

At a Glance

American General Life Insurance Company



On September 16, 2008, the Federal Reserve Board, with the support of the Treasury, agreed to permit the NY Federal Reserve Bank to lend American International Group, Inc. (AIG) up to \$85 billion. The loan takes the form of a secured revolving credit facility, which AIG can draw from when needed over the next 24 months. AIG is the parent company of American General Life Insurance Company (American General Life).

The financial issues of our publicly-traded parent company do not affect our insurance companies' abilities to pay policyholders' claims. The underwriting units of AIG continue to remain strong.

Additional Points of Interest

- It is important to note that the guarantees related to individual American General Life policies and annuity contracts are backed by the general account of American General Life. This general account supports only the obligations of American General Life and is not obligated to support any other AIG businesses.
- As a holding company, AIG is a separate, federally regulated legal entity that is distinct and apart from its subsidiary insurers. The subsidiary insurers are governed by state laws designed to protect the interest of policyholders. State insurance regulators are committed to protecting the interest of policyholders and will work closely with AIG management and other regulators to fulfill this commitment.¹
- AIG will be permitted to draw up to \$85 billion when needed over the next 24 months. The secured revolving credit facility allows AIG to satisfy its short-term liquidity pressures while ensuring that its business units remain well capitalized and highly competitive. This facility will be available to meet the liquidity needs of AIG's securities lending program, in which American General Life participates.

"We have a very strong message for consumers: If you have a policy with an AIG insurance company, they are solvent and have the capability to pay claims. "

National Association of Insurance Commissioners (NAIC) President Sandy Praeger

Key Facts About American General Life

(as of 6/30/2008)

- Has origins going back to 1926
- Nearly 3 million policies in force
- General account assets of \$36.8 billion and surplus of \$5.5 billion — significantly in excess of minimum regulatory requirements²
- Fixed income assets had an average credit rating of A-
- 93% of the fixed income portfolio are investment-grade quality
- American General Life's exposure to subprime assets is \$3.2 billion, the majority of which are rated AAA and AA
- American General Life maintains investment-grade financial strength ratings

American General Life Financial Strength Ratings *as of September 17, 2008*

Agency	Rating	Descriptor	Definition
Standard & Poor's ³	A+	Strong	"An insurer rated 'A' has STRONG financial security characteristics, but is somewhat more likely to be affected by adverse business conditions than are insurers with higher ratings."
Moody's Investors Service ⁴	Aa3	Excellent	"Insurance companies rated Aa offer excellent financial security. Together with the Aaa group, they constitute what are generally known as high-grade companies."
Fitch Ratings ⁵	AA-	Very Strong	"Denote a very low expectation of ceased or interrupted payments. They indicate very strong capacity to meet policyholder and contract obligations on a timely basis. This capacity is not significantly vulnerable to foreseeable events."
A.M. Best Company ⁶	A	Excellent	"Assigned to companies that have, in our opinion, an excellent ability to meet their ongoing insurance obligations."

For more detailed information, visit www.aigag.com/ratings

AIG American General, www.aigag.com, is the marketing name for the insurance companies and affiliates of American International Group, Inc. (AIG), which comprise AIG's Domestic Life Insurance Operations. Neither AIG nor AIG American General underwrites any insurance policy described within this brochure. ¹ National Association of Insurance Commissioners (NAIC) News Release "Insurance Consumers Protected by Solvency Standards," September 16, 2008 ² Second Quarter 2008 Filing for AGL ³ Credit watch developing ⁴ On review for possible further downgrade ⁵ Rating watch evolving ⁶ Under review with negative implications