



DEPARTMENT OF THE ATTORNEY GENERAL

**News Release**

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GOVERNOR

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**LAWSUIT FILED TO IMPLEMENT INSURANCE SETTLEMENT**

HONOLULU - Attorney General Mark Bennett today announced that Hawaii and nine other jurisdictions initiated state court proceedings to implement a settlement reached with American International Group, Inc. (AIG).

Today's state court filing alleged that AIG participated in bid-rigging, price-fixing and customer allocation schemes in the commercial insurance market. A stipulated judgment also submitted today resolves the allegations. AIG did not admit the allegations, but agreed to the stipulated judgment to avoid the uncertainty and expense of protracted litigation.

In the stipulation, AIG has agreed to, among other matters, prohibitions intended to prevent future marketplace abuses by AIG, subject to court supervision and enforcement by the State, for a period of ten years.

Prior to the settlement, AIG paid out compensation for overcharges to a nationwide group of policyholders, including those in Hawaii, and adopted significant business reforms that govern its bidding and underwriting practices. AIG will be required to abide by those reforms. AIG has cooperated with the multi-state task force and agreed to provide assistance to the states as they continue their investigation.

(more)

"We are pleased that we will be able to bring greater transparency and fairness to the commercial insurance markets in Hawaii as a result of the reforms agreed to by AIG," stated Bennett.

In addition to Hawaii, settling with AIG are the attorneys general of the States of Florida, Maryland, Massachusetts, Michigan, Oregon, Pennsylvania, Texas, West Virginia, and the District of Columbia, the Florida Department of Financial Services, and the Florida Office of Insurance Regulation.

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