

Explanatory Note

This filing is identical to the Amendment No. 8 to Schedule 13D previously filed except that pages 4 and 5 appearing herein were omitted from the previous filing due to an error in transmission by the filing agent.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D
Under the Securities Exchange Act of 1934

(Amendment No. 8)

20th Century Industries

(Name of Issuer)

Common Stock, Without Par Value

(Title of Class of Securities)

901272 20 3

(CUSIP Number)

Florence Davis, General Counsel
American International Group, Inc.
70 Pine Street, NYC, NY 10270 (212) 770-7000

(Name, Address and Telephone Number of Person Authorized
to Receive Notices and Communications)

July 14, 1998

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(b) (3) or (4), check the following box: [].

NOTE: Six copies of this statement, including all exhibits, should be filed with the Commission. See Rule 13d-1(a) for other parties to whom copies are to be sent.

CUSIP NO. 901272 20 3

(1) NAME OF REPORTING PERSON/S.S. OR I.R.S.
IDENTIFICATION NO. OF ABOVE PERSON

American International Group, Inc.
(I.R.S. Identification No. 13-2592361)

(2) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP
(a) / /
(b) / /

(3) SEC USE ONLY

(4) SOURCES OF FUNDS
WC, OO

(5) CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) OR 2(e)
/ /

(6) CITIZENSHIP OR PLACE OF ORGANIZATION
Incorporated in the State of Delaware

NUMBER OF	(7) SOLE VOTING POWER
SHARES	
BENEFICIALLY	(8) SHARED VOTING POWER
OWNED BY	44,021,323
EACH	(9) SOLE DISPOSITIVE POWER
REPORTING	
PERSON WITH	(10) SHARED DISPOSITIVE POWER
	44,021,323

(11) AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
44,021,323

(12) CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES
/ /

(13) PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
50.3%

(14) TYPE OF REPORTING PERSON
HC, CO

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CUSIP NO. 901272 20 3

(1) NAME OF REPORTING PERSON/S.S. OR I.R.S.
IDENTIFICATION NO. OF ABOVE PERSON

American Home Assurance Company
(I.R.S. Identification No. 13-5124990)

(2) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP
(a) / /
(b) / /

(3) SEC USE ONLY

(4) SOURCES OF FUNDS
OO

(5) CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) OR 2(e)

/ /

(6) CITIZENSHIP OR PLACE OF ORGANIZATION

Incorporated in the State of New York

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	(7) SOLE VOTING POWER
	(8) SHARED VOTING POWER 10,920,766
	(9) SOLE DISPOSITIVE POWER
	(10) SHARED DISPOSITIVE POWER 10,920,766

(11) AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

10,920,766

(12) CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES

/ /

(13) PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

12.5%

(14) TYPE OF REPORTING PERSON

IC, CO

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CUSIP NO. 901272 20 3

(1) NAME OF REPORTING PERSON/S.S. OR I.R.S.
IDENTIFICATION NO. OF ABOVE PERSON

Commerce & Industry Insurance Company
(I.R.S. Identification No. 31-1938623)

(2) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) / /

(b) / /

(3) SEC USE ONLY

(4) SOURCES OF FUNDS

OO

(5) CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) OR 2(e)

/ /

(6) CITIZENSHIP OR PLACE OF ORGANIZATION

Incorporated in the State of New York

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	(7) SOLE VOTING POWER
	(8) SHARED VOTING POWER 5,414,828
	(9) SOLE DISPOSITIVE POWER
	(10) SHARED DISPOSITIVE POWER 5,414,828

(11) AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

5,414,828

(12) CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES

/ /

(13) PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

6.2%

(14) TYPE OF REPORTING PERSON

IC, CO

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CUSIP NO. 901272 20 3

(1) NAME OF REPORTING PERSON/S.S. OR I.R.S.
IDENTIFICATION NO. OF ABOVE PERSON

New Hampshire Insurance Company
(I.R.S. Identification No. 02-0172170)

