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| **Category:**  **Standard** | | **Functional Area***:*  **Global Commercial Underwriting** | | |
| **Effective Date***:*  ***September 15, 2014*** | | | | **Date Issued***:* ***September 15, 2014*** |
| **Owner:**  **Global Commercial Underwriting Committee** | | | **Contact**:  **Global Commercial Head of Technical Underwriting** | |
| **Approver**: **Global Commercial Chief Underwriting Officer** | | | | |
| **Purpose** | The purpose of this document is to establish the use of an Underwriting Dashboard for Global Commercial. Consistent underwriting is a key principle of *Underwriting Excellence*. Through standardized underwriting authority levels, discrete skill and competency requirements can be defined for underwriting. Underwriting metrics are needed to establish execution transparency and the ongoing measurement of model benchmarks. | | | |
| **Scope** | The operational standards set out in this Standard apply to the employees of AIG Property Casualty Commercial with responsibility for underwriting and/or managing insurance risks, policies and portfolios. | | | |
| **Operational Requirements** |  | | | |
| *General Principles* | * Underwriting Dashboards are to be maintained electronically on the AIG Global Commercial Global Underwriting Sharepoint site by each Product Tower. They are to show monthly and year to date data. * Data from all underwriters with individual production goals and direct underwriting responsibility is to be included. * Underwriting Dashboards are intended to maintain a balanced view of underwriting responsibilities, which include production and underwriting quality. * Underwriting Dashboards do not produce performance ratings for an underwriter. They do however measure many of the goals typically established in underwriter performance objectives. | | | |
| *Required Elements* | The following statistics form the core elements for Underwriting Dashboards:  GWP: Gross Written Premium (Where more appropriate, other productivity measures such as Net Written Premium, producer calls, or submission activity may be used).  New Business: Submissions, GWP or Net Written Premium as most appropriate).  Hit Ratio: Bound Policies per Quoted Policies, and Bound to Submitted.  AQI execution: Achievement of rate and retention targets by Account Tier.  Quality score: Percent of peer reviewed files that achieved a rating of Satisfactory or better.  Actual to Target Ratio: Where certified Technical Price has been implemented, the overall ratio of actual bound premiums to Target Price premiums | | | |
| *Product Specific* | A limited number of product specific additional elements may be added to the Dashboard. They must be objective, measurable and broadly applicable to underwriting. Dashboards should have no more than eight elements, and represent groupings of underwriters with similar market-specific product underwriting responsibilities. | | | |
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| **Related Global Commercial Underwriting**  **Documents** | * Account Tiering Standard * Authority Management Standard * Technical Price Standard | | | |
| **Roles and Responsibilities** |  | | | |
| *Global Underwriting Committee* | The Global Commercial Underwriting Committee is responsible for establishing and maintaining global underwriting policies and standards, and is accountable for ensuring that they are consistently and uniformly implemented locally. | | | |
| *Global Product Line underwriting managers* | Global Product Line underwriting managers are responsible for establishing and maintaining global product underwriting standards, guidelines, and procedures, and are accountable for ensuring that they are consistently and uniformly implemented in their product areas. | | | |
| *Regional and local product line managers* | Regional and local product managers are responsible for establishing and maintaining regional/local product underwriting standards, guidelines and procedures, and are accountable for ensuring that they, along with all applicable global and product underwriting standard, guidelines and procedures, are consistently and uniformly implemented in their geographic areas. | | | |
| *All employees* | All employees performing functions subject to this Standard must adhere to its principles, as well as all other applicable standards, guidelines and procedures. | | | |
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| **Country Specific Requirements** | Standards will be written where there is the need for distinct local clarification or to comply with local rules and regulations. Any conflict between globally and locally required standards must be identified, documented, escalated and addressed in accordance with applicable AIG corporate policies. | | | |
| **Reference to Corporate Policies** | This Global Commercial Underwriting Standard is subject to adherence to all relevant AIG corporate policies. | | | |
| **Updates** | *History of updates to the Underwriting Document*  *September 29, 2015: Template Updated.* | | | |