



March 9, 2009
National Underwriter

To the Editor:

I am writing in regard to the March 5 article entitled "Senators Rip N.Y. and U.S. Regulators Over AIG Mess." I find it ironic that U.S. Senators are criticizing New York's Insurance Superintendent when a review of the facts clearly shows the portion of AIG that led to its financial woes is AIG's non-insurance (I repeat, non-insurance) operations, namely their Financial Products division, which was and is still overseen by a federal agency, the U.S. Office of Thrift Supervision. In fact, the main reason AIG remains a viable company is the strength and soundness of their core insurance operations. These core insurance functions are regulated by the states, including New York, and not by the federal government. Given these facts, it is puzzling why U.S. Senators would be so quick to lambaste the New York Insurance Superintendent over AIG's financial troubles. Perhaps, to paraphrase Shakespeare, these U.S. Senators "doth protest too much."

Sincerely,

A handwritten signature in black ink that reads "Ellen Melchionni".

Ellen Melchionni, President
New York Insurance Association, Inc.