(2) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) / /
(b) / /

(3) SEC USE ONLY

(4) SOURCES OF FUNDS

OO

(5) CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) OR 2(e)

/ /

(6) CITIZENSHIP OR PLACE OF ORGANIZATION

Incorporated in the State of Pennsylvania

NUMBER OF
SHARES

(7) SOLE VOTING POWER

BENEFICIALLY

(8) SHARED VOTING POWER

OWNED BY

5,414,828

EACH

(9) SOLE DISPOSITIVE POWER

REPORTING

PERSON WITH

(10) SHARED DISPOSITIVE POWER

5,414,828

(11) AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

5,414,828

(12) CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES

/ /

(13) PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

6.2%

(14) TYPE OF REPORTING PERSON

IC, CO

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CUSIP NO. 901272 20 3

- (1) NAME OF REPORTING PERSON/S.S. OR I.R.S.
IDENTIFICATION NO. OF ABOVE PERSON

National Union Fire Insurance Company of Pittsburgh, Pa.
(I.R.S. Identification No. 25-0687550)

- (2) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP
 - (a) / /
 - (b) / /

- (3) SEC USE ONLY

- (4) SOURCES OF FUNDS

WC, OO

- (5) CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) OR 2(e)
 - / /

- (6) CITIZENSHIP OR PLACE OF ORGANIZATION

Incorporated in the State of Pennsylvania

- | | |
|---|---|
| NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON WITH | (7) SOLE VOTING POWER |
| | (8) SHARED VOTING POWER
22,270,901 |
| | (9) SOLE DISPOSITIVE POWER |
| | (10) SHARED DISPOSITIVE POWER
22,270,901 |

- (11) AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

22,270,901

- (12) CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES

/ /

- (13) PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

25.4%

- (14) TYPE OF REPORTING PERSON

IC, CO

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ITEM 1. SECURITY AND ISSUER.

This Amendment No. 8 amends and supplements Items 4, 5, 6 and 7 of the Statement on Schedule 13D dated December 16, 1994, as amended and supplemented by Amendment No. 1 to Schedule 13D dated March 23, 1995, Amendment No. 2 to Schedule 13D dated January 20, 1998, Amendment No. 3 to Schedule 13D

dated April 9, 1998, Amendment No. 4 to Schedule 13D dated May 12, 1998, Amendment No. 5 to Schedule 13D dated June 4, 1998, Amendment No. 6 to Schedule 13D dated June 15, 1998 and Amendment No. 7 to Schedule 13D dated June 25, 1998 ("Schedule 13D"), previously filed by American International Group, Inc., a Delaware corporation ("AIG"), relating to the common stock, without par value ("Common Stock"), of 20th Century Industries, a California corporation (the "Company"). The principal executive offices of the Company are located at Suite 700, 6301 Owensmouth Avenue, Woodland Hills, California 91367.

Each capitalized term used in this statement which is defined in the Schedule 13D shall have the meaning ascribed thereto in the Schedule 13D.

ITEM 4. PURPOSE OF TRANSACTION

AIG intends to exercise the Series A Warrants and convert the shares of Series A Preferred Stock during the third quarter of 1998 so that it will own in excess of 50 percent of the Common Stock by the end of such quarter, thereby allowing AIG to account for its investment in the Company on a consolidated basis.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER.

(a). Between June 26, 1998 and July 7, 1998, AIG, through its subsidiary American Home, purchased 383,500 shares of Common Stock in open market transactions effected on the New York Stock Exchange at prices ranging from \$28.6250 to \$28.9375 per share.

