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LEXINGTON INSURANCE COMPANY INTRODUCES

LEXELITE ECO-HOMEOWNER INSURANCE

Covers Unique Risks Faced by Homeowners Generating Their Own Power
Provides Added Layer of Protection for Eco-Landscaping

NEW YORK - February 26, 2008 - Lexington Insurance Company, an American International Group company, today announced LexElite Eco-Homeownersm, insurance for homeowners generating their own power using geothermal, solar or wind systems. LexElite Eco-Homeowner also provides industry-leading coverage for eco-landscaping, plantings used to provide shade or influence wind movement to reduce heating and cooling expenses.

LexElite Eco-Homeowner, available as an endorsement to the LexElite® homeowner policy, responds to the unique risks faced by homeowners who generate their own power and feed surplus energy back into the local power grid. If a homeowner's alternative-energy system has a covered outage, LexElite Eco-Homeowner will protect the homeowner against lost income generated from selling surplus energy back to the local energy company and will cover the extra expenses incurred to purchase replacement electricity. LexElite Eco-Homeowner also covers expenses for inspection, re-connection or permitting fees assessed by a utility or governmental authority when the homeowner's alternative energy system is brought back online.

In addition, LexElite Eco-Homeowner enhances the coverage for eco-landscaping. Plantings considered eco-landscaping will be covered at 10 percent of the aggregate limit of the home, double the limit of a typical homeowner policy. The policy also increases the per-tree sub-limit from \$500 to \$5,000.

"Homeowners generating their own power are at the leading edge of the environmental sustainability trend and need leading edge insurance coverage for their unique exposures," says Dave Valzania, Vice President, Personal Lines, Lexington Insurance Company. "LexElite Eco-Homeowner fills the gaps in a traditional homeowner's policy by addressing concerns specific to alternative energy conscious homeowners."

LexElite Eco-Homeowner is the latest of Lexington's EcoSurancesm insurance products. In November of 2007, Lexington introduced Upgrade To Greensm Residential, coverage that allows a homeowner to rebuild their property to "green" standards following a covered loss.

For more information on LexElite Eco-Homeowner, contact David Valzania, Vice President of Personal Lines, Lexington Insurance Company, at (617) 330-4419 or David.Valzania@aig.com

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Insurance and services provided by Lexington Insurance Company and its affiliates. Issuance of coverage 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 policies for complete details of coverage and exclusions. Non-insurance services may be provided through independent third parties. Coverage may not be available in all jurisdictions. As a surplus lines insurer, Lexington Insurance Company does not generally participate in state guaranty funds.

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