

# Product and Service Delivery

FM Global delivers, sells, and services its FM Lines products through a dedicated sales force, its client service teams and insurance intermediaries. Our process is designed to deliver high quality products and services to all clients, irrespective of production source.

Approximately two-thirds of FM Global's large commercial property business is produced through brokers and one-third is direct. This dual delivery capability is integral to our strategy and recognizes the fact that some clients prefer a direct relationship with FM Global, while others prefer working with brokers. Both types of business are important to us and we strive to maintain a balanced mix. We fully support the relationships with brokers on existing brokered accounts.

We are committed to the equitable treatment of our most important stakeholders: our clients. An FM Global client will not be advantaged or disadvantaged by their selection of distribution channel or by the distribution channel selected by other clients.

## FM Global's pricing and commission payment practices are straightforward:

- Our pricing policy is independent of production source.
- Our mutual company business in the United States and Canada is quoted, written and invoiced on a net (zero commission) basis, whether produced directly or through a broker.
- We have the ability to pay brokerage commissions through our stock company subsidiaries and our WorldReach® partners. Upon client request, we will disclose brokerage commission(s) payable under their policy(ies).
- We do not pay any fees, overrides or payments such as contingent commissions, placement service fees, market service fees, compensation for services to underwriters or other such arrangements.

Our success will be decided by FM Global's performance in the marketplace and not by our ability to selectively influence distribution channels. Our success will depend on the value we deliver to clients, the quality of our products and services, the relationships we build and the behaviors we exhibit.

