ALLIANZ MULTINATIONAL

Financial Lines
Global Programs

Your world is our business
Allianz Global Corporate & Specialty

Allianz Multinational

Financial Lines Global Programs

Your world is our business
Introduction

The global business environment

Compliance and other risk transfer drivers

Allianz Multinational: Customization & flexibility

Financial Lines global program options

Extensive Allianz network worldwide

Financial Lines comprehensive offer

Contents

5 Introduction
6 The global business environment
8 Compliance and other risk transfer drivers
10 Allianz Multinational: Customization & flexibility
12 Financial Lines global program options
14 Extensive Allianz network worldwide
16 Financial Lines comprehensive offer

18 Making Allianz Multinational work
20 A strong Allianz infrastructure
22 Driving excellence in client servicing
24 Our service commitment
26 From design to delivery and beyond
28 Online services

Introduction

Global entities are rapidly maturing in terms of risk awareness and risk management, and many will already have a robust structure in place to identify and internally respond to varying risk types. At the same time companies are considering the benefits of migrating to a centralized risk management approach. A competent global insurer is one who is well versed in understanding businesses in diverse trade sectors and who can provide added value by tailoring insurance provision according to a client’s changing needs and geography.

We believe that Allianz Multinational from Allianz Global Corporate & Specialty offers you the best choice for a customized global service. Understanding the role of all parties involved and the international risks to be covered are essential factors to offer clients a high quality service. This document serves as an overview of the AGCS Financial Lines Global Program offering to clients, including a set of guidelines and process steps outlining the way we aim to provide consistent and compliant global coverage.
Globalization is a challenge...

As companies globalize and as the risk management function adapts, many have moved towards a more centralized regime of risk control and management. This in turn has created the impetus for global risk transfer, with insurance carriers expected to provide comprehensively managed solutions combining global protection with the benefits of local delivery.

...but also an opportunity!

Key issues for global business

- Increased regulation and the need for more transparency and corporate governance
- New risks emerging from mergers & acquisitions and joint ventures in diverse cultures
- Potential exposure from vertical and horizontal integration and accelerated supply chains
- Global interdependencies between suppliers, customer and business partners
- Inconsistencies and contradictions flowing from local insurance regulations and fiscal law
- Increased potential for international litigation stemming from new laws and enhanced consumer protection
- Pressure to improve the efficiency and effectiveness of risk management

In response to these challenges the opportunity arises for businesses to implement a comprehensive risk management model with clear guidelines, practices and defined procedures which over time will become part of the financial framework of a company. Within such a structure global risk management decisions can be effectively delivered locally.

Centralized risk management: never before has there been a greater need for integrated risk management — globally coordinated and managed, but locally delivered.

The complexities faced by today’s risk manager

21st century business is characterized by an ever increasing change of pace. From establishing green field operations and mergers & acquisitions activity to outsourcing and the growth of the international value chain, new risks are emerging. New exposure as technological innovations develop including cyber security, increased regulations as a result of fraud as well as new risks as businesses grow inorganically are all examples of how uncertainties arise, especially for directors and officers.

These drivers require a dynamic and flexible response, with the need for global businesses to focus on those challenges which could impact their assets, revenues, income, recognition and reputation. The role of the risk manager has never been more in the spotlight or more important.

As companies globalize and as the risk management function adapts, many have moved towards a more centralized regime of risk control and management. This in turn has created the impetus for global risk transfer, with insurance carriers expected to provide comprehensively managed solutions combining global protection with the benefits of local delivery.

In response to these challenges the opportunity arises for businesses to implement a comprehensive risk management model with clear guidelines, practices and defined procedures which over time will become part of the financial framework of a company. Within such a structure global risk management decisions can be effectively delivered locally.

Centralized risk management: never before has there been a greater need for integrated risk management — globally coordinated and managed, but locally delivered.
Legal compliance is paramount...

With multiple legal and tax regimes worldwide, decisions on international insurance structure require a careful evaluation. Each country or state has its own regulatory requirements, which determine how a resident or domestic company or permanent establishment of that country or state can buy insurance. Additionally, local insurance premium taxes or levies for national insurance pools need to be taken into account. Insurance regulations mandate, in almost all countries, that locally domiciled risks need to be insured with a carrier that is locally admitted or licensed – rare exceptions exist whereby insurance can be purchased on a cross border basis from insurers not licensed in a country, for example insurance for risks of special industries or hazards.

One of the biggest challenges when structuring an International Insurance Program (IIP) are the local tax laws. Not only must the payment of insurance premium taxes, levies and fees be considered, but also insurance related expenses and claims settlements / compensation received are required to be included as part of the income tax return. Governments seek to control the purchase of insurance due to the quasi fiduciary nature of the transaction and the importance to the overall public interest. Supervision of insurance markets may be carried out to achieve the following objectives:

• Protection of policyholder interests
• Maintaining solvency and local insurance market stability
• Ensuring confidence in the insurance sector
• Securing availability of insurance and retaining premiums within the territory
• Allowing local markets to develop such that they can compete with multinational carriers.

