



December 23, 2008

Dear Business Colleague,

First, I want to take this opportunity to wish you and your families a happy and safe holiday season. All of us at AIG Commercial Insurance are very grateful for your support and for your willingness to move past the headlines to get a better understanding of the state of our business.

We have worked hard to communicate important facts to the commercial insurance market about our businesses, and I believe we have been largely successful due to your willingness to listen. These facts can be summarized as follows:

- AIGCI has not used any taxpayer money to fund its operations—it has no debt and maintains an exceptionally strong financial position
- AIGCI's investment portfolio is conservative relative to its peers
- No part of AIGCI is for sale
- Policyholder interests are protected by state regulators, who have made strong public statements supporting our financial strength
- AIGCI's third quarter 2008 results were comparatively strong
- We will work hard to earn our customers business every day

Many of you have expressed your appreciation for our transparency and clear communication since mid-September. In 2009, we will endeavor to continue to relay information to you on important issues, as well as be an active participant in the discussions taking place around the security of all insurers.

With that in mind, I have [attached](#) a comparison of key insurers', including AIGCI's, investments in securitized asset classes. AIGCI's investment in mortgage backed and asset-backed securities represented approximately three percent of its total invested assets and nine percent of AIGCI's surplus at December 31, 2007. This compared very favorably to the weighted average of our peers of 23.4 percent of their total invested assets and 69.8 percent of their surplus.

We are often asked for this information, so it is my hope that the [attached](#) will help address your questions.

Thank you again, and enjoy your holidays.

A handwritten signature in black ink, appearing to read "JD Doyle".

John Q. Doyle
President and CEO
AIG Commercial Insurance

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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