

## **Carefully Consider AIG's Problem**

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Your Sept. 23 op-ed by four members of Congress, "[Insurance Companies Need a Federal Regulator](#)," mischaracterizes the regulatory infrastructure in the marketplace today, and as a consequence, their argument for a federal insurance regulator misses the mark.

While AIG has supported the establishment of an optional federal charter to cover the insurance industry for years, the current state-based insurance regulatory structure is sound, and has proved to be extraordinarily effective during the current financial turmoil. Consumers are protected, as the authors note, and AIG's policyholders are secure. The AIG insurance entities regulated by the states are indeed sound and have been, and continue to be, ready, willing and able to pay all claims.

Importantly, throughout this turbulence in the market, the state-regulated entities were never the source of any disruptions, a fact that is too often overlooked when the discussion turns to the liquidity issues the parent company faced before its agreement with the Federal Reserve.

And, as every senator and representative knows, crisis situations never beget legislation that, in the long run, is in the best interests of consumers. The issues we face on our path forward are complex and need to be reviewed in time and in depth.

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