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AIG SMALL BUSINESS INTRODUCES EPL DEFENSE SHIELD TO COVER DEFENSE COSTS ASSOCIATED WITH EMPLOYMENT PRACTICE LIABILITY INSURANCE

Coverage Tailored to Companies With 25 or Fewer Employees

NEW YORK, February, 11 2008 - AIG Small Business®, a division of the property-casualty insurance companies of American International Group, Inc. (AIG), today announced EPL Defense ShieldSM, a new insurance product designed to cover the defense costs of employment practices liability (EPL)-related lawsuits brought against companies with 25 or fewer employees.

EPL Defense Shield provides legal expense coverage for the wide variety of claims commonly brought by employees, such as lawsuits alleging wrongful dismissal, termination, retaliation, sexual harassment, libel, slander, humiliation, defamation, and wrongful failure to employ or promote. The policy covers the company and the individuals typically named in these suits, including directors and officers, full- and part-time employees, temporary and seasonal workers, and past, present and future employees.

"EPL Defense Shield is designed to help protect small businesses from litigation risk," said Vincent C. Tizzio, President of AIG Small Business. "A 2006 report by the U.S. Equal Employment Opportunity Commission reported that 60 percent of all charges filed were found to have 'no reasonable cause.' It's important to note that the cost to defend groundless claims can be devastating – even when the company wins."

For more information on EPL Defense Shield, contact Tom Fioretti, Executive Vice President, AIG Small Business Field Operations & Distribution, at 908-679-3234 or e-mail us at aigsbinfo@aig.com.

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Insurance is underwritten by member companies of American International Group, Inc., and is subject to underwriting review and approval. The description herein is a summary only. It does not include all terms, conditions and exclusions of the policies described. Please refer to the actual polices for complete details of coverage and exclusions. Coverage may not be available in all jurisdictions. Non-insurance products may be provided through independent third parties. Developed in conjunction with AIG Product Development.

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