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LEXINGTON INSURANCE COMPANY ANNOUNCES

UPGRADE TO GREEN COMMERCIAL

*New Coverage Allows Commercial Property Policyholders to
Rebuild to "Green" Standards Following a Covered Loss*

March 3 2008, NEW YORK – Lexington Insurance Company, an American International Group company, today announced Upgrade to GreenSM *Commercial*, insurance that allows commercial property policyholders to rebuild the insured building and replace personal property with products that embrace sustainability principles and reduce the overall impact of the building on the environment. Upgrade to Green *Commercial*, available as an endorsement to Lexington Insurance Company's commercial property insurance policies, is the latest addition to Lexington's suite of EcoSuranceSM products developed to promote environmentally friendly practices and to respond to changing market needs.

"Commercial property owners and developers are looking to improve the environmental performance of their properties," said George Stratts, Division Executive and Executive Vice President, Lexington Insurance Company. "Lexington is committed to supporting the real estate industry's drive to environmental sustainability, and Upgrade to Green *Commercial* is designed to help commercial property developers and owners meet burgeoning environmental regulations."

Upgrade to Green *Commercial* coverage responds to covered partial and total losses for both Leadership in Energy and Environmental Design (LEED®) certified and non LEED certified buildings. In the event of a total loss, LEED certified insureds will be allowed to upgrade their building to the next level of LEED certification upon reconstruction. Non-LEED certified insureds can use the coverage to rebuild to a LEED silver standard.

In the event of a partial loss, the coverage focuses on four areas of interest to commercial property owners: energy efficiency, water efficiency, indoor air quality, and sustainability. Upgrade to Green *Commercial* coverage encourages the use of ENERGY STAR®-qualified office equipment, including light industrial heating and cooling systems and lighting systems to reduce energy costs; interior building components such as paints, primers, adhesives, architectural coatings and composite wood partitions, counters, cabinets, systems furniture and seating that have reduced emissions of organic compounds to improve indoor air quality; and cabinets, molding, and flooring materials made of bamboo, eucalyptus, or other materials that are rapidly renewable or sustainable produced.

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In addition to covering rebuilding costs, Upgrade to Green *Commercial* covers expenses for recycling during reconstruction and at the time of loss. To further enhance indoor air quality after reconstruction has been completed, the coverage allows insureds to conduct a period of indoor air testing and increased outdoor air ventilation of the reconstructed space using new filtration media to remove construction contaminants in accordance with LEED protocols. Upgrade to Green *Commercial* also allows our customers to retain a LEED-accredited architect or engineer to participate in the design or construction of a damaged facility. And for insureds with LEED certified buildings, the coverage will also pay registration and certification fees imposed by the United States Green Building Council (USGBC) if the building needs to be recertified.

To learn more about Upgrade to Green *Commercial*, contact Product Line Manager, Michael Reid at michael.reid3@aig.com or 617-330-8429.

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American International Group, Inc. (AIG), a world leader 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 Paris and Tokyo.

Insurance and services are 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.

*LEED is a registered trademark owned by the U.S. Green Building Council.
ENERGY STAR is a registered trademark of the Environmental Protection Agency.*

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