As filed with the Securities and Exchange Commission on March 17, 2009

Registration No. 333-

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Form S-4

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

American International Group, Inc.

(Exact name of Registrant as specified in its charter)

Delaware	6331	13-2592361
(State or other jurisdiction of incorporation or organization)	*(Primary Standard Industrial Classification Code Number)*	*(I.R.S. Employer Identification No.)*

70 Pine Street
New York, New York 10270
(212) 770-7000
(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

Kathleen E. Shannon, Esq.
Senior Vice President, Secretary and Deputy General Counsel
American International Group, Inc.
70 Pine Street
New York, New York 10270
(212) 770-7000
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies To:
Robert W. Reeder III, Esq.
Ann Bailen Fisher, Esq.
Sullivan & Cromwell LLP
125 Broad Street
New York, New York 10004
(212) 558-4000

Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after the effective date of this registration statement.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. o

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

CALCULATION OF THE REGISTRATION FEE

Title of class of securities to be registered	Amount to be registered	Proposed maximum offering price per unit	Proposed maximum aggregate offering price(1)	Amount of registration fee
8.175% Series A-6 Junior Subordinated Debentures	$4,000,000,000	100%	$4,000,000,000	$223,200.00

(1) Estimated in accordance with Rule 457(f) under the Securities Act of 1933, as amended, solely for purposes of calculating the registration fee.

The Registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

Table of Contents

SUBJECT TO COMPLETION, DATED March 17, 2009

American International Group, Inc.

Offer to Exchange

$4,000,000,000 8.175% Series A-6 Junior Subordinated Debentures

For Any and All Outstanding

8.175% Series A-6 Junior Subordinated Debentures

THIS EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON , 2009, UNLESS EXTENDED BY US

The terms of the new junior subordinated debentures are substantially identical to the terms of the old junior subordinated debentures, except that the new junior subordinated debentures are registered under the Securities Act of 1933 (the "*Securities Act*"), and the transfer restrictions, registration rights and additional interest provisions currently applicable to the old junior subordinated debentures do not apply to the new junior subordinated debentures.

See "Risk Factors" on page 4 for a discussion of factors you should consider before tendering your old junior subordinated debentures for new junior subordinated debentures.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities, or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is , 2009

TABLE OF CONTENTS

Unless otherwise mentioned or unless the context requires otherwise, all references in this prospectus to the "Company", "AIG", "we", "our", "us" and similar references mean American International Group, Inc. and its subsidiaries.

You should rely only on the information contained in this prospectus or information contained in documents incorporated by reference in this prospectus. We have not authorized anyone to provide you with different information. This prospectus is an offer to exchange only the junior subordinated debentures offered by this prospectus and only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus is accurate only as of its date.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This prospectus and other publicly available documents, including the documents incorporated herein by reference, may include, and AIG's officers and representatives may from time to time make projections and statements which may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These projections and statements are not historical facts but instead represent only AIG's belief regarding future events, many of which, by their nature, are inherently uncertain and outside AIG's control. These projections and statements may address, among other things, the outcome of proposed transactions with the Federal Reserve Bank of New York and the United States Department of the Treasury, the number, size, terms, cost and timing of dispositions and their potential effect on AIG's businesses, financial condition, results of operations, cash flows and liquidity (and AIG at any time and from time to time may change its plans with respect to the sale of one or more businesses), AIG's exposures to subprime mortgages, monoline insurers and the residential and commercial real estate markets and AIG's strategy for growth, product development, market position, financial results and reserves. It is possible that AIG's actual results and financial condition will differ, possibly materially, from the anticipated results and financial condition indicated in these projections and statements. Factors that could cause AIG's actual results to differ, possibly materially, from those in the specific projections and statements include a failure to complete the proposed transactions with the Federal Reserve Bank of New York and the United States Department of the Treasury, developments in global credit markets and such other factors as discussed throughout Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations and in Part I, Item 1A. Risk Factors of AIG's Annual Report on Form 10-K for the year ended December 31, 2008. AIG is not under any obligation (and expressly disclaims any obligations) to update or alter any projection or other statement, whether written or oral, that may be made from time to time, whether as a result of new information, future events or otherwise.

WHERE YOU CAN FIND MORE INFORMATION

AIG is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "*Exchange Act*"), and files with the Securities and Exchange Commission (the "*SEC*") proxy statements, Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, as required of a U.S. listed company. You may read and copy any document AIG files at the SEC's public reference room in Washington, D.C. at 100 F Street, NE, Room 1580, Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference rooms. AIG's SEC filings are also available to the public from the SEC's website at www.sec.gov.

AIG's common stock is listed on the NYSE and trades under the symbol "AIG".

AIG has filed with the SEC a registration statement on Form S-4 relating to the exchange of old junior subordinated debentures for new junior subordinated debentures. This prospectus is part of the registration statement and does not contain all the information in the registration statement. Whenever a reference is made in this prospectus to a contract or other document, please be aware that the reference is not necessarily complete and that you should refer to the exhibits that are part of the registration statement for a copy of the contract or other document. You may review a copy of the registration statement at the SEC's public reference room in Washington, D.C. as well as through the SEC's internet site noted above.

The SEC allows AIG to "*incorporate by reference*" the information AIG files with the SEC (other than information that is deemed "furnished" to the SEC) which means that AIG can disclose important information to you by referring to those documents, and later information that AIG files with the SEC will automatically update and supersede that information as well as the information contained in this prospectus. AIG incorporates by reference the documents listed below and any filings made with the SEC under Section 13(a), 13(c), 14, or 15(d) of the Exchange Act after the time of initial filing of the registration statement (or post-effective amendment) and before effectiveness of the registration statement (or post-effective amendment), and after the date of this prospectus and until the exchange offer is completed (except for information in these documents or filings that is deemed "furnished" to the SEC).

(1) Annual Report on Form 10-K for the year ended December 31, 2008 and Amendment No. 1 on Form 10-K/A filed on March 13, 2009.

(2) Current Reports on Form 8-K, filed on January 7, 2009, January 23, 2009 (containing Items 1.01 and 9.01), February 12, 2009 and March 5, 2009 and the amendments on Form 8-K/A filed on January 14, 2009, March 13, 2009 and March 16, 2009(2).

AIG will provide without charge to each person, including any beneficial owner, to whom this prospectus is delivered, upon his or her written or oral request, a copy of any or all of the reports or documents referred to above that have been incorporated by reference into this prospectus excluding exhibits to those documents unless they are specifically incorporated by reference into those documents. You can request those documents from AIG's Director of Investor Relations, 70 Pine Street, New York, New York 10270, telephone 212-770-6293, or you may obtain them from AIG's corporate website at www.aigcorporate.com. You can also request from AIG's Director of Investor Relations, or obtain from AIG's corporate website, a copy of AIG's Current Report on Form 8-K, filed on May 20, 2008, which contains the replacement capital covenant discussed under "Replacement Capital Covenant". Except for the documents specifically incorporated by reference into this prospectus, information contained on AIG's website or that can be accessed through its website does not constitute a part of this prospectus. AIG has included its website address only as an inactive textual reference and does not intend it to be an active link to its website.

In order to ensure timely delivery of the requested documents, requests should be made no later than , 2009. In the event that we extend the exchange offer, you must submit your request at least five business days before the expiration date, as extended.

PROSPECTUS SUMMARY

The following summary highlights selected information from this prospectus and does not contain all of the information that you should consider before participating in this exchange offer. You should read the entire prospectus, the accompanying letter of transmittal and the documents incorporated by reference carefully.

American International Group, Inc.

AIG, a Delaware corporation, is a holding company which, through its subsidiaries, is engaged in a broad range of insurance and insurance-related activities in the United States and abroad. AIG's principal executive offices are located at 70 Pine Street, New York, New York 10270, and its main telephone number is 212-770-7000. The Internet address for AIG's corporate website is *www.aigcorporate.com*. Except for the documents referred to under "Where You Can Find More Information" which are specifically incorporated by reference into this prospectus, information contained on AIG's website or that can be accessed through its website does not constitute a part of this prospectus. AIG has included its website address only as an inactive textual reference and does not intend it to be an active link to its website.

The Exchange Offer

The Exchange Offer	AIG is offering to exchange up to $4,000,000,000 principal amount of its new 8.175% Series A-6 junior subordinated debentures (the "*new junior subordinated debentures*") which have been registered under the Securities Act for a like principal amount of its old 8.175% Series A-6 junior subordinated debentures (the "*old junior subordinated debentures*"). You may tender old junior subordinated debentures only in minimum denominations of $1,000 and integral multiples of $1,000 in excess thereof. You should read the discussion under the heading "The Exchange Offer" below for further information about the exchange offer and resale of the new junior subordinated debentures.
Expiration Date	5:00 p.m., New York City time, on , 2009, unless AIG extends the exchange offer.
Resale of New Junior Subordinated Debentures	Based on interpretive letters of the SEC staff to third parties, AIG believes that you may resell and transfer the new junior subordinated debentures issued pursuant to the exchange offer in exchange for old junior subordinated debentures without compliance with the registration and prospectus delivery provisions of the Securities Act, if you: • are not a broker-dealer that acquired the old junior subordinated debentures from AIG or in market-making transactions; • acquire the new junior subordinated debentures in the ordinary course of your business; • do not have an arrangement or understanding with any person to participate in the distribution of the new junior subordinated debentures; and • are not AIG's affiliate as defined in Rule 405 under the Securities Act.

	If you fail to satisfy any of these conditions, you must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a resale of the new junior subordinated debentures. Broker-dealers that acquired old junior subordinated debentures directly from AIG, but not as a result of market-making activities or other trading activities, must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a resale of the new junior subordinated debentures. Each broker-dealer that receives new junior subordinated debentures for its own account pursuant to the exchange offer in exchange for old junior subordinated debentures that it acquired as a result of market-making or other trading activities must comply with its prospectus delivery obligations in connection with any resale of the new junior subordinated debentures and provide AIG with a signed acknowledgment of compliance.
Consequences If You Do Not Exchange Your Old Junior Subordinated Debentures	Old junior subordinated debentures that are not tendered in the exchange offer or are not accepted for exchange will remain outstanding and continue to bear legends restricting their transfer. You will not be able to offer or sell the old junior subordinated debentures unless: • an exemption from the requirements of the Securities Act is available to you; or • you sell the old junior subordinated debentures outside the United States to non-U.S. persons in accordance with Regulation S under the Securities Act.
Conditions to the Exchange Offer	The exchange offer is subject to certain conditions, which AIG may waive, as described below under “The Exchange Offer — Conditions to the Exchange Offer.”
Procedures for Tendering Old Junior Subordinated Debentures	If you wish to accept the exchange offer, the following must be delivered to the exchange agent: • an agent’s message from The Depository Trust Company, which we refer to as DTC, stating that the tendering participant agrees to be bound by the letter of transmittal and the terms of the exchange offer; • your old junior subordinated debentures by timely confirmation of book-entry transfer through DTC; and • all other documents required by the letter of transmittal. These actions must be completed before the expiration of the exchange offer. You must comply with DTC’s standard procedures for electronic tenders, by which you will agree to be bound by the letter of transmittal.

Guaranteed Delivery Procedures for Tendering Old Junior Subordinated Debentures	If you cannot meet the expiration deadline, deliver any necessary documentation or comply with the applicable procedures under DTC standard operating procedures for electronic tenders in a timely fashion, you may tender your old junior subordinated debentures according to the guaranteed delivery procedures set forth under "The Exchange Offer — Guaranteed Delivery Procedures."
Withdrawal Rights	You may withdraw your tender of old junior subordinated debentures any time before the exchange offer expires.
Tax Consequences	The exchange pursuant to the exchange offer generally will not be a taxable event for U.S. federal income tax purposes. See "Certain United States Federal Income Tax Considerations."
Use of Proceeds	AIG will not receive any proceeds from the exchange or the issuance of new junior subordinated debentures in connection with the exchange offer.
Exchange Agent	The Bank of New York Mellon is serving as exchange agent in connection with the exchange offer. The address and telephone number of the exchange agent are set forth under "The Exchange Offer — Exchange Agent."
	The New Junior Subordinated Debentures
Issuer	The new junior subordinated debentures will be the obligations of AIG.
The New Junior Subordinated Debentures	$4,000,000,000 of 8.175% Series A-6 Junior Subordinated Debentures. The form and terms of the new junior subordinated debentures are the same as the form and terms of the old junior subordinated debentures, except that: • the new junior subordinated debentures will be registered under the Securities Act and will therefore not bear legends restricting their transfer; and • the new junior subordinated debentures will not contain provisions for payment of additional interest in case of non-registration. The same junior subordinated debt indenture, dated March 13, 2007, as supplemented on May 20, 2008 by the ninth supplemental indenture, will govern both the old junior subordinated debentures and the new junior subordinated debentures. You should read the discussion under the heading "Description of Terms of the New Junior Subordinated Debentures" below for further information about the new junior subordinated debentures.
Trustee	The Bank of New York Mellon

RISK FACTORS

Before tendering old junior subordinated debentures in the exchange offer, you should consider carefully each of the following risk factors, as well as the risk factors set forth in Item 1A of Part I of AIG's Annual Report on Form 10-K for the year ended December 31, 2008 (see "Where You Can Find More Information" in this prospectus).

If you fail to exchange the old junior subordinated debentures, they will remain subject to transfer restrictions.

Any old junior subordinated debentures that remain outstanding after this exchange offer will continue to be subject to restrictions on their transfer. After this exchange offer, holders of old junior subordinated debentures will not have any further rights to have their old junior subordinated debentures exchanged for new junior subordinated debentures registered under the Securities Act. The liquidity of the market for old junior subordinated debentures that are not exchanged could be adversely affected by this exchange offer and you may be unable to sell your old junior subordinated debentures.

Late deliveries of old junior subordinated debentures and other required documents could prevent a holder from exchanging its old junior subordinated debentures.

Holders are responsible for complying with all exchange offer procedures. The issuance of new junior subordinated debentures in exchange for old junior subordinated debentures will only occur upon completion of the procedures described in this prospectus under "The Exchange Offer." Therefore, holders of old junior subordinated debentures who wish to exchange them for new junior subordinated debentures should allow sufficient time for timely completion of the exchange procedure. Neither we nor the exchange agent are obligated to extend the offer or notify you of any failure to follow the proper procedure.

If you are a broker-dealer, your ability to transfer the new junior subordinated debentures may be restricted.

A broker-dealer that purchased old junior subordinated debentures for its own account as part of market-making or trading activities must comply with the prospectus delivery requirements of the Securities Act when it sells the new junior subordinated debentures. Our obligation to make this prospectus available to broker-dealers is limited. Consequently, we cannot guarantee that a proper prospectus will be available to broker-dealers wishing to resell their new junior subordinated debentures.

There has not been, and there may not be, a public market for the new junior subordinated debentures.

Prior to this exchange offer, there was no public market for the new junior subordinated debentures, and if an active trading market does not develop for the new junior subordinated debentures, you may not be able to resell them. We do not intend to apply to list the new junior subordinated debentures on any national securities exchange or any automated quotation system. The lack of a trading market could adversely affect your ability to sell the new junior subordinated debentures and the price at which you may be able to sell the new junior subordinated debentures. The liquidity of the trading market, if any, and future trading prices of the new junior subordinated debentures will depend on many factors, including, among other things, the market price of the other series of junior subordinated debentures issued by AIG, prevailing interest rates, our operating results, financial performance and prospects, the market for similar securities and the overall securities market, and may be adversely affected by unfavorable changes in these factors.

USE OF PROCEEDS

We will not receive any proceeds from the exchange offer. In consideration for issuing the new junior subordinated debentures, we will receive old junior subordinated debentures from you in the same principal amount. The old junior subordinated debentures surrendered in exchange for the new junior subordinated debentures will be retired and canceled and cannot be reissued. Accordingly, issuance of the new junior subordinated debentures will not result in any change in our indebtedness.

CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth the historical ratios of earnings to fixed charges of AIG and its consolidated subsidiaries for the periods indicated. For more information on our consolidated ratios of earnings to fixed charges, see our Annual Report on Form 10-K for the year ended December 31, 2008, which is incorporated by reference into this prospectus as described under "Where You Can Find More Information."

	Year Ended December 31,				
2008	2007	2006	2005	2004
(a)	1.78	3.39	2.98	3.44

(a) Earnings were inadequate to cover total fixed charges by $108,788 million for the year ended December 31, 2008. The coverage deficiency for total fixed charges excluding interest credited to guaranteed investment contract and guaranteed investment agreement policy and contract holders was $106,296 million for the year ended December 31, 2008, as discussed in AIG's Annual Report on Form 10-K for the year ended December 31, 2008.

Earnings represent:

- Income from operations before income taxes and adjustments for minority interest

Plus

- Fixed charges other than capitalized interest
- Amortization of capitalized interest
- The distributed income of equity investees

Less

- The minority interest in pre-tax income of subsidiaries that do not have fixed charges.

Fixed charges include:

- Interest, whether expensed or capitalized
- Amortization of debt issuance costs
- The proportion of rental expense deemed representative of the interest factor by the management of AIG.

THE EXCHANGE OFFER

The following summary of the exchange and registration rights agreement and letter of transmittal is not complete and is subject to, and is qualified in its entirety by, all of the provisions of the exchange and registration rights agreement and the letter of transmittal, each of which is filed as an exhibit to the registration statement of which this prospectus is part.

Purpose and Effect of Exchange Offer; Registration Rights

We are offering to exchange our 8.175% Series A-6 Junior Subordinated Debentures, which have been registered under the Securities Act and which we refer to as the new junior subordinated debentures, for our outstanding 8.175% Series A-6 Junior Subordinated Debentures, which have not been so registered and which we refer to as the old junior subordinated debentures. We refer to this exchange offer as the exchange offer.

The old junior subordinated debentures were purchased by Citigroup Global Markets Inc., J.P. Morgan Securities Inc., Banc of America Securities LLC, Barclays Capital Inc., Lehman Brothers Inc., Mitsubishi UFJ Securities International plc, Mizuho Securities USA Inc., Daiwa Securities America Inc., RBC Capital Markets Corporation, Santander Investment Securities Inc., KeyBanc Capital Markets, Inc., Scotia Capital (USA) Inc., Wells Fargo Securities, LLC, ANZ Securities, Inc., nabCapital Securities, LLC, BMO Capital Markets Corp., TD Securities (USA) LLC, ING Bank N.V., Calyon Securities, SunTrust Robinson Humphrey, Inc., NatCity

Investments, Inc., BBVA Securities, Inc. and CIBC World Markets Corp., whom we collectively refer to as the initial purchasers, on May 20, 2008 for resale to qualified institutional buyers in compliance with Rule 144A under the Securities Act and outside of the United States to non-U.S. persons in compliance with Regulation S under the Securities Act. In connection with the sale of the old junior subordinated debentures, we and the initial purchasers entered into an exchange and registration rights agreement, dated May 20, 2008, which requires us, among other things,

- to file with the SEC an exchange offer registration statement under the Securities Act with respect to new junior subordinated debentures identical in all material respects to the old junior subordinated debentures, to use commercially reasonable efforts to cause this registration statement to be declared effective under the Securities Act and to make an exchange offer for the old junior subordinated debentures as discussed below, or
- in very limited circumstances to register the old junior subordinated debentures on a shelf registration statement under the Securities Act.

We are obligated, upon the effectiveness of the exchange offer registration statement referred to above, to offer the holders of the old junior subordinated debentures the opportunity to exchange their old junior subordinated debentures for a like principal amount of new junior subordinated debentures which will be issued without a restrictive legend and may be reoffered and resold by the holder generally without restrictions or limitations under the Securities Act. The exchange offer is being made pursuant to the exchange and registration rights agreement to satisfy our obligations under that agreement.

