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FOR IMMEDIATE RELEASE

AIG POLICYHOLDERS SHOULD BE CAREFUL AND EDUCATED BEFORE REPLACING POLICIES

Insurance companies are financially sound; switching may have hidden costs; insurers, brokers and agents warned to follow consumer protection rules

Baltimore, MD (September 25, 2008) – All available information indicates that AIG's insurance companies are financially sound, with sufficient assets to pay all valid present and projected claims, Maryland Insurance Commissioner Ralph S. Tyler today reassured Maryland policyholders.

"There is no reason at this time to make any rash decisions if you have a policy issued by an AIG insurance company," said Tyler. "Consumer protection is our number one job. That includes making sure insurance companies are solvent and able to pay every valid claim."

"If you have a life insurance or annuity policy and someone tells you to replace it because of the troubles at AIG's parent company, call the Maryland Insurance Administration toll-free hotline — 800-492-6116," Tyler said. "Replacing or liquidating a life insurance policy or an annuity can have heavy hidden costs and tax consequences. That is why our Insurance Law requires that you get all the information you need to make an educated decision in your best interests. There may be a cancellation penalty if you cancel your automobile or homeowners policy. If someone tells you to replace any policy because an AIG insurance company is in trouble and may not be able to pay your claim, that is both untrue and against the law. Some regulators have received reports that this is happening. The MIA will protect consumers from improper sales practices in Maryland."

Tyler explained that the trouble with AIG is largely with AIG's non-insurance parent company, which is not regulated by the states and, therefore, not held to the same investment, accounting and capital adequacy standards as its state-regulated insurance subsidiaries. The insurance subsidiaries are solvent and able to pay their obligations.

AIG Frequently Asked Questions and Answers

Is AIG going bankrupt?

AIG is an international financial holding company with numerous businesses. Your insurance

and annuity policies are written by AIG's insurance companies. Those companies are financially strong and their assets are protected by state regulators.

Are the insurance and annuity policies I purchased from AIG safe or am I going to lose my money?

Your policies are safe. AIG's insurance companies are financially strong and fully able to honor all policyholders' claims. The MIA will continue to closely monitor the situation to ensure policyholders are protected and that there will continue to be sufficient assets to pay claims.

Should I cash in my insurance and annuity policies and purchase insurance from another insurer?

As stated above, the AIG insurance companies are financially strong so your policies are not in jeopardy. Whether you should cash in your insurance policy or switch insurance to another insurer is, as always, a personal decision. Please be aware that some policies may contain surrender charges and/or cancellation penalties. Contact the MIA's toll-free hotline — 800-492-6116 to find out all the information your agent or broker should give you before you make a decision. Talk to your financial adviser before making any decisions. If you have any insurance policy with an AIG company and someone tells you to replace it because of the troubles at AIG's parent company or supposed trouble at the insurance company, call the MIA at 800-492-6116.

Should I pay the insurance premium bill that I just received from AIG?

Yes, for your coverage with AIG to continue, you must pay the insurance premiums. Failure to pay your premiums can result in the termination of your insurance policies by the insurance company.

Would my insurance and annuity policies have been protected had AIG been declared insolvent and ordered to be liquidated by a court?

There are guaranty funds in place in all states that act as a safety net up to certain limits in the event an insurer becomes insolvent. Investment vehicles (like variable annuities) which are not considered insurance may be protected by the Securities Investors Protection Corporation.

I heard the government may take over AIG. What are state regulators doing to make sure AIG insurance companies will continue to be able to pay claims?

The agreement between AIG and the Federal Reserve protects the assets of the insurance companies so they will be available to pay claims. Any significant transaction affecting an AIG insurance company will need approval from state regulators. The MIA will continue to monitor this situation to protect Maryland consumers.

What can I do if I am having difficulty getting through to AIG on the telephone?

You may obtain information about filing a complaint with the MIA by contacting 800-492-6116 or online at www.mdinsurance.state.md.us

The Maryland Insurance Administration (MIA), founded as the Maryland Insurance Division in 1872, is an independent State agency located in downtown Baltimore. This agency regulates Maryland's \$26 billion insurance industry and makes certain that insurance companies, health plans and producers (agents and brokers) comply with Maryland insurance law. The MIA also licenses over 110,000 producers and approximately 1,500 insurance companies, regulates insurance rates, monitors insurer solvency, investigates consumer complaints and travels across the State providing consumers with educational materials on insurance. These materials may also be found at www.mdinsurance.state.md.us.