

# **Producer Compensation**

## **Broker and Agent Compensation**

AIG Insurance Hong Kong Limited (“AIG”) values the role of insurance producers in advising and consulting with insurance buyers, and generally compensates them in recognition of their participation in the purchasing process. Please contact your insurance broker or agent to obtain information about the specific compensation they may receive in connection with the issuance of your policy.

## **Commissions**

AIG compensates insurance brokers and agents through commissions of either a specific dollar amount or a percentage of premium set at the time of each purchase, renewal, placement or servicing of a particular insurance policy. From time to time, AIG may enter into agreements with producers to provide additional commission not contingent in nature. All such payments are subject to controls administered by AIG Legal, Compliance and business management.

## **Contingent Compensation**

AIG may also pay contingent compensation to insurance brokers and agents in addition to commissions. Contingent compensation is typically based on criteria such as the volume of new sales, overall production volume, mix of business, or overall profitability of the policies placed by an insurance broker or agent. All such payments are subject to controls administered by AIG Legal, Compliance and business management.

## **Other Compensation**

AIG may also enter into agreements to access information feeds or cause strategic interaction to facilitate business in exchange for a fee. Outside of specific insurance transactions, AIG may also obtain services for which it pays a fee.