The old junior subordinated debentures and the exchange and registration rights agreement provide, among other things, that if we default in our obligations to take certain steps to make the exchange offer within the time periods specified in the registration rights agreement, the interest rate on the old junior subordinated debentures will initially increase by .125% and after 90 days (if the default continues) by .125%, the maximum additional annual interest rate, until the default is remedied.

Under the terms of the old junior subordinated debentures and the exchange and registration rights agreement, additional interest accrues on the old junior subordinated debentures until the exchange offer is completed or May 20, 2010. However, once the exchange offer is completed or after May 20, 2010, no additional interest will accrue on any old junior subordinated debenture.

Terms of the Exchange Offer

For each of the old junior subordinated debentures properly surrendered and not withdrawn before the expiration date of the exchange offer, a new junior subordinated debenture having a principal amount equal to that of the surrendered old junior subordinated debenture will be issued.

The form and terms of the new junior subordinated debentures will be the same as the form and terms of the old junior subordinated debentures except that:

- the new junior subordinated debentures will be registered under the Securities Act and, therefore, the global securities representing the new junior subordinated debentures will not bear legends restricting the transfer of interests in the new junior subordinated debentures; and
- the new junior subordinated debentures will not contain provisions for payment of additional interest in case of non-registration.

You may tender old junior subordinated debentures only in minimum denominations of $1,000 and integral multiples of $1,000 in excess thereof.

The new junior subordinated debentures will evidence the same indebtedness as the old junior subordinated debentures they replace, and will be issued under, and be entitled to the benefits of, the same indenture that authorized the issuance of the old junior subordinated debentures. As a result, the old junior subordinated debentures and the respective replacement new junior subordinated debentures will be treated as a single series of junior subordinated debentures under the indenture.

No interest will be paid in connection with the exchange. The new junior subordinated debentures will bear interest from and including the last interest payment date on which interest has been paid on the old junior subordinated debentures. Accordingly, the holders of old junior subordinated debentures that are accepted for exchange will not receive accrued but unpaid interest on old junior subordinated debentures at the time of tender. Rather, that interest will be payable on the new junior subordinated debentures delivered in exchange for the old junior subordinated debentures on the first interest payment date after the expiration date.

Under existing SEC interpretations, the new junior subordinated debentures would generally be freely transferable after the exchange offer without further registration under the Securities Act, except that broker-dealers receiving the new junior subordinated debentures in the exchange offer will be subject to a prospectus delivery requirement with respect to their resale. This view is based on interpretations by the staff of the SEC in no-action letters issued to other issuers in exchange offers like this one. We have not, however, asked the SEC to consider this particular exchange offer in the context of a no-action letter. Therefore, the SEC might not treat it in the same way it has treated other exchange offers in the past. You will be relying on the no-action letters that the SEC has issued to third parties in circumstances that we believe are similar to ours. Based on these no-action letters, the following conditions must be met in order to receive freely transferable new junior subordinated debentures:

- you must not be a broker-dealer that acquired the old junior subordinated debentures from us or in market-making transactions;
- you must acquire the new junior subordinated debentures in the ordinary course of your business;
- you must have no arrangements or understandings with any person to participate in the distribution of the new junior subordinated debentures within the meaning of the Securities Act; and
- you must not be an affiliate of ours, as defined under Rule 405 of the Securities Act.

If you wish to exchange old junior subordinated debentures for new junior subordinated debentures in the exchange offer you must represent to us that you satisfy all of the above listed conditions. If you do not satisfy all of the above listed conditions:

- you cannot rely on the position of the SEC set forth in the no-action letters referred to above; and
- you must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a resale of the new junior subordinated debentures.

The SEC considers broker-dealers that acquired old junior subordinated debentures directly from us, but not as a result of market-making activities or other trading activities, to be making a distribution of the new junior subordinated debentures if they participate in the exchange offer. Consequently, these broker-dealers must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a resale of the new junior subordinated debentures.

A broker-dealer that has bought old junior subordinated debentures for market-making or other trading activities must comply with the prospectus delivery requirements of the Securities Act in order to resell any new junior subordinated debentures it receives for its own account in the exchange offer. The SEC has taken the position that broker-dealers may use this prospectus to fulfill their prospectus delivery requirements with respect to the new junior subordinated debentures. We have agreed in the exchange and registration rights agreement to send a prospectus to any broker-dealer that requests copies in the notice and questionnaire included in the letter of transmittal accompanying the prospectus for a period of up to 30 days after the date of expiration of this exchange offer.

Unless you are required to do so because you are a broker-dealer, you may not use this prospectus for an offer to resell, resale or other retransfer of new junior subordinated debentures. We are not making this exchange offer to, nor will we accept tenders for exchange from, holders of old junior subordinated debentures in any jurisdiction in which the exchange offer or the acceptance of it would not be in compliance with the securities or blue sky laws of that jurisdiction.

Expiration Date; Extensions; Amendments

The expiration date for the exchange offer is 5:00 p.m., New York City time, on , 2009. We may extend this expiration date in our sole discretion. If we so extend the expiration date, the term "*expiration date*" shall mean the latest date and time to which we extend the exchange offer.

We reserve the right, in our sole discretion:

- to delay accepting any old junior subordinated debentures;
- to extend the exchange offer;
- to terminate the exchange offer if, in our sole judgment, any of the conditions described below under "— Conditions to the Exchange Offer" shall not have been satisfied; or
- to amend the terms of the exchange offer in any way we determine.

We will give oral or written notice of any delay, extension or termination to the exchange agent. In addition, we will give, as promptly as practicable, oral or written notice regarding any delay in acceptance, extension or termination of the offer to the registered holders of old junior subordinated debentures. If we amend the exchange offer in a manner that we determine to constitute a material change, or if we waive a material condition, we will promptly disclose the amendment or waiver in a manner reasonably calculated to inform the holders of old junior subordinated debentures of the amendment or waiver, and extend the offer if required by law.

We intend to make public announcements of any delay in acceptance, extension, termination, amendment or waiver regarding the exchange offer through a timely release to a financial news service.

Conditions to the Exchange Offer

We will not be required to accept for exchange, or to exchange new junior subordinated debentures for, any old junior subordinated debentures, and we may terminate the exchange offer as provided in this prospectus before the acceptance of the old junior subordinated debentures, if:

- any law, rule or regulation shall have been proposed, adopted or enacted, or interpreted in a manner, which, in our judgment, would impair our ability to proceed with the exchange offer;
- any action or proceeding is instituted or threatened in any court or by the SEC or any other governmental agency with respect to the exchange offer which, in our judgment, would impair our ability to proceed with the exchange offer;
- we have not obtained any governmental approval which we, in our sole discretion, consider necessary for the completion of the exchange offer as contemplated by this prospectus;
- any change, or any condition, event or development involving a prospective change, shall have occurred or be threatened in the general economic, financial, currency exchange or market conditions in the United States or elsewhere that, in our judgment, would impair our ability to proceed with the exchange offer;
- any other change or development, including a prospective change or development, that, in our judgment, has or may have a material adverse effect on us, the market price of the new junior subordinated debentures or the old junior subordinated debentures or the value of the exchange offer to us; or
- there shall have occurred (i) any suspension or limitation of trading in securities generally on the New York Stock Exchange or the over-the-counter market; (ii) a declaration of a banking moratorium by United States Federal or New York authorities; or (iii) a commencement or escalation of a war or armed hostilities involving or relating to a country where we do business or other international or national emergency or crisis directly or indirectly involving the United States.

The conditions listed above are for our sole benefit and we may assert them regardless of the circumstances giving rise to any of these conditions. We may waive these conditions in our sole discretion in whole or in part at any time and from time to time. A failure on our part to exercise any of the above rights shall not constitute a waiver of that right, and that right shall be considered an ongoing right which we may assert at any time and from time to time.

If we determine in our sole discretion that any of the events listed above has occurred, we may, subject to applicable law:

- refuse to accept any old junior subordinated debentures and return all tendered old junior subordinated debentures to the tendering holders;
- extend the exchange offer and retain all old junior subordinated debentures tendered before the expiration of the exchange offer, subject, however, to the rights of holders to withdraw these old junior subordinated debentures; or
- waive unsatisfied conditions relating to the exchange offer and accept all properly tendered old junior subordinated debentures which have not been withdrawn.

Any determination by us concerning the above events will be final and binding.

In addition, we reserve the right in our sole discretion to:

- purchase or make offers for any old junior subordinated debentures that remain outstanding subsequent to the expiration date; and
- purchase old junior subordinated debentures in the open market, in privately negotiated transactions or otherwise.

The terms of any such purchases or offers may differ from the terms of the exchange offer.

Procedures For Tendering

Except in limited circumstances, only a DTC participant listed on a DTC securities position listing with respect to the old junior subordinated debentures may tender old junior subordinated debentures in the exchange offer. To tender old junior subordinated debentures in the exchange offer:

- you must instruct DTC and a DTC participant by completing the form "Instruction to Registered Holder From Beneficial Owner" accompanying this prospectus of your intention whether or not you wish to tender your old junior subordinated debentures for new junior subordinated debentures; or
- you must comply with the guaranteed delivery procedures described below; and
- DTC participants in turn need to follow the procedures for book-entry transfer as set forth below under "— Book-Entry Transfer" and in the letter of transmittal.

By tendering, you will make the representations described below under "— Representations on Tendering Old Junior Subordinated Debentures." In addition, each participating broker-dealer must acknowledge that it will comply with the prospectus delivery obligations under the Securities Act in connection with any resale of the new junior subordinated debentures. See "Plan of Distribution." The tender by a holder of old junior subordinated debentures will constitute an agreement between that holder and us in accordance with the terms and subject to the conditions set forth in this prospectus and in the letter of transmittal.

The method of delivery of old junior subordinated debentures, the letter of transmittal and all other required documents or transmission of an agent's message, as described under "— Book-Entry Transfer," to the exchange agent is at the election and risk of the tendering holder of old junior subordinated debentures. Instead of delivery by mail, we recommend that holders use an overnight or hand delivery service. In all cases, sufficient time should be allowed to assure timely delivery to the exchange agent prior to the expiration of the exchange offer. No letter of transmittal or old junior subordinated debentures should be sent to us or DTC. Delivery of documents to DTC in accordance with its procedures does not constitute delivery to the exchange agent.

Signatures on a letter of transmittal or a notice of withdrawal, as described in "— Withdrawal of Tenders" below, must be guaranteed by a member of the New York Stock Exchange Medallion Signature Program or an "eligible guarantor institution," within the meaning of Rule 17Ad-15 under the Exchange Act, which we refer to together as eligible institutions, unless the old junior subordinated debentures are tendered for the account of an eligible institution.

We will determine in our sole discretion all questions as to the validity, form, eligibility, including time of receipt, and acceptance and withdrawal of tendered old junior subordinated debentures. We reserve the absolute right to reject any and all old junior subordinated debentures not properly tendered or any old junior subordinated debentures whose acceptance by us would, in the opinion of our counsel, be unlawful. We also reserve the right to waive any defects, irregularities or conditions of tender as to any particular old junior subordinated debentures either before or after the expiration date. Our interpretation of the terms and conditions of the exchange offer, including the instructions in the letter of transmittal, will be final and binding on all parties. Unless waived, holders must cure any defects or irregularities in connection with tenders of old junior subordinated debentures within a period we determine. Although we intend to request the exchange agent to notify holders of defects or irregularities relating to tenders of old junior subordinated debentures, neither we, the exchange agent nor any other person will have any duty or incur any liability for failure to give this notification. We will not consider tenders of old junior subordinated debentures to have been made until these defects or irregularities have been cured or waived. The exchange agent will return any old junior subordinated debentures that are not properly tendered and as to which the defects or irregularities have not been cured or waived to the tendering holders, unless otherwise provided in the letter of transmittal, as soon as practicable following the expiration date.

Book-Entry Transfer

We understand that the exchange agent will make a request promptly after the date of this prospectus to establish accounts with respect to the old junior subordinated debentures at DTC for the purpose of facilitating the exchange offer. Any financial institution that is a participant in DTC's system may make book-entry delivery of old junior subordinated debentures by causing DTC to transfer such old junior subordinated debentures into the exchange agent's DTC account in accordance with DTC's electronic Automated Tender Offer Program procedures for such transfer. The exchange of new junior subordinated debentures for tendered old junior subordinated debentures will only be made after timely:

- confirmation of book-entry transfer of the old junior subordinated debentures into the exchange agent's account; and
- receipt by the exchange agent of an executed and properly completed letter of transmittal or an "agent's message" and all other required documents specified in the letter of transmittal.

The confirmation, letter of transmittal or agent's message and any other required documents must be received at the exchange agent's address listed below under "— Exchange Agent" on or before 5:00 p.m., New York City time, on the expiration date of the exchange offer, or, if the guaranteed delivery procedures described below are complied with, within the time period provided under those procedures.

As indicated above, delivery of documents to DTC in accordance with its procedures does not constitute delivery to the exchange agent.

The term "*agent's message*" means a message, transmitted by DTC and received by the exchange agent and forming part of the confirmation of a book-entry transfer, which states that DTC has received an express acknowledgment from a participant in DTC tendering old junior subordinated debentures stating:

- the aggregate principal amount of old junior subordinated debentures which have been tendered by the participant;
- that such participant has received an appropriate letter of transmittal and agrees to be bound by the terms of the letter of transmittal and the terms of the exchange offer; and
- that we may enforce such agreement against the participant.

Delivery of an agent's message will also constitute an acknowledgment from the tendering DTC participant that the representations contained in the letter of transmittal and described below under "Representations on Tendering Old Junior Subordinated Debentures" are true and correct.

Guaranteed Delivery Procedures

The following guaranteed delivery procedures are intended for holders who wish to tender their old junior subordinated debentures but:

- the holders cannot deliver the letter of transmittal or any required documents specified in the letter of transmittal before the expiration date of the exchange offer; or
- the holders cannot complete the procedure under DTC's standard operating procedures for electronic tenders before expiration of the exchange offer.

The conditions that must be met to tender old junior subordinated debentures through the guaranteed delivery procedures are as follows:

- the tender must be made through an eligible institution;
- before expiration of the exchange offer, the exchange agent must receive from the eligible institution either a properly completed and duly executed notice of guaranteed delivery in the form accompanying this prospectus, by facsimile transmission, mail or hand delivery, or a properly transmitted agent's message in lieu of notice of guaranteed delivery:
  - setting forth the name and number of the account at DTC and the principal amount of old junior subordinated debentures tendered;
  - stating that the tender is being made by guaranteed delivery;
- guaranteeing that, within three business days after expiration of the exchange offer, the letter of transmittal, or facsimile of the letter of transmittal, or an agent's message and a confirmation of a book-entry transfer of the old junior subordinated debentures into the exchange agent's account at DTC, and any other documents required by the letter of transmittal will be deposited by the eligible institution with the exchange agent; and
- the exchange agent must receive the properly completed and executed letter of transmittal, or facsimile of the letter of transmittal or an agent's message in the case of a book-entry transfer, as well as a confirmation of book-entry transfer of the old junior subordinated debentures into the exchange agent's account, and any other documents required by the letter of transmittal, within three business days after expiration of the exchange offer.

Upon request to the exchange agent, a notice of guaranteed delivery will be sent to holders who wish to tender their old junior subordinated debentures according to the guaranteed delivery procedures set forth above.

Representations on Tendering Old Junior Subordinated Debentures

By surrendering old junior subordinated debentures in the exchange offer, you will be representing that, among other things:

- you are acquiring the new junior subordinated debentures issued in the exchange offer in the ordinary course of your business;
- you are not participating, do not intend to participate and have no arrangement or understanding with any person to participate, in the distribution of the new junior subordinated debentures issued to you in the exchange offer;
- you are not an affiliate, as defined in Rule 405 under the Securities Act, of AIG;
- you have full power and authority to tender, exchange, assign and transfer the old junior subordinated debentures tendered;
- we will acquire good, marketable and unencumbered title to the old junior subordinated debentures being tendered, free and clear of all security interests, liens, restrictions, charges, encumbrances, or other obligations relating to their sale or transfer, and not subject to any adverse claim, when the old junior subordinated debentures are accepted by us; and

- you acknowledge and agree that if you are a broker-dealer registered under the Exchange Act or you are participating in the exchange offer for the purposes of distributing the new junior subordinated debentures, you must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a secondary resale of the new junior subordinated debentures, and you cannot rely on the position of the SEC's staff in their no-action letters.

If you are a broker-dealer and you will receive new junior subordinated debentures for your own account in exchange for old junior subordinated debentures that were acquired as a result of market-making activities or other trading activities, you will be required to acknowledge in the letter of transmittal that you will comply with the prospectus delivery requirements of the Securities Act in connection with any resale of the new junior subordinated debentures. The letter of transmittal states that, by complying with their obligations, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act. See also "Plan of Distribution."

Withdrawal of Tenders

Your tender of old junior subordinated debentures pursuant to the exchange offer is irrevocable except as otherwise provided in this section. You may withdraw tenders of old junior subordinated debentures at any time prior to 5:00 p.m., New York City time, on the expiration date.

For a withdrawal to be effective for DTC participants, holders must comply with their respective standard operating procedures for electronic tenders and the exchange agent must receive an electronic notice of withdrawal from DTC.

Any notice of withdrawal must specify the name and number of the account at DTC to be credited with the withdrawn old junior subordinated debentures and otherwise comply with the procedures of DTC. We will determine in our sole discretion all questions as to the validity, form and eligibility, including time of receipt, for such withdrawal notices, and our determination shall be final and binding on all parties. Any old junior subordinated debentures so withdrawn will be deemed not to have been validly tendered for purposes of the exchange offer and no new junior subordinated debentures will be issued with respect to them unless the old junior subordinated debentures so withdrawn are validly re-tendered. Any old junior subordinated debentures which have been tendered but which are not accepted for exchange will be returned to the holder without cost to such holder as soon as practicable after withdrawal, rejection of tender or termination of the exchange offer. Properly withdrawn old junior subordinated debentures may be re-tendered by following the procedures described above under "— Procedures For Tendering" at any time prior to the expiration date.

Exchange Agent

We have appointed The Bank of New York Mellon as exchange agent in connection with the exchange offer. Holders should direct questions, requests for assistance and for additional copies of this prospectus, the letter of transmittal or notices of guaranteed delivery to the exchange agent addressed as follows:

By Mail, Hand Delivery or Overnight Courier:
The Bank of New York Mellon
Corporate Trust Operations
Reorganization Unit
101 Barclay Street — 7 East
New York, NY 10286
Attention: Ms. Carolle Montreuil
Telephone: (212) 815-5092

By Facsimile Transmission:
(212) 298-1915
Attention: Ms. Carolle Montreuil

Confirm by telephone:
(212) 815-5092

Delivery of a letter of transmittal to any address or facsimile number other than the one set forth above will not constitute a valid delivery.

Fees and Expenses

We will not make any payments to brokers, dealers or other persons soliciting acceptances of the exchange offer. We will, however, pay the exchange agent reasonable and customary fees for its services and will reimburse it

for its related reasonable out-of-pocket expenses. We may also pay brokerage houses and other custodians, nominees and fiduciaries the reasonable out-of-pocket expenses incurred by them in forwarding copies of this prospectus, letters of transmittal and related documents to the beneficial owners of the old junior subordinated debentures and in handling or forwarding tenders for exchange.

