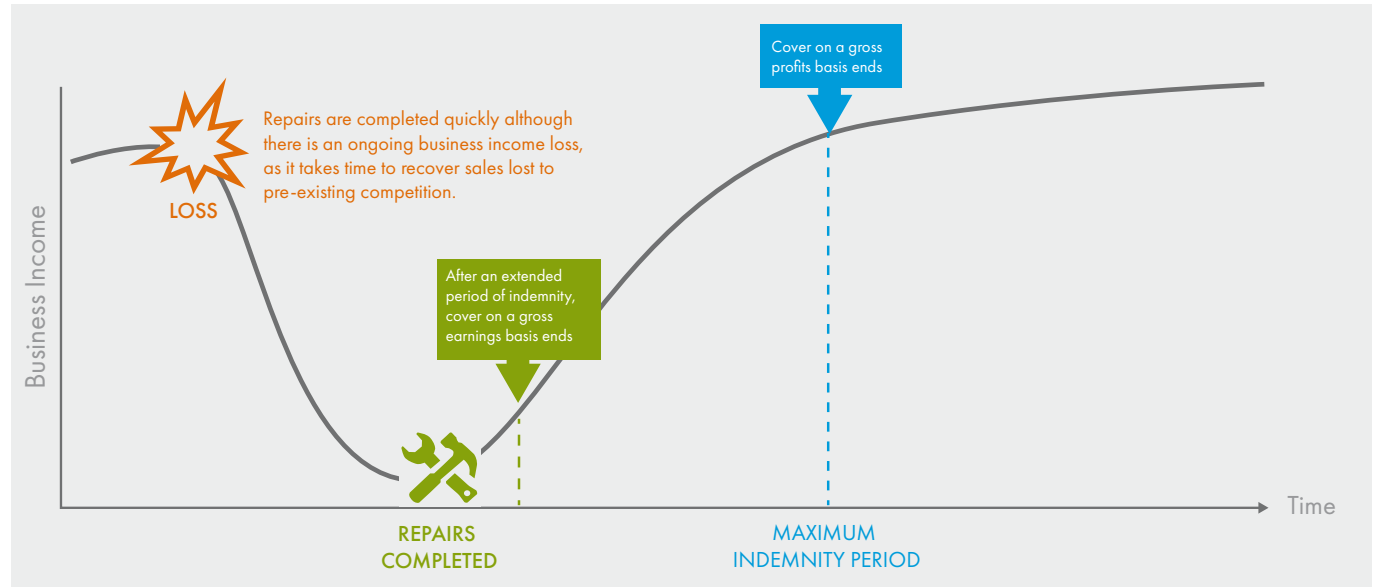
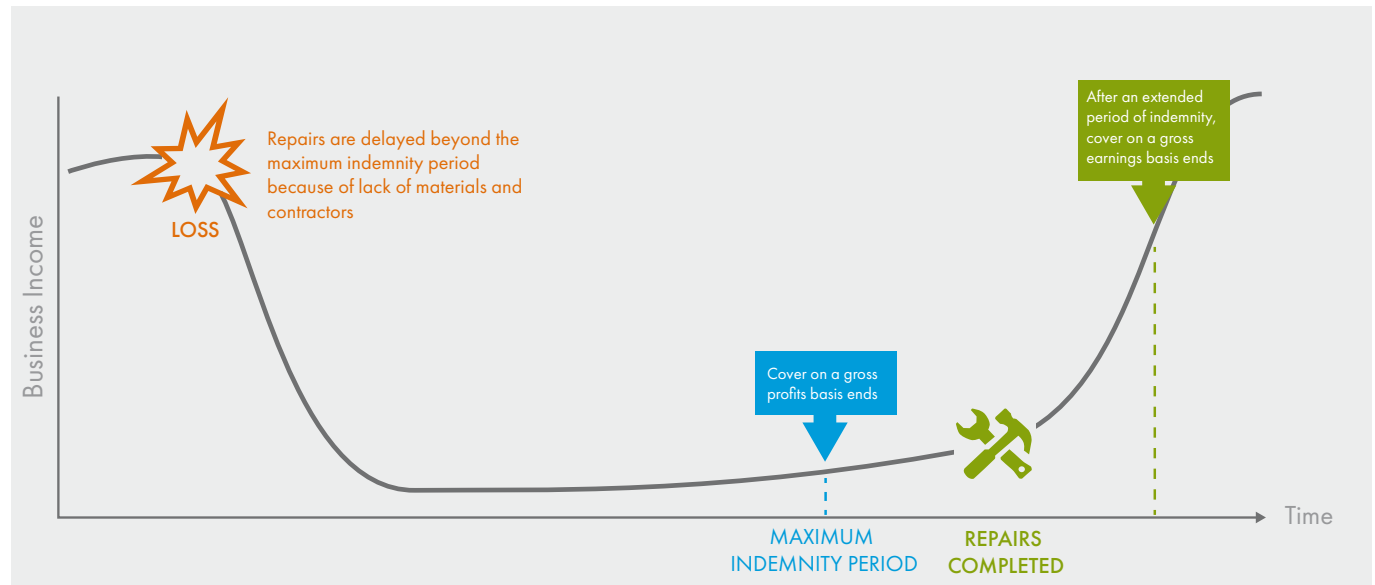


