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LEXINGTON INSURANCE COMPANY INTRODUCES UPGRADE TO GREENSM RESIDENTIAL PROPERTY INSURANCE

NEW YORK, November 13, 2007– Lexington Insurance Company, a member company of American International Group, Inc. (AIG), today announced Upgrade To GreenSM Residential, an insurance coverage allowing U.S. homeowner policyholders to rebuild their property to “green” standards following a covered loss.

“Upgrade To Green *Residential* was developed to help insureds rebuild their homes in an environmentally responsible way that reduces greenhouse gases and non-recyclable waste,” said David Valzania, Vice President, Personal Lines, Lexington Insurance Company. “Upgrade To Green *Residential* allows homeowners to rebuild damaged homes using energy efficient and environmentally friendly products.”

Upgrade to Green, which was recently cited in the Ceres report “From Risk to Opportunity 2007: Insurer Responses to Climate Change,” responds whether the insured home suffers a partial or a total loss from a covered event and extends coverage beyond the basic “replacement value” afforded by standard homeowners insurance policies. In the event of a covered partial loss to the insured property, the policy pays for the insured to purchase products and materials and make repairs to adopt Energy Star or equivalent levels of energy efficiency in areas such as lighting, heating, and cooling systems; windows; insulation; appliances; home electronics; and home office equipment. The policy also encompasses use of water-efficient plumbing fixtures, low VOC paints and adhesives, and framing, roofing and siding materials that are more durable, sustainably produced, or composed of recycled content.

If an insured home requires complete rebuilding due to a covered event, the policy will pay to reconstruct the home in accordance with an Energy Star Builder Option Package, which provides climate zone-specific construction specifications enabling the home’s energy performance to qualify for the Energy Star label. Homeowners using products bearing the government-backed Energy Star label benefit from the ongoing cost savings of improved energy efficiency, potentially reducing their utility bill, and may also qualify for special offers, such as sales tax exemptions, credits or rebates, on qualified products from their state or local government, the federal government, or their utility provider.

For more information on Lexington’s Upgrade to Green *Residential*, contact David Valzania, Vice President of Personal Lines, Lexington Insurance Company, at (617) 330-4419 or David.Valzania@aig.com

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Lexington Insurance Company Introduces Upgrade...
November 13, 2007
Page two

* 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.

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

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