

At a Glance

AIG American General



On September 16, 2008, the Federal Reserve Board, with the support of the Treasury, agreed to permit the NY Federal Reserve Bank to lend American International Group, Inc. (AIG) up to \$85 billion. The loan takes the form of a secured revolving credit facility, which AIG can draw from when needed over the next 24 months. AIG is the parent company of the member life insurers of AIG American General.

The financial issues of our publicly-traded parent company do not affect our insurance companies' abilities to pay policyholders' claims. The underwriting units of AIG, including member insurers of AIG American General, continue to remain strong.

Additional Points of Interest

- It is important to note that the guarantees related to our individual policies and annuity contracts are backed by the general account of the individual underwriting company. This general account supports only the obligations of the individual underwriting company and is not obligated to support any other AIG businesses. In accordance with state insurance requirements and investment guidelines, AIG American General insurers' general accounts are primarily invested in high-quality, investment-grade bonds.
- As a holding company, AIG is a separate, federally regulated legal entity that is distinct and apart from its subsidiary insurers. The subsidiary insurers are governed by state laws designed to protect the interest of policyholders. State insurance regulators are committed to protecting the interest of policyholders and will work closely with AIG management and other regulators to fulfill this commitment.¹
- AIG will be permitted to draw up to \$85 billion when needed over the next 24 months. The secured revolving credit facility allows AIG to satisfy its short-term liquidity pressures while ensuring that its business units remain well capitalized and highly competitive. This facility will be available to meet the liquidity needs of AIG's securities lending program, in which the AIG American General insurers participate.

Key Facts About AIG American General

(as of 6/30/2008)

- Origins going back over 100 years
- 4,400 employees
- 3,200 career agents and 57,500 independent agent relationships
- AIG American General companies have ample capital to meet ongoing policyholder obligations
- AIG American General companies have helped fulfill promises, kept dreams alive and been there in times of need paying \$16.5 billion in benefits to 1.5 million families and businesses over the last five years²
- AIG American General companies maintain excellent financial strength ratings, according to Moody's and A.M. Best

"We have a very strong message for consumers: If you have a policy with an AIG insurance company, they are solvent and have the capability to pay claims."

National Association of Insurance Commissioners (NAIC) President Sandy Praeger

AIG American General **Financial Strength Ratings** *as of September 17, 2008*

Agency	Rating	Descriptor	Definition
Standard & Poor's ³	A+	Strong	"An insurer rated 'A' has STRONG financial security characteristics, but is somewhat more likely to be affected by adverse business conditions than are insurers with higher ratings."
Moody's Investors Service ⁴	Aa3	Excellent	"Insurance companies rated Aa offer excellent financial security. Together with the Aaa group, they constitute what are generally known as high-grade companies."
Fitch Ratings ⁵	AA-	Very Strong	"Denote a very low expectation of ceased or interrupted payments. They indicate very strong capacity to meet policyholder and contract obligations on a timely basis. This capacity is not significantly vulnerable to foreseeable events."
A.M. Best Company ⁶	A	Excellent	"Assigned to companies that have, in our opinion, an excellent ability to meet their ongoing insurance obligations."

For detailed information about the ratings of AIG American General's insurers, visit www.aigag.com/ratings

³ Credit watch developing

⁴ On review for possible further downgrade

⁵ Rating watch evolving

⁶ Under review with negative implications

AIG American General, www.aigag.com, is the marketing name for the insurance companies and affiliates of American International Group, Inc. (AIG), which comprise AIG's Domestic Life Insurance Operations, including American General Life Insurance Company or The United States Life Insurance Company in the City of New York. Information regarding AIG or AIG American General is for informational purposes only and may represent combined statistical information of the member companies of AIG or AIG American General. AIG or AIG American General does not underwrite any insurance policy referenced herein. The licensed insurer underwriting a policy or contract is solely responsible for its own financial condition and contractual obligations. ¹ National Association of Insurance Commissioners (NAIC) News Release "Insurance Consumers Protected by Solvency Standards," September 16, 2008. ² Source: Statutory Annual Statements, 2001 – 2006.