Holders who tender their old junior subordinated debentures for exchange will not be obligated to pay any transfer taxes. If, however, a transfer tax is imposed for any reason other than the exchange of old junior subordinated debentures in connection with the exchange offer, then the tendering holder must pay the amount of any transfer taxes due, whether imposed on the registered holder or any other persons. If the tendering holder does not submit satisfactory evidence of payment of these taxes or exemption from them with the letter of transmittal, the amount of these transfer taxes will be billed directly to the tendering holder.

Consequences of Failure to Properly Tender Old Junior Subordinated Debentures in the Exchange

We will issue the new junior subordinated debentures in exchange for old junior subordinated debentures under the exchange offer only after timely receipt by the exchange agent of the old junior subordinated debentures, a properly completed and duly executed letter of transmittal and all other required documents. Therefore, holders of the old junior subordinated debentures desiring to tender old junior subordinated debentures in exchange for new junior subordinated debentures should allow sufficient time to ensure timely delivery. We are under no duty to give notification of defects or irregularities of tenders of old junior subordinated debentures for exchange. Old junior subordinated debentures that are not tendered or that are tendered but not accepted by us will, following completion of the exchange offer, continue to be subject to the existing restrictions upon transfer under the Securities Act.

Participation in the exchange offer is voluntary. In the event the exchange offer is completed, we will not be required to register the remaining old junior subordinated debentures. Remaining old junior subordinated debentures will continue to be subject to the following restrictions on transfer:

- holders may resell old junior subordinated debentures only if an exemption from registration is available or, outside the United States, to non-U.S. persons in accordance with the requirements of Regulation S under the Securities Act; and
- the remaining old junior subordinated debentures will bear a legend restricting transfer in the absence of registration or an exemption.

To the extent that old junior subordinated debentures are tendered and accepted in connection with the exchange offer, any trading market for remaining old junior subordinated debentures could be adversely affected.

DESCRIPTION OF THE NEW JUNIOR SUBORDINATED DEBENTURES

We have summarized below certain terms of new junior subordinated debentures. This summary is not complete. You should refer to the junior subordinated indenture dated as of March 13, 2007, as supplemented by the ninth supplemental indenture, dated as of May 20, 2008. References herein to the "*junior subordinated debt indenture*" are to that junior subordinated indenture, as so supplemented. The Bank of New York Mellon acts as indenture trustee under the junior subordinated debt indenture. We urge you to read the junior subordinated debt indenture in its entirety because it, and not this description, defines your rights as holders of the new junior subordinated debentures. The junior subordinated debt indenture is filed as an exhibit to the registration statement of which this prospectus is a part and you can obtain a copy of the junior subordinated debt indenture as described under "Where You Can Find More Information."

All references to new junior subordinated debentures below include the old junior subordinated debentures that are not exchanged for new junior subordinated debentures in the exchange offer, except the old junior subordinated debentures will continue to be subject to certain transfer restrictions as described under "Risk Factors — If you fail to exchange the old junior subordinated debentures, they will remain subject to transfer restrictions." The new junior subordinated debentures and the old junior subordinated debentures that are not exchanged constitute a single series of junior subordinated debentures under the junior subordinated debt indenture.

The new junior subordinated debentures will be unsecured and junior in right of payment to all of our senior debt, as defined below under "— Subordination," and *pari passu* with the following outstanding parity securities:

- $1,000,000,000 aggregate principal amount of 6.25% Series A-1 Junior Subordinated Debentures,
- £750,000,000 aggregate principal amount of 5.75% Series A-2 Junior Subordinated Debentures,
- €1,000,000,000 aggregate principal amount of 4.875% Series A-3 Junior Subordinated Debentures,
- $750,000,000 aggregate principal amount of 6.45% Series A-4 Junior Subordinated Debentures,
- $1,100,000,000 aggregate principal amount of 7.70% Series A-5 Junior Subordinated Debentures,
- €750,000,000 aggregate principal amount of 8.000% Series A-7 Junior Subordinated Debentures,
- £900,000,000 aggregate principal amount of 8.625% Series A-8 Junior Subordinated Debentures,
- $1,960,000,000 aggregate principal amount of 5.67% Series B-1 Junior Subordinated Debentures (the "*Series B-1 Junior Subordinated Debentures*"),
- $1,960,000,000 aggregate principal amount of 5.82% Series B-2 Junior Subordinated Debentures (the "*Series B-2 Junior Subordinated Debentures*"), and
- $1,960,000,000 aggregate principal amount of 5.89% Series B-3 Junior Subordinated Debentures (the "*Series B-3 Junior Subordinated Debentures*").

We refer to these junior subordinated debt securities as the "*outstanding parity securities*." In addition, the new junior subordinated debentures will rank *pari passu* with any additional series of junior subordinated debentures that we may issue in the future.

Interest Rate and Interest Payment Dates

The new junior subordinated debentures will bear interest from and including the most recent interest payment date for which interest has been paid or duly provided for on the old junior subordinated debentures to but excluding May 15, 2038, at the annual rate of 8.175%, payable semi-annually in arrears on May 15 and November 15 of each year, and thereafter at a rate equal to three-month LIBOR plus 4.195%, payable quarterly in arrears on February 15, May 15, August 15 and November 15 of each year, beginning on August 15, 2038. We refer to these dates as "*interest payment dates*" and we refer to the period beginning on and including an interest payment date and ending on but excluding the next interest payment date as an "*interest period*." The amount of interest payable for any interest period ending on or prior to May 15, 2038 will be computed on the basis of a 360-day year consisting of twelve 30-day months. The amount of interest payable for any interest period commencing on or after May 15, 2038 will be computed on the basis of a 360-day year and the actual number of days elapsed. In the event that any interest payment date on or before May 15, 2038 would otherwise fall on a day that is not a business day, the interest payment due on that date will be postponed to the next day that is a business day and no interest will accrue as a result of that postponement. In the event that any interest payment date after May 15, 2038 would otherwise fall on a day that is not a business day, that interest payment date will be postponed to the next day that is a business day and interest will accrue to the actual interest payment date; however, if the postponement would cause the day to fall in the next calendar month, the interest payment date will instead be brought forward to the immediately preceding business day.

Accrued interest that is not paid on the applicable interest payment date will bear additional interest, to the extent permitted by law, at the interest rate in effect from time to time, from the relevant interest payment date, compounded on each subsequent interest payment date. When we use the term "*interest*," we are referring not only to regularly scheduled interest payments but also interest on interest payments not paid on the applicable interest payment date.

Interest is payable on each interest payment date to the person in whose name a new junior subordinated debenture is registered at the close of business on the business day next preceding that interest payment date or, in the event the new junior subordinated debentures cease to be held in book-entry form, at the close of business on the date fifteen days prior to that interest payment date, whether or not a business day.

For the purposes of calculating interest due on the new junior subordinated debentures after May 15, 2038:

- "*Three-month LIBOR*" means, with respect to any quarterly interest period, the rate (expressed as a percentage per annum) for deposits in U.S. dollars for a three-month period commencing on the first day of that interest period that appears on Reuters Screen LIBOR01 as of 11:00 a.m. (London time) on the LIBOR determination date for that interest period. If such rate does not appear on Reuters Screen LIBOR01, three-month LIBOR will be determined on the basis of the rates at which deposits in U.S. dollars for a three-month period commencing on the first day of that interest period are offered to prime banks in the London interbank market by four major banks in the London interbank market selected by the calculation agent (after consultation with us), at approximately 11:00 a.m., London time, on the LIBOR determination date for that interest period, in an amount that, in the calculation agent's judgment, is representative of a single transaction in that market at that time. The calculation agent will request the principal London office of each of such banks to provide a quotation of its rate. If at least two such quotations are provided, three-month LIBOR with respect to that interest period will be the arithmetic mean of such quotations. If fewer than two quotations are provided, three-month LIBOR with respect to that interest period will be the arithmetic mean of the rates quoted by three major banks in New York City selected by the calculation agent, at approximately 11:00 a.m., New York City time, on the first day of that interest period for loans in U.S. dollars to leading European banks for a three-month period commencing on the first day of that interest period and in an amount that, in the calculation agent's judgment, is representative of a single transaction in that market at that time. However, if fewer than three banks selected by the calculation agent to provide quotations are quoting as described above, three-month LIBOR for that interest period will be the same as three-month LIBOR as determined for the previous interest period or, in the case of the quarterly interest period beginning on May 15, 2038, three-month LIBOR will be 2.676%.
- "*Calculation agent*" means AIG Financial Products Corp., or any other firm appointed by us, acting as calculation agent.
- "*London banking day*" means any day on which dealings in dollars are transacted in the London interbank market.
- "*LIBOR determination date*" means the second London banking day immediately preceding the first day of the relevant interest period.
- "*Reuters Screen LIBOR01*" means the display designated on Reuters Screen LIBOR01 or any successor service or page for the purpose of displaying LIBOR offered rates of major banks, as determined by the calculation agent.

All percentages resulting from any calculation of three-month LIBOR will be rounded upward or downward, as appropriate, to the next higher or lower one hundred-thousandth of a percentage point (for example, 9.876541% (or .09876541) would be rounded down to 9.87654% (or .0987654) and 9.876545% (or .09876545) would be rounded up to 9.87655% (or .0987655)). All amounts used in or resulting from any calculation will be rounded upward or downward, as appropriate, to the nearest cent, with one-half cent or more being rounded upward. The establishment of three-month LIBOR for each interest period by the calculation agent shall (in the absence of manifest error) be final and binding.

In determining three-month LIBOR during a particular interest period, the calculation agent may obtain rate quotes from various banks or dealers active in the relevant market. Those reference banks and dealers may include the calculation agent itself and our other affiliates.

Option to Defer Interest Payments

We may elect at one or more times to defer payment of interest on the new junior subordinated debentures for one or more consecutive interest periods that do not exceed 10 years. We may defer payment of interest prior to, on or after the scheduled maturity date. We may not defer interest beyond the final maturity date or the earlier redemption date of any new junior subordinated debentures being redeemed.

Deferred interest on the new junior subordinated debentures will bear interest at the then applicable interest rate, compounded on each interest payment date, subject to applicable law. As used in this prospectus, a "*deferral period*" refers to the period beginning on an interest payment date with respect to which we elect to defer interest and ending on the earlier of (i) the tenth anniversary of that interest payment date and (ii) the next interest payment date on which we have paid all accrued and previously unpaid interest on the new junior subordinated debentures.

We have agreed in the junior subordinated debt indenture that:

- immediately following the first interest payment date during the deferral period on which we elect to pay current interest or, if earlier, the fifth anniversary of the beginning of the deferral period, we will be required to use commercially reasonable efforts to sell "common stock," "qualifying warrants," "qualifying non-cumulative preferred stock" and "mandatorily convertible preferred stock" pursuant to the alternative payment mechanism, unless we have delivered notice of a "market disruption event," and apply the "eligible proceeds," as these terms are defined under "— Market Disruption Events" and "— Alternative Payment Mechanism" below, to the payment of any deferred interest (and compounded interest) on the next interest payment date, and this requirement will continue in effect until the end of the deferral period;
- we will not pay deferred interest on the new junior subordinated debentures (and compounded interest thereon) prior to the final maturity date from any source other than eligible proceeds, unless otherwise required by an applicable regulatory authority, the deferral period is terminated on the interest payment date following certain business combinations described below or an event of default has occurred and is continuing; and
- the sale of mandatorily convertible preferred stock to pay deferred interest is an option that may be exercised at our sole discretion, and we will not be obligated to sell mandatorily convertible preferred stock or to apply the proceeds of any such sale to pay deferred interest on the new junior subordinated debentures, and no class of investors of our securities or other obligations, or any other party, may require us to issue mandatorily convertible preferred stock.

We may pay current interest at all times from any available funds.

If we are involved in a merger, consolidation, amalgamation, binding share exchange or conveyance, transfer or lease of assets substantially as an entirety to any other person or a similar transaction (a "*business combination*") where immediately after the consummation of the business combination more than 50% of the surviving or resulting entity's voting stock is owned by the shareholders of the other party to the business combination or continuing directors cease for any reason to constitute a majority of the directors of the surviving or resulting entity, then the foregoing rules will not apply to any deferral period that is terminated on the next interest payment date following the date of consummation of the business combination. "*Continuing director*" means a director who was a director of AIG at the time the definitive agreement relating to the transaction was approved by the AIG board of directors.

Although our failure to comply with the foregoing rules with respect to the alternative payment mechanism and payment of interest during a deferral period will be a breach of the junior subordinated debt indenture, it will not constitute an event of default under the junior subordinated debt indenture or give rise to a right of acceleration or similar remedy.

We will give the holders of the new junior subordinated debentures and the indenture trustee written notice of our election to begin a deferral period at least one business day before the record date for the next interest payment date. However, our failure to pay interest on any interest payment date will itself constitute the commencement of a deferral period unless we pay such interest within five business days after the interest payment date, whether or not we provide a notice of deferral. A failure to pay interest will not give rise to an event of default unless we fail to pay interest, including compounded interest, in full for a period of 30 days after the conclusion of a 10-year period following the commencement of any deferral period.

If we have paid all deferred interest on the new junior subordinated debentures, we can again defer interest payments on the new junior subordinated debentures as described above. The junior subordinated debt indenture does not limit the number or frequency of interest deferral periods.

Dividend and Other Payment Stoppages During Interest Deferral and Under Certain Other Circumstances

We have agreed that, so long as any new junior subordinated debentures remain outstanding, if an event of default has occurred and is continuing or we have given notice of our election to defer interest payments but the related deferral period has not yet commenced or a deferral period is continuing, then we will not, and will not permit any of our subsidiaries to:

- declare or pay any dividends or distributions on, or redeem, purchase, acquire or make a liquidation payment with respect to, any shares of our capital stock;
- make any payment of principal of, or interest or premium, if any, on, or repay, purchase or redeem any of our debt securities that upon our liquidation rank *pari passu* with, or junior to, the new junior subordinated debentures; or
- make any guarantee payments regarding any guarantee by us of securities of any of our subsidiaries if the guarantee ranks *pari passu* with, or junior in interest to, the new junior subordinated debentures.

The restrictions listed above do not apply to:

- purchases, redemptions or other acquisitions of shares of our capital stock in connection with:
  - any employment benefit plan or other compensatory contract or arrangement; or the Assurance Agreement, dated as of June 27, 2005, by AIG in favor of eligible employees and relating to specified obligations of Starr International Company, Inc. (as such agreement may be amended, supplemented, extended, modified or replaced from time to time); or
  - a dividend reinvestment, stock purchase plan or other similar plan;
- any exchange or conversion of any class or series of our capital stock (or any capital stock of a subsidiary of AIG) for any class or series of our capital stock or of any class or series of our indebtedness for any class or series of our capital stock; or
- the purchase of fractional interests in shares of our capital stock in accordance with the conversion or exchange provisions of such capital stock or the security being converted or exchanged; or
- any declaration of a dividend in connection with any stockholders' rights plan, or the issuance of rights, equity securities or other property under any stockholders' rights plan, or the redemption or repurchase of rights in accordance with any stockholders' rights plan; or
- any dividend in the form of equity securities, warrants, options or other rights where the dividend stock or the stock issuable upon exercise of the warrants, options or other rights is the same stock as that on which the dividend is being paid or ranks on a parity with or junior to such equity securities; or
- any payment during a deferral period of current or deferred interest in respect of *pari passu* securities that is made *pro rata* to the amounts due on *pari passu* securities and the new junior subordinated debentures, *provided* that such payments are made in accordance with the last paragraph under "Description of Terms of the New Junior Subordinated Debentures — Alternative Payment Mechanism — Remedies and Market Disruptions" to the extent that it applies, and any payments of deferred interest on *pari passu* securities that, if not made, would cause us to breach the terms of the instrument governing such *pari passu* securities. The outstanding parity securities constitute *pari passu* securities and will require AIG to make interest payments on these securities while interest is being deferred on the new junior subordinated debentures only pursuant to an alternative payment mechanism substantially the same as the alternative payment mechanism for the new junior subordinated debentures. While interest is being deferred on the new junior subordinated debentures, we may also repurchase any parity securities in exchange for common stock in connection with a failed remarketing or similar event, pay deferred interest on any parity securities (including such junior subordinated debentures) in the form of additional debentures that will rank *pari passu* with the new junior subordinated debentures and repay any such additional debentures at maturity; or

- any payment of principal in respect of any *pari passu* securities having an earlier scheduled maturity date than the new junior subordinated debentures, as required under a provision of such *pari passu* securities that is substantially the same as the provision described below under "— Repayment of Principal — Scheduled Maturity Date," or any such payment in respect of *pari passu* securities having the same scheduled maturity date as the new junior subordinated debentures that is made on a *pro rata* basis among one or more series of such securities and the new junior subordinated debentures; or
- any repayment or redemption of a security necessary to avoid a breach of the instrument governing the same.

In addition, if any deferral period lasts longer than one year, neither we nor any of our subsidiaries will be permitted to purchase, redeem or otherwise acquire any securities ranking junior to or *pari passu* with any APM qualifying securities the proceeds of which were used to settle deferred interest during the relevant deferral period until the first anniversary of the date on which all deferred interest has been paid, subject to the exceptions listed above. However, if we are involved in a business combination where immediately after its consummation more than 50% of the surviving or resulting entity's voting stock is owned by the shareholders of the other party to the business combination or continuing directors cease for any reason to constitute a majority of the surviving or resulting entity's board of directors, then the one-year restriction on repurchases described in the previous sentence will not apply to any deferral period that is terminated on the next interest payment date following the date of consummation of the business combination.

Alternative Payment Mechanism

Obligations and Limitations Applicable to All Deferral Periods

Subject to the conditions described in "— Option to Defer Interest Payments" above and to the exclusions described in "— Market Disruption Events" below, if we defer interest on the new junior subordinated debentures, we will be required, commencing not later than (i) the first interest payment date on which we elect to pay current interest or (ii) if earlier, the business day following the fifth anniversary of the commencement of the deferral period, to issue "APM qualifying securities," as defined below, subject to the limits described below, until we have raised an amount of "eligible proceeds," as defined below, at least equal to the aggregate amount of accrued and unpaid deferred interest on the new junior subordinated debentures. We refer to this method of funding the payment of accrued and unpaid interest as the "*alternative payment mechanism*."

We have agreed to apply eligible proceeds raised during any deferral period pursuant to the alternative payment mechanism to pay deferred interest on the new junior subordinated debentures.

"*Eligible proceeds*," for each relevant interest payment date, means the net proceeds (after underwriters' or placement agents' fees, commissions or discounts and other expenses relating to the issuance or sale) that AIG has received during the 180 days prior to the related interest payment date from the issuance of APM qualifying securities to persons that are not subsidiaries of AIG, up to the "maximum share number" in the case of APM qualifying securities that are common stock or mandatorily convertible preferred stock, up to the "maximum warrant number" in the case of APM qualifying securities that are qualifying warrants, and up to the "preferred stock issuance cap" in the case of APM qualifying securities that are qualifying non-cumulative preferred stock or mandatorily convertible preferred stock, as these terms are defined below.

"*APM qualifying securities*" means common stock, qualifying warrants, qualifying non-cumulative preferred stock and mandatorily convertible preferred stock; *provided* that we may amend the definition of "APM qualifying securities" to eliminate common stock, qualifying warrants or mandatorily convertible preferred stock (but not both common stock and qualifying warrants) from the definition if, after May 13, 2008, an accounting standard or interpretive guidance of an existing standard issued by an organization or regulator that has responsibility for establishing or interpreting accounting standards in the United States becomes effective so that there is more than an insubstantial risk that the failure to do so would result in a reduction in our earnings per share as calculated for financial reporting purposes. We will not be permitted to amend the definition of APM qualifying securities to eliminate common stock prior to such time as the number of our authorized shares of common stock is increased by at least 1.225 billion shares, as described below. We will promptly notify the holders of the new junior subordinated debentures, in the manner contemplated in the junior subordinated debt indenture, of such change.