...but not the only consideration.

How to deliver a comprehensive, consistent and compliant solution that covers all the main risks in a cost effective way.

Allianz assists brokers and risk managers in appropriately steering the 4C's when having to cover risks located in more than one country. This entails providing a centrally agreed scope of cover for corporate protection, harmonizing cover for multiple locations, while negotiating and managing the coverage centrally. This offers the risk manager a level of consistency vis-à-vis their insurance buying with globally accepted terms and conditions, it supports the spread of a uniform risk management philosophy and it enables them to consolidate buying power at a corporate level.

While the benefits are clear, it is also critical to remember the extent to which local laws and regulations apply to the global activities. Successful (and compliant) global program implementation demands that general and specific workflow standards regarding communication, information flow, contractual agreements, reporting and roles and responsibilities are observed by the client, broker and insurer. A failure to adhere to these standards may very well lead to the parties being exposed to unnecessary and unwanted costs, fines or penalties.

Improving efficiency and effectiveness through economies of scale and scope by way of central purchasing and administration

Delivering a holistic insurance placement, claims and management process across all locations which is centrally coordinated and provides transparency and oversight to ensure effective quality control

Ensuring comprehensive coverage of relevant risks through a combination of a Master program and locally aligned policies

Risk Managers need to balance the 4C's when choosing the optimal solution for their company

Cost
Control
Coverage
Compliance

Allianz assists brokers and risk managers in appropriately steering the 4C’s when having to cover risks located in more than one country. This entails providing a centrally agreed scope of cover for corporate protection, harmonizing cover for multiple locations, while negotiating and managing the coverage centrally. This offers the risk manager a level of consistency vis-à-vis their insurance buying with globally accepted terms and conditions, it supports the spread of a uniform risk management philosophy and it enables them to consolidate buying power at a corporate level.

While the benefits are clear, it is also critical to remember the extent to which local laws and regulations apply to the global activities. Successful (and compliant) global program implementation demands that general and specific workflow standards regarding communication, information flow, contractual agreements, reporting and roles and responsibilities are observed by the client, broker and insurer. A failure to adhere to these standards may very well lead to the parties being exposed to unnecessary and unwanted costs, fines or penalties.
Allianz Multinational...

Allianz Global Corporate & Specialty has been designed and structured to meet the needs of global clients.

Allianz Multinational

At the core of Allianz Multinational is the concept of a centrally managed International Insurance Program (IIP) with all local policies integrated (i.e. tied into the Master). In compliance with relevant insurance regulations locally admitted policies are effected in all countries, responding to a client’s specific risk and exposure. A global Master Cover, providing DIL/ DIC protection is then structured to absorb or leverage coverage gaps at the local level, again with due deference to local regulations. The worldwide scope of coverage as well as the detailed structure is always jointly developed with the client.

Local policies are placed with the AGCS worldwide network or with our strategic service partners and have the following features:

- Structured to fit local risk and exposure
- Scope of cover reflects AGCS standard and capacity
- Harmonized coverage across the entire program
- Compliance with local compulsory insurance or special requirements
- Adherence to local rules for taxes, levies and fees

Policies are attached to the Master Cover via reinsurance (up to the share legally permitted by local authorities), resulting in the optimization of the overall scope of terms and conditions to achieve the desired corporate protection.

...offers a flexible, proactive response

Customization

Delivering single point access for clients to a wide range of specialized insurance services, AGCS has an established reputation as a leading provider of tailor-made programs for multi-national clients. It builds on decades of competence and utilizes expertise from around the globe. Allianz Multinational provides a customized service which responds to the cross border exposures of our clients while taking into account the regulatory and fiscal framework in which they are operating. The diversified solutions include:

- Integrated International Insurance Programs (all local policy limits are tied into the Master limit)
- Coordinated International Insurance Programs (all local policy limits are separate and in addition to the Master limit, unless the local limit and the Master limit are triggered by one and the same claims)
- Separate stand-alone local policies for different parts of a Group, without central coordination via a Master

AGCS collects up-to-date regulatory and tax information from around the world. By maintaining a comprehensive and clear understanding of local insurance laws and practices, we ensure that compliance is front and center of every program solution.

AGCS is designed to align to what you need:

- Efficient delivery of local policies
- Provision of local services based on agreed service levels and timelines
- Local claims handling, prompt local claims response and timely claims payments
Allianz Multinational can be tailored to provide the best security for your business...

