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**RISK SPECIALISTS COMPANIES ANNOUNCES THE ACQUISITION OF
THE ASSETS OF SRO NAPA FROM AFFILIATES OF FAIRFAX FINANCIAL**

NEW YORK, April 3, 2007 -- Risk Specialists Companies, Inc. (RSC), a member company of American International Group, Inc. (AIG), today announced the acquisition by its subsidiary of substantially all of the assets of Guild Underwriters Napa, Inc. and its affiliated companies, doing business as "SRO Napa," and owned by Toronto-based Fairfax Financial Holdings Limited. SRO Napa is a California-based managing general underwriter that produces and underwrites excess casualty and other specialty casualty insurance products through three U.S. regional offices in Napa, California, North Olmsted, Ohio and West Hartford, Connecticut. Mystic Capital Advisors Group, LLC provided transaction advisory services to RSC.

"Joining forces with SRO Napa furthers RSC's commitment to deliver market-leading insurance with unparalleled convenience and efficiency," said Matthew F. Power, President, Risk Specialist Companies, Inc. "This acquisition will expand our distribution, our geographic footprint, and our product offerings for middle market clients, while adding depth and breadth to our experienced team nationwide."

The Risk Specialists Companies, Inc., family of companies is a leading surplus lines broker in the U.S. providing specialty casualty, property and personal lines insurance from Lexington Insurance Company and other AIG companies.

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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 in the U.S. on the New York Stock Exchange as well as the stock exchanges in London, Paris, Switzerland and Tokyo.

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