



Contact: Peter Tulupman

Public Relations Manager

(212) 770-3141

AIG ENVIRONMENTAL® ENHANCES POLLUTION LEGAL LIABILITY INSURANCE

NEW YORK, October 20, 2008 – AIG Environmental®, a unit of AIG Commercial Insurance, announced it has enhanced and expanded its Pollution Legal Liability (PLL) insurance coverage to cover risks related to indoor air quality, non-owned disposal sites, emergency response costs and to offer financial assurance for underground storage tanks. PLL is insurance designed to provide liability and cleanup coverage for pollution conditions arising from an owned or operated property.

The enhanced coverage now includes blanket non-owned disposal site (NODS) coverage for third-party sites where insureds send their waste, eliminating the need to schedule specific waste disposal sites. Also covered are emergency response costs associated with an environmental condition even in the absence of a written demand or claim. Additionally, the new PLL terms provide financial assurance for underground storage tanks (UST), eliminating the need for a second policy to address tanks requiring financial assurance.

The enhanced PLL policy also includes improved indoor air quality terms and an expanded definition of Pollution Conditions to include healthcare-specific coverages that address pollution conditions from infectious and pathological waste, bioterrorism agents, mold, and legionella pneumophila.

"These changes are a direct result of feedback we received from our policyholders," said Joseph Boren, Chairman and CEO, AIG Environmental. "These new enhancements broaden coverage, simplify the underwriting process and reflect our continued commitment to address our policyholders' needs."

For more information on AIG Environmental and Pollution Legal Liability, please call 800-348-4313 or e-mail aigenvironmental@aig.com.

AIG Commercial Insurance serves a wide range of customers from multinational and middle-market companies to non-profit organizations and small entrepreneurs. Its extensive product offerings include general and excess liability, property, management and professional liability, workers' compensation, accident and health, environmental liability, and integrated global programs for multinational companies. AIG Commercial Insurance also maintains dedicated industry groups to serve the insurance needs of the aviation, energy, marine, healthcare, construction, financial institution, real estate and education sectors.

AIG Commercial Insurance is the marketing name for the domestic commercial property casualty insurance operations of American International Group, Inc. All products are written by insurance company subsidiaries of AIG Commercial Insurance Group, Inc. Coverage may not be available in all jurisdictions and is subject to actual policy language. Non-insurance products and services may be provided by independent third parties.

-more-

AIG Environmental Enhances PLL... October 20, 2008

Page two

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 Ireland and Tokyo.

###