Within the IIP core concept, it is possible to adopt different approaches to program structure which can address a client’s specific requirements at the same time as complying with local regulatory and fiscal rules. The options are:

**Integrated International Insurance Program**

An integrated IIP consists of a Master Policy and one or more local policies that are tied into the Master. Almost all Financial Lines IIPs are structured this way. It is also the most cost-effective solution as no additional limits are provided locally. This approach may be considered by clients that have elected for strict financial integration and central control of cost of risk and risk management. Locally admitted policies are issued by AGCS, Allianz offices, or our strategic service partners. The premium calculation and allocation matches local exposure and specific legal and regulatory market features are fully embraced. Local handling requirements for taxes, levies and fees are followed.

**Coordinated International Insurance Program**

A coordinated IIP consists of a Master policy and one or more local policies that provide separate and additional limits locally. Otherwise it follows the same rules and principles as the integrated version does. As local limits are not part of the Master limit but provided separately and in addition, more than one local policy provider may be needed in case of very large programs. Also the cost is considerably higher than for an integrated program.

**Separate, stand-alone local policies without direct link to a Master**

This approach may be chosen by clients who want to let their local entities decide on their own how to design their cover. Allianz with its global network is also an ideal partner for this solution and can accommodate a variety of local covers via the AGCS SLIP Separate Limit Insurance Program.

**Freedom of Services (FOS)**

As an insurance company established in the European Union, AGCS SE can offer insurance coverage within the European Union (EU) and the European Economic Area (EEA) in accordance with the “Passporting Principles” of Home Country Control / Supervision (3rd EU Directive). As an established insurer in the EU / EEA with a secured FOS license obtained from the Allianz’s home country regulator, Allianz can offer cross-border insurance. The key features of this option are:

- Availability of admitted cover for 28 EU and 3 EEA countries
- Compliance with country specific tax and compulsory insurance rules
- Adoption of local tax legislation, with central coordination of insurance premium tax transfer

**…and our Financial Lines clients can choose a customized solution**

AGCS has the knowledge and infrastructure to address the challenges of management and liabilities through Financial Lines international programs.

**Financial Lines clients**

To deliver a comprehensive global program for Financial Lines clients, AGCS focuses on two main critical aspects:

- Regulatory & Tax Compliance
- Scope of coverage to fit the Insured’s needs

AGCS offers thorough underwriting support to ensure the appropriate IIP structure applies to a client’s needs by: analyzing which countries are exposed, what type of international program is applicable, what is the local coverage agreed, what are the local limits and local premium, as well as other relevant underwriting information such as the size of the company and the industry.

The Master Policy provides DIC/DIL cover where permissible, over and above locally admitted policies where we provide good local standards. Most local policies mirror the cover of the master policy plus local particularities.

- Local policies issued are dependent on risk & maturity of market
- Harmonized coverage across the program
- Combines local practice with global requirements
- Local regulations are complied with (taxes/ levies)
- Premium is allocated in relation to local risk and exposure
Every program solution is supported by our extensive network...

A strong international network is a fundamental requirement for effective IIP service delivery – we put practical resources fully at the disposal of our clients around the world.

In countries where Allianz is not represented by an owned Group company, we will enter into a general or individual cooperation agreement with a local insurer to provide local fronting services for the different Allianz entities. We always ensure that fronting arrangements are implemented with locally reputable carriers.

The agreed service levels and best practice requirements are regularly monitored and managed to ensure that standards remain consistently high. The selection of partners follows a formalized process of due diligence with a focus on compliance and financial security.

Allianz is recognized as having one of the best international client servicing networks in the insurance industry. With this recognition comes a duty to ensure that the network always lives up to its reputation. This cannot be done by way of written procedures alone – it also depends on constant communication and interaction between the different component parts of the network. Our network is a living and breathing entity, made up of hundreds of insurance professionals providing continued support to our clients.

A core element which sets Allianz apart is our worldwide reach. We have combined one of the largest own-office footprints with carefully selected partners, to create a network which spans the globe. It comprises:

- Allianz owned offices in over 70 countries
- AGCS teams in key locations
- A total AGCS, Allianz and partner office network spanning over 210 countries and territories

Selection of network partners is critical and we adhere to a very strict set of criteria including:

- Experience in commercial lines insurance
- Recognized local market profile and expertise
- Commitment to high performance standards and claims service
- Ability to cater for non IIP lines of business
- Financial strength

The presence of the Allianz global network serves as a key differentiator in support of our global corporate clients. It is their collective responsibility to drive the developments and roll-out of IIP products and services and to implement, coordinate and monitor the global processes crucial to the delivery of such products and services. This team has a global remit aimed principally at maintaining and guaranteeing the quality of Allianz Multinational network services for global corporate clients in harmony with our network partners, our clients and their nominated brokers.

A single team approach means that global program process governance can be prioritized and cross-functional activities centrally supported. Successful network collaboration depends upon close interaction between functions and Allianz strives to achieve this to optimally monitor clients’ international programs.

