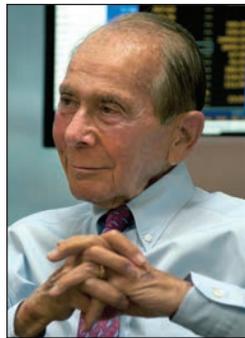


A Relationship Business

An Interview with Maurice R. Greenberg, Starr Insurance Companies

EDITORS' NOTE Maurice R. Greenberg is Chairman of Starr Insurance Companies, a global insurance and investment organization. Starr was founded by Cornelius Vander Starr in 1919 in Shanghai, China. Greenberg formed American International Group, Inc. (AIG) as a Starr subsidiary, and served as that company's Chairman and CEO until March 2005. Under his nearly 40 years of leadership, AIG grew from an initial market value of \$300 million to \$180 billion, becoming the largest insurance company in the world. Greenberg is also the Chairman of The Starr Foundation, a philanthropic organization initially funded by Cornelius Vander Starr's estate. The Foundation has made more than \$3.5 billion in grants to many academic, medical, cultural and public policy organizations around the world. Greenberg received his pre-law certificate from the University of Miami and an LLB from New York Law School.



Maurice R. Greenberg

COMPANY BRIEF Starr Insurance Companies (starrcompanies.com) is a global, privately-held insurance and investments organization. Through its operating insurance companies, Starr Insurance Companies provides commercial property and casualty, as well as accident and health insurance products worldwide, with significant access to the U.S. excess and surplus marketplace for certain lines of business. Starr Insurance Companies underwrites a wide variety of specialty and international lines including aviation, marine, energy, environmental, crisis management, excess casualty insurance, accident and health, and political risk insurance. Starr Insurance Companies also provides a broad spectrum of insurance-related services including claims handling and settlement, reinsurance, risk assessment, loss control and worldwide travel assistance service.

You are known as a builder who grows companies. Will you highlight Starr's growth and performance?

Starr is performing very well, with a very satisfactory combined ratio well under 100, and we are well ahead of budget for 2020. As you know, I and my colleagues had previously built AIG from an initial market value of \$300 million

to \$180 billion, becoming the largest insurance company in the world at that time. I left AIG in March 2005, amid allegations of accounting fraud at the company brought by former New York Attorney General Eliot Spitzer. Spitzer's case was terminated without any finding by the court of any wrongdoing by me; the allegations were not supported by the evidence. Three respected AIG board members resigned in protest of my treatment by AIG and the state authorities. AIG has struggled financially ever since and is a shadow of its

former standing as one of the world's largest and most valuable companies. What happened to AIG should have never happened.

Will you discuss Starr's global footprint and expansion into new markets?

We work throughout Asia – including China, where we're doing quite well – as well as Europe and Latin America where business is very strong. We are performing well in the United States and are on budget despite the challenges and crises facing all businesses. We are clearly doing something right – we have a solid strategy, and we have the right people to execute on that strategy. I personally work with brokers around the country almost every day, and we are getting new business and building new relationships.

How challenging is it to differentiate in the industry and is the business being driven by price?

It is challenging, but this is the job of our people. We have attracted new business recently because those clients understood what Starr can do and how we can provide solutions. Price will always be important but it is only one piece of why a client selects a partner. We are focused on all aspects of the client relationship. Insurance is a relationship business.

How critical is it for Starr to remain entrepreneurial as it grows in size and scale?

This is part of our culture. People who work for us know that this is who we are, and to be successful here you need to enjoy that environment. Our people are creative and entrepreneurial. We are using technology to continue to build our client relationships and attract new customers. During this time when people are working remotely, it is vital to interact with clients as well as with your people.

You were a pioneer in doing business in China and have spent decades committed to building a strong and positive relationship between China and the United States. How concerned are you about the state of the relationship today and what is needed to effectively address the future of China-U.S. relations?

I am very concerned about the current state of this relationship. The two countries need to be working together to address the crises facing the world. It is critical for the two governments to work this out and strengthen the relationship. Many leading businesses from both countries are working effectively together and it is important for the business relationship between the two countries to be strong and mutually beneficial.

Starr is headquartered in New York City and has a long and deep commitment to New York. What is your outlook for New York's recovery and what needs to be done to bring New York back?

The political situation in New York City is concerning and the mayor is not very popular. The New York economy is suffering and the only way to make this up is to raise taxes. It is hard to know how many companies will leave New York and how those that remain will adapt. We have elections coming up but it is very hard to forecast what will happen.

Resilience is critical during times of crisis. Was your resilience and ability to lead shaped during your time in the military?

I was a platoon sergeant when I was 19 years old and you learn to make quick decisions and follow your instinct or you won't be around. I commanded a company in Korea and left the service as a Captain. I had the opportunity to attend West Point and still think about that from time to time and whether that is something I should have done.

What advice do you offer to young people interested in a career in the insurance industry?

Starr is recruiting all the time. Insurance is a necessary element to growing any business and any economy. We have hired many people out of the best schools who understand that this is a dynamic industry that offers great opportunities to grow and make an impact. The insurance industry offers tremendous opportunities for young people and we are attracting the best and brightest at Starr. ●