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To our valued agents and brokers:

I'd like to take a moment to acknowledge and thank you for your support over the past year. There is no question that the later half of 2008 was a challenging period not only for AIG, but for many of our customers and broker partners. Despite these challenges and thanks to the efforts of all of you, AIG Private Client Group's Western Zone results were quite good. These results could not have been achieved without the partnership we have formed with you over the past eight years. We are certain that our success translates equally to your success.

I'd like to share with you some of the highlights achieved by AIG Private Client Group's Western Zone.

- On a base of over \$275 million in gross written premium, we achieved in excess of 20% growth on our net written premiums in 2008 and in spite of our parent company's issues, we grew our business in the fourth quarter!
- Our 2008 customer retention continues to exceed 95%.
- We ended the year with a reported loss ratio below 50%.
- We doubled the size of our Wildfire Protection Unit in 2008 which was instrumental in helping prevent several total losses in Montecito.
- We continued our quest to bring you new products and services in 2008 by introducing in many marketplaces:
 - Our new automobile policy and enhanced coverages
 - Expanded our mechanical breakdown offerings
 - Introduced a limited health care policy for domestic staff
 - Introduced AIG Green Rebuilding Cost Coverage
- In addition to managing a centralized underwriting center in San Diego, we established a local underwriting presence in our two largest marketplaces; Los Angeles and San Francisco.

Looking forward, our game plan has not changed. We will continue to bring you and our customers the best value proposition in the high net worth marketplace. We are anticipating a challenging 2009, but one where we still are expecting to grow our written premium in excess of 10%. In the weeks and months to follow we will keep you apprised of our progress. We once again thank you for your support. We couldn't have done it without you.

Best regards,

A handwritten signature in black ink, appearing to read "Van Den Heuvel", written in a cursive style.