In countries where Allianz is not represented by an owned Group company, we will enter into a general or individual cooperation agreement with a local insurer to provide local fronting services for the different Allianz entities. We always ensure that fronting arrangements are implemented with locally reputable carriers.

The agreed service levels and best practice requirements are regularly monitored and managed to ensure that standards remain consistently high. The selection of partners follows a formalized process of due diligence with a focus on compliance and financial security.

Allianz is recognized as having one of the best international client servicing networks in the insurance industry. With this recognition comes a duty to ensure that the network always lives up to its reputation. This cannot be done by way of written procedures alone – it also depends on constant communication and interaction between the different component parts of the network. Our network is a living and breathing entity, made up of hundreds of insurance professionals providing continued support to our clients.

Allianz provides services and products to global clients by employing the strength and breadth of the Allianz Group Network. To guarantee the delivery of comprehensive and quality services, a cross-functional dedicated global program team structure has been established.

...taking into consideration the complex exposures of Financial Lines risks worldwide.

A single team approach means that global program process governance can be prioritized and cross-functional activities centrally supported. Successful network collaboration depends upon close interaction between functions and Allianz strives to achieve this to optimally monitor clients’ international programs.

In countries where Allianz is not represented by an owned Group company, we will enter into a general or individual cooperation agreement with a local insurer to provide local fronting services for the different Allianz entities. We always ensure that fronting arrangements are implemented with locally reputable carriers.

The agreed service levels and best practice requirements are regularly monitored and managed to ensure that standards remain consistently high. The selection of partners follows a formalized process of due diligence with a focus on compliance and financial security.

Allianz is recognized as having one of the best international client servicing networks in the insurance industry. With this recognition comes a duty to ensure that the network always lives up to its reputation. This cannot be done by way of written procedures alone – it also depends on constant communication and interaction between the different component parts of the network. Our network is a living and breathing entity, made up of hundreds of insurance professionals providing continued support to our clients.

Allianz provides services and products to global clients by employing the strength and breadth of the Allianz Group Network. To guarantee the delivery of comprehensive and quality services, a cross-functional dedicated global program team structure has been established.

...taking into consideration the complex exposures of Financial Lines risks worldwide.

A single team approach means that global program process governance can be prioritized and cross-functional activities centrally supported. Successful network collaboration depends upon close interaction between functions and Allianz strives to achieve this to optimally monitor clients’ international programs.
The business we write is tailored...

Creating tailor-made solutions for clients around the world is our main purpose.

International laws and financial supervisory rules also affect the way insurance is delivered globally and how an international insurance program can be structured. Exchange control laws may be applicable, governments or central banks may implement measures influencing foreign or local currency trading and pure currency volatility might affect sums insured, claims payments and premium collections across borders.

Once legal hurdles have been cleared, the detailed structuring of an international insurance program can be finalized. This includes:

- Scope of the insured business, the names of the parties insured and their location e.g. are headquarters as well as subsidiaries to be included in the cover?
- Agreement of local cover requirements, in alignment with a global program
- Harmonization of local and aggregated policy limits, with an optimal risk / premium balance
- Delivering a policy wording which is fit for purpose and which fully meets client needs.

To provide you with an optimal global program service, we are able to harness our ample experience in international insurance compliance. We know that only by providing you with the appropriate legal information up front will you be able to successfully and comprehensively insure your risks worldwide.

...focusing on responding to risks across borders

Identifying the location of the exposure is essential to ensure consistent underwriting of a Financial Lines international program.

How AGCS designs a Financial Lines IIP

Risk mapping includes the assessment of the international exposure of a client, identifying the countries of the subsidiaries, their size and risk, evaluating local assets, local turnover, profits, workforce, listing and any other relevant local risk specifics. This is an integral part of the IIP set-up process.

Once the program is structured, we confirm local capabilities and start the implementation.

Based on our Financial Lines insurance experience and knowledge, AGCS provides recommendations as to where a local policy should be purchased for any given risk.

<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk mapping</td>
<td>Confirm capabilities</td>
<td>Start with Local Policies in Brazil, Russia, India, China, Switzerland, Japan and Europe (FoS)</td>
<td>Continue with Turkey, Argentina, Malaysia, Indonesia, Mexico, South Africa and USA</td>
<td>Finalize the program with policies in other strictly non-admitted territories if needed</td>
</tr>
</tbody>
</table>

16

Standalone local policies

Integrated International Insurance Program

Coordinated International Insurance Program

Allianz Multinational is the broader term for a variety of structures and services that can be offered in response to the specific global insurance needs of different clients, given their unique make-up.
Making a global program work requires cooperation...

The true test of global program effectiveness is the method of implementation and a commitment to communication.

