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AIG RECEIVES APPROVAL TO FORM PROTECTED CELL CAPTIVE IN GUERNSEY

NEW YORK, February 21, 2007 – A subsidiary of American International Group, Inc. (AIG) has received approval from The Guernsey Financial Services Commission to form a protected cell company in Guernsey, to be named AIG Insurance (Guernsey) PCC Limited (AIGPCC).

AIG Insurance Management Services (AIMS), AIG's global captive management operation, has also established a stand-alone captive management office in Guernsey, AIG Insurance Management Services (Guernsey) Limited (AIMS Guernsey). AIMS Guernsey will provide support services to AIGPCC as well as provide the full range of captive management services offered by the AIG Companies. AIGPCC and AIMS are located at Natwest House, Le Truchot, St Peter Port, Guernsey.

David Sheil, named Managing Director of AIMS Guernsey, has more than fourteen years experience in the Guernsey captive market including extensive experience in protected cell captive vehicles and their wide application in many risk transfer and financing structures. Mr. Sheil joined AIMS Guernsey in 2005 from Prism Insurance Management, where he served as a Director for 3 years.

"AIMS has for many years been one of the leading providers of captive management services throughout the world. Guernsey, the originator of protected cell company legislation and a leading captive domicile in Europe, is an established market for the sophisticated captive management services provided by the AIG Companies," said David Stafford, Regional Director for AIMS Europe.

Protected Cell Captive vehicles are captive insurance entities that segregate participants in a structure that protects, under Guernsey law, the individual participant's assets against the liabilities of the other participants. Guernsey is a British crown dependency in the English Channel off the coast of Normandy. It is included in the collective grouping known as the Channel Islands.

For further information log on to www.aigcaptives.com

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