

Lex P-3 SolutionsSM

It is a nearly universal opinion that America's infrastructure is in peril. Many of the nation's roadways are in significant disrepair, bridges and tunnels are crumbling, airports are aging, and many of the country's utility, water and power supply systems are inadequate for today's consumption needs.¹

Unfortunately, the federal, state and local governments are unable to meet the funding demands required to improve the US Infrastructure system. Many experts forecast the annual cost to stabilize, improve and maintain the nation's infrastructure to be some \$225 billion for the next 50 years. Current governmental funds generated and earmarked for infrastructure total some \$100 billion, far short of the need.²

The Public Private Partnerships, or P-3, approach allows for private capital to be invested in project construction in return for future income after construction completion during the ownership and maintenance phase. This approach presents shared contractual relationships among the project stakeholders and warrants a fresh approach to risk management and insurance.

Lexington Insurance Company and the AIG Companies are at the forefront of P-3 and offer tailored risk management and insurance solutions to respond to the entire life cycle of P-3 projects.

Coverage Highlights

P-3 coverages include General Liability, Professional Liability, and Builders Risk during construction and Operational General Liability and Property after the project is complete. P-3 products are offered on a Stand-Alone or Combined basis. Worker's Compensation, Environmental Liability, Surety, and additional Excess Capacity can be facilitated through other AIG companies.

Lexington's involvement in a project starts with an intensive risk assessment process and, once coverage is bound, continues with project-specific risk management advice and

claims management/resolution programs. Additional expertise and capacity is offered for Railroad Protective Liability coverage. Competitive attachments are available for the following:

- Project Specific Professional Liability
 - Coverage for Design Team
 - Includes Owner and Concessionaire Indemnification Provisions
 - Limits up to \$50M
 - Attachment as low as \$100K
- Construction Liability
 - Limits available up to \$250M
 - Defense outside policy limits
 - Offsite coverage
 - Subsequent repair work coverage
 - Limited BI/PD for professional liability (equivalent of CG 2280)
 - Sublimited Rip & Tear coverage available
 - Crisis Response[®] coverage
- Builder's Risk/Operational Property
- Operational GL

Targeted Project Types

- Toll Roads, Highways, Bridges and Tunnels
- Airports
- Waste Water Treatment/Sewer systems
- Utility/Power
- Rail/Light Rail
- Prisons

Lexington can also provide necessary general liability and general property insurance for the exposure after project completion during the ownership and maintenance phase.



Lexington is committed to the Construction industry and has a long history with demonstrated success in reviewing proper contractual relationships that work to minimize conflict, claims and delays. Our P-3 insurance product delivery approach incorporates an experienced team of underwriting, risk management, claims and legal counsel to facilitate a quality and efficient insurance program.

For more information, visit www.aig.com.

[1] [2]. National Surface Transportation Policy and Revenue Study Commission, Transportation for Tomorrow, December 2007, <http://www.transportationfortomorrow.org/about/>

Lexington Insurance Company

An **AIG** Company

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The product descriptions herein are not a complete description of all items, exclusions and conditions in the policy. Policy terms may be changed by the insurer from time to time, and the preceding descriptions are not intended to be relied upon by brokers or potential insureds. Brokers interested in any of the captioned products should request a specimen copy of the policy itself for the precise scope and limitations of coverage. Issuance of coverage is subject to underwriting.

U.S. risks placed with a surplus lines insurer must be placed in accordance with surplus lines laws and other applicable laws. Surplus lines insurers do not generally participate in state guaranty funds and insureds are not protected by such funds. The surplus lines market is a brokered market providing flexibility in rate and form to meet customer needs for high risk and specialized insurance products. All placements with surplus lines insurers are subject to underwriting by the insurer. Products may not be available in all states. The information contained herein is for general information purposes only and does not constitute an offer to sell or a solicitation. The information provided herein is made available only on request by an insurance professional(s).

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