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To

NY Banksup AIG Monitoring and Analysis

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Subject

AIG- Lead point

Feedback is welcome

AIG is a \$1 trillion asset global retail distributor of insurance products. The company has a iconic franchise with over 300 legally separate distribution channels, most of which use the flagship name. Slightly more than half of operations reside in the US and the remainder overseas. The firm has been a trusted name in millions of households for many decades, and has noteworthy historical presence in Asia. Within the wholesale arena, the firm has noteworthy exposures to large European banks, many using insurance vehicles to facilitate regulatory capital relief.

The size, name, franchise and market presence (wholesale and retail) raise questions about potential worldwide contagion, should this franchise become impaired.