"*Common stock*," under the alternative payment mechanism, means shares of AIG common stock, including treasury stock and shares of common stock sold pursuant to AIG's dividend reinvestment plan and employee benefit plans.

"*Qualifying warrants*" means net share settled warrants to purchase shares of common stock that:

- have an exercise price greater than the "current stock market price" of our common stock as of their date of pricing; and
- we are not entitled to redeem for cash and the holders are not entitled to require us to repurchase for cash in any circumstances.

If we eliminate our common stock from the definition of APM qualifying securities, we will be required to use commercially reasonable efforts, subject to the maximum warrant number (as defined below), to set the terms of any qualifying warrants we issue pursuant to the alternative payment mechanism so that the proceeds from the issuances of qualifying warrants, together with the proceeds from the sale of any other APM qualifying securities, are sufficient proceeds to pay all deferred interest on the new junior subordinated debentures in accordance with the alternative payment mechanism.

We intend to issue qualifying warrants with exercise prices at least 10% above the current stock market price of our common stock on the date of pricing of the warrants. The "*current stock market price*" of our common stock on any date is the closing sale price per share (or if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices) on that date as reported in composite transactions by the New York Stock Exchange or, if our common stock is not then listed on the New York Stock Exchange, as reported by the principal U.S. securities exchange on which our common stock is traded. If our common stock is not listed on any U.S. securities exchange on the relevant date, the "current stock market price" will be the average of the midpoint of the bid and ask prices for our common stock on the relevant date from each of at least three nationally recognized independent investment banking firms selected by us for this purpose.

"*Qualifying non-cumulative preferred stock*" means our non-cumulative perpetual preferred stock that (i) contains no remedies other than "permitted remedies" and (ii)(a) is redeemable, but is subject to "intent based replacement disclosure," as such terms are defined under "Replacement Capital Covenant" below, and has a provision that provides for mandatory suspension of distributions upon its failure to satisfy one or more financial tests set forth therein or (b) is subject to a replacement capital covenant substantially similar to the replacement capital covenant applicable to the new junior subordinated debentures.

"*Mandatorily convertible preferred stock*" means cumulative preferred stock with (a) no prepayment obligation on the part of AIG, whether at the election of the holders or otherwise, and (b) a requirement that the preferred stock converts into our common stock within three years from the date of its issuance at a conversion ratio within a range established at the time of issuance of the preferred stock, subject to customary anti-dilution adjustments.

We are not permitted to issue qualifying non-cumulative preferred stock or mandatorily convertible preferred stock for the purpose of paying deferred interest to the extent the net proceeds of such issuance applied to pay interest on the new junior subordinated debentures pursuant to the alternative payment mechanism, together with the net proceeds of all prior issuances of qualifying non-cumulative preferred stock and still-outstanding mandatorily convertible preferred stock applied during the current and all prior deferral periods, would exceed 25% of the aggregate principal amount of the new junior subordinated debentures issued under the junior subordinated debt indenture (the "*preferred stock issuance cap*").

The "*maximum share number*" will equal 400 million and the "*maximum warrant number*" will equal 400 million (or 800 million if we amend the definition of APM qualifying securities to eliminate common stock) if our shareholders approve an increase in the number of our authorized shares of common stock, which we will propose for shareholder vote at our annual meeting of shareholders to take place in 2009. Unless and until such time as the number of our authorized shares of common stock is increased by at least 1.225 billion shares, the maximum share number will equal 185 million shares and the maximum warrant number will equal zero and, to the extent permitted by law, we will be required to use commercially reasonable efforts to increase our authorized shares of

common stock if approval is not obtained at the 2009 annual meeting. We will not be permitted to amend the definition of APM qualifying securities to eliminate common stock prior to such time as the number of our authorized shares of common stock is increased by at least 1.225 billion shares. On each interest payment date during a deferral period, we will increase the maximum share number, as necessary, for so long as such deferral period is continuing, such that it is at least equal to the number of shares of common stock that we would need to issue to raise sufficient proceeds to pay, assuming a price per share equal to the average of the current market price of shares of our common stock over the ten-trading day period preceding such date, three times the then outstanding deferred interest on the new junior subordinated debentures (including compounded interest thereon) up to a maximum of 10 years' of interest (including compounded interest thereon); *provided* that we will only be required to increase the maximum share number to the extent that such increase does not result in a maximum share number that is greater than the number of "*available shares*." We will calculate the number of available shares by subtracting from the number of authorized and unissued shares of common stock on such date the maximum number of shares of common stock that can be issued under existing options, warrants, convertible securities, equity-linked contracts, equity compensation plans and other agreements of any type that require us to issue a determinable maximum number of shares of common stock, including without limitation for the purpose of funding deferred distributions (such maximum number the "*fixed commitments*"). The available shares will be allocated on a *pro rata* basis to our obligations under any similar commitments of ours under which we are required to increase our maximum obligation to issue shares of common stock in comparable circumstances. If the increase in the maximum share number is limited by the number of available shares, to the extent permitted by law, we will use commercially reasonable efforts to obtain shareholder consent at the next annual meeting of our shareholders to increase the number of shares of our authorized common stock so that it is no longer limited. Our failure consistent with applicable law to use commercially reasonable efforts to seek shareholder approval to increase the number of authorized shares would constitute a breach under the junior subordinated debt indenture, but would not constitute an event of default under the junior subordinated debt indenture or give rise to a right of acceleration or similar remedy. If we amend the definition of APM qualifying securities to eliminate common stock, the foregoing obligations shall apply to the maximum warrant number, assuming a price per qualifying warrant equal to 50% of the average of the current market price of our common stock over the relevant period.

For purposes of determining the amounts accruing during any period after May 15, 2038, the interest will be computed by reference to three-month LIBOR on the calculation date plus a margin equal to 4.195%. We will provide notice to the trustee if we increase the maximum share number or maximum warrant number.

If, as of a date no more than 15 and no less than 10 business days in advance of any interest payment date, we have not raised sufficient eligible proceeds to pay all deferred interest (including compounded interest thereon) on the new junior subordinated debentures in accordance with the alternative payment mechanism on such interest payment date as a result of the foregoing limitation, we will provide written certification to the trustee (which the trustee will promptly forward upon receipt to each holder of record of the new junior subordinated debentures) of our calculation of the maximum share number or maximum warrant number, as the case may be, the number of authorized and unissued shares of our common stock, the fixed commitments and the number of shares of our common stock issued (or issuable upon exercise of such qualifying warrants) that we have sold pursuant to the alternative payment mechanism during the 180-day period preceding the date of such notice.

Additional Limitations Applicable to the First Five Years of Any Deferral Period

We may become subject to the alternative payment mechanism prior to the fifth anniversary of the commencement of a deferral period if we elect to pay current interest prior to such date. In such event, we are not required to issue shares of common stock or qualifying warrants under the alternative payment mechanism for the purpose of paying deferred interest during the first five years of that deferral period to the extent the number of shares of common stock issued and the number of shares of common stock subject to such qualifying warrants, together with the number of shares of common stock previously issued and the number of shares of common stock subject to qualifying warrants previously issued during such deferral period to pay interest on the new junior subordinated debentures pursuant to the alternative payment mechanism would, in the aggregate, exceed 2% of the total number of issued and outstanding shares of our common stock as of the date of our then most recent publicly available consolidated financial statements (the "*stock and warrant issuance cap*").

Once we reach the stock and warrant issuance cap for a deferral period, we will not be required to issue more shares of common stock or qualifying warrants under the alternative payment mechanism during the first five years of such deferral period even if the stock and warrant issuance cap subsequently increases because of a subsequent increase in the number of outstanding shares of our common stock. The stock and warrant issuance cap will cease to apply after the fifth anniversary of the commencement of any deferral period, at which point we must pay any deferred interest regardless of the time at which it was deferred, using the alternative payment mechanism, subject to the limitations described under "— Obligations and Limitations Applicable to All Deferral Periods" above and any market disruption event. In addition, if the stock and warrant issuance cap is reached during a deferral period and we subsequently pay all deferred interest, the stock and warrant issuance cap will cease to apply at the termination of such deferral period, reset to zero and will not apply again unless and until we start a new deferral period. The preferred stock issuance cap, however, does not reset to zero even if we pay all deferred interest, and the net proceeds from sales of qualifying non-cumulative preferred stock and then outstanding mandatorily convertible preferred stock applied pursuant to the alternative payment mechanism during such deferral period and all prior deferral periods cumulate as qualifying non-cumulative preferred stock is issued, or so long as mandatorily convertible preferred stock is outstanding, to pay deferred interest.

Remedies and Market Disruptions

Although our failure to comply with our obligations with respect to the alternative payment mechanism will breach a covenant under the junior subordinated debt indenture, it will not constitute an event of default thereunder or give rise to a right of acceleration or similar remedy.

If, due to a market disruption event or otherwise, we were able to raise some, but not all, eligible proceeds necessary to pay all deferred interest on the new junior subordinated debentures on any interest payment date, we will apply any available eligible proceeds to pay accrued and unpaid interest on the applicable interest payment date in chronological order based on the date each payment was first deferred, and you will be entitled to receive your *pro rata* share of any amounts so paid. If, in addition to the new junior subordinated debentures, other *pari passu* securities (including the outstanding parity securities) are outstanding under which we are obligated to sell common stock, qualifying warrants, qualifying non-cumulative preferred stock or mandatorily convertible preferred stock and apply the net proceeds to the payment of deferred interest or distributions, then on any date and for any period the amount of net proceeds received by us from those sales and available for payment of the deferred interest and distributions shall be applied to the new junior subordinated debentures and those other *pari passu* securities on a *pro rata* basis up to, in the case of common stock, the stock and warrant issuance cap and the maximum share number, in the case of qualifying warrants, the stock and warrant issuance cap and the maximum warrant number, in the case of mandatorily convertible preferred stock, the maximum share number and the preferred stock issuance cap, and, in the case of qualifying non-cumulative preferred stock, the preferred stock issuance cap (or comparable provisions in the instruments governing those *pari passu* securities) in proportion to the total amounts that are due on the new junior subordinated debentures and such *pari passu* securities. The new junior subordinated debentures and the outstanding parity securities all permit *pro rata* payments to be made on any other series so long as we deposit with our paying agent or segregate and hold in trust for payment the *pro rata* proceeds applicable to such series that we have not paid.

Market Disruption Events

A "*market disruption event*" means, for purposes of sales of APM qualifying securities pursuant to the alternative payment mechanism or sales of qualifying capital securities pursuant to "— Repayment of Principal — Scheduled Maturity Date" below, as applicable (collectively, the "*permitted securities*"), the occurrence or existence of any of the following events or sets of circumstances:

- trading in securities generally (or in our shares specifically) on the New York Stock Exchange or any other national securities exchange, or in the over-the-counter market, on which our capital stock is then listed or traded shall have been suspended or its settlement generally shall have been materially disrupted or minimum prices shall have been established on any such exchange or market by the relevant regulatory body or governmental agency having jurisdiction that materially disrupts or otherwise has a material adverse effect on trading in, or the issuance and sale of, permitted securities;

- we would be required to obtain the consent or approval of our stockholders or a regulatory body (including, without limitation, any securities exchange) or governmental authority to issue permitted securities and we fail to obtain that consent or approval notwithstanding our commercially reasonable efforts to obtain that consent or approval;
- an event occurs and is continuing as a result of which the offering document for the offer and sale of permitted securities would, in our reasonable judgment, contain an untrue statement of a material fact or omit to state a material fact required to be stated in that offering document or necessary to make the statements in that offering document not misleading, *provided* that (1) one or more events described under this bullet point shall not constitute a market disruption event with respect to a period of more than 90 days in any 180-day period and (2) multiple suspension periods contemplated by this bullet point shall not exceed an aggregate of 180 days in any 360-day period;
- we reasonably believe that the offering document for the offer and the sale of permitted securities would not be in compliance with a rule or regulation of the SEC (for reasons other than those referred to in the immediately preceding bullet point) and we are unable to comply with such rule or regulation or such compliance is unduly burdensome, *provided* that (1) one or more events described under this bullet point shall not constitute a market disruption event with respect to a period of more than 90 days in any 180-day period and (2) multiple suspension periods contemplated by this bullet point shall not exceed an aggregate of 180 days in any 360-day period;
- a banking moratorium shall have been declared by the federal or state authorities of the United States that results in a material disruption of any of the markets on which our permitted securities are trading;
- a material disruption shall have occurred in commercial banking or securities settlement or clearance services in the United States;
- the United States shall have become engaged in hostilities, there shall have been an escalation in hostilities involving the United States, there shall have been a declaration of a national emergency or war by the United States or there shall have occurred any other national or international calamity or crisis such that market trading in our capital stock has been materially disrupted; or
- there shall have occurred such a material adverse change in general domestic or international economic, political or financial conditions, including, without limitation, as a result of terrorist activities, or the effect of international conditions on the financial markets in the United States, that materially disrupts the capital markets such as to make it, in our judgment, impracticable or inadvisable to proceed with the offer and sale of the permitted securities.

We will be excused from our obligations under the alternative payment mechanism in respect of any interest payment date if we provide written certification to the indenture trustee (which the indenture trustee will promptly forward upon receipt to each holder of record of new junior subordinated debentures) no more than 30 and no less than 10 business days in advance of that interest payment date certifying that:

- a market disruption event occurred after the immediately preceding interest payment date; and
- either (a) the market disruption event continued for the entire period from the business day immediately following the preceding interest payment date to the business day immediately preceding the date on which that certification is provided or (b) the market disruption event continued for only part of this period, but we were unable after commercially reasonable efforts to raise sufficient eligible proceeds during the rest of that period to pay all accrued and unpaid interest.

We will not be excused from our obligations under the alternative payment mechanism or our obligations in connection with the repayment of principal described under "— Repayment of Principal — Scheduled Maturity Date" below if we determine not to pursue or complete the sale of permitted securities due to pricing, dividend rate or dilution considerations.

Repayment of Principal

Scheduled Maturity Date

We must repay the principal amount of the new junior subordinated debentures, together with accrued and unpaid interest, on May 15, 2058, or if that date is not a business day, the next business day ("*scheduled maturity date*"), subject to the limitations described below.

Our obligation to repay the new junior subordinated debentures on the scheduled maturity date is limited. We are required to repay the new junior subordinated debentures on the scheduled maturity date only to the extent of the "applicable percentage" of the net proceeds we have received from the issuance of "qualifying capital securities," as these terms are defined under "Replacement Capital Covenant," that we have sold during a 180-day period ending on a notice date not more than 30 or less than 10 business days prior to such date. If we have not sold sufficient qualifying capital securities to permit repayment of all principal and accrued and unpaid interest on the new junior subordinated debentures on the scheduled maturity date, the unpaid amount will remain outstanding from interest payment date to interest payment date until we have raised sufficient proceeds to permit repayment in full in accordance with this obligation, an event of default which results in acceleration of the new junior subordinated debentures occurs or the final maturity date on May 15, 2068.

We agree in the junior subordinated debt indenture to use our commercially reasonable efforts (except as described below) to sell sufficient qualifying capital securities in a 180-day period ending on a notice date not more than 30 and not less than 10 business days prior to the scheduled maturity date to permit repayment of the new junior subordinated debentures in full on this date in accordance with the above requirement. We further agree in the junior subordinated debt indenture that if we are unable for any reason to sell sufficient qualifying capital securities to permit payment in full on the scheduled maturity date, we will use our commercially reasonable efforts (except as described below) to sell sufficient qualifying capital securities to permit repayment on the next interest payment date, and on each interest payment date thereafter until the new junior subordinated debentures are repaid in full or redeemed, an event of default resulting in their acceleration occurs or the final maturity date occurs. Our failure to use our commercially reasonable efforts to sell a sufficient amount of qualifying capital securities would be a breach of covenant under the junior subordinated debt indenture; however, such breach will not be an event of default thereunder.

We are not required under the junior subordinated debt indenture to use commercially reasonable efforts to issue any securities other than qualifying capital securities in connection with the above obligation.

We will give to DTC a notice of repayment at least 10 but not more than 15 days before the scheduled repayment date. If any new junior subordinated debentures are to be repaid in part only, the notice of repayment will state the portion of the principal amount thereof to be repaid.

We may amend or supplement the replacement capital covenant from time to time with the consent of the holders of the specified series of indebtedness benefiting from the replacement capital covenant, *provided* that no such consent shall be required if any of the following apply (it being understood that any such amendment or supplement may fall into one or more of the following): (i) the effect of such amendment or supplement is solely to impose additional restrictions on, or eliminate certain of, the types of securities qualifying as "replacement capital securities," as described under "Replacement Capital Covenant" below, and an officer of AIG has delivered to the holders of the then effective series of covered debt a written certificate to that effect, (ii) such amendment or supplement is not materially adverse to the covered debtholders, and an officer of AIG has delivered to the holders of the then effective series of covered debt a written certificate stating that, in his or her determination, such amendment or supplement is not materially adverse to the covered debtholders, or (iii) such amendment or supplement eliminates common stock, debt exchangeable for common equity, mandatorily convertible preferred stock and/or rights to acquire common stock as replacement capital securities if, after May 13, 2008, an accounting standard or interpretive guidance of an existing standard issued by an organization or regulator that has responsibility for establishing or interpreting accounting standards in the United States becomes effective such that there is more than an insubstantial risk that the failure to eliminate common stock, debt exchangeable for common equity, mandatorily convertible preferred stock and/or rights to acquire common stock as replacement capital securities would result in a reduction in our earnings per share as calculated in accordance with generally accepted accounting

principles in the United States. For this purpose, an amendment or supplement that adds new types of securities qualifying as replacement capital securities or modifies the requirements of securities qualifying as replacement capital securities will not be deemed materially adverse to the covered debtholders if, following such amendment or supplement, the replacement capital covenant would constitute a "qualifying replacement capital covenant," as described under "Replacement Capital Covenant" below.

We generally may amend or supplement the replacement capital covenant without the consent of the holders of the new junior subordinated debentures. With respect to qualifying capital securities, on the other hand, we have agreed in the junior subordinated debt indenture that we will not amend the replacement capital covenant to impose additional restrictions on the type or amount of qualifying capital securities that we may include for purposes of determining when repayment, redemption or purchase of the new junior subordinated debentures is permitted, except with the consent of holders of a majority by principal amount of the new junior subordinated debentures.

Any unpaid amounts on the new junior subordinated debentures that remain outstanding beyond the scheduled maturity date will continue to bear interest at a rate equal to three-month LIBOR plus 4.195% and we will continue to pay quarterly interest on the new junior subordinated debentures after the scheduled maturity date, subject to our rights and obligations under "— Option to Defer Interest Payments" and "— Alternative Payment Mechanism" above.

"*Commercially reasonable efforts*" to sell our qualifying capital securities means commercially reasonable efforts to complete the offer and sale of our qualifying capital securities to third parties that are not subsidiaries of ours in public offerings or private placements. We will not be considered to have made commercially reasonable efforts to effect a sale of qualifying capital securities if we determine to not pursue or complete such sale due to pricing, coupon, dividend rate or dilution considerations.

