

*Notes of a telephone conversation with Joseph St Dennis (JStD) on Monday 22 October 2007- ex head of accounting policy at AIGFP undertaken as part of a SAS99 interview and an exit interview as he had recently resigned from his position and had left the company.*

I asked JStD why he had left AIGFP. He explained that the he had left for 2 main reasons:

- He felt that the work load was an issue and not something he had experienced before and ultimately not something he was happy to continue. His move was a "quality of life" decision.
- Secondly he described it as a "stylistic issue" in connection with his interactions/communications with Corporate; he did not where he stood from an "FP management" perspective and was not getting a consistent message of what was expected from him.

I asked JStD exactly what he meant in connection with his ability to interact with Corporate. Had he ever not discussed issues with Corporate? Joe said he had a free and open channel with corporate and used it when he felt he need to. I asked him to expand on his reason for leaving if that was the case.

He said that he could not fully understand what "FP management" expected of him. At times he was given significant latitude to do his job while at other times he was "micro managed". Ultimately this caused "tremendous friction with management" as he felt there was a lack of clear communication of what was expected of him - or views would change unexpectedly. I asked who FP management were - Joe Cassano; William Kolbert - Joe declined to answer despite my pressing and just referred to FP management.

He said he "did not feel he had a view of the expectations of FP management" given this lack of clear communication and differences in management philosophy he felt he and management were going down different paths and hence it was appropriate for him to leave.

I asked JStD if he was aware of any circumstances where anybody had knowingly attempted to manipulate the accounting results of the business or had he come under any pressure to give an inappropriate piece of accounting advice. JStD said he was not aware of any circumstances where this was the case.

He felt the AIG organisation had a robust series of controls over transactions and he was confident that the right accounting decision would be achieved. He was free to express his view and there were no instances where he had been under pressure on him to change his view.

I asked JStD if there was anything he felt PwC as auditors should know that he knew and had not been shared with us. He said he was not aware of anything and felt in his time with FP he had been open and keen to get PwC's view on technical issues. He felt PwC had been very helpful and he valued

their input and the relationship he had with them. He did not refer to the same "philosophical views" on his interaction with PwC.

I asked JStD if he was aware of any frauds or suspected any frauds within FP. He said he was not. I finally asked him if there was anything else he wanted to share with us that had not been previously covered. He said he had covered everything; he had enjoyed working with us and was keen to keep in touch.

10/25/07

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PWC-FCIC 000115