

September 16, 2008—Talking Points

- Our parent company, AIG, continues to work with regulators, the federal government and the financial markets to resolve its short term liquidity issues. AIG Commercial Insurance's (AIGCI) capital position has not diminished as a result of its parent's financial position.
- AIGCI has not loaned money or pledged assets to its parent.
- AIGCI's capital position will remain intact and available to underwrite policies and pay policyholder claims even if its parent files for bankruptcy.
- AIGCI's ratings have declined as a result of its parent's financial position, but still remain excellent and higher than many commercial insurance companies.
- AIGCI companies, which include the Lexington Insurance Company, National Union and American Home Assurance Company, remain well-capitalized with statutory surplus of \$26.7 billion and invested assets exceeding \$70 billion.
- AIGCI's capital is protected by regulators, ensuring that policyholders' interests are paramount.
- AIGCI has ample resources to underwrite business and to pay the claims of our policyholders. We continue to pay \$73 million in claims every single day.
- AIGCI's statutory surplus has grown over 50% since 2005 to \$26.7 billion, exceeding the total shareholders' equity of all domestic commercial insurance holding companies.
- AIGCI's Net Written Premium to Surplus Ratio, a key indicator of the amount of leverage of a property casualty organization is <1.0 with total NWP of \$12.7 billion in the first half of 2008 compared to policy holder surplus of \$26.7 billion.