Chart 2

In this scenario cover on a gross earnings basis covering loss of business income may be more beneficial to the client than cover on a gross profits basis.





100% Solution

The benefits of one AIG

AIG provides some of the highest property insurance limits available in the market. Allowing us to write 100% of your clients' Property Performance programmes gives your clients the certainty of having all their property damage and business interruption with the same insurer. It means brokers don't have to arrange coinsurance or reinsurance and most importantly, it delivers real client benefits at the claims stage.

Claims Promise

By writing 100% of the clients' programmes we manage claims very effectively and help our clients back into business as quickly as possible, without having to rely on other insurers. It also means we can deploy our claims promise to advance 50% of the agreed estimate of the property repair costs, clean up costs and expenses to reduce loss. This will be advanced as working funds to the client after a loss above £300,000.


We know how critical cash flow is for businesses in this situation, and our willingness to make these upfront payments quickly is a key component of our ability to maximise our clients' business continuity.

After a large loss

We will advance the client 50% of the agreed property damage, clean up costs and expenses to reduce loss once coverage has been confirmed and the estimate for damage has been agreed.



For clients like this facing a restoration period of up to 3 years, a large BI Loss and the need to relocate hundreds of staff immediately, an up front payment of 50% of the agreed property damage estimate can be vital to sustain cash flow and business continuity.



Property Performance cover has been extended in many areas to strengthen clients' business continuity:

Cover extensions to protect business continuity include

Cyber cover

Equipment breakdown

Environmental clean up

Full theft

Upgrade to green

Cyber

Although a standard cyber exclusion has been common in commercial property, Property Performance not only covers clients' costs to repair or replace damaged electronic files (including damage by hacking, virus and other unauthorised access), but it also covers the resulting business interruption costs as well.

Equipment Breakdown

Property Performance covers equipment breakdown, including electrical and mechanical breakdown and computers.

Environmental clean up

Property Performance covers the costs of cleaning up pollution from land or water at the insured's location after a covered loss. This is a first party coverage element from environmental insurance that compliments other environmental insurance products.

Full theft

Unlike most property wordings that provide restricted theft cover following forcible and violent entry, Property Performance provides full theft coverage. This includes cover where there are no visible signs of entry to the premises.

Upgrade to green

Rebuilding damaged property with certified green materials to certified green standards may cost more than standard repairs, and this is covered by Property Performance. Clients benefit as local authorities may have green guidelines, businesses increasingly want to demonstrate their green credentials from a Corporate Social Responsibility perspective and owners can command higher rentals from green properties.

Note. Standard sublimits can be tailored to meet specific client needs.