AIG has entered into a stock purchase agreement dated as of July 10, 1998 (the "Stock Purchase Agreement") with (i) Gladyce L. Foster and Robert Scott Foster as Trustees of the Louis W. Foster and Gladyce L. Foster Revocable Trust Dated December 10, 1991, (ii) Gregory A. Foster, (iii) R. Scott Foster, (iv) Basil G. Witt and Judith Witt as Trustees of the Witt Family Trust Dated June 24, 1996, (v) Christina Kirkpatrick and (vi) R. Scott Foster as Trustee of the R. Scott Foster, M.D., Inc., 401(k) Profit Sharing Plan and Trust, (the "Sellers") whereby the parties agreed that AIG (directly or through one or more of its wholly-owned subsidiaries) shall purchase from the Sellers 4,576,001 shares of Common Stock (the "Shares") for a purchase price of \$29.00 per share. The Stock Purchase Agreement provides that the closing of the purchase of the Shares shall take place as soon as practicable following the satisfaction or waiver of customary conditions set forth therein and the parties have agreed to use their best efforts to assure that the closing takes place no later than July 16, 1998. The closing under the Stock Purchase Agreement occurred with respect to 4,376,001 Shares on July 14, 1998 and is expected to occur promptly with respect to the remaining Shares. AIG purchased or intends to effect the purchase of the Shares through National Union.

American Home's, National Union's and each other AIG Sub's current ownership interests in the Company and the Common Stock are as shown in the following table:

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Company (and state of domicile)	Number of Shares	Number of Shares of Common Stock Obtainable Upon Conversion/ Exercise	Percentage of Fully Diluted Shares of Common Stock Outstanding (1)
American Home Assurance Company (New York)	102,250 shares of Series A Preferred Stock (2)	9,024,713	10.31%
	1,896,053 shares of Common	1,896,053	2.17

	Stock (3)		
Commerce & Industry Insurance Company (New York)	61,350 shares of Series A Preferred Stock (2)	5,414,828	6.18
New Hampshire Insurance Company (Pennsylvania)	61,350 shares of Series A Preferred Stock (2)	5,414,828	6.18
National Union Fire Insurance Company of Pittsburgh, Pa. (Pennsylvania)	16 Million Series A Warrants (4)	16,000,000	18.27
	6,270,901 shares of Common Stock (5)	6,270,901	7.16
		-----	-----
	Total Common Shares	44,021,323	50.27

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- (1) Based on the number of shares of Common Stock outstanding as of April 24, 1998 (51,715,380 shares) as reported by the Company in its Quarterly Report on Form 10-Q for the three month period ended March 31, 1998, as adjusted to give effect to the issuance of shares of Common Stock issuable on full conversion of the 224,950 shares of Series A Preferred Stock and on full exercise of the 16 million Series A Warrants.

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- (2) The aggregate number of shares of Series A Preferred Stock owned by the AIG Subs is 224,950, representing 200,000 shares purchased at the time of the initial investment in December 1994, 20,000 shares purchased in March 1995 when the Investment Agreement was amended and 4,950 shares issued as a pay-in-kind dividend by the Company in 1995. To date, the AIG Subs have not converted any shares of Series A Preferred Stock. The aggregate number of shares of Common Stock obtainable upon full conversion is 19,854,369 (or 22.67% of fully converted shares).
- (3) American Home purchased 298,000 shares of Common Stock prior to November, 1991. American Home purchased 547,400 shares of Common Stock in open market transactions effected on the New York Stock Exchange between April 23, 1998 and May 12, 1998 and 667,153 shares of Common Stock in open market transactions effected on the New York Stock Exchange between June 16, 1998 and June 25, 1998. American Home purchased an additional 383,500 Shares of Common Stock in open market transactions effected on the New York Stock Exchange as follows:

DATE	SHARES	PRICE
June 26, 1998	8,200	\$28.6250
"	3,800	\$28.6875
"	33,000	\$28.7500
June 29, 1998	700	\$28.6875
"	22,500	\$28.8125
"	26,800	\$28.8750
June 30, 1998	10,600	\$28.8125
"	6,500	\$28.8750
July 1, 1998	5,200	\$28.9375
July 2, 1998	17,000	\$28.9375
July 6, 1998	600	\$28.9375
"	100	\$28.8750
"	181,000	\$28.8750
July 7, 1998	67,500	\$28.9375

