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## **AIG HEALTHCARE INTRODUCES SECURITY & PRIVACY LIABILITY INSURANCE WITH CRISIS MANAGEMENT COVERAGE**

NEW YORK, November 28, 2006 – AIG Healthcare, a division of the property and casualty subsidiaries of American International Group, Inc. (AIG), today introduced AIG Healthcare Security & Liability Insurance, a portfolio of coverages designed to protect healthcare companies from liabilities and costs related to the negligent handling of private data. In addition to coverage for third-party liability, the new Security & Liability Insurance will respond to specified costs of crisis management when a security breach occurs, including costs to notify consumers of a data breach as required by law, costs to provide credit monitoring, and other related services for consumers affected by a data breach.

AIG Healthcare's Security & Privacy Insurance addresses liabilities resulting from a negligent disclosure or breach of private or confidential data, including: a failure of an insured's computer network security; wrongful release or disclosure of information by the insured, the insured's employee or another third party; and failure to protect personally identifiable information from misappropriation. These liabilities are typically not covered by conventional professional liability, commercial general liability or media liability insurance policies.

"Liability arising out of privacy and security matters is costing corporations millions of dollars and could be particularly costly to healthcare organizations holding confidential patient data," said Peter Eastwood, Executive Vice President, AIG Healthcare. "Security & Privacy Insurance is a unique solution that addresses this widespread growing liability threat."

The Security & Privacy Insurance policy, which combines coverage for third-party liability with coverage for first party expense for healthcare entities, is provided as an endorsement to AIG Healthcare's Liability Insurance. The policy provides coverage for defense costs (within policy limits) relating to a covered event, including defense cost coverage for certain regulatory actions; duty to defend coverage; with coverage provided on a 'pay on behalf of' basis. The policy also covers crisis management losses, including costs to notify consumers of a data breach to satisfy legal requirements and maintain customer goodwill, costs to provide credit monitoring, as well as the cost to provide related services to affected consumers in the event of an insured incident.

AIG Healthcare Security & Privacy Liability Insurance is available on a primary and/or excess basis to AIG Healthcare insureds. AIG Healthcare is offering Security & Privacy Liability Insurance in conjunction with National Union Fire Insurance Company of Pittsburgh, Pa., an AIG Company and an industry leader in Security Liability products.

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For more information on AIG Healthcare Security & Privacy Liability Insurance, please contact Marie Myers, Assistant Underwriting Manager, at 617-330-4238 or [Marie.Myers@aig.com](mailto:Marie.Myers@aig.com).

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*Insurance is underwritten by member companies of American International Group, Inc., and is subject to underwriting review and approval. The description herein is a summary only. It does not include all terms, conditions and exclusions. Coverage may not be available in all states or in all countries. Non-insurance products may be provided through independent third parties.*

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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