We will be excused from our obligation under the junior subordinated debt indenture to use commercially reasonable efforts to sell qualifying capital securities to permit repayment of the new junior subordinated debentures if we provide written certification to the indenture trustee (which certification will be forwarded to each holder of record of new junior subordinated debentures) no more than 30 and no less than 10 business days in advance of the required repayment date certifying that:

- a market disruption event was existing at any time during the period commencing 180 days prior to the date on which certification is provided or, in the case of any required repayment date after the scheduled maturity date, commencing on the immediately preceding interest payment date and ending on the business day immediately preceding the date on which the certification is provided; and
- either (a) the market disruption event continued for the entire 180-day period or the period since the most recent interest payment date, as the case may be, or (b) the market disruption event continued for only part of the period, but we were unable after commercially reasonable efforts to raise sufficient net proceeds during the rest of that period to permit repayment of the new junior subordinated debentures in full.

Payments in respect of the new junior subordinated debentures on and after the scheduled maturity date will be applied, first, to deferred interest to the extent of eligible proceeds under the alternative payment mechanism, second, to current interest and, third, to repay the principal of the new junior subordinated debentures; *provided* that if we are obligated to sell qualifying capital securities and repay any outstanding *pari passu* securities in addition to the new junior subordinated debentures, then on any date and for any period such payments shall be applied:

- first, to any *pari passu* securities having an earlier scheduled maturity date than the new junior subordinated debentures, until the principal of and all accrued and unpaid interest on those securities has been paid in full; and
- second, to the new junior subordinated debentures and any other *pari passu* securities having the same scheduled maturity date as the new junior subordinated debentures *pro rata* in accordance with their respective outstanding principal amounts.

None of such payments shall be applied to any other *pari passu* securities having a later scheduled maturity date until the principal of and all accrued and unpaid interest on the new junior subordinated debentures has been paid in full (except to the extent permitted under "— Dividend and Other Payment Stoppages during Interest

Deferral and under Certain Other Circumstances" and the last paragraph under "— Alternative Payment Mechanism — Remedies and Market Disruptions" above). If we raise less than $5 million of net proceeds from the sale of qualifying capital securities during the relevant 180-day or three-month period, we will not be required to repay any new junior subordinated debentures on the scheduled maturity date or the next quarterly interest payment date, as applicable. On the next interest payment date as of which we have raised at least $5 million of net proceeds during the 180-day period preceding the applicable notice date (or, if shorter, the period since we last repaid any principal amount of new junior subordinated debentures), we will be required to repay a principal amount of new junior subordinated debentures equal to the applicable percentage of the net proceeds from the sale of qualifying capital securities during such 180-day or shorter period.

Final Maturity Date

Any principal amount of the new junior subordinated debentures, together with accrued and unpaid interest, will be due and payable on May 15, 2068 (or, if such day is not a business day, the following business day), which is the final maturity date for the new junior subordinated debentures, regardless of the amount of qualifying capital securities we have issued and sold by that time. At that time, we may repay the new junior subordinated debentures with any monies available to us. If we repay the new junior subordinated debentures prior to the final maturity date when any deferred interest remains unpaid, the unpaid deferred interest (including compounded interest thereon) may only be paid pursuant to the alternative payment mechanism described above under "— Alternative Payment Mechanism."

Limitation on Claims in the Event of Our Bankruptcy, Insolvency or Receivership

The junior subordinated debt indenture provides that a holder of new junior subordinated debentures, by that holder's acceptance of the new junior subordinated debentures, agrees that in the event of our bankruptcy, insolvency or receivership prior to the redemption or repayment of such holder's new junior subordinated debentures, that holder of new junior subordinated debentures will only have a claim for deferred and unpaid interest (including compounded interest thereon) to the extent such interest (including compounded interest thereon) relates to the earliest two years of the portion of the deferral period for which interest has not been paid.

Early Redemption

The new junior subordinated debentures:

- are redeemable, in whole or in part, at our option at any time prior to May 15, 2038, at a make-whole redemption price, as described below;
- are redeemable at any time, in whole but not in part, prior to May 15, 2038, upon the occurrence of a "rating agency event" or a "tax event" at a make-whole redemption price, as described below;
- are redeemable in whole or in part, at our option, on any interest payment date on or after May 15, 2038, at 100% of the principal amount of the new junior subordinated debentures, plus accrued and unpaid interest to the date of redemption; and
- are not subject to any sinking fund, a holder's right to require us to purchase such holder's new junior subordinated debentures or similar provisions;

provided that any redemption of new junior subordinated debentures will be subject to the restrictions described under "Replacement Capital Covenant" below.

In the case of a redemption prior to May 15, 2038, whether at our option or pursuant to a "rating agency event" or "tax event", the make-whole redemption price will be equal to:

- 100% of the principal amount of the new junior subordinated debentures; or
- as determined by the calculation agent, if greater, the sum of the present values of the remaining scheduled payments of principal (assuming for this purpose that the new junior subordinated debentures are to be redeemed at their principal amount on May 15, 2038) discounted from May 15, 2038, and interest thereon

that would have been payable to and including May 15, 2038 (not including any portion of any payment of interest accrued to the redemption date) discounted from the relevant interest payment date to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the adjusted treasury rate plus 0.50%;

plus, in either case, accrued and unpaid interest on the new junior subordinated debentures to the date of redemption.

If we redeem or repay the new junior subordinated debentures prior to the final maturity date when any deferred interest remains unpaid, the unpaid deferred interest (including compounded interest thereon) may only be paid pursuant to the alternative payment mechanism, as described under "— Alternative Payment Mechanism." In addition, if we exercise our right to redeem the new junior subordinated debentures in part prior to the scheduled maturity date, the aggregate principal amount thereof outstanding after such redemption must be at least $50,000,000.

The definitions of certain terms used in the second preceding paragraph above are listed below.

"*Adjusted treasury rate*" means, with respect to any redemption date, the rate per annum equal to the quarterly equivalent yield to maturity of the comparable treasury issue, assuming a price for the comparable treasury issue (expressed as a percentage of its principal amount) equal to the comparable treasury price for such redemption date.

"*Comparable treasury issue*" means the U.S. Treasury security selected by an independent investment bank selected by the calculation agent as having a maturity comparable to the term remaining from the redemption date to May 15, 2038 that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity.

"*Comparable treasury price*" means, with respect to any redemption date, the average of the "reference treasury dealer quotations" for such redemption date.

"*Reference treasury dealer*" means:

- Citigroup Global Markets Inc. and J.P. Morgan Securities Inc. or their respective successors; *provided* that if any of the foregoing shall cease to be a primary U.S. government securities dealer in the United States (a "*primary treasury dealer*"), we will substitute therefor another primary treasury dealer; and
- any other primary treasury dealer selected by the calculation agent after consultation with us.

"*Reference treasury dealer quotations*" means with respect to each reference treasury dealer and any redemption date, the average, as determined by the calculation agent, of the bid and ask prices for the comparable treasury issue (expressed in each case as a percentage of its principal amount) quoted in writing to the calculation agent by that reference treasury dealer at 5:00 p.m. on the third business day preceding such redemption date.

For purposes of the above, a "*tax event*" means that we have requested and received an opinion of counsel experienced in such matters to the effect that, as a result of any:

- amendment to or change in the laws or regulations of the United States or any political subdivision or taxing authority of or in the United States that is enacted or becomes effective after May 13, 2008;
- proposed change in those laws or regulations that is announced after May 13, 2008;
- official administrative decision or judicial decision or administrative action or other official pronouncement interpreting or applying those laws or regulations that is announced after May 13, 2008; or
- threatened challenge asserted in connection with an audit of us, or a threatened challenge asserted in writing against any other taxpayer that has raised capital through the issuance of securities that are substantially similar to the new junior subordinated debentures; there is more than an insubstantial risk that interest payable by us on the new junior subordinated debentures is not, or will not be, deductible by us, in whole or in part, for United States federal income tax purposes.

For purposes of the above, a "*rating agency event*" means that any "rating agency" amends, clarifies or changes the criteria it uses to assign equity credit to securities such as the new junior subordinated debentures, which amendment, clarification or change results in:

- the shortening of the length of time the new junior subordinated debentures are assigned a particular level of equity credit by that rating agency as compared to the length of time they would have been assigned that level of equity credit by that rating agency or its predecessor on May 20, 2008, or
- the lowering of the equity credit (including up to a lesser amount) assigned to the new junior subordinated debentures by that rating agency as compared to the equity credit assigned by that rating agency or its predecessor on May 20, 2008.

A "*rating agency*" means any nationally recognized statistical rating organization as defined in Section 3(a)(62) of the Exchange Act (or any successor provision), that publishes a rating for us on the relevant date.

If less than all of the new junior subordinated debentures are to be redeemed at any time, selection of new junior subordinated debentures for redemption will be made by the indenture trustee on a *pro rata* basis, by lot or by such method as the indenture trustee deems fair and appropriate.

We will give to DTC a notice of redemption at least 10 but not more than 60 days before the redemption date. If any new junior subordinated debentures are to be redeemed in part only, the notice of redemption will state the portion of the principal amount thereof to be redeemed. Another new junior subordinated debenture in principal amount equal to the unredeemed portion thereof will be issued and delivered to the indenture trustee, or its nominee, or, in the case of new junior subordinated debentures in definitive form, issued in the name of the holder thereof, in each case upon cancellation of the original new junior subordinated debenture.

Events of Default

The following events are "*events of default*" with respect to the new junior subordinated debentures:

- default in the payment of interest, including compounded interest, in full on any new junior subordinated debenture for a period of 30 days after the conclusion of a 10-year period following the commencement of any deferral period if such deferral period has not ended prior to the conclusion of such 10-year period; or
- default in the payment of the principal on any new junior subordinated debenture at the final maturity date or upon a call for redemption; or
- certain events of bankruptcy, insolvency and reorganization involving AIG (but not including its subsidiaries).

Remedies If an Event of Default Occurs

All remedies available upon the occurrence of an event of default under the junior subordinated debt indenture will be subject to the restrictions described below under "— Subordination." If an event of default occurs, the indenture trustee will have special duties. In that situation, the indenture trustee will be obligated to use its rights and powers under the junior subordinated debt indenture, and to use the same degree of care and skill in doing so that a prudent person would use in that situation in conducting his or her own affairs. If an event of default of the type described in the first bullet point in the definition of that term has occurred and has not been cured, the indenture trustee or the holders of at least 25% in principal amount of the new junior subordinated debentures may declare the entire principal amount of all the then outstanding new junior subordinated debentures to be due and immediately payable. This is called a declaration of acceleration of maturity. If an event of default described in the third bullet point in the definition has occurred, the principal amount of all then outstanding new junior subordinated debentures will immediately become due and payable. In the case of any other default or breach of the junior subordinated debt indenture by AIG, including an event of default under the second bullet point in the definition of that term, there is no right to declare the principal amount of the new junior subordinated debentures immediately due and payable.

The holders of a majority in aggregate outstanding principal amount of new junior subordinated debentures may, on behalf of the holders of all the new junior subordinated debentures, waive any default or event of default,

except an event of default under the second or third bullet point above or a default with respect to a covenant or provision which under the junior subordinated debt indenture cannot be modified or amended without the consent of the holder of each outstanding new junior subordinated debenture.

Except in cases of an event of default, where the indenture trustee has the special duties described above, the indenture trustee is not required to take any action under the junior subordinated debt indenture at the request of any holders unless the holders offer the indenture trustee reasonable protection from expenses and liability called an indemnity. If indemnity reasonably satisfactory to the indenture trustee is provided, the holders of a majority in principal amount of the outstanding new junior subordinated debentures may direct the time, method and place of conducting any lawsuit or other formal legal action seeking any remedy available to the indenture trustee. These majority holders may also direct the indenture trustee in performing any other action under the junior subordinated debt indenture with respect to the new junior subordinated debentures.

Before you bypass the indenture trustee and bring your own lawsuit or other formal legal action or take other steps to enforce your rights or protect your interests under the junior subordinated debt indenture, the following must occur:

- a holder of the new junior subordinated debenture must give the indenture trustee written notice that an event of default has occurred and remains uncured;
- the holders of 25% in principal amount of all new junior subordinated debentures must make a written request that the indenture trustee take action because of the default, and they must offer reasonable indemnity to the indenture trustee against the cost, expenses and liabilities of taking that action; and
- the indenture trustee must have not taken action for 60 days after receipt of the above notice and offer of indemnity.

We will give to the indenture trustee every year a written statement of certain of our officers certifying that to their knowledge we are in compliance with the junior subordinated debt indenture, or else specifying any default.

Subordination

Holders of the new junior subordinated debentures should recognize that contractual provisions in the junior subordinated debt indenture may prohibit us from making payments on the new junior subordinated debentures. The new junior subordinated debentures are subordinate and junior in right of payment, to the extent and in the manner stated in the junior subordinated debt indenture, to all of our senior debt, as defined in the junior subordinated debt indenture.

The junior subordinated debt indenture defines "*senior debt*" as all indebtedness and obligations of, or guaranteed or assumed by, us:

- for borrowed money;
- evidenced by bonds, debentures, notes or other similar instruments; and
- that represent obligations to policyholders of insurance or investment contracts;

in each case, whether existing now or in the future, and all amendments, renewals, extensions, modifications and refundings of any indebtedness or obligations of that kind. Senior debt will also include any subordinated or junior subordinated debt that by its terms is not expressly *pari passu* or subordinated to the new junior subordinated debentures; all guarantees of securities issued by any trust, partnership or other entity affiliated with us that is, directly or indirectly, our financing vehicle; and intercompany debt. The new junior subordinated debentures will rank *pari passu* with the outstanding parity securities. Upon a successful remarketing of AIG's outstanding Series B-1 Junior Subordinated Debentures, Series B-2 Junior Subordinated Debentures and Series B-3 Junior Subordinated Debentures, such junior subordinated debentures will cease to be subordinated and will become senior debt. The junior subordinated debt indenture does not restrict or limit in any way our ability to incur senior debt. As of December 31, 2008, we had approximately $110.98 billion of outstanding senior debt.

Senior debt excludes:

- trade accounts payable and accrued liabilities arising in the ordinary course of business; and
- any indebtedness, guarantee or other obligation that is specifically designated as being subordinate, or not superior, in right of payment to the new junior subordinated debentures (including the outstanding parity securities).

The junior subordinated debt indenture provides that, unless all principal of and any premium and interest on the senior debt has been paid in full, no payment or other distribution may be made with respect to any new junior subordinated debentures in the following circumstances:

- in the event of any insolvency or bankruptcy proceedings, or any receivership, liquidation, reorganization, assignment for creditors or other similar proceedings or events involving us or our assets; or
- any event of default with respect to any senior debt for borrowed money having at the relevant time an aggregate outstanding principal amount of at least $100 million has occurred and is continuing and has been accelerated (unless the event of default has been cured or waived or ceased to exist and such acceleration has been rescinded); or
- in the event the new junior subordinated debentures have been declared due and payable prior to the final maturity date.

If the indenture trustee under the junior subordinated debt indenture or any holders of the new junior subordinated debentures receive any payment or distribution that is prohibited under the subordination provisions, then the indenture trustee or the holders will have to repay that money to the holders of the senior debt.

The subordination provisions do not prevent the occurrence of an event of default. This means that the indenture trustee under the junior subordinated debt indenture and the holders of the new junior subordinated debentures can take action against us, but they will not receive any money until the claims of the holders of senior debt have been fully satisfied.

Defeasance

Subject to compliance with the replacement capital covenant, the following discussion of defeasance will be applicable to the new junior subordinated debentures until May 15, 2058. Upon a full defeasance or covenant defeasance, the subordination provisions applicable to the new junior subordinated debentures would cease to apply.

Full Defeasance

If there is a change in U.S. federal tax law, as described below, we can legally release ourselves from any payment or other obligations on the new junior subordinated debentures, called full defeasance, if the following conditions are met:

- We must deposit in trust for the benefit of all holders of the new junior subordinated debentures a combination of money and notes or bonds of the U.S. government or a U.S. government agency or U.S. government sponsored entity (the obligations of which are backed by the full faith and credit of the United States) that will generate enough cash to make interest, principal and any other payments on the new junior subordinated debentures on their various due dates.
- There must be a change in current U.S. federal tax law or an Internal Revenue Service ruling that lets us make the above deposit without causing the holders to be taxed on the new junior subordinated debentures any differently than if we did not make the deposit. Under current U.S. federal tax law, the deposit and our legal release from the obligations pursuant to the new junior subordinated debentures would be treated as though we took back the new junior subordinated debentures and gave the holders their share of the cash and notes or bonds deposited in trust. In that event, a holder could recognize gain or loss on the new junior subordinated debentures such holder is deemed to have given back to us.

- We must deliver to the indenture trustee a legal opinion of our counsel confirming the tax law change described above.
- No event or condition may exist that, under the provisions described above under "— Subordination," would prevent us from making payments of principal, premium or interest on the new junior subordinated debentures on the date of the deposit referred to above or during the 90 days after that date.

If we ever did accomplish full defeasance, as described above, a holder would have to rely solely on the trust deposit for repayment on the new junior subordinated debentures. Such holders could not look to us for repayment in the unlikely event of any shortfall.

Covenant Defeasance

Under current U.S. federal tax law, we can make the same type of deposit as described above and we will be released from some of the restrictive covenants under the new junior subordinated debentures. This is called covenant defeasance. In that event, holders would lose the protection of these covenants but would gain the protection of having money and U.S. government or U.S. government agency notes or bonds set aside in trust to repay the new junior subordinated debentures. In order to achieve covenant defeasance, we must do the following:

- Deposit in trust for the benefit of all holders of the new junior subordinated debentures a combination of money and notes or bonds of the U.S. government or a U.S. government agency or U.S. government sponsored entity (the obligations of which are backed by the full faith and credit of the United States) that will generate enough cash to make interest, principal and any other payments on the new junior subordinated debentures on their various due dates.
- Deliver to the indenture trustee a legal opinion of our counsel confirming that under current U.S. federal income tax law we may make the above deposit without causing the holders to be taxed on the new junior subordinated debentures any differently than if we did not make the deposit.

If we accomplish covenant defeasance, a holder of the new junior subordinated debentures can still look to us for repayment of the new junior subordinated debentures if there were a shortfall in the trust deposit. In fact, if an event of default occurred (such as a bankruptcy) and the new junior subordinated debentures became immediately due and payable, there could be such a shortfall.

Form, Exchange and Transfer

The new junior subordinated debentures will be issued in fully registered form and in minimum denominations of $1,000 and integral multiples of $1,000 in excess thereof.

We do not intend to apply to list the new junior subordinated debentures on any national securities exchange or any automated dealer quotation system.

Holders may have their new junior subordinated debentures broken into more new junior subordinated debentures of smaller denominations of not less than $1,000 or combined into fewer new junior subordinated debentures of larger denominations, as long as the total principal amount is not changed. This is called an exchange.

Subject to the restrictions relating to new junior subordinated debentures represented by global securities, holders may exchange or transfer new junior subordinated debentures at the office of the indenture trustee. They may also replace lost, stolen or mutilated new junior subordinated debentures at that office. The indenture trustee acts as our agent for registering new junior subordinated debentures in the names of holders and transferring new junior subordinated debentures. We may change this appointment to another entity or perform it ourselves. The entity performing the role of maintaining the list of registered holders is called the security registrar. It will also perform transfers. The indenture trustee's agent may require an indemnity before replacing any new junior subordinated debentures.

Holders will not be required to pay a service charge to transfer or exchange new junior subordinated debentures, but holders may be required to pay for any tax or other governmental charge associated with the

exchange or transfer. The transfer or exchange will only be made if the security registrar is satisfied with your proof of ownership.