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- (4) The 16 million Series A Warrants were purchased at the time of the initial investment in December 1994 and to date the AIG Subs have not exercised any Series A Warrants.
- (5) National Union Purchased 602,000 shares of Common Stock prior to June, 1994. National Union purchased an additional 557,500 shares of Common Stock in open market transactions effected on the New York Stock Exchange between May 13, 1998 and June 4, 1998 and 535,400 shares of Common Stock in open market transactions effected on the New York Stock Exchange between June 5, 1998 and June 15, 1998. In addition, AIG entered into the Stock Purchase Agreement under which it agreed to purchase 4,576,001 shares of Common Stock. The purchase of 4,376,001 shares of Common Stock thereunder was consummated by AIG through National Union on July 14, 1998. The purchase of the remaining shares of Common Stock thereunder will be consummated by AIG through National Union promptly in accordance with the Stock Purchase Agreement.

(b). AIG and each AIG Sub share voting and dispositive power as to the securities owned by such AIG Sub.

(c). AIG, American Home, Commerce and Industry, National Union, New Hampshire, SICO, The Starr Foundation and Starr, and, to the best of each of their knowledge, the Covered Persons, have not engaged in any transactions in the Common Stock within the past 60 days, except for (i) the purchase by American Home between May 15, 1998 and July 7, 1998 of 1,050,653 shares of Common Stock as described above in footnote (3) and (ii) the purchase by National Union between May 15, 1998 and June 15, 1998, of 1,029,600 shares of Common Stock, the purchase of 4,376,001 shares of Common Stock pursuant to the Stock Purchase Agreement on July 14, 1998 and the agreement to purchase the remaining shares of Common Stock pursuant to the Stock Purchase Agreement, which purchases were or will be, as the case may be, consummated by AIG through National Union, as described above in footnote (5).

(d) and (e). Not applicable.

ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER

AIG entered into the Stock Purchase Agreement described above in Item 5 and attached hereto as Exhibit 1.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS.

(A) EXHIBIT 1 -- Stock Purchase Agreement, dated as of July 10, 1998, among AIG, Gladyce L. Foster and Robert Scott Foster as Trustees of the Louis W. Foster and Gladyce L. Foster Revocable Trust Dated December 10, 1991, Gregory A. Foster, R. Scott Foster, Basil G. Witt and Judith Witt as Trustees of the Witt Family Trust Dated June 24, 1996, Christina Kirkpatrick, and R. Scott Foster as Trustee of the R. Scott Foster, M.D., Inc., 401(k) Profit Sharing Plan and Trust.

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SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief,

I certify that the information set forth in this statement is true, complete and correct.

Dated: July 14, 1998

AMERICAN INTERNATIONAL GROUP, INC.

By: /s/ Kathleen E. Shannon

Kathleen E. Shannon, Vice President,
Secretary and Associate General Counsel

AMERICAN HOME ASSURANCE COMPANY

By: /s/ Edward E. Matthews

Edward E. Matthews,
Senior Vice President

COMMERCE AND INDUSTRY INSURANCE COMPANY

By: /s/ Edward E. Matthews

Edward E. Matthews,
Senior Vice President

NATIONAL UNION FIRE INSURANCE COMPANY
OF PITTSBURGH, PA.

By: /s/ Edward E. Matthews

Edward E. Matthews,
Senior Vice President

NEW HAMPSHIRE INSURANCE COMPANY

By: /s/ Edward E. Matthews

Edward E. Matthews, Vice President

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EXHIBIT INDEX

(A) EXHIBIT 1 -- Stock Purchase Agreement, dated as of July 10, 1998, among AIG, Gladyce L. Foster and Robert Scott Foster as Trustees of the Louis W. Foster and Gladyce L. Foster Revocable Trust Dated December 10, 1991, Gregory A. Foster, R. Scott Foster, Basil G. Witt and Judith Witt as Trustees of the Witt Family Trust Dated June 24, 1996, Christina Kirkpatrick, and R. Scott Foster as Trustee of the R. Scott Foster, M.D., Inc., 401(k) Profit Sharing Plan and Trust.