The setup and management of global programs requires that comprehensive information is exchanged between the three parties to the agreement, i.e. client, broker and insurer. To ensure smooth implementation and subsequent administration of a program, we bring together all parties at an early stage to agree the roles and responsibilities of each and to set the agenda for future interaction. Understanding the key program drivers and setting defined work expectations upfront brings clarity, consistency and quality to Allianz Multinational.

...backed by a clear understanding of roles

The efficient administration of an international insurance program relies on a high level of understanding and support from the client and broker.

What each party brings to the dialogue

**Client**
- Trust: Jointly develop & design individual insurance solutions that meet client needs
- Communication: All partners involved need to ensure that results are clearly communicated and are mutually agreed upon

**Broker**
- Cooperation: All partners must take care that implementation is done on time while keeping one another updated
- Transparency: Sharing of mutual information recommended as well as frequent status meetings and reports

**Insurer**
- Value through tripartite understanding
- A three-way relationship is essential to generate mutual understanding between the parties

Imperatives for global program success:
- Agreement and monitoring of implementation milestones
- Clear communication of results
- Scheduling of regular three-way engagement

**Client Pillars**
- Centralized Risk Management and insurance buying approach
- Collection and distribution of data from a central point
- Effective empowerment
- Coordinated claims management
- Clear captive / risk retention strategy

**Broker Pillars**
- Broad footprint
- Control over network offices
- Ability to work with clients centrally to produce up-to-date risk information per an agreed timetable
- A commitment to work with client and insurer to ensure all agreed timelines are met

**Insurer Pillars**
- Technical industry expertise
- Global networking and servicing capability
- Cross-functional account teams
- KPI / Service Level Agreement (SLA) commitment
- Program implementation reporting
- Risk consultancy experience
- Claims delivery

18 19
A strong Allianz team and systems infrastructure...

Client teams

Led by a Key Account Manager and an Underwriter, each global program client has a specialized team to coordinate service delivery. From Underwriting to Operations and Claims, the client team is made up of cross-departmental representatives and provides effective, fast access to key decision makers within Allianz Global Corporate & Specialty as well as specialists from other Allianz units when required. This "client focus" approach is designed to deliver flexibility of response both centrally and locally and we support this by way of a regular meeting schedule with client and broker.

We recognize the need for fast and transparent information management – Allianz Global Program System (GPS), our International Insurance Program (IP) management platform, delivers this by:

• Central process control of integrated and coordinated programs (Quote, Initial Binding, Implementation, Installation, Renewal)
• Central records of information on policies and claims in one system
• Global overview of communication related to contracts & claims
• Information about country contacts and regulations
• Local Service Coordinators
• Best Practice Standards (BPS) measurement

...supports our range of services with seamless delivery

AGCS - Global Program System (GPS)

The Allianz Global Program Systems is a single internal communication platform used to administer all International Insurance Programs for AGCS lines of business such as Property, Liability, Marine Cargo and Financial. More than 40 countries have online access to the system via the Allianz worldwide Intranet. Registered users include employees from Underwriting, Operations, Accounting, and Claims, all of whom carry out interconnecting program workflow activities.

The system provides a streamlined and standardized information flow and is a facility for reinsurance transactions between Allianz and its fronting companies, concluded via an agreed electronic Reinsurance Certificate. It contains all documentation of premium and claims transactions, as well as a variety of reporting functions for internal and external needs such as performance measurement, portfolio overview, country statistics, and program status reports or claims statistics.
Driving excellence in client servicing…

Having a global focus throughout the entire value chain is critical. A global program is structured to our clients’ advantage and whatever the mix of agreed services, Allianz Multinational has an expert team globally and locally to oversee practical delivery.

Allianz Multinational Global Program Service Model for Financial Lines

Claims

Allianz Global Corporate & Specialty has an established market reputation as a claims handling leader but more than we want to stand out by making Claims a key service differentiator. Our network of experts across the globe comprises technically qualified engineers, lawyers and specialists ideally suited to handle industrial, corporate and specialty claims – we can also count on long established relationships with leading external legal and loss adjusting firms. We always encourage a dialogue with clients leading to the agreement of tailored “Claims Protocols” which define our bespoke claims delivery and support three-way claims communication. Furthermore, our coordinated internal process ensures that best practice in claims administration and settlement is upheld, either when payment is made locally or centrally via DIC / DIL.

Global Networking & Servicing Capability

With 29 dedicated AGCS offices, direct Allianz representation in over 70 territories, and a total network of over 210 countries, AGCS uses its global footprint to meet the needs of its multinational clients by insuring their global territories, and a total network of over 210 countries, AGCS uses its global networking resources to address the customized needs of sector customers – this is at the heart of Allianz Multinational.

Allianz Multinational Global Program Service Charter

The Program Service Charter acts as a measure of the engagement by each of the parties to the agreement of the key aspects of global program policy and claims administration remain on track.

