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STATE OF ARIZONA  
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JUN 14 2012

DEPARTMENT OF INSURANCE

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In the Matter of: )  
AMERICAN INTERNATIONAL GROUP, INC. )  
MULTISTATE TARGETED MARKET )  
CONDUCT EXAMINATION )  
  
Respondent. )

No. 11A-026-INS MS

AMENDED ORDER AND  
ADOPTION OF REGULATORY  
SETTLEMENT AGREEMENT

On February 22, 2011, the Arizona Director of Insurance ("Director") issued an Order and Adoption of Regulatory Settlement Agreement. The Order adopted the provisions of the Regulatory Settlement Agreement in the Multistate Targeted Market Conduct Examination ("Examination") of Respondent American International Group, Inc. ("AIG") and its affiliated insurers writing workers compensation insurance. A copy of the Order, without exhibits, is attached hereto.

The Director Ordered AIG to comply with all terms of the Regulatory Settlement agreement and, consistent with the terms of the Agreement, pay both the fine in the amount of \$2,134, 829 and agreed total taxes in the amount of \$2,228,222 to the Arizona Department of Insurance ("Department") for deposit in the State's General Fund. Subsequent to that Order, the Department concluded that the fine and penalties are still payable to the Department for deposit in the State's General fund; however, the Department will transmit the agreed total taxes to the Industrial Commission of Arizona ("ICA"). The ICA would have been the appropriate recipient of AIG's taxes and

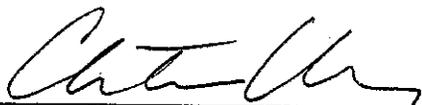
1 assessments if they had been initially reported and paid consistent with the premium  
2 reallocation schedule described in the Regulatory Settlement Agreement.

3 IT IS HEREBY ORDERED THAT:

4 1. As set forth in the February 22, 2011 Order, AIG shall comply with all terms of  
5 the Regulatory Settlement Agreement and, consistent with the terms of the Agreement, pay  
6 to the Arizona Department of Insurance for deposit in the State's General Fund a fine in the  
7 amount of \$2,143,829.

8 2. The February 22, 2011 Order is hereby amended to reflect that AIG shall pay  
9 the agreed total taxes of \$2,228,222 to the State of Arizona, rather than the Department,  
10 and upon receipt of that amount, the Department shall transmit the check to the Industrial  
11 Commission of Arizona.

12  
13 DATED this 13<sup>th</sup> day of June, 2012.

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16 CHRISTINA URIAS, Director  
17 Participating Regulator  
18 Arizona Department of Insurance  
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1 COPY of the foregoing mailed this  
2 14th day of June, 2012 to:

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*Maiden Schuman*