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LEXINGTON INSURANCE COMPANY INTRODUCES **LEX IDLE ASSET LIABILITY PROTECTOR**

NEW YORK, December 11, 2008 – Lexington Insurance Company[®] (Lexington), a unit of AIG Commercial Insurance, today introduced Lex Idle Asset Liability ProtectorSM, insurance to address general liability risks associated with vacant land, graded lots, and partially completed and completed but unsold homes/units.

Designed for real estate developers, private equity firms, pension funds and venture capital firms that invest in real estate, Lex Idle Asset Liability Protector provides general liability coverage to these entities for dormant assets owned for a prolonged period of time.

“Given the state of the U.S. housing market, we believe this insurance coverage is most timely,” said Tom Grandmaison, Vice President, Lexington Insurance Company. “Lex Idle Asset Liability Protector provides the protection buyers of vacant properties need.”

Lex Idle Asset Liability Protector offers primary general liability coverage up to \$2 million per occurrence plus excess liability up to \$10 million per occurrence. The offering can be tailored to provide premises operations coverage by itself or in combination with products/completed operations coverage. In addition, Lexington has the ability to offer companion property coverage for those situations involving partially completed or completed but unsold homes/units.

For more information regarding Lex Idle Asset Liability Protector, contact Tom Grandmaison, Vice President, Lexington Insurance Company at 617-345-4130 or thomas.grandmaison@aig.com or visit www.aig.com/lexingtoninsurancecompany.

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. For additional information, please visit our website at www.aig.com. 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. As a surplus lines insurer, Lexington Insurance Company does not generally participate in state guaranty funds. Non-insurance products and services may be provided by independent third parties.

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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 Ireland and Tokyo.

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