AGCS will provide clear program timelines, from delivery of initial quote, through core policy issuance and premium transfer to claims handling. While we have a set of standard service levels on which we operate as a minimum, these can be tailored to fit a client’s specific requirements. Effective delivery however is always dependent upon the client and broker being able to coordinate their own networks effectively and their ability to provide relevant information to AGCS in a timely and efficient way.

Cross-functional Teams

At all levels we will encourage sufficient dialogue to assess the adequacy of existing covers and to understand the changing complexity of client risk as their own business constantly evolve. The type of relationship which we maintain encourages new ways of thinking and our specialized account team model means there is a channel of communication open across all core program functions, from senior line of business underwriters to the Global Client Director who manages day-to-day program delivery. Typically the AGCS account team will be coordinated by a Key Account Manager (KAM), with strategic support from a Client Director or Global Account Director. The KAM acts as a dedicated, single point of access to the full range of AGCS and wider Allianz resources.

...committed to continuous improvement

Program Implementation Tools

Recent surveys of clients and brokers have highlighted several key areas that were perceived critical. These are:

- Speed of local policy issuance
- Accuracy of local policy documentation
- Proactive problem resolution across the network

AGCS is continuing to develop and enhance the Allianz Global Program System (GPS) to better support program administration across an increasing number of business lines and we have nominated network managers and coordinators in each territory to allow for timely alignment of master and local covers and to encourage pro-active issue resolution.

To achieve full data transparency we offer online services via myAGCS.com which aims to provide clients and brokers with reporting access to program-related information in GPS, as well as risk consulting reports and Cat Risk events, via a user-friendly portal.

Industry Practice Groups

As a further demonstration of our innovation, AGCS has established a number of specialist industry practice groups based on the knowledge gained from many years of working with customers from diverse sectors. The main practice groups are:

- Base Industries & Construction
- Oil & Gas, Pharmaceuticals, Chemicals, Food & Beverage
- Heavy Industries & Manufacturing (including Aerospace & Defense)
- Utilities & Services, IT and Communication

Using the framework of these groups, AGCS offers technical and specialist resource across different lines of business and disciplines to build understanding and claims propositions which address the customized needs of sector customers – this is at the heart of Allianz Multinational.

Global Practice Groups

- Utilities & Services, IT and Communication
- Heavy Industries & Manufacturing (including Aerospace & Defense)
- Oil & Gas, Pharmaceuticals, Chemicals, Food & Beverage
- Base Industries & Construction

AGCS is continuing to develop and enhance the Allianz Global Program System (GPS) to better support program administration across an increasing number of business lines and we have nominated network managers and coordinators in each territory to allow for timely alignment of master and local covers and to encourage pro-active issue resolution.

To achieve full data transparency we offer online services via myAGCS.com which aims to provide clients and brokers with reporting access to program-related information in GPS, as well as risk consulting reports and Cat Risk events, via a user-friendly portal.

Cross-functional Teams

At all levels we will encourage sufficient dialogue to assess the adequacy of existing covers and to understand the changing complexity of client risk as their own business constantly evolve. The type of relationship which we maintain encourages new ways of thinking and our specialized account team model means there is a channel of communication open across all core program functions, from senior line of business underwriters to the Global Client Director who manages day-to-day program delivery. Typically the AGCS account team will be coordinated by a Key Account Manager (KAM), with strategic support from a Client Director or Global Account Director. The KAM acts as a dedicated, single point of access to the full range of AGCS and wider Allianz resources.
## Sample Allianz Program Service Charter

<table>
<thead>
<tr>
<th>Program Phase</th>
<th>No.</th>
<th>Service Levels</th>
<th>Created delivery by AGCS</th>
<th>Required input from Broker/Client</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Planning</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>Service completion</td>
<td>Review of client specific requirements</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>Risk assessment</td>
<td>Risk assessment for all jurisdictions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Program design</td>
<td>Program design for all jurisdictions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>Program delivery</td>
<td>Program delivery for all jurisdictions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>Program monitoring</td>
<td>Program monitoring for all jurisdictions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>6</td>
<td>Program review</td>
<td>Program review for all jurisdictions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>7</td>
<td>Program closure</td>
<td>Program closure for all jurisdictions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>8</td>
<td>Program evaluation</td>
<td>Program evaluation for all jurisdictions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>9</td>
<td>Program improvement</td>
<td>Program improvement for all jurisdictions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>10</td>
<td>Program reporting</td>
<td>Program reporting for all jurisdictions</td>
<td></td>
</tr>
<tr>
<td>2. Design</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>11</td>
<td>Scope of program</td>
<td>Scope of program for all jurisdictions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>12</td>
<td>Client requirements</td>
<td>Client requirements for all jurisdictions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>13</td>
<td>Program design</td>
<td>Program design for all jurisdictions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>14</td>
<td>Program delivery</td>
<td>Program delivery for all jurisdictions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>15</td>
<td>Program monitoring</td>
<td>Program monitoring for all jurisdictions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>16</td>
<td>Program review</td>
<td>Program review for all jurisdictions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>17</td>
<td>Program closure</td>
<td>Program closure for all jurisdictions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>18</td>
<td>Program evaluation</td>
<td>Program evaluation for all jurisdictions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>19</td>
<td>Program improvement</td>
<td>Program improvement for all jurisdictions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>20</td>
<td>Program reporting</td>
<td>Program reporting for all jurisdictions</td>
<td></td>
</tr>
<tr>
<td>3. Deployment</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>21</td>
<td>Program delivery</td>
<td>Program delivery for all jurisdictions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>22</td>
<td>Program monitoring</td>
<td>Program monitoring for all jurisdictions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>23</td>
<td>Program review</td>
<td>Program review for all jurisdictions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>24</td>
<td>Program closure</td>
<td>Program closure for all jurisdictions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>25</td>
<td>Program evaluation</td>
<td>Program evaluation for all jurisdictions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>26</td>
<td>Program improvement</td>
<td>Program improvement for all jurisdictions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>27</td>
<td>Program reporting</td>
<td>Program reporting for all jurisdictions</td>
<td></td>
</tr>
</tbody>
</table>
Global program monitoring is essential to clients and brokers...

