

News Release

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Kreidler issues statement to AIG policyholders

Olympia, Wash. — *In response to consumer inquiries about insurance companies owned by the troubled financial conglomerate, American International Group (AIG), Insurance Commissioner Mike Kreidler issued the following statement to policyholders:*

"Many policyholders have expressed concerns in light of the recent news surrounding AIG. This is a fluid situation, but I can assure you that the insurance companies owned by AIG are in good financial shape and capable of paying claims.

For the time being, the federal bailout has averted a bankruptcy of AIG and every indication is that the company will continue to stabilize.

But regardless of what happens to AIG, there is a firewall in place that guards the assets of the insurance companies and protects policyholders. The parent company cannot move assets upstream without the approval of state insurance regulators.

If you have a policy through an AIG insurance company –whether it's an auto policy, homeowner policy or even an annuity – your coverage is safe. Do not cancel your policy or cash in your annuity.

State regulators have made sure that the insurance companies have the money necessary to pay claims. And if the financial condition of AIG takes a turn for the worse, we have the authority to prevent AIG from raiding its insurance companies. Even under the worst case scenario, policyholders' claims will be paid.

In Washington, AIG's insurance companies sell homeowner, auto, and life insurance as well as annuity products. If AIG declares bankruptcy, the states where each insurance company is based would likely place the company in receivership – not because the insurer is financially troubled, but to protect its assets from the parent company.

In the very unlikely event that the insurance companies were ordered

to liquidate, Washington policyholders' claims would be paid by one of Washington's two guaranty associations.

To find if your insurer is owned by AIG, we've posted a [complete list of AIG insurance companies](#) authorized to do business in Washington. If you have additional questions read our [frequently asked questions](#) or call our Insurance Consumer Hotline at 1-800-562-6900."