Working closely with clients, understanding what they're driving for and how they're changing means our loss prevention engineers can help our clients positively manage their risks.



AIG loss prevention: at the heart of business continuity

Brokers and clients have access to AIG's world class loss prevention engineering expertise. Our engineers work closely with clients to gain a deep understanding of their business and provide practical solutions to risk exposures, with detailed analysis in the form of risk engineering reports. Our engineers are highly sensitive to clients' business needs, clearly identifying "easy wins" that can be implemented with minimum disruption to the operation, to more substantial risk improvements with investment requirements to safeguard the business.

Benchmarking clients against their peer groups

Our engineering experience across industrial sectors and geographies means we can benchmark our clients' operations, wherever in the world they are against industry averages. This means that clients can see how their different locations perform against their peer group, where their relative strengths and weaknesses lie from a risk management perspective, and where to focus improvement activities. It also helps clients develop their own informed risk management guidelines all designed to maximise their business continuity.

Catastrophe Expertise

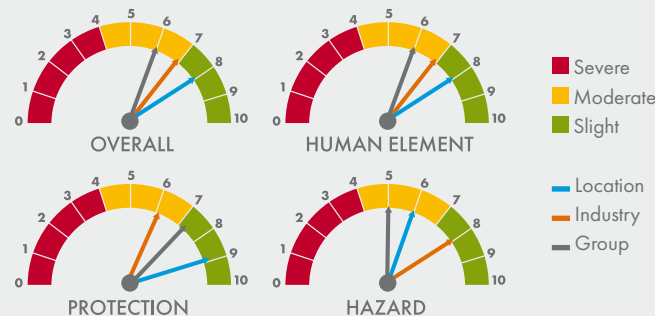
Before the event

With world class catastrophe expertise, we routinely model our clients' storm, flood and earthquake risks before any loss to help them manage their exposures and develop back up plans. Business continuity is a key concern for our clients and we can work with them to ensure contingency plans are robust and that design specs are followed for any necessary risk improvements.

After the event

After a catastrophe our international claims capabilities have proved vital to many clients. As soon as we are alerted to the possibility of a catastrophe we identify vulnerable clients, move a claims team to the affected area to support them. Whether that's with advance payments, alternative accommodation, identifying invoices falling due and making early payments on account, it's all focussed on helping clients rebuild and resume their operations as quickly as possible.

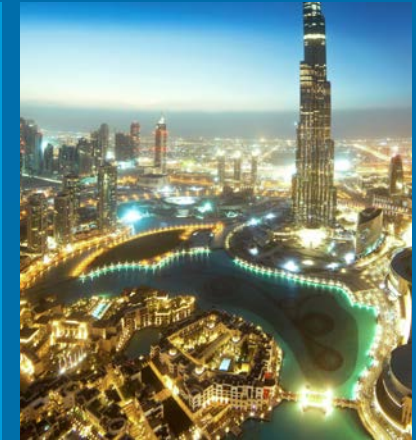
Benchmarking client operations at site and group level against industry norms helps focus risk improvement activities by highlighting best practice and areas for improvement.



Consistent coverage with one global wording

With one global wording used across AIG's network, Property Performance integrates itself easily into any existing or developing multinational programme.

Property Performance is currently available in the majority of AIG's markets, with more countries being added all the time during our global roll-out.





Contact your local Property Performance team

www.aig.com

UNITED KINGDOM

58 Fenchurch Street
London EC3M 4AB
Tel: +44 (0)20 7954 7000



Bring on tomorrow

American International Group, Inc. (AIG) is a leading global insurance organization serving customers in more than 100 countries and jurisdictions. AIG companies serve commercial, institutional, and individual customers through one of the most extensive worldwide property-casualty networks of any insurer. In addition, AIG companies are leading providers of life insurance and retirement services in the United States. 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 | YouTube: www.youtube.com/aig | Twitter: @AIGemea | LinkedIn: <http://www.linkedin.com/company/aig>

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