Program Planning

The planning phase is critical in determining the existence of a coordinating team, ensuring that the client and broker become familiar with the personnel and the team’s roles and responsibilities, understand the complexity of a client risk portfolio, and which produces the most effective negotiations.

In order to design an international program Allianz applies the Allianz Multinational Global Program Service model, as well as considering a Multinational Global Program Service model, as well as considering a pre-renewal planning meeting: this would be convened about three months prior to the end of the previous deductible and local policy premium are agreed with the local client / broker. The premium calculation has been based.

• Issue a formal level binder to the broker which summarises the terms and conditions and scope of coverage, along with the program.

• Issuing a formal program level binder to the broker which summarises the terms and conditions and scope of coverage, along with the premium calculation has been based.

Program Design

In order to design an international program Allianz applies the Allianz Multinational Global Program Service model, as well as considering a Multinational Global Program Service model, as well as considering a pre-renewal planning meeting: this would be convened about three months prior to the end of the previous deductible and local policy premium are agreed with the local client / broker. The premium calculation has been based.

• Issue a formal level binder to the broker which summarises the terms and conditions and scope of coverage, along with the premium calculation has been based.

Program Deployment

Program Monitoring

All international programs require that information is frequently monitored and processing steps are actively followed up until final completion.

To successfully implement a global program...

• Reviewing the relationship with the client and broker in line with changing strategic priorities.

• Maintaining consistent claims handling

• Establish and maintain hand-off procedures in line with agreed Client Service Charter.

• Steer enhancements in global program business development and marketing

• Developing the necessary tools and processes

• Issue a formal program level binder to the broker which summarises the terms and conditions and scope of coverage, along with the premium calculation has been based.

• Issuing the Master Cover and accompanying invoice.

• Giving instructions to foreign partner entities regarding local policy issuance. This will include full and complete information regarding scope of coverage, premium, and key contacts.

• Following up on facultative reinsurance requests, local policy issuance and local premium payment.

• Generating status and performance reports.

• Reviewing all relevant parties on issues regarding agreed adjustments.

Program Initial risks have taken place in-line with the agreed timetable, the international program moves into formal implementation. The focus remains on completing the key actions, Allianz ensures territory premium allocations are signed off with the client and broker, or the nominated claims handler needs to ensure that all network claims contacts have been communicated and that the mechanisms for agreed claims reporting are ready to support a program.

In order to achieve contract certainty, Allianz’s aim is to have all policies issued as close to the effective date as possible but no later than 60 days from the effective date. When terms and conditions, values, limits, deductibles and local policy premium are agreed with the local client / broker, this is documented in a related Reinsurance Certificate / Slip. The main steps which need to be completed, with possible variation from market to market, are:

• Pre-renewal planning meeting: this would be convened about three months prior to program renewal and serves as a planning forum in respect of renewal objectives, expectations and timelines. It can also be used as an opportunity to address outstanding services issues well before renewal or to provide an annual risk survey review.

• Following up on facultative reinsurance requests, local policy issuance and local premium payment.

• Generating status and performance reports.

• Reviewing all relevant parties on issues regarding agreed adjustments.

• Steer enhancements in global program business development and marketing

• Developing the necessary tools and processes

• Issue a formal program level binder to the broker which summarises the terms and conditions and scope of coverage, along with the premium calculation has been based.

• Issuing the Master Cover and accompanying invoice.

• Giving instructions to foreign partner entities regarding local policy issuance. This will include full and complete information regarding scope of coverage, premium, and key contacts.

• Following up on facultative reinsurance requests, local policy issuance and local premium payment.