In the event of any redemption, neither we nor the indenture trustee will be required to:

- issue, register the transfer of or exchange new junior subordinated debentures during the period beginning at the opening of business 15 days before the day of selection for redemption of new junior subordinated debentures and ending at the close of business on the day of mailing of the relevant notice of redemption; or
- transfer or exchange any new junior subordinated debentures so selected for redemption, except, in the case of any new junior subordinated debentures being redeemed in part, any portion thereof not being redeemed.

Payment and Paying Agents

The paying agent for the new junior subordinated debentures is the indenture trustee.

Notices

We and the indenture trustee will send notices regarding the new junior subordinated debentures only to holders, using their addresses as listed in the indenture trustee's records.

Governing Law

The junior subordinated debt indenture is, and the new junior subordinated debentures will be, governed by, and construed in accordance with, the laws of the State of New York.

Special Situations

Mergers and Similar Transactions

We are generally permitted to consolidate or merge with another company or firm. We are also permitted to sell or lease substantially all of our assets to another firm. However, we may not take any of these actions unless all the following conditions are met:

- When we merge or consolidate out of existence or sell or lease substantially all of our assets, the other firm may not be organized under a foreign country's laws, that is, it must be a corporation, partnership or trust organized under the laws of a state of the United States or the District of Columbia or under federal law, and it must agree to be legally responsible for the new junior subordinated debentures.
- The merger, sale of assets or other transaction must not cause a default on the new junior subordinated debentures, and we must not already be in default (unless the merger or other transaction would cure the default). For purposes of this no-default test, a default would include an event of default that has occurred and not been cured. A default for this purpose would also include any event that would be an event of default if the requirements for giving us default notice or our default having to exist for a specific period of time were disregarded.

If the conditions described above are satisfied with respect to new junior subordinated debentures, we will not need to obtain the approval of the holders of the new junior subordinated debentures in order to merge or consolidate or to sell our assets. Also, these conditions will apply only if we wish to merge or consolidate with another entity or sell our assets substantially as an entirety to another entity.

We will not need to satisfy these conditions if we enter into other types of transactions, including any transaction in which we acquire the stock or assets of another entity, any transaction that involves a change of control but in which we do not merge or consolidate and any transaction in which we sell less than substantially all of our assets. It is possible that this type of transaction may result in a reduction in our credit rating or may reduce our operating results or impair our financial condition. Holders of the new junior subordinated debentures, however, will have no approval rights with respect to any transaction of this type.

Modification and Waiver of the New Junior Subordinated Debentures

There are four types of changes we can make to the junior subordinated debt indenture and the new junior subordinated debentures.

Changes Requiring Approval of All Holders. First, there are changes that cannot be made to the new junior subordinated debentures without specific approval of each holder of the new junior subordinated debentures affected by the change. Following is a list of those types of changes:

- change the stated maturity or interest payable on the new junior subordinated debentures;
- reduce any amounts due on the new junior subordinated debentures;
- reduce the amount of principal payable upon acceleration of the maturity of the new junior subordinated debentures following an event of default;
- change the currency of payment on the new junior subordinated debentures;
- impair a holder's right to sue for payment;
- reduce the percentage of holders of the new junior subordinated debentures whose consent is needed to modify or amend the junior subordinated debt indenture;
- reduce the percentage of holders of the new junior subordinated debentures whose consent is needed to waive compliance with certain provisions of the junior subordinated debt indenture or to waive certain defaults;
- modify any other aspect of the provisions dealing with modification and waiver of the junior subordinated debt indenture.

We may, with the indenture trustee's consent, execute, without the consent of any holder of the new junior subordinated debentures, any supplemental indenture for the purpose of creating any new series of junior subordinated debentures.

Changes Requiring a Majority Vote. The second type of change to the junior subordinated debt indenture and the new junior subordinated debentures is the kind that requires a vote in favor by holders of the new junior subordinated debentures owning a majority of the principal amount of the new junior subordinated debentures. Most changes fall into this category, except for clarifying changes and certain other changes that would not adversely affect in any material respect holders of the new junior subordinated debentures. We may also obtain a waiver of a past default from the holders of the new junior subordinated debentures owning a majority of the principal amount of the new junior subordinated debentures. However, we cannot obtain a waiver of a payment default or any other aspect of the junior subordinated debt indenture or the new junior subordinated debentures listed in the first category described above under "— Changes Requiring Approval of All Holders" unless we obtain the individual consent of each holder to the waiver.

Changes Not Requiring Approval. The third type of change does not require any vote by holders of the new junior subordinated debentures. This type is limited to clarifications, our right, under certain circumstances, to modify the definition of APM qualifying securities, and certain other changes that would not adversely affect in any material respect holders of the new junior subordinated debentures.

Modification of Subordination Provisions. We may not modify the subordination provisions of the junior subordinated debt indenture in a manner that would adversely affect in any material respect the new junior subordinated debentures, without the consent of the holders of a majority in principal amount of the new junior subordinated debentures.

Our Relationship with the Trustee

The Bank of New York Mellon is one of our lenders and from time to time provides other banking services to us and our subsidiaries.

The Bank of New York Mellon serves or will serve as the trustee for certain of our senior debt securities and our subordinated debt securities and any warrants that we may issue under our warrant indenture, as well as the trustee under any amended and restated trust agreement and capital securities subordinated guarantee that we may enter into in connection with the issuance of capital securities. Consequently, if an actual or potential event of default occurs with respect to any of these securities, trust agreements or subordinated guarantees, the trustee may be considered to have a conflicting interest for purposes of the Trust Indenture Act of 1939. In that case, the trustee may be required to resign under one or more of the indentures, trust agreements or subordinated guarantees and we would be required to appoint a successor trustee. For this purpose, a "potential" event of default means an event that would be an event of default if the requirements for giving us default notice or for the default having to exist for a specific period of time were disregarded.

LEGAL OWNERSHIP AND BOOK-ENTRY ISSUANCE

In this section, we describe special considerations that will apply to new junior subordinated debentures for so long as they remain issued in global — *i.e.*, book-entry — form. First, we describe the difference between legal ownership and indirect ownership of new junior subordinated debentures.

Then, we describe special provisions that apply to new junior subordinated debentures.

Who is the Legal Owner of a Registered Security?

The new junior subordinated debentures will be evidenced by one or more global securities, each registered in the name of a nominee for, and deposited with, DTC, or its nominee. We refer to those who, indirectly through others, own beneficial interests in new junior subordinated debentures that are not registered in their own names as indirect owners of those securities. As we discuss below, indirect owners are not legal holders, and investors in new junior subordinated debentures issued in book-entry form or in street name will be indirect owners.

Book-Entry Owners

Since we will initially issue the new junior subordinated debentures in book-entry form only, they will be represented by one or more global securities registered in the name of a financial institution that holds them as depositary on behalf of other financial institutions that participate in the depositary's book-entry system. These participating institutions, in turn, hold beneficial interests in the new junior subordinated debentures on behalf of themselves or their customers.

Under the junior subordinated debt indenture, only the persons in whose name new junior subordinated debentures are registered are recognized as the holders of those new junior subordinated debentures represented thereby. Consequently, for so long as the new junior subordinated debentures are issued in global form, we will recognize only the depositary as the holder of the securities and we will make all payments on the new junior subordinated debentures, including deliveries of any property other than cash, to the depositary. The depositary passes along the payments it receives to its participants, which in turn pass the payments along to their customers who are the beneficial owners. The depositary and its participants do so under agreements they have made with one another or with their customers; they are not obligated to do so under the terms of the new junior subordinated debentures.

As a result, investors will not own securities directly. Instead, they will own beneficial interests in a global security, through a bank, broker or other financial institution that participates in the depositary's book-entry system or holds an interest through a participant. As long as the new junior subordinated debentures are issued in global form, investors will be indirect owners, and not holders, of the new junior subordinated debentures.

Street Name Owners

If we terminate an existing global security, investors may choose to hold their securities in their own names or in street name. Securities held by an investor in street name would be registered in the name of a bank, broker or other financial institution that the investor chooses, and the investor would hold only a beneficial interest in those securities through an account he or she maintains at that institution.

For new junior subordinated debentures held in street name, we will recognize only the intermediary banks, brokers and other financial institutions in whose names the new junior subordinated debentures are registered as the holders of those securities and we will make all payments on those securities, including deliveries of any property, to them.

These institutions pass along the payments they receive to their customers who are the beneficial owners, but only because they agree to do so in their customer agreements or because they are legally required to do so. Investors who hold new junior subordinated debentures in street name will be indirect owners, not holders, of those new junior subordinated debentures.

Legal Holders

Our obligations, as well as the obligations of the indenture trustee under the junior subordinated debt indenture and the obligations, if any, of any third parties employed by us or any agents of theirs, run only to the holders of the new junior subordinated debentures. We do not have obligations to investors who hold beneficial interests in global securities, in street name or by any other indirect means. This will be the case whether an investor chooses to be an indirect owner of a new junior subordinated debenture or has no choice because we are issuing the new junior subordinated debentures only in global form.

For example, once we make a payment or give a notice to the holder, we have no further responsibility for that payment or notice even if that holder is required, under agreements with depositary participants or customers or by law, to pass it along to the indirect owners but does not do so. Similarly, if we want to obtain the approval of the holders for any purpose — for example, to amend the junior subordinated debt indenture or to relieve us of the consequences of a default or of our obligation to comply with a particular provision of the junior subordinated debt indenture — we would seek the approval only from the holders, and not the indirect owners, of the new junior subordinated debentures. Whether and how the holders contact the indirect owners is up to the holders.

When we refer to “you” in this prospectus, we mean all acquirers of the new junior subordinated debentures being offered by this prospectus, whether they are the holders or only indirect owners of those securities. When we refer to “your new junior subordinated debentures” in this prospectus, we mean the new junior subordinated debentures in which you will hold a direct or indirect interest.

Special Considerations for Indirect Owners

If you hold new junior subordinated debentures through a bank, broker or other financial institution, either in book-entry form or in street name, you should check with your own institution to find out:

- how it handles new junior subordinated debentures payments and notices;
- whether it imposes fees or charges;
- how it would handle a request for the holders’ consent, if ever required;
- how it would exercise rights under the new junior subordinated debentures if there were an event of default or other event triggering the need for holders to act to protect their interests; and
- if the new junior subordinated debentures are in book-entry form, how the depositary’s rules and procedures will affect these matters.

What is a Global Security?

We will issue the new junior subordinated debentures in book-entry form. This means that the new junior subordinated debentures will be represented by one or more global securities deposited on behalf of DTC as “depositary” for the new junior subordinated debentures, and registered in the name of Cede & Co., as DTC’s partnership nominee, or such other name as may be requested by an authorized representative of DTC. DTC will hold global securities on behalf of other financial institutions that participate in the book-entry system of DTC (the “*DTC participants*”). These DTC participants, in turn, hold beneficial interests in global securities on behalf of themselves or their customers. Investors will not own global securities issued in global form directly. Instead, they

will own beneficial interests in a global security through a bank, broker or other financial institution that is itself a DTC participant or holds an interest through a DTC participant.

An investor will be an indirect holder and must look to its bank or broker for payments on the new junior subordinated debentures and protection of its legal rights relating to the new junior subordinated debentures. DTC has advised us that it will take any action permitted to be taken by a holder of new junior subordinated debentures only at the direction of one or more DTC participants whose accounts are credited with DTC interests in a global security.

The laws of some jurisdictions require that certain persons take physical delivery in definitive form of securities that they own. Consequently, you will not have the ability to transfer beneficial interests in the global securities to these persons.

An investor may not be able to pledge his or her interest in a global security in circumstances where certificates representing the new junior subordinated debentures must be delivered to the lender or other beneficiary of the pledge in order for the pledge to be effective.

The depositary may require that those who purchase and sell interests in a global security within its book entry system use immediately available funds, and your bank, broker or other financial institution may require you to do so as well.

Financial institutions that participate in the depositary's book-entry system and through which an investor holds its interest in the global securities, directly or indirectly, may also have their own policies affecting payments, deliveries, transfers, exchanges, notices and other matters relating to the new junior subordinated debentures, and those policies may change from time to time. For example, if you hold an interest in a global security through Euroclear Bank S.A./N.V., as operator of the Euroclear system, referred to as Euroclear, and Clearstream Banking, société anonyme, Luxembourg, known as Clearstream, Luxembourg, Euroclear or Clearstream, Luxembourg, as applicable, may require those who purchase and sell interests in that security through them to use immediately available funds and comply with other policies and procedures, including deadlines for giving instructions as to transactions that are to be effected on a particular day. There may be more than one financial intermediary in the chain of ownership for an investor. We do not monitor and are not responsible for the policies or actions or records of ownership interests of any of those intermediaries.

The new junior subordinated debentures will be represented by a global security at all times unless and until the global security is terminated. We describe the situations in which this can occur below under "— Special Situations When a Global Security Will Be Terminated." If termination occurs, the new junior subordinated debentures will no longer be held through any book-entry clearing system.

Special Situations When a Global Security Will Be Terminated

In a few special situations described below, a global security will be terminated and interests in it will be exchanged for certificates in non-global form representing the new junior subordinated debentures it represented. After that exchange, the choice of whether to hold the new junior subordinated debentures directly or in street name will be up to the investor. Investors must consult their own banks, brokers or other financial institutions to find out how to have their interests in a global security transferred on termination to their own names, so that they will be holders. We have described the rights of holders and street name investors above under "— Who is the Legal Owner of a Registered Security?"

The special situations for termination of a global security are as follows:

- if the depositary notifies us that it is unwilling, unable or no longer qualified to continue as depositary for that global security and we do not appoint another institution to act as depositary within 60 days;
- if we notify the indenture trustee that we wish to terminate that global security; or
- if an event of default has occurred with regard to the new junior subordinated debentures and has not been cured or waived.

If a global security is terminated, only the depositary, and not us, is responsible for deciding the names of the institutions in whose names the new junior subordinated debentures represented by the global security will be registered and, therefore, who will be the holders of those new junior subordinated debentures.

Considerations Relating to DTC

DTC has informed us that it is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds securities that DTC participants deposit with DTC. DTC also facilitates the post-trade settlement among DTC participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between DTC participants' accounts. This eliminates the need for physical movement of securities certificates. DTC participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("*DTCC*"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Indirect access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a DTC participant, either directly or indirectly. The rules applicable to DTC and DTC participants are on file with the SEC.

Acquisitions of new junior subordinated debentures within the DTC system must be made by or through DTC participants, which will receive a credit for the new junior subordinated debentures on DTC's records. The ownership interest of each actual acquirer of new junior subordinated debentures is in turn to be recorded on the direct and indirect participants' records, including Euroclear and Clearstream, Luxembourg. Beneficial owners will not receive written confirmation from DTC of their acquisition, but beneficial owners are expected to receive written confirmations providing details of the transactions, as well as periodic statements of their holdings, from the direct participant or indirect participant through which the beneficial owner entered into the transaction. Transfers of ownership interests in the new junior subordinated debentures are to be accomplished by entries made on the books of DTC participants acting on behalf of beneficial owners. Beneficial owners will not receive certificates representing their ownership interests in new junior subordinated debentures, except in the limited circumstances described in "— What is a Global Security — Special Situations When a Global Security Will Be Terminated" in which a global security of the new junior subordinated debentures will become exchangeable for new junior subordinated debentures certificates registered in the manner described therein.

To facilitate subsequent transfers, all new junior subordinated debentures deposited by DTC participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the new junior subordinated debentures with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC will not have knowledge of the actual beneficial owners of the new junior subordinated debentures; DTC's records reflect only the identity of the DTC participants to whose accounts such new junior subordinated debentures are credited, which may or may not be the beneficial owners. The DTC participants will remain responsible for keeping account of their holdings on behalf of their customers.

Redemption notices will be sent to DTC's nominee, Cede & Co., as the registered holder of the new junior subordinated debentures. If less than all of the new junior subordinated debentures are being redeemed, DTC will determine the amount of the interest of each direct participant to be redeemed in accordance with its then current procedures.

In instances in which a vote is required, neither DTC nor Cede & Co. will itself consent or vote with respect to the new junior subordinated debentures unless authorized by a DTC participant in accordance with DTC's money market instruments procedures. Under its usual procedures, DTC would mail an omnibus proxy to the indenture trustee as soon as possible after the record date. The omnibus proxy assigns Cede & Co.'s consenting or voting rights

to those direct participants to whose accounts such new junior subordinated debentures are credited on the record date (identified in a listing attached to the omnibus proxy).

Interest payments on the new junior subordinated debentures will be made by the indenture trustee to DTC. DTC's usual practice is to credit direct participants' accounts, upon DTC's receipt of funds and corresponding detail information from us or the trustee (or any registrar or paying agent), on the relevant payment date in accordance with their respective holdings shown on DTC's records. Payments by DTC participants to beneficial owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such DTC participants and not of DTC, the indenture trustee or us, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment to DTC is the responsibility of the indenture trustee, disbursement of those payments to DTC participants will be the responsibility of DTC and disbursements of such payments to the beneficial owners are the responsibility of direct and indirect participants.

DTC may discontinue providing its services as securities depositary with respect to the new junior subordinated debentures at any time by giving reasonable notice to us.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that we believe to be accurate, but we assume no responsibility for the accuracy thereof.

Global Clearance and Settlement Procedures

As long as DTC is the depositary for the global securities, you may hold an interest in a global security through any organization that participates, directly or indirectly, in the DTC system. Those organizations include Euroclear and Clearstream, Luxembourg. If you are a participant in either of those systems, you may hold your interest directly in that system. If you are not a participant, you may hold your interest indirectly through organizations that are participants in that system. If you hold your interest indirectly, you should note that DTC, Euroclear and Clearstream, Luxembourg will have no record of you or your relationship with the direct participant in their systems.

Euroclear and Clearstream, Luxembourg are securities clearance systems in Europe, and they participate indirectly in DTC. Euroclear and Clearstream, Luxembourg will hold interests in the global securities on behalf of the participants in their systems, through securities accounts they maintain in their own names for their customers on their own books or on the books of their depositaries. Those depositaries, in turn, are participants in DTC and hold those interests in securities accounts they maintain in their own names on the books of DTC. Citibank, N.A. acts as depositary for Clearstream, Luxembourg and JPMorgan Chase Bank acts as depositary for Euroclear. Clearstream, Luxembourg and Euroclear clear and settle securities transactions between their participants through electronic, book-entry delivery of securities against payment.

If you hold an interest in a global security through Clearstream, Luxembourg or Euroclear, that system will credit the payments we make on your new junior subordinated debenture to the account of your Clearstream, Luxembourg or Euroclear participant in accordance with that system's rules and procedures. The participant's account will be credited only to the extent that the system's depositary receives these payments through the DTC system. Payments, notices and other communications or deliveries relating to the new junior subordinated debentures, if made through Clearstream, Luxembourg or Euroclear, must comply not only with the rules and procedures of those systems, but also with the rules and procedures of DTC, except as described below.

Trading in the new junior subordinated debentures between Clearstream, Luxembourg participants or between Euroclear participants will be governed only by the rules and procedures of that system. We understand that, at present, those systems' rules and procedures applicable to trades in conventional eurobonds will apply to trades in the new junior subordinated debentures, with settlement in immediately available funds.

