

Contact: Andrew Silver
Public Relations Manager
(212) 770-3141

**AIG HIGHER EDUCATION RISK SOLUTIONSSM FORMED TO ADDRESS
COLLEGE AND UNIVERSITY RISKS**

NEW YORK, March 4, 2004 – American International Group, Inc. (AIG), today announced the formation of AIG Higher Education Risk SolutionsSM, a division of the property and casualty insurance subsidiaries of AIG, to address the growing risks faced by colleges and universities. The new unit's Educators EliteSM product line offers a comprehensive range of property-casualty insurance solutions to cover the distinct liabilities of the higher education market.

“Institutions of higher learning face diverse exposures,” said Tim McAuliffe, unit leader of AIG Higher Education Risk Solutions. “Dormitory fires, a food-borne illness in the dining hall, or an allegation of harassment in a classroom are just a few of the events that can have disastrous consequences for an educational facility. Leveraging the AIG companies’ experience handling specialized claims, AIG Higher Education Risk Solutions helps mitigate these risks so that colleges and universities can focus on the day-to-day activities involved in educating students.”

AIG Higher Education Risk Solutions offers public and private colleges, universities, junior colleges and trade schools nationwide a broad range of customized coverages. The Educators Elite line includes:

- General property insurance, providing up to \$100 million in capacity for property risks on campus and around the world;
- Property terrorism insurance that goes beyond the federally mandated terror cover and responds to losses arising from terrorist acts committed in the U.S. or abroad;
- Primary general and management liability insurance with substantial limits and various attachment points;
- Excess casualty insurance, providing up to \$150 million in excess protection for general liability exposures;
- Employment practices liability insurance for wrongful termination, sexual harassment and discrimination claims;
- Educators’ liability insurance, covering claims alleging breach of duty or negligence related to curriculum, employment practices and fiduciary responsibilities against trustees, faculty, administrators and volunteers; and
- Accident and health and travel accident insurance for students and faculty studying or traveling abroad.

For more information on AIG Higher Education Risk Solutions, please contact Tim McAuliffe at 212-770-2194 or LexHigherEd@aig.com.

- more -

AIG Higher Education Risk Solutions Formed...

March 4, 2004

Page 2

#

AIG is the world's leading international insurance and financial services organization, with operations in approximately 130 countries and jurisdictions. AIG member companies serve commercial, institutional and individual customers through the most extensive worldwide property-casualty and life insurance networks of any insurer. In the United States, AIG companies are the largest underwriters of commercial and industrial insurance and AIG American General is a top-ranked life insurer. AIG's global businesses also include financial services, retirement services and asset management. AIG's financial services businesses include aircraft leasing, financial products, trading and market making. AIG's growing global consumer finance business is led in the United States by American General Finance. AIG also has one of the largest U.S. retirement services businesses through AIG SunAmerica and AIG VALIC, and is a leader in asset management for the individual and institutional markets, with specialized investment management capabilities in equities, fixed income, alternative investments and real estate. AIG's common stock is listed on the New York Stock Exchange, as well as the stock exchanges in London, Paris, Switzerland and Tokyo.

#

Insurance is underwritten by member companies of American International Group, Inc., and is subject to underwriting review and approval. The description herein is a summary only. It does not include all terms, conditions and exclusions of the policies described. Please refer to the actual policies for complete details of coverage and exclusions. Coverage may not be available in all states. Non-insurance products may be provided through independent third parties.