

## AIG To Pay \$42.5 Million For Environmental Cleanup

*by dow-jones*

The Department of Justice said American International Specialty Lines Insurance Co., a member company of American International Group Inc. (AIG), will pay \$42.5 million to clean up four contaminated sites in New Jersey, Michigan and Tennessee that were formerly owned by Fruit of the Loom.

The settlement calls for an initial payment of \$30 million plus interest accrued since May 15, and 10 annual payments of \$1.25 million.

"We are pleased to bring this matter to a conclusion on terms that are mutually agreeable to all of the parties involved, including the Department of Justice," said Chris Winans, a spokesman for AIG.

Trusts formed from the bankruptcy of Fruit of the Loom in 1999 tried to collect cleanup costs from AIG, a New York investment firm, under the insurance policy with AISLIC.

AISLIC denied coverage and sued the trusts in 2005.

The settlement, according to the Justice Department, brings a resolution to all active litigation involving the cleanup, which included the trusts and AISLIC, as well as four other government agencies, including the Environmental Protection Agency.

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Source: Dow Jones Newswires

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