• Generating status and performance reports.

• Reviewing all relevant parties on issues regarding agreed adjustments.

• Pre-renewal planning meeting: this would be convened about three months prior to program renewal and serves as a planning forum in respect of renewal objectives, expectations and timelines. It can also be used as an opportunity to address outstanding services issues well before renewal or to provide an annual risk survey review.

• Following up on facultative reinsurance requests, local policy issuance and local premium payment.

• Generating status and performance reports.

• Reviewing all relevant parties on issues regarding agreed adjustments.

• Pre-renewal planning meeting: this would be convened about three months prior to program renewal and serves as a planning forum in respect of renewal objectives, expectations and timelines. It can also be used as an opportunity to address outstanding services issues well before renewal or to provide an annual risk survey review.

• Following up on facultative reinsurance requests, local policy issuance and local premium payment.

• Generating status and performance reports.

• Reviewing all relevant parties on issues regarding agreed adjustments.
AGCS provides an online data and services portal...

myAGCS.com is a customized online tool which promotes full data transparency, allowing an insight on how we are implementing a client’s international insurance program, among other services.

**AGCS is fully focused on maximizing our service support for clients and brokers.** With this in mind we aim to continuously enhance the myAGCS.com user experience and to expand portal functionality to include elements such as Allianz Multinational Claims information and global insurance market summaries. Look out for details of future portal releases online.

For more information about the portal and how to sign up, please refer to your AGCS Key Account Manager or established AGCS contact point.

---

### Program Overview Report

<table>
<thead>
<tr>
<th>Program</th>
<th>Policy #</th>
<th>Coverage</th>
<th>Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall</td>
<td>1000</td>
<td>744,439</td>
<td>100%</td>
</tr>
<tr>
<td>Complete</td>
<td>90%</td>
<td>732,521</td>
<td>98%</td>
</tr>
<tr>
<td>Open</td>
<td>10%</td>
<td>11,918</td>
<td>2%</td>
</tr>
</tbody>
</table>

---

### myAGCS.com – Your window to AGCS

myAGCS.com provides clients and brokers with secure online access to key insurance data, including comprehensive risk and global program reporting from Allianz Risk Consulting (ARC), Allianz Multinational and Global Catastrophe Risk data. Users can easily view and extract information, all of which is regularly updated. For the client it means a better appreciation of their risk and global program portfolio; for the broker it means a more effective client account monitoring tool through which to achieve their own client servicing objectives.

For more information on how to track a client’s core insurance information, please refer to your AGCS Key Account Manager or established AGCS contact point.
## Appendix

### Country Regulations and Mandates

<table>
<thead>
<tr>
<th>Country</th>
<th>Requirements</th>
</tr>
</thead>
</table>
| **Australia** | - Exposure breakdown by province is required to ensure proper taxes are calculated and paid to its respective province.  
- Stamp Duty Tax applies. |
| **Bermuda** | - Local broker is mandatory.  
- In accordance with local regulations, all local Bermuda policies that are issued as part of an International Program must be issued within 30 days of the inception date of the policy.  
- A proposal form must be completed and signed by an authorized representative of the local subsidiary. This form is mandatory and required for local policy issuance. |
| **Brazil** | - Local broker is mandatory.  
- In accordance with local regulations, all local Brazilian policies that are issued as part of an international program must be issued within 30 days of the inception date of the policy.  
- A proposal form must be completed and signed by an authorized representative of the local Brazilian entity. Local policy issuance requires the completion of the following evidence:  
  - a client’s firm-order/coverage request signed dated by the client’s local representative in Brazil,  
  - a local broker nomination card.  
- It is important to note that complete submission of the aforementioned documentation to IRB within the 30-day period is sufficient to later issue an International Program Policy in Brazil. In Brazil, all claims-made liability policies must be issued for a one-year insurance period. Policies for a shorter term, e.g., seven months are not admissible.  
- All liability policy requests for International Program Policies in Brazil must be submitted to IRB for approval. |
| **British Virgin Islands** | - Anti-Money Laundering Information is required in the format as outlined below:  
  - Verified Individual Identity Requirement for at least one of the Directors of the local entity  
  - Country of Incorporation  
  - Address of the registered office  
  - Address of the previous registered office  
  - Any other business correspondence |
| **Canada** | - Local broker is mandatory.  
- Exposure breakdown by province is required to ensure proper taxes are calculated and paid to its respective province. |
| **Chile** | - Policies issued on time (during the months of inception) must be paid within 30 days after the local policy has been issued (with no exceptions), the currency payment is USD. Retroactive issues:  
- Policies issued retroactively, must be paid in Chile, on or by the 25th of the month corresponding to the date wherein the policy was issued. In case the local client cannot pay in that indicated date, he must send a letter of compromise of payment, indicating the date in that the client commits itself to pay the outstanding premium. |