Cross-market transfers of the new junior subordinated debentures — meaning transfers between investors who hold or will hold their interests through Clearstream, Luxembourg or Euroclear, on the one hand, and investors who hold or will hold their interests through DTC but not through Clearstream, Luxembourg or Euroclear, on the other hand — will be governed by DTC's rules and procedures in addition to those of Clearstream, Luxembourg or Euroclear. If you hold your new junior subordinated debenture through Clearstream, Luxembourg or Euroclear and

you wish to complete a cross-market transfer, you will need to deliver transfer instructions and payment, if applicable, to Clearstream, Luxembourg or Euroclear, through your participant, and that system in turn will need to deliver them to DTC, through that system's depositary.

Because of time-zone differences between the United States and Europe, any new junior subordinated debentures you purchase through Clearstream, Luxembourg or Euroclear in a cross-market transfer will not be credited to your account at your Clearstream, Luxembourg or Euroclear participant until the business day after the DTC settlement date. For the same reason, if you sell the new junior subordinated debentures through Clearstream, Luxembourg or Euroclear in a cross-market transfer, your cash proceeds will be received by the depositary for that system on the DTC settlement date but will not be credited to your participant's account until the business day following the DTC settlement date. In this context, "business day" means a business day for Clearstream, Luxembourg or Euroclear.

The description of the clearing and settlement systems in this section reflects our understanding of the rules and procedures of DTC, Clearstream, Luxembourg and Euroclear as currently in effect. Those systems could change their rules and procedures at any time. We have no control over those systems and we take no responsibility for their activities.

REPLACEMENT CAPITAL COVENANT

We have summarized below certain terms of the replacement capital covenant. This summary is not a complete description of the replacement capital covenant and is qualified in its entirety by the terms and provisions of the full document, which is available from us upon request and has been filed by us in a Current Report on Form 8-K. See "Where You Can Find More Information" for information on how you can contact us to obtain a copy of the replacement capital covenant.

References in this description to the new junior subordinated debentures include any old junior subordinated debentures that are not exchanged in this exchange offer. The new junior subordinated debentures and the old junior subordinated debentures that are not exchanged constitute a single series of junior subordinated debt securities under the junior subordinated debt indenture.

In the replacement capital covenant, we agree for the benefit of persons that buy, hold or sell a specified series of our long-term indebtedness ranking senior to the new junior subordinated debentures that we will not repay, redeem, defease or purchase, and none of our subsidiaries will purchase, all or a part of the new junior subordinated debentures prior to May 15, 2068, unless the principal amount repaid or defeased, or the applicable redemption or purchase price, does not exceed the sum of:

- the "applicable percentage" of the aggregate amount of net cash proceeds we and our subsidiaries have received from the sale of "common stock," "rights to acquire common stock," "mandatorily convertible preferred stock," "debt exchangeable for common equity" and "qualifying capital securities," plus
- the "applicable percentage" of the aggregate market value of any common stock (or rights to acquire common stock) we and our subsidiaries have delivered or issued in connection with the conversion of any convertible or exchangeable securities, other than securities for which we or any of our subsidiaries has received equity credit from any "NRSRO";

in each case to persons other than AIG and its subsidiaries since the most recent "measurement date" (without double counting proceeds received in any prior "measurement period"). The foregoing limitation will not restrict the repayment, redemption or other acquisition of any new junior subordinated debentures that we have previously defeased in accordance with the replacement capital covenant. We sometimes refer collectively in this prospectus to common stock, rights to acquire common stock, mandatorily convertible preferred stock, debt exchangeable for common equity and qualifying capital securities as "*replacement capital securities*."

"*Applicable percentage*" means:

- in the case of any common stock or rights to acquire common stock, (a) 133.33% with respect to any repayment, redemption or purchase prior to May 15, 2018, (b) 200% with respect to any repayment,

redemption or purchase on or after May 15, 2018 and prior to May 15, 2058 and (c) 400% with respect to any repayment, redemption or purchase on or after May 15, 2058;

- in the case of any mandatorily convertible preferred stock, debt exchangeable for common equity or any qualifying capital securities described in clause (i) of the definition of that term, (a) 100% with respect to any repayment, redemption or purchase prior to May 15, 2058 and (b) 300% with respect to any repayment, redemption or purchase on or after May 15, 2058;
- in the case of any qualifying capital securities described in clause (ii) of the definition of that term, (a) 100% with respect to any repayment, redemption or purchase prior to May 15, 2058 and (b) 200% with respect to any repayment, redemption or purchase on or after May 15, 2058; and
- in the case of any qualifying capital securities described in clause (iii) of the definition of that term, 100%.

"*Common stock*" means any of our equity securities (including equity securities held as treasury shares) or rights to acquire equity securities that have no preference in the payment of dividends or amounts payable upon the liquidation, dissolution or winding-up of AIG (including a security that tracks the performance of, or relates to the results of, a business, unit or division of AIG), and any securities that have no preference in the payment of dividends or amounts payable upon liquidation, dissolution or winding-up and are issued in exchange therefor in connection with a merger, consolidation, binding share exchange, business combination, recapitalization or other similar event.

"*Debt exchangeable for common equity*" means a security or combination of securities that:

- gives the holder a beneficial interest in (i) a fractional interest in a stock purchase contract for a share of common stock of AIG that will be settled in three years or less, with the number of shares of common stock of AIG purchasable pursuant to such stock purchase contract to be within a range established at the time of issuance of the subordinated debt securities referred to in clause (ii), subject to customary anti-dilution adjustments, and (ii) debt securities of AIG or one of its subsidiaries that are non-callable prior to the settlement date of the stock purchase contract;
- provides that the holders directly or indirectly grant AIG a security interest in such securities and their proceeds (including any substitute collateral permitted under the transaction documents) to secure the holders' direct or indirect obligation to purchase common stock of AIG pursuant to such stock purchase contracts;
- includes a remarketing feature pursuant to which the debt securities are remarketed to new investors commencing not later than the settlement date of the stock purchase contract; and
- provides for the proceeds raised in the remarketing to be used to purchase common stock of AIG under the stock purchase contracts and, if there has not been a successful remarketing by the settlement date of the stock purchase contract, provides that the stock purchase contracts will be settled by AIG exercising its remedies as a secured party with respect to the debt securities or other collateral directly or indirectly pledged by holders of the debt exchangeable for common equity.

"*Employee benefit plan*" means any written purchase, savings, option, bonus, appreciation, profit sharing, thrift, incentive, pension or similar plan or arrangement or any written compensatory contract or arrangement.

"*Measurement date*" means with respect to any repayment, redemption, defeasance or purchase of the new junior subordinated debentures (i) on or prior to the scheduled maturity date, the date 180 days prior to delivery of notice of such repayment, defeasance or redemption or the date of such purchase and (ii) after the scheduled maturity date, the date 90 days prior to the date of such repayment, redemption, defeasance or purchase, except that, if during the 90 days (or any shorter period) preceding the date that is 90 days prior to the date of such repayment, redemption, defeasance or purchase, net cash proceeds described above were received but no repayment, redemption, defeasance or purchase was made in connection therewith, the measurement date shall be the earliest date upon which such net cash proceeds were received.

For example, if we receive proceeds from the issuance of qualifying capital securities before the scheduled maturity date but after we have given the indenture trustee a notice of repayment and we do not redeem or purchase

any new junior subordinated debentures based on the receipt of these proceeds, the measurement date with respect to the next interest payment date will be the date we received those proceeds (even though it is more than 90 days prior to that interest payment date) and, accordingly, we may count those proceeds in connection with the repayment of the new junior subordinated debentures on that interest payment date.

"*Measurement period*" with respect to any notice date or purchase date means the period (i) beginning on the measurement date with respect to such notice date or purchase date and (ii) ending on such notice date or purchase date. Measurement periods cannot run concurrently.

"*NRSRO*" means any nationally recognized statistical rating organization as defined in Section 3(a)(62) of the Exchange Act (or any successor provision).

"*Qualifying capital securities*" means securities (other than common stock, rights to acquire common stock or securities exchangeable for or convertible into common stock) that in the determination of AIG's board of directors (or a duly authorized committee thereof), reasonably construing the definitions and other terms of the replacement capital covenant, meet one of the following criteria:

(i) in connection with any repayment, redemption or purchase of new junior subordinated debentures prior to May 15, 2018:

- junior subordinated debt securities and guarantees issued by us or our subsidiaries with respect to trust preferred securities if the junior subordinated debt securities and guarantees (a) rank *pari passu* with or junior to the new junior subordinated debentures upon our liquidation, dissolution or winding-up, (b) are "non-cumulative," (c) have no maturity or a maturity of at least 60 years and (d) are subject to a "qualifying replacement capital covenant";
- securities issued by us or our subsidiaries that (a) rank *pari passu* with or junior to the new junior subordinated debentures upon our liquidation, dissolution or winding-up, (b) have no maturity or a maturity of at least 60 years and (c) (i) are "non-cumulative" and subject to a "qualifying replacement capital covenant" or (ii) have a "mandatory trigger provision" and an "optional deferral provision" and are subject to "intent-based replacement disclosure"; or
- securities issued by us or our subsidiaries that (a) rank *pari passu* with or junior to the new junior subordinated debentures, (b) have no maturity or a maturity of at least 40 years, (c) are subject to a "qualifying replacement capital covenant" and (d) have a "mandatory trigger provision" and an "optional deferral provision";

(ii) in connection with any repayment, redemption or purchase of new junior subordinated debentures on or after May 15, 2018 but prior to May 15, 2038:

- all types of securities that would be "qualifying capital securities" under clause (i) above;
- securities issued by us or our subsidiaries that (a) rank *pari passu* with or junior to the new junior subordinated debentures upon our liquidation, dissolution or winding-up, (b) have no maturity or a maturity of at least 60 years, (c) are subject to a "qualifying replacement capital covenant" and (d) have an "optional deferral provision";
- securities issued by us or our subsidiaries that (a) rank *pari passu* with or junior to the new junior subordinated debentures upon our liquidation, dissolution or winding-up, (b) are "non-cumulative," (c) have no maturity or a maturity of at least 60 years and (d) are subject to "intent-based replacement disclosure";
- securities issued by us or our subsidiaries that (a) rank *pari passu* with or junior to the new junior subordinated debentures upon our liquidation, dissolution or winding-up, (b) have no maturity or a maturity of at least 40 years and (c) (i) are "non-cumulative" and subject to a "qualifying replacement capital covenant" or (ii) have a "mandatory trigger provision" and an "optional deferral provision" and are subject to "intent-based replacement disclosure";

- securities issued by us or our subsidiaries that (a) rank junior to all of our senior and subordinated debt other than the new junior subordinated debentures and the *pari passu* securities, (b) have a "mandatory trigger provision" and an "optional deferral provision," and are subject to "intent-based replacement disclosure" and (c) have no maturity or a maturity of at least 60 years;
- cumulative preferred stock issued by us or our subsidiaries that (a) has no prepayment obligation on the part of the issuer thereof, whether at the election of the holders or otherwise, and (b) (1) has no maturity or a maturity of at least 60 years and (2) is subject to a "qualifying replacement capital covenant"; or
- other securities issued by us or our subsidiaries that (a) rank upon our liquidation, dissolution or winding-up either (1) *pari passu* with or junior to the new junior subordinated debentures or (2) *pari passu* with the claims of our trade creditors and junior to all of our long-term indebtedness for money borrowed (other than our long-term indebtedness for money borrowed from time to time outstanding that by its terms ranks *pari passu* with such securities on our liquidation, dissolution or winding-up); and (b) either (1) have no maturity or a maturity of at least 40 years and have a "mandatory trigger provision" and an "optional deferral provision" and are subject to "intent-based replacement disclosure" or (2) have no maturity or a maturity of at least 25 years and are subject to a "qualifying replacement capital covenant" and have a "mandatory trigger provision" and an "optional deferral provision";

(iii) in connection with any repayment, redemption or purchase of new junior subordinated debentures at any time on or after May 15, 2038:

- all of the types of securities that would be "qualifying capital securities" under clause (ii) above;
- securities issued by us or our subsidiaries that (a) rank *pari passu* with or junior to the new junior subordinated debentures upon our liquidation, dissolution or winding-up, (b) either (1) have no maturity or a maturity of at least 60 years and are subject to "intent based replacement disclosure" or (2) have no maturity or a maturity of at least 40 years and are subject to a "qualifying replacement capital covenant" and (c) have an "optional deferral provision";
- securities issued by us or our subsidiaries that (a) rank junior to all of our senior and subordinated debt other than the new junior subordinated debentures and any other *pari passu* securities, (b) have a "mandatory trigger provision" and an "optional deferral provision" and are subject to "intent-based replacement disclosure" and (c) have no maturity or a maturity of at least 25 years; or
- preferred stock issued by us or our subsidiaries that either (a) has no maturity or a maturity of at least 60 years and is subject to "intent-based replacement disclosure" or (b) has a maturity of at least 40 years and is subject to a "qualifying replacement capital covenant";

provided that if any of the securities described above is structured at the time of issuance with a significant distribution rate step-up (whether interest or dividend) prior to May 15, 2058, then such security shall be subject to a "qualifying replacement capital covenant" that will remain in effect until at least May 15, 2058. "*Significant distribution rate step-up*" means, as to a "qualifying capital security," an increase in the distribution rate at a date after initial issuance of such security of more than 25 basis points (or, if the method of calculating distributions on such "qualifying capital security" is changing at the time of such increase (for example, from a fixed rate to a floating rate based upon a margin above an index or from a floating rate based upon a margin above one index to a floating rate based upon a margin above a different index), an increase in the margin above the applicable credit spread used in calculating such increased rate as compared to the credit spread used in calculating the initial distribution rate of more than 25 basis points).

For purposes of the definitions provided above, the following terms shall have the following meanings:

"*Alternative payment mechanism*" means, with respect to any securities or combination of securities, provisions in the related transaction documents requiring AIG to issue (or use commercially reasonable efforts to issue) one or more types of "APM qualifying securities" raising eligible proceeds at least equal to the deferred distributions on such securities and apply the proceeds to pay unpaid distributions on such securities, commencing

on the earlier of (x) the first distribution date after commencement of a deferral period on which AIG pays current distributions on such securities and (y) the fifth anniversary of the commencement of such deferral period, and that:

- define "eligible proceeds" to mean, for purposes of such alternative payment mechanism, the net proceeds (after underwriters' or placement agents' fees, commissions or discounts and other expenses relating to the issuance or sale) that AIG has received during the 180 days prior to the related distribution date from the issuance of APM qualifying securities, up to the maximum share number in the case of APM qualifying securities that are common stock or "mandatorily convertible preferred stock", up to the maximum warrant number in the case of APM qualifying securities that are qualifying warrants, and up to the "preferred cap" in the case of APM qualifying securities that are "qualifying non-cumulative preferred stock" or "mandatorily convertible preferred stock";
- permit AIG to pay current distributions on any distribution date out of any source of funds but (x) require AIG to pay deferred distributions only out of eligible proceeds and (y) prohibit AIG from paying deferred distributions out of any source of funds other than eligible proceeds, unless otherwise required at the time by any applicable regulatory authority or if an event of default has occurred that results in an acceleration of the principal amount of the relevant securities;
- include a "repurchase restriction";
- limit the obligation of AIG to issue (or use commercially reasonable efforts to issue) APM qualifying securities up to:
    - in the case of APM qualifying securities that are common stock or qualifying warrants, during the first five years of any deferral period (x) an amount from the issuance thereof pursuant to the alternative payment mechanism equal to 2% of AIG's most recently published market capitalization or (y) a number of shares of common stock and qualifying warrants not in excess of 2% of the number of shares of outstanding common stock set forth in AIG's most recently published financial statements (the "*common cap*");
    - in the case of APM qualifying securities that are "qualifying non-cumulative preferred stock" or "mandatorily convertible preferred stock," an amount from the issuance thereof pursuant to the related alternative payment mechanism (including at any point in time from all prior issuances of "qualifying non-cumulative preferred stock" and still-outstanding "mandatorily convertible preferred stock" pursuant to such alternative payment mechanism) equal to 25% of the liquidation or principal amount of the securities that are the subject of the related alternative payment mechanism (the "*preferred cap*");
    - permit AIG, at its option, to impose a limitation on the issuance of APM qualifying securities consisting of common stock, mandatorily convertible preferred stock and qualifying warrants, in each case to a maximum issuance cap to be set at the discretion of AIG and otherwise substantially similar to the "maximum share number" and "maximum warrant number," respectively, *provided* that such maximum issuance cap will be subject to AIG's agreement to use commercially reasonable efforts to increase the maximum issuance cap when reached and (i) simultaneously satisfy its future fixed or contingent obligations under other securities and derivative instruments that provide for settlement or payment in shares of common stock or (ii) if AIG cannot increase the maximum issuance cap as contemplated in the preceding clause, by requesting its board of directors to adopt a resolution for shareholder vote at the next occurring annual shareholders meeting to increase the number of shares of AIG's authorized common stock for purposes of satisfying AIG's obligations to pay deferred distributions;
    - in the case of securities other than non-cumulative preferred stock, include a "bankruptcy claim limitation provision"; and
    - permit AIG, at its option, to provide that if AIG is involved in a merger, consolidation, amalgamation, binding share exchange or conveyance, transfer or lease of assets substantially as an entirety to any other person or a similar transaction (a "*business combination*") where immediately after the consummation of the business combination more than 50% of the surviving or resulting entity's voting

stock is owned by the shareholders of the other party to the business combination or continuing directors cease for any reason to constitute a majority of the directors of the surviving or resulting entity, then the first three bullet points will not apply to any deferral period that is terminated on the next interest payment date following the date of consummation of the business combination. "*Continuing director*" means a director who was a director of AIG at the time the definitive agreement relating to the transaction was approved by AIG's board of directors;

provided that:

- AIG shall not be obligated to issue (or use commercially reasonable efforts to issue) APM qualifying securities for so long as a market disruption event has occurred and is continuing;
- if, due to a market disruption event or otherwise, AIG is able to raise and apply some, but not all, of the eligible proceeds necessary to pay all deferred distributions on any distribution date, AIG will apply any available eligible proceeds to pay accrued and unpaid distributions on the applicable distribution date in chronological order subject to the "common cap," "preferred cap" and any "maximum issuance cap"; and
- if AIG has outstanding more than one class or series of securities under which it is obligated to sell a type of APM qualifying securities and apply some part of the proceeds to the payment of deferred distributions, then on any date and for any period the amount of net proceeds received by AIG from those sales and available for payment of deferred distributions on such securities shall be applied to such securities on a *pro rata* basis up to the "common cap," the "preferred cap" and any maximum issuance cap referred to above, as applicable, in proportion to the total amounts that are due on such securities.

"*APM qualifying securities*" means, with respect to an alternative payment mechanism or a mandatory trigger provision, one or more of the following (as designated in the transaction documents for the qualifying capital securities that include an alternative payment mechanism or a mandatory trigger provision, as applicable): common stock, qualifying warrants, qualifying non-cumulative preferred stock and mandatorily convertible preferred stock; *provided* that

- if the APM qualifying securities for any alternative payment mechanism or mandatory trigger provision include both common stock and qualifying warrants,
  - such alternative payment mechanism or mandatory trigger provision may permit, but need not require, us to issue qualifying warrants; and
  - we may, without the consent of the holders of the qualifying capital securities, amend the definition of APM qualifying securities to eliminate common stock or qualifying warrants (but not both) from the definition if, after May 13, 2008, an accounting standard or interpretive guidance of an existing standard issued by an organization or regulator that has responsibility for establishing or interpreting accounting standards in the United States becomes effective so that there is more than an insubstantial risk that the failure to do so would result in a reduction in our earnings per share as calculated for financial reporting purposes; and
- if the APM qualifying securities for any alternative payment mechanism or mandatory trigger provision include mandatorily convertible preferred stock,
  - such alternative payment mechanism or mandatory trigger provision may permit, but need not require, us to issue mandatorily convertible preferred stock; and
  - we may, without the consent of the holders of the qualifying capital securities, amend the definition of APM qualifying securities to eliminate mandatorily convertible preferred stock from the definition if, after May 13, 2008, an accounting standard or interpretive guidance of an existing standard issued by an organization or regulator that has responsibility for establishing or interpreting accounting standards in the United States becomes effective so that there is more than an insubstantial risk that the failure to do so would result in a reduction in our earnings per share as calculated for financial reporting purposes.

