

Press Releases

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OTS 07-011 - OTS Receives EU Equivalency Designation for Supervision of AIG

Office of Thrift Supervision

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For further information

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OTS Receives EU Equivalency Designation for Supervision of AIG

WASHINGTON, D.C. -- The Office of Thrift Supervision (OTS) announced today that the French bank regulator, Commission Bancaire, has determined that the OTS provides equivalent consolidated supervision for American International Group, Inc. (AIG). The Commission Bancaire determination, made on January 17, 2007, is in accordance with the EU's Financial Conglomerates Directive (FCD), which took effect January 1, 2005.

The Commission Bancaire, coordinating supervisor of AIG's European operations, consulted on this designation with France's insurance regulator and the UK's Financial Services Authority. This is the third designation in which the OTS has been recognized as an equivalent consolidated regulator of a holding company conglomerate under the EU's FCD.

The EU's FCD requires financial conglomerates operating in Europe to be subject to worldwide supervision equivalent to that required in the EU. The OTS worked extensively for several years with the European Commission, the Commission Bancaire and other EU regulators to achieve the equivalency designation for OTS supervised firms. Pursuant to this effort and in addition to today's announcement, the OTS has received FCD equivalency designations from the UK Financial Services Authority for its supervision of the General Electric Company (see OTS 04-054 - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2004-54.pdf>) and for Ameriprise Financial (see OTS 06-040 - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2006-40.pdf>).

"This determination ensures supervision of AIG's global activities will occur with a minimum of regulatory overlap," said C.K. Lee, OTS Assistant Managing Director for Complex and International Organizations. Lee added, "OTS worked extensively with the Commission Bancaire for the past two years to achieve this designation. This finding will deepen our cooperation with the French and other EU regulators."

The OTS regulates AIG by authority provided under Section 10 of the Home Owners' Loan Act (HOLA). The OTS is the consolidated supervisor of AIG by virtue of AIG's ownership of a federal savings bank, AIG FSB. AIG is one of the world's largest financial conglomerates, with

business segments that include general insurance, life insurance and retirement services, financial services, and asset management.

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The Office of Thrift Supervision, an office of the Department of the Treasury, regulates and supervises the nation's thrift industry. OTS's mission is to ensure the safety and soundness of, and compliance with consumer protection laws by, thrift institutions, and to support their role as home mortgage lenders and providers of other community credit and financial services. OTS also oversees the activities and operations of thrift holding companies that own or control thrift institutions. Copies of OTS news releases and other documents are available at the OTS web page at www.ots.treas.gov.
