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**AIG VALIC INTRODUCES INDEPENDENT INVESTMENT
ADVISORY SERVICES INTO K-12 403(B) MARKET**

*New Product Platform Combines Investment Selection Expertise of Ibbotson Associates
with AIG VALIC's Compliance and Administrative Services*

HOUSTON, November 15, 2007 – AIG VALIC, a national leader in retirement plan services for both non-profit and for-profit education, healthcare and government organizations, today announced that it has entered into an agreement with Ibbotson Associates, a registered investment advisor and wholly owned subsidiary of Morningstar, Inc., to launch a new 403(b) product enhancement for the K-12 education market. Ibbotson will create and monitor a list of investment options derived from the offerings available in VALIC's *Portfolio Director* variable annuity. This service provides plan sponsors with independent, third-party expertise from Ibbotson in the selection and oversight of their plans' investment choices.

AIG VALIC's new *Portfolio Director Ibbotson Solutions*®, which combines Ibbotson's investment advisory services with VALIC's industry-leading 403(b) compliance and administrative capabilities, is the first program of its kind to be launched in the K-12 education market. It is specifically developed for the thousands of small plan sponsors found in the education market today, many of whom lack the in-house resources necessary to provide rigorous plan compliance now required in 403(b) plans and investment oversight.

"At AIG VALIC, we believe that serving the education community means serving the entire community," said Bruce R. Abrams, President and CEO of VALIC and the VALIC Retirement Services Company. "With our new *Portfolio Director Ibbotson Solutions*®, we're raising the bar for the education market once again, delivering a service that can ensure that all 403(b) plan sponsors, from the largest plan size to the smallest, will have access to world-class investment selection and monitoring. This service is offered at no additional expense to plan sponsors and their participants."

Ibbotson Associates, a leader in asset allocation, will make its selection of investment options from those available in AIG VALIC's *Portfolio Director* variable annuity. The list will be reviewed and updated periodically to ensure that the funds continue to meet Ibbotson's rigorous criteria. Ibbotson will monitor both quantitative factors, such as fund performance, as well as qualitative factors including changes in fund managers and investment philosophies, potential regulatory actions and other relevant investor information.

"While many of our competitors have made investments in these types of services for larger, for-profit segments of the market," added Abrams, "we were determined to develop a solution that would meet the special needs of the education community. *Portfolio Director Ibbotson Solutions*® achieves that goal. The combination of plan compliance services and independent investment expertise provides a comprehensive program that protects school districts from having to divert resources away from their educational commitments and priorities."

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AIG VALIC Introduced Independent Advisory Services Into K-12 403(b) Market

Portfolio Director Ibbotson Solutions® represents a continuation of VALIC's successful collaboration with Ibbotson to bring independent advisory services to the 403(b) market. In 2003, AIG VALIC pioneered the use of independent third-party investment advice and automated portfolio management services under the SunAmerica advisory opinion from the U.S. Department of Labor. Ibbotson Associates provides the investment advisory services for these Guided Portfolio Services, which today has more than \$7 billion in assets under management.

“Our goal is to develop a list of suitable investment options that provides plan participants with the tools they need to create appropriate portfolios that match their risk tolerance and retirement objectives,” said Peng Chen, President of Ibbotson Associates. “The list must be broad enough to allow participants to build diversified portfolios, but not so expansive that they're overwhelmed by choice.”

AIG VALIC is one of the leading retirement plan service providers in the United States. For more than half a century, it has specialized in providing retirement programs and related investment, recordkeeping and administrative services to employers and employees of for-profit and not-for-profit elementary and secondary education institutions, hospitals and healthcare organizations, higher education institutions and governmental entities. AIG VALIC serves 28,000 client groups and more than two million participants. AIG VALIC is the marketing name for the group of companies comprising VALIC Financial Advisors, Inc.; VALIC Retirement Services Company; and The Variable Annuity Life Insurance Company (VALIC); each of which is a subsidiary of American International Group, Inc.

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Morningstar, Inc. (NASDAQ: MORN) is a leading provider of independent investment research in the United States and in major international markets. The company offers an extensive line of Internet, software, and print-based products and services for individuals, financial advisors, and institutions. Morningstar provides data on more than 250,000 investment offerings, including stocks, mutual funds, and similar vehicles. The company has operations in 16 countries and minority ownership positions in companies based in three other countries. Ibbotson Associates is a registered investment advisor and wholly owned subsidiary of Morningstar, Inc. Founded by Professor Roger Ibbotson in 1977, Ibbotson Associates is a leading authority on asset allocation, offering managed retirement accounts, funds of funds consulting and sub-advisory work, and a variety of investment management consulting services.

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American International Group, Inc. (AIG), world leaders in insurance and financial services, is the leading international insurance organization with operations in more than 130 countries and jurisdictions. AIG companies serve commercial, institutional and individual customers through the most extensive worldwide property-casualty and life insurance networks of any insurer. In addition, AIG companies are leading providers of retirement services, financial services and asset management around the world. AIG's common stock is listed on the New York Stock Exchange, as well as the stock exchanges in Paris, Switzerland and Tokyo.

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