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AIG ENVIRONMENTAL® TO OFFER PROPERTY INSURANCE

NEW YORK, February 20, 2007 – AIG Environmental®, a division of the property and casualty subsidiaries of American International Group, Inc. (AIG), today announced the introduction of AIG Environmental PropertySM, an insurance facility designed to enable AIG Environmental® to respond to the insurance requirements of its customers by adding property insurance to its Environmental Casualty insurance. The new AIG Environmental PropertySM facility is a collaboration between AIG Environmental and Lexington Insurance Company, a member company of AIG.

AIG Environmental PropertySM addresses the need to efficiently bundle general liability, pollution, automobile, umbrella and property insurance within a single program, helping to create a seamless approach to a multi-line insurance placement. AIG Environmental PropertySM was set up with small and mid-sized companies in mind; and with only a \$5,000 minimum premium, it is attractively priced. This facility is serviced by a team of dedicated underwriters who are solely focused on this business and understand the intricacies of offering multiple lines during the quote process.

“Our insureds, particularly small and mid-size businesses, have been requesting a simplified way to get property and environmental coverage in one simple-to-write package,” said Joe Boren, President of AIG Environmental®. “By joining forces with Lexington Insurance Company, we were able to create AIG Environmental PropertySM, which will help brokers and our small and mid-sized clients simply obtain property and environmental casualty coverage in one program.”

AIG Environmental PropertySM insurance is underwritten by Lexington Insurance Company, a member company of AIG, and one of the industry’s leading property insurers. In addition, AIG Environmental PropertySM offers \$25 million in limit capacity and a team of dedicated underwriters.

For more information on AIG Environmental PropertySM, please contact Charlotte Osborne at 212-458-6266 or email at Charlotte.Osborne@aig.com.

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American International Group, Inc. (AIG), world leaders in insurance and financial services, is the leading international insurance organization with operations in more than 130 countries and jurisdictions. AIG companies serve commercial, institutional and individual customers through the most extensive worldwide property-casualty and life insurance networks of any insurer. In addition, AIG companies are leading providers of retirement services, financial services and asset management around the world. AIG's common stock is listed on the New York Stock Exchange, as well as the stock exchanges in London, Paris, Switzerland and Tokyo.

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