STOCK PURCHASE AGREEMENT

STOCK PURCHASE AGREEMENT, dated as of July 10, 1998, among AMERICAN INTERNATIONAL GROUP, INC., a Delaware corporation (the "Purchaser"), GLADYCE L. FOSTER AND ROBERT SCOTT FOSTER AS TRUSTEES OF THE LOUIS W. FOSTER AND GLADYCE L. FOSTER REVOCABLE TRUST DATED DECEMBER 10, 1991 (the "Foster Trust"), Gregory A. Foster ("G. A. Foster"), R. SCOTT FOSTER ("R. S. Foster"), BASIL G. WITT AND JUDITH WITT AS TRUSTEES OF THE WITT FAMILY TRUST DATED JUNE 24, 1996 (the "Witt Trust"), CHRISTINA KIRKPATRICK ("Kirkpatrick") and R. SCOTT FOSTER AS TRUSTEE OF THE R. SCOTT FOSTER, M.D., INC., 401(k) PROFIT SHARING PLAN AND TRUST (the "Profit Sharing Trust", and together with the Foster Trust, the Witt Trust, G. A. Foster, R. S. Foster and Kirkpatrick, the "Sellers").

WHEREAS, as of the date hereof, the Foster Trust is the owner of 3,862,848 shares (the "Foster Trust Shares"), G. A. Foster is the owner of 235,849 shares (the "G. A. Foster Shares") R. S. Foster is the owner of 253,098 shares (the "R. S. Foster Shares"), the Witt Trust is the owner of 100,000 shares (the "Witt Trust Shares"), Kirkpatrick is the owner of 100,000 shares (the "Kirkpatrick Shares") and the Profit Sharing Trust is the owner of 24,206 shares (the "Profit Sharing Shares" and, together with the Foster Trust Shares, the Witt Trust Shares, the Kirkpatrick Shares, the G. A. Foster Shares and the R. S. Foster Shares, the "Shares") of Common Stock, without par value (the "Common Stock"), of 20th Century Industries, a California corporation (the "Company").

WHEREAS, each of the Sellers wish to sell, and the Purchaser wishes to purchase, either directly or through one or more of its wholly-owned subsidiaries, the Shares.

NOW THEREFORE, in consideration of the premises set out herein and for other good and valuable consideration given to each party hereto, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

Section 1. Sale and Purchase. Subject to the terms and conditions herein set forth, the Purchaser agrees to purchase from the Sellers and each of the Sellers agrees to sell and deliver, or cause to be sold and delivered, to the Purchaser, free and clear of all liens, proxies, claims, pledges, charges, security interests, preemptive rights, restrictions and encumbrances of any nature whatsoever, the Shares.

Section 2. Consideration and Payment. Upon the terms and subject to the conditions herein set forth, on the Closing Date (as defined in Section 4 hereof),

(a) each of the Sellers shall deliver to American Stock Transfer & Trust Company, as transfer agent for the Company (the "Transfer Agent"), a certificate or certificates for its respective Shares, duly endorsed in blank or with stock powers attached duly executed in blank, in proper form for transfer, with all signatures properly guaranteed,

or in proper form for settlement through the book-entry system of The Depository Trust Company, together with all other cash, stock or other property required to be delivered to the Purchaser pursuant to Section 3(a) hereof. The Sellers shall pay all stamp and other taxes, if any, which may be payable in respect of the sale and delivery to the Purchaser of the Shares. In the event that certain of the Shares are not in proper form for transfer and settlement as of the Closing Date, the Sellers shall deliver such Shares as are in proper form to the Transfer Agent, the Purchaser shall pay the Purchase Price (as hereinafter defined) for such Shares, and the Sellers shall use their best efforts to deliver the remaining Shares in proper form for transfer and settlement as soon as practicable thereafter, and the Purchaser shall pay the Purchase Price for such remaining Shares by wire transfer of federal funds to the bank or banks and for accounts designated by the Sellers of such Shares upon their delivery to the Transfer Agent; and

(b) Immediately upon receipt from the Transfer Agent of an acknowledgment that Share certificates have been delivered to the Transfer Agent in good order with viable instructions to the Transfer Agent to issue Shares to the Purchaser, the Purchaser shall deliver to the Sellers, by wire transfer of federal funds to a bank or banks and for accounts to be designated by the Sellers, Twenty-Nine dollars (\$29.00) per share (the "Purchase Price"), for each of the Shares delivered and purchased hereunder. For purposes of this Section, acknowledgment by the Transfer Agent may be by telephone confirmation or facsimile transmission.