"*Bankruptcy claim limitation provision*" means, with respect to any securities or combination of securities that have an alternative payment mechanism or a mandatory trigger provision, provisions that, upon any liquidation, dissolution, winding-up or reorganization or in connection with any insolvency, receivership or proceeding under any bankruptcy law with respect to the issuer, limit the claim of the holders of such securities to distributions that accumulate during (A) any deferral period, in the case of securities that have an alternative payment mechanism or (B) any period in which the issuer fails to satisfy one or more financial tests set forth in the terms of such securities or related transaction agreements, in the case of securities having a mandatory trigger provision, to:

- in the case of securities having an alternative payment mechanism or "mandatory trigger provision" with respect to which the "APM qualifying securities" do not include "qualifying noncumulative preferred stock" or "mandatorily convertible preferred stock," 25% of the stated or principal amount of such securities then outstanding; and
- in the case of any other securities, an amount not in excess of the sum of (x) the amount of accumulated and unpaid distributions (including compounded amounts) that relate to the earliest two years of the portion of the deferral period for which distributions have not been paid and (y) an amount equal to the excess, if any, of the "preferred cap" over the aggregate amount of net proceeds from the sale of "qualifying non-cumulative preferred stock" and still-outstanding "mandatorily convertible preferred stock" that the issuer has applied to pay such distributions pursuant to the alternative payment mechanism or the "mandatory trigger provision," *provided* that the holders of such securities are deemed to agree that, to the extent the remaining claim exceeds the amount set forth in subclause (x), the amount they receive in respect of such excess shall not exceed the amount they would have received had such claim ranked *pari passu* with the interests of the holders, if any, of "qualifying non-cumulative preferred stock."

In the case of any cumulative preferred stock that includes a bankruptcy claim limitation provision, such provision shall limit the liquidation preference of such cumulative preferred stock to its stated amount, plus an amount in respect of accumulated and unpaid dividends not in excess of the amount set forth in the first or second bullet point above, as applicable.

"*Intent-based replacement disclosure*" means, as to any security or combination of securities, that the issuer has publicly stated its intention, either in the prospectus or other offering document under which such securities were initially offered for sale or in filings made by the issuer prior to or contemporaneously with the issuance of such securities, that the issuer will repay, redeem, defease or purchase, and will cause its subsidiaries to purchase, such securities only with the proceeds of replacement capital securities that have terms and provisions at the time of repayment, redemption, defeasance or purchase that are as or more equity-like than the securities then being repaid, redeemed, defeased or purchased, raised within 180 days prior to the applicable redemption or purchase date.

"*Mandatory trigger provision*" means, as to any security or combination of securities, provisions in the terms thereof or of the related transaction agreements that:

- upon a failure to satisfy one or more financial tests set forth in the terms of such securities or related transaction agreements, prohibit the issuer of such securities from making payment of distributions on such securities (including without limitation all deferred and accumulated amounts) other than out of the net proceeds of the issuance and sale of APM qualifying securities; *provided* that the amount of "qualifying non-cumulative preferred stock" and "mandatorily convertible preferred stock" the net proceeds of which the issuer may apply to pay such distributions pursuant to such provision may not exceed the "preferred cap";
- in the case of securities other than non-cumulative perpetual preferred stock, require the issuance and sale of APM qualifying securities in an amount at least equal to the amount of unpaid distributions on such securities (including without limitation all deferred and accumulated amounts) and the application of such net proceeds to the payment of such distributions within two years of such failure; *provided* that if the mandatory trigger provision does not require such issuance and sale within one year of such failure, the amount of common stock or qualifying warrants the net proceeds of which the issuer must apply to pay such distributions pursuant to such provision may not exceed the "common cap";
- include a "repurchase restriction" if the provisions described in the prior bullet point do not require such issuance and sale within one year of such failure;

- prohibit the issuer of such securities from redeeming, defeasing or purchasing any of its securities ranking upon the liquidation, dissolution or winding-up of the issuer, junior to or *pari passu* with any APM qualifying securities the proceeds of which were used to settle deferred interest during the relevant deferral period prior to the date six months after the issuer applies the net proceeds of the sales described in the first bullet point above to pay such deferred distributions in full, except where non-payment would cause the issuer to breach the terms of the relevant instrument, subject to the exceptions set forth in the first and second bullet points of the definition of "repurchase restriction";
- other than in the case of non-cumulative preferred stock, include a "bankruptcy claim limitation provision"; and
- do not include any remedies other than "permitted remedies" for the issuer's failure to pay distributions because of the "mandatory trigger provision" except in the event that distributions have been deferred for one or more distribution periods that total together at least 10 years;

provided that:

- the issuer shall not be obligated to issue (or to use commercially reasonable efforts to issue) APM qualifying securities for so long as a market disruption event has occurred and is continuing;
- if, due to a market disruption event or otherwise, the issuer is able to raise and apply some, but not all, of the eligible proceeds necessary to pay all deferred distributions on any distribution date, the issuer will apply any available eligible proceeds to pay accrued and unpaid distributions on the applicable distribution date in chronological order subject to the "common cap" and the "preferred cap," as applicable; and
- if the issuer has outstanding more than one class or series of securities under which it is obligated to sell a type of APM qualifying securities and apply some part of the proceeds to the payment of deferred distributions, then on any date and for any period the amount of net proceeds received by the issuer from those sales and available for payment of deferred distributions on such securities shall be applied to such securities on a *pro rata* basis up to the "common cap" and the "preferred cap," as applicable, in proportion to the total amounts that are due on such securities.

"*Non-cumulative*" means, with respect to any securities, that the issuer may elect not to make any number of periodic distributions without any remedy arising under the terms of the securities or related agreements in favor of the holders, other than one or more "permitted remedies." Securities that include an alternative payment mechanism will also be deemed to be "non-cumulative," other than for the purposes of the definitions of "APM qualifying securities" and "qualifying non-cumulative preferred stock."

"*Optional deferral provision*" means, as to any securities, a provision in the terms thereof or of the related transaction agreements to the effect of either (a) or (b) below:

(a) (i) the issuer of such securities may, in its sole discretion, defer in whole or in part payment of distributions on such securities for one or more consecutive distribution periods of up to five years or, if a market disruption event is continuing, 10 years, without any remedy other than "permitted remedies" and (ii) an alternative payment mechanism (*provided* that such alternative payment mechanism need not apply during the first 5 years of any deferral period and need not include a "common cap" or a "preferred cap"); or

(b) the issuer of such securities may, in its sole discretion, defer in whole or in part payment of distributions on such securities for one or more consecutive distribution periods up to 10 years, without any remedy other than "permitted remedies."

"*Permitted remedies*" means, with respect to any securities, one or more of the following remedies: (a) rights in favor of the holders of such securities permitting such holders to elect one or more directors of the issuer (including any such rights required by the listing requirements of any stock or securities exchange on which such securities may be listed or traded), and (b) complete or partial prohibitions on the issuer or its subsidiaries paying distributions on or repurchasing common stock or other securities that rank *pari passu* with or junior as to distributions to such securities for so long as distributions on such securities, including unpaid distributions, remain unpaid.

"*Qualifying non-cumulative preferred stock*" means non-cumulative perpetual preferred stock issued by us that (i) ranks *pari passu* with or junior to all other outstanding preferred stock of the issuer, other than a preferred stock that is issued or issuable pursuant to a stockholders' rights plan or similar plan or arrangement and (ii) contains no remedies other than "permitted remedies" and either (i) is subject to "intent-based replacement disclosure" and has a provision that provides for mandatory suspension of distributions upon AIG's failure to satisfy one or more financial tests set forth therein or (ii) is subject to a qualifying replacement capital covenant.

"*Qualifying replacement capital covenant*" means (a) a replacement capital covenant substantially similar to the replacement capital covenant applicable to the new junior subordinated debentures or (b) a replacement capital covenant, as identified by AIG's board of directors, or a duly authorized committee thereof, acting in good faith and in its reasonable discretion and reasonably construing the definitions and other terms of the replacement capital covenant, (i) entered into by a company that at the time it enters into such replacement capital covenant is a reporting company under the Exchange Act and (ii) that restricts the related issuer from redeeming, repaying, purchasing or defeasing, and restricts the subsidiaries of such issuer from purchasing, identified securities except out of the proceeds of specified replacement capital securities that have terms and provisions at the time of redemption, repayment, purchase or defeasance that are as or more equity-like than the securities then being redeemed, repaid, purchased or defeased, raised within 180 days prior to the applicable redemption, repayment, purchase or defeasance date; *provided* that the term of such qualifying replacement capital covenant shall be determined at the time of issuance of the related replacement capital securities taking into account the other characteristics of such securities.

"*Repurchase restriction*" means, with respect to any APM qualifying securities that include an alternative payment mechanism or a mandatory trigger provision, provisions that require AIG and its subsidiaries not to redeem, purchase or defease any of its securities ranking junior to or *pari passu* with any APM qualifying securities the proceeds of which were used to settle deferred interest during the relevant deferral period until at least one year after all deferred distributions have been paid, except where non-payment would cause AIG to breach the terms of the relevant instrument, other than the following (none of which shall be restricted or prohibited by a repurchase restriction) if deferral of distributions continues for more than one year:

- redemptions, purchases or other acquisitions of shares of common stock in connection with any employee benefit plan; or
- purchases of shares of common stock pursuant to a contractually binding requirement to buy common stock entered into prior to the beginning of the related deferral period, including under a contractually binding stock repurchase plan.

"*Rights to acquire common stock*" includes the number of shares of common stock obtainable upon exercise or conversion of any right to acquire common stock, including, any right to acquire common stock pursuant to a stock purchase plan, employee benefit plan or assurance agreement.

Our ability to raise proceeds from qualifying capital securities, mandatorily convertible preferred stock, common stock, debt exchangeable for common equity and rights to acquire common stock during the applicable measurement period with respect to any repayment, purchase or redemption of new junior subordinated debentures will depend on, among other things, market conditions at that time as well as the acceptability to prospective investors of the terms of those securities. No assurance can be given that we will be able to issue those securities, and we will be unable to repay or redeem the new junior subordinated debentures prior to May 15, 2068 unless we can complete such an issuance.

The initial series of indebtedness benefiting from our replacement capital covenant is our 6.25% Notes due 2036, CUSIP No. 026874AZ0. The replacement capital covenant includes provisions requiring us to redesignate a new series of indebtedness if the covered series of indebtedness approaches maturity, becomes subject to a redemption notice or is reduced to less than $100,000,000 in outstanding principal amount. We expect that, at all times prior to May 15, 2068, we will be subject to the replacement capital covenant and, accordingly, restricted in our ability to repay, redeem, defease or purchase the new junior subordinated debentures.

The replacement capital covenant is made for the benefit of persons that buy, hold or sell the specified series of long-term indebtedness. It is not for the benefit of, and may not be enforced by, the holders of the new junior

subordinated debentures. Any amendment or termination of our obligations under the replacement capital covenant will require the consent of the holders of at least a majority in principal amount of that series of indebtedness, except that we may amend or supplement the replacement capital covenant without the consent of the holders of that series of indebtedness if any of the following apply (it being understood that any such amendment or supplement may fall into one or more of the following): (i) the effect of such amendment or supplement is solely to impose additional restrictions on, or eliminate certain of, the types of securities qualifying as replacement capital securities, and an officer of AIG has delivered to the holders of the then effective series of covered debt a written certificate to that effect, (ii) such amendment or supplement is not materially adverse to the covered debtholders, and an officer of AIG has delivered to the holders of the then effective series of covered debt a written certificate stating that, in his or her determination, such amendment or supplement is not materially adverse to the covered debtholders, or (iii) such amendment or supplement eliminates common stock, debt exchangeable for common equity, mandatorily convertible preferred stock and/or rights to acquire common stock as replacement capital securities if, after May 20, 2008, an accounting standard or interpretive guidance of an existing standard issued by an organization or regulator that has responsibility for establishing or interpreting accounting standards in the United States becomes effective such that there is more than an insubstantial risk that the failure to eliminate common stock, debt exchangeable for common equity, mandatorily convertible preferred stock and/or rights to acquire common stock as replacement capital securities would result in a reduction in our earnings per share as calculated in accordance with generally accepted accounting principles in the United States. For this purpose, an amendment or supplement that adds new types of securities qualifying as “replacement capital securities” or modifies the requirements of securities qualifying as “replacement capital securities” will not be deemed materially adverse to the holders of the then effective series of covered debt if, following such amendment or supplement, the replacement capital covenant would constitute a “qualifying replacement capital covenant.”

With respect to qualifying capital securities, we have agreed in the junior debt indenture that we will not amend the replacement capital covenant to impose additional restrictions on the type or amount of qualifying capital securities that we may include for purposes of determining when repayment, redemption or purchase of the new junior subordinated debentures is permitted, except with the consent of holders of a majority by principal amount of the new junior subordinated debentures.

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

This section describes the material United States federal income tax consequences of exchanging old junior subordinated debentures for new junior subordinated debentures and owning the new junior subordinated debentures. It applies to holders that hold old junior subordinated debentures and new junior subordinated debentures as capital assets for tax purposes and acquire new junior subordinated debentures by exchanging pursuant to the exchange offer the old junior subordinated debentures that they acquired upon their original issuance at their original offering price. For the purposes of this section “Certain United States Federal Income Tax Considerations”, the new junior subordinated debentures and the old junior subordinated debentures are hereinafter referred to as the “Series A-6 Junior Subordinated Debentures”.

This section does not apply to a holder that is a member of a class of holders subject to special rules, such as:

- a dealer in securities or currencies;
- a trader in securities that elects to use a mark-to-market method of accounting for its securities holdings;
- a bank;
- a life insurance company;
- a tax-exempt organization;
- a person that owns Series A-6 Junior Subordinated Debentures that are a hedge or that are hedged against interest rate risks;

- a person that owns Series A-6 Junior Subordinated Debentures as part of a straddle or conversion transaction for tax purposes; or
- a United States Holder (as defined below) whose functional currency for tax purposes is not the U.S. dollar.

This section is based on the Internal Revenue Code of 1986, as amended, its legislative history, existing and proposed regulations under the Internal Revenue Code, published rulings and court decisions, all as currently in effect. These laws are subject to change, possibly on a retroactive basis.

If a partnership holds the Series A-6 Junior Subordinated Debentures, the United States federal income tax treatment of a partner will generally depend on the status of the partner and the tax treatment of the partnership. A partner in a partnership holding the Series A-6 Junior Subordinated Debentures should consult its tax advisor with regard to the United States federal income tax treatment of an investment in the Series A-6 Junior Subordinated Debentures.

The Series A-6 Junior Subordinated Debentures are a novel financial instrument, and there is no clear authority addressing their federal income tax treatment. We have not sought any rulings concerning the treatment of the Series A-6 Junior Subordinated Debentures, and the opinion of our tax counsel is not binding on the Internal Revenue Service ("IRS"). Investors should consult their tax advisors in determining the specific tax consequences and risks to them of purchasing, holding and disposing of the Series A-6 Junior Subordinated Debentures, including the application to their particular situation of the United States federal income tax considerations discussed below, as well as the application of state, local, foreign or other tax laws.

Treatment of the Exchange

The exchange of the old junior subordinated debentures for new junior subordinated debentures will not be treated as a taxable transaction for U.S. federal income tax purposes. Your basis and holding period in the new junior subordinated debentures will equal your basis and holding period in the old junior subordinated debentures exchanged for them.

Classification of the Series A-6 Junior Subordinated Debentures

In the opinion of our counsel, Sullivan & Cromwell LLP, under current law and assuming full compliance with the terms of the junior debt indenture and other relevant documents, and based on certain representations to Sullivan & Cromwell LLP made at the time of the original issuance of the old junior subordinated debentures, the Series A-6 Junior Subordinated Debentures will be treated as indebtedness of AIG for United States federal income tax purposes (although there is no clear authority on this point). The remainder of this discussion assumes that the Series A-6 Junior Subordinated Debentures will not be recharacterized as other than indebtedness of AIG, unless otherwise indicated.

United States Holders

This subsection describes the tax consequences to a "*United States Holder.*" A holder is a United States Holder if such holder is a beneficial owner of Series A-6 Junior Subordinated Debentures and is:

- a citizen or resident of the United States;
- a domestic corporation;
- an estate whose income is subject to United States federal income tax regardless of its source; or
- a trust if (1) a United States court can exercise primary supervision over the trust's administration and one or more United States persons are authorized to control all substantial decisions of the trust, or (2) such trust has a valid election in effect under applicable United States Treasury regulations to be treated as a United States person.

As used in this summary, the term "*non-United States Holder*" means a beneficial owner that is not a United States person for United States federal income tax purposes. This subsection does not apply to a holder that is a non-United States Holder and such holders should refer to "— Non-United States Holders" below.

Interest Income

Under applicable Treasury regulations, a "remote" contingency that stated interest will not be timely paid will be ignored in determining whether a debt instrument is issued with original issue discount, or "OID." As of the time of the original issuance of the old junior subordinated debentures (which we believe, because of the relevant terms of the exchange offer, to be the relevant date for determining whether a contingency is remote), we believed that the likelihood of our exercising our option to defer payments was remote within the meaning of the regulations. Based on the foregoing, we believe that the Series A-6 Junior Subordinated Debentures will not be considered to be issued with OID at the time of their original issuance. Accordingly, each United States Holder of Series A-6 Junior Subordinated Debentures should include in gross income that holder's interest on the Series A-6 Junior Subordinated Debentures in accordance with that holder's method of tax accounting.

Original Issue Discount

Under the applicable Treasury regulations, if our exercise of the option to defer any payment of interest was determined not to be "remote," or if we exercised that option, the Series A-6 Junior Subordinated Debentures would be treated as issued with OID at the time of issuance or at the time of that exercise, in which case all stated interest on the Series A-6 Junior Subordinated Debentures would thereafter be treated as OID as long as the Series A-6 Junior Subordinated Debentures remained outstanding.

In that event, all of a United States Holder's taxable interest income relating to the Series A-6 Junior Subordinated Debentures would constitute OID that would have to be included in income on an economic accrual basis before the receipt of the cash attributable to the interest, regardless of the United States Holder's method of tax accounting, and actual distributions of stated interest would not be reported as taxable income. Consequently, a United States Holder of Series A-6 Junior Subordinated Debentures would be required to include in gross income OID even though we will make no actual payments on the Series A-6 Junior Subordinated Debentures during a deferral period.

The IRS has not defined the meaning of the term "remote" as used in the applicable Treasury Regulations in any binding ruling or interpretation, and it is possible that the IRS could take a position contrary to the interpretation in this prospectus.

Because income on the Series A-6 Junior Subordinated Debentures will constitute interest or OID, (i) corporate holders of Series A-6 Junior Subordinated Debentures will not be entitled to a dividends-received deduction relating to any income recognized relating to the Series A-6 Junior Subordinated Debentures and (ii) non-corporate individual holders will not be entitled to any preferential tax rate for any income recognized relating to the Series A-6 Junior Subordinated Debentures.

Sale, Redemption