



# 2022/2023 RESILIENCE CREDIT EXECUTIVE PLAN SUMMARY

**FM Global's 2022/2023 resilience credit is a credit against renewal or anniversary premium of approximately US\$300 million to all eligible policyholders renewing between Oct. 1, 2022, and Sept. 30, 2023.**

## ELIGIBILITY

All Factory Mutual Insurance Company, FM Insurance Company Limited, FM Insurance Europe S.A. and FM Global de México S.A. de C.V. (FM Global lines only, for all four entities) policyholders that renew their policies during the resilience credit period of Oct. 1, 2022, through Sept. 30, 2023, or that have a policy anniversary during this period, will be eligible to receive a resilience credit against premium at the time their policies renew. These policyholders are "eligible FM Global policyholders."

## CREDIT APPLICATION

The resilience credit will be applied during the period of Oct. 1, 2022, through Sept. 30, 2023, in the form of a premium offset at the time of policy renewal or annual anniversary.

## CREDIT CALCULATION

The resilience credit rate is 5% of eligible in-force premium 90 days prior to renewal or anniversary date.

The resilience credit will be applied to premium as of the date of policy renewal or anniversary from Oct. 1, 2022, through Sept. 30, 2023. The credit will be calculated based on eligible in-force premium in effect 90 days prior to the renewal or anniversary date of the prior policy.

Premium for "FM Global" will be included in the calculation, including any related international premium. Billed engineering fees are added to the premium calculation prior to applying the credit. The program does not include policies issued by, or on behalf of, AFM or Mutual Boiler Re, or policies for cargo coverage. In addition, premium not ceded to FM Global, such as premium retained by WorldReach® Partners, cessions to program partners and/or captives, brokerage commissions, and fronted terrorism premium is excluded from the calculation.

## SAMPLE CALCULATION

A sample resilience credit calculation for an eligible FM Global policyholder is as follows:

Credit rate	5%
Premium on FM Global policies	US\$1,803,677
Less: Premium ceded to captives	(430,185)
Fronted premium	(123,000)
Plus: Billed engineering fees	475,214
Eligible premium	US\$1,725,706
Resilience credit rate	x5%
<b>RESILIENCE CREDIT</b>	<b>US\$86,285</b>

## CREDIT ADMINISTRATION

Administration of the resilience credit is entirely within the discretion of FM Global.

*The Executive Plan Summary is intended to provide only general information. For details on the resilience credit application to a specific policy, please contact your account manager.*



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