Section 3. Adjustments to the Purchase Price. The Purchase Price payable to the Sellers hereunder will be subject to adjustment as follows:

(a) Any dividend or other distribution (whether in cash, stock or otherwise) on the Shares to be sold by the Sellers pursuant hereto with a record date after the date of this Agreement and prior to the Closing Date shall be delivered by the Sellers to the Purchaser on the Closing Date (or as soon as practicable thereafter if the payment or distribution date occurs subsequent to the Closing Date); provided, however, that the Purchaser acknowledges and agrees that any cash dividend declared on the Shares with a record date prior to the date hereof but not paid to the Seller prior to the Closing Date shall be for the account of the Sellers. In the event of any merger, consolidation or other business combination of the Company prior to the Closing Date, the Sellers shall deliver to the Purchaser on the Closing Date the total consideration received by the Sellers upon consummation of any such transaction.

(b) The number of Shares hereunder shall be appropriately adjusted in the event of any stock split or other dividend, split-up, recapitalization, combination, exchange of shares or the like or any other action that would have the effect of changing or diluting the Purchaser's rights hereunder or changing or increasing the Sellers' ownership of any securities of the Company.

Section 4. The Closing. Subject to Section 9 hereof, the closing for the sale of the Shares under this Agreement shall take place at the offices of the Purchaser, 70 Pine Street, New

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York, New York, on July 13, 1998 or as soon as practicable following, but in no event later than the first business day following, the satisfaction or waiver of the conditions herein set forth; provided, however, that the parties agree to use their best efforts to assure that the closing takes place no later than July 16, 1998 and provided, further, that if the Sellers have fulfilled and complied with all conditions and obligations under this Agreement and the Purchaser has not purchased the Shares within three business days after such conditions and obligations have been fulfilled by the Sellers, the Sellers shall have no obligation to sell or deliver the Shares to the Purchaser. The date and time for the closing are herein referred to as the "Closing Date".

Section 5. Other Covenants of The Sellers. During the term of this Agreement, the Sellers agree that they shall not sell, transfer, assign, encumber, pledge, tender or otherwise dispose of, or grant any proxies or consents (other than to the Purchaser or a designee thereof) with respect to, any Shares, or enter into any contract, option or other arrangement or understanding with respect to the voting, sale, transfer, pledge, tender, assignment, encumbrance or other disposition, directly or indirectly, of any Shares, other than pursuant to this Agreement.

Section 6. Term. Except as otherwise specifically provided herein, the obligations of the Purchaser and the Sellers under this Agreement shall terminate one year following the Closing Date (the "Expiration Date").

Section 7. Representations and Warranties of the Purchaser. The Purchaser represents and warrants to the Sellers that: (a) the Purchaser is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware; (b) the execution, delivery and performance of this Agreement by the Purchaser and the consummation by it of the transactions contemplated hereby have been approved by all necessary corporate action on the part of the Purchaser; and (c) this Agreement has been duly executed and delivered by the Purchaser and constitutes a valid and binding obligation of the Purchaser, enforceable in accordance with its terms, subject to bankruptcy,

insolvency, fraudulent transfer, reorganization, moratorium and other similar laws of general applicability relating to or affecting creditors' rights and to general equity principles.

