



## **AIG LAUNCHES A NEW EQUITY CROWDFUNDING INSURANCE PRODUCT TO PROTECT INVESTORS**

*First policy signed with Dubai-headquartered crowdfunding platform*

**26 May 2016** - American International Group, Inc. has launched a new product for the fast-growing global crowdfunding investment industry. This is the first new insurance product developed specifically to protect investors on equity crowdfunding platforms against issuer fraud.

Crowdfunding platforms enable innovators to bring their ideas to life and also give retail investors the opportunity to provide capital for start-ups and growth stage companies around the world. Historically, only high net worth individuals and institutional investors such as venture capital funds and private equity firms were offered these opportunities.

“As a sector still in its infancy, equity crowdfunding platforms are only as strong as the confidence they instill in their investors,” said Lex Baugh, President of Liability and Financial Lines. “This new product will help provide that confidence and help to support this asset class as it matures.”

Crowdfunding Fidelity protects individual investors against the theft of issuer assets by issuer directors, officers, or general employees which cause a direct loss to the individual investor.

By subscribing to this innovative new product, crowdfunding platforms will enhance the value they can offer investors by offering protection against issuer fraud. Although there have been limited instances of fraud in this sector so far, this new product helps to build investor trust in this emerging sector by working closely with the platforms to ensure underlying issuer trustworthiness.

The coverage is currently available to platforms in the UK and Canada. As other countries finalize regulations for companies to raise capital, this policy can be customized to local needs of equity-based crowdfunding platforms.

Eureeca, an equity crowdfunding platform registered in the UK and based in Dubai, is the first platform to purchase the coverage and make this protection against issuer fraud available to investors. AIG engaged with Eureeca to gain a deeper understanding of the industry’s risk exposures, ensuring that the product was designed specifically to address these needs. Eureeca launched in 2013 and focuses on providing deals from the Middle East, Europe, and Southeast Asia.

“Crowdfunding Fidelity is a great example of how AIG learns together with the industries and clients it serves to better meet their strategic needs. We are looking forward to building similar relationships with other platforms across the world and to expanding our offering to this sector,” said Mr. Baugh.

Chris Thomas, Co-Chief Executive Officer and Founder of Eureeca said, “The new power of the crowd and the desire to democratize investing throughout the world can unleash great partnerships. The success of the ecosystem depends on collaboration between all stakeholders. AIG has demonstrated its commitment to being a valued insurer to this new industry by engaging the crowdfunding space at such an early stage.”

**Ends**



## Notes to editors

American International Group, Inc. (AIG) is a leading global insurance organization. Founded in 1919, today we provide a wide range of property casualty insurance, life insurance, retirement products, mortgage insurance and other financial services to customers in more than 100 countries and jurisdictions. Our diverse offerings include products and services that help businesses and individuals protect their assets, manage risks and provide for retirement security. AIG common stock is listed on the New York Stock Exchange and the Tokyo Stock Exchange.

Additional information about AIG can be found at [www.aig.com](http://www.aig.com) and [www.aig.com/strategyupdate](http://www.aig.com/strategyupdate) | YouTube: [www.youtube.com/aig](http://www.youtube.com/aig) | Twitter: @AIGinsurance | LinkedIn: <http://www.linkedin.com/company/aig>. These references with additional information about AIG have been provided as a convenience, and the information contained on such websites is not incorporated by reference into this press release.

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