

**PROGRAM DIVISION
BULLETIN**

2006-25

August 22, 2006

**Nonpublic Personal Information Security
Notice to All Program Administrators**

Due to recent published reports of the release of certain nonpublic personal financial and health information, we are writing to remind you of your obligations in this area. After a release of this kind of confidential information it is expensive to identify the affected individuals, send required notices and can have long term adverse effects on our relationships with our mutual customers.

As our Program Administrator, you have contractually agreed to respect the security and confidentiality of Nonpublic Personal Information by implementing administrative, technical and physical safeguards which protect the confidentiality of records and protect against reasonably anticipated threats or hazards to the security and unauthorized use or disclosure of such records.

In addition you are expected to comply with the confidentiality and privacy laws in all states in which you transact business. These obligations are described in greater detail in the AIG Domestic Brokerage Group Program Administrators Compliance Manual.

As a regulated member of the insurance industry, these types of obligations are imposed upon you independent of any contract with us, by various privacy laws and regulations.

In addition to the standard physical and electronic security measures we expect you to have adopted, we are also asking you to review the information you collect from our customers. While many products we sell require the collection of certain confidential information to underwrite the coverage, we have found that some confidential information is collected that is not used in the underwriting process. This information should be reviewed and if not necessary should be securely deleted. If in paper form the information should be shredded and if in electronic form a secure method of deletion that ensures it can't be recreated or recovered must be used.

We appreciate your efforts in this area. Careful attention to these strictures will benefit both your company and ours.

© 2006 American International Group, Inc.
The material contained herein is proprietary to the member companies of American International Group, Inc. and is intended for use only by Program Administrators. Unauthorized disclosure, dissemination, copying, or other use of this material without the expressed written permission of AIG is strictly prohibited.

AIG

PROGRAM DIVISION

100 Summer Street/19th Floor, Boston, MA 02110
phone 617-330-1100 / fax 617-330-8595