Section 8. Representations and Warranties of the Sellers. The Sellers each hereby represent and warrant to the Purchaser that: (a) the execution, delivery and performance of this Agreement by each Seller and the consummation by each Seller of the transactions contemplated hereby have been approved by all necessary action on the part of each Seller; (b) this Agreement has been duly executed and delivered by each Seller and constitutes a valid and binding obligation of each Seller, enforceable in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other similar laws of general applicability relating to or affecting creditors' rights and to general equity principles, and performance by each of the Sellers of this Agreement will not (i) conflict with, require a consent, waiver or approval under, or result in a breach of or default under, any of the terms of any contract, commitment or other obligation (written or oral) to which any Seller is party or by which any Seller is bound; (ii) violate any order, writ, injunction, decree or statute, or any rule or regulation, applicable to any Seller or any of the properties or assets of any Seller; or (iii) result in the creation of, or impose any obligation on any Seller to create, any lien, charge or other encumbrance of any nature whatsoever upon the Shares; (c) each Seller has full right, power and authority to sell the Shares it has agreed to sell hereunder;

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(d) each Seller owns the Shares it has agreed to sell hereunder, free and clear of all liens, proxies, claims, pledges, charges, security interests, preemptive rights, restrictions and encumbrances of any nature whatsoever; and (e) upon transfer of the Shares to the Purchaser pursuant hereto, the Purchaser will acquire good and marketable title thereto, free and clear of all liens, proxies, claims, pledges, charges, security interests, preemptive rights, restrictions and encumbrances of any nature whatsoever.

Section 9. Certain Conditions Precedent. Notwithstanding any other provision of this Agreement, the Purchaser shall not be obligated to purchase the Shares pursuant hereto if any of the following conditions exist:

(a) the representations and warranties of the Sellers contained in Section 8 hereof shall be incorrect in any material respect or the Sellers shall have failed to comply in any material respect with their respective obligations and covenants as herein set forth;

(b) (i) the Foster Trust shall have failed to deliver an opinion from Warren & Herman, counsel to the Foster Trust, (ii) the Witt Trust shall have failed to deliver an opinion from counsel to the Witt Trust, or (iii) the Profit Sharing Trust shall have failed to deliver an opinion from counsel to the Profit Sharing Trust, substantially in the form attached hereto as Annex A;

(c) a preliminary or permanent injunction or other order by a court or governmental agency of competent jurisdiction located in the United States shall have been issued and remain in effect that would (i) make the acquisition or holding by the Purchaser of some or all of the Shares illegal, or (ii) impose material limitations on the ability of the Purchaser effectively to acquire or hold or to exercise full rights of ownership of the Shares acquired by it, including, but not limited to, the right to vote the Shares purchased by it on all matters properly presented to the stockholders of the Company; or

(d) The Company shall have taken any action or shall have declared any form of dividend or other distribution to its stockholders that, as a result of the purchase of the Shares by the Purchaser, could have, directly or indirectly, an adverse effect on the Purchaser or diminish the value of (i) the Shares if they were to be beneficially owned by the Purchaser or (ii) any other securities, options, warrants or rights to purchase securities of the Company that are beneficially held by the Purchaser or any of its subsidiaries.

The foregoing conditions are for the sole benefit of the Purchaser and may be waived by the Purchaser in whole or in part and such conditions will not survive the closing of the sale of the Shares.

Section 10. Brokers. The Sellers and the Purchaser represent to each other that neither they nor any of their respective affiliates have employed any broker or finder or incurred any liability for any brokerage or finder's fees or commissions or expenses related thereto in connection with the negotiation, execution or consummation of this Agreement or any of the transactions contemplated hereby and respectively agree to indemnify and hold the others harmless from and

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against any and all claims, liabilities or obligations with respect to any such fees, commissions or expenses asserted by any person on the basis of any act or statement alleged to have been made by such party or its affiliate.

Section 11. Specific Performance. Each Seller acknowledges that damages would be an inadequate remedy for any breach by the Sellers of the provisions of this Agreement and agrees that the obligations of the Sellers hereunder shall be specifically enforceable and the Sellers shall not take any action to impede the Purchaser from seeking to enforce such right of specific performance.

Section 12. Notices. All notices, requests, claims, demands and other communications hereunder shall be effective upon receipt (or refusal of receipt), shall be in writing and shall be delivered in person, by cable, telegram or telex, or by mail (registered or certified mail, postage prepaid, return receipt requested) to the Sellers at c/o Freeman & D'Aiuto, 1818 Grand Canal Boulevard, Suite 4, Stockton, California 95207, Attention: Maxwell M. Freeman, Esq. and to the Purchaser at 70 Pine Street, New York, New York 10270, Attention: Chief Financial Officer, or to such other address as any party may have furnished to the other parties in writing in accordance herewith.

Section 13. Binding Effect; Survival. Upon execution and delivery of this Agreement by the Purchaser, this Agreement shall become effective as to the Sellers at the time the Sellers execute and deliver this Agreement. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, personal representatives, successors and assigns. Notwithstanding anything to the contrary set forth in this Agreement, the representations and warranties included in Section 8 shall survive the purchase and sale of the Shares hereunder.

Section 14. Assignment. The Purchaser may, without the consent of the Sellers, assign its rights hereunder to any direct or indirect wholly owned subsidiary of the Purchaser, provided that any such assignment shall not affect the obligations of the Purchaser hereunder. The Sellers shall not have either the right or the power to assign or delegate any right or obligation hereunder to any other person or entity, and any such purported assignment or delegation shall be void.

Section 15. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to the principles of conflict of laws thereof.

Section 16. Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original, but all of which together shall constitute the Agreement.

Section 17. Effect of Headings. The section headings herein are for convenience only and shall not affect the construction hereof.

Section 18. Additional Agreements; Further Assurance. Subject to the terms and conditions herein provided, each of the parties hereto agrees to use all reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable

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to consummate and make effective the transactions contemplated by this Agreement. The Sellers will provide the Purchaser with all instruments of conveyance, assignment, transfer and delivery which may reasonably be requested by the Purchaser and will take reasonable steps to enable the Purchaser to obtain all rights and benefits provided to it hereunder.

Section 19. Severability. The invalidity or unenforceability of any

provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

Section 20. Amendment; Waiver. No amendment or waiver of any provision of this Agreement or consent to departure therefrom shall be effective unless in writing and signed by the Purchaser and the Sellers, in the case of an amendment, or by the party which is the beneficiary of any such provision, in the case of a waiver or a consent to departure therefrom.

Section 21. Filings; Press Releases. The Sellers agree that, except as may be required by law, the Sellers will not issue any press release or make any public filings or other statements with respect to the matters contemplated by this Agreement. To the extent any such release, filing or statement is legally required, the Sellers will provide the Purchaser with advance notice of the substance of any such release, filing or statement and otherwise cooperate with the Purchaser with respect thereto.

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IN WITNESS WHEREOF, this Agreement has been duly executed by the parties hereto all as of the day and year first above written.

AMERICAN INTERNATIONAL GROUP, INC.

By: /s/ HOWARD I. SMITH

Name: Howard I. Smith
Title: Executive Vice President

GLADYCE L. FOSTER AND ROBERT SCOTT FOSTER
AS TRUSTEES OF THE LOUIS W. FOSTER AND
GLADYCE L. FOSTER REVOCABLE TRUST

By: /s/ GLADYCE L. FOSTER

Name: Gladyce L. Foster
Title: Trustee

By: /s/ ROBERT SCOTT FOSTER

Name: Robert Scott Foster
Title: Trustee

/s/ ROBERT SCOTT FOSTER

ROBERT SCOTT FOSTER

BASIL G. WITT AND JUDITH WITT AS TRUSTEES OF
THE WITT FAMILY TRUST

By: /s/ BASIL G. WITT

Name: Basil G. Witt
Title: Trustee

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By: /s/ JUDITH WITT

Name: Judith Witt

Title: Trustee

/s/ CHRISTINA KIRKPATRICK

CHRISTINA KIRKPATRICK

R. SCOTT FOSTER AS TRUSTEE OF THE
R. SCOTT FOSTER, M.D., INC., 401(k) PROFIT
SHARING PLAN AND TRUST

By: /s/ R. SCOTT FOSTER

Name: R. Scott Foster
Title: Trustee

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/s/ GREGORY A. FOSTER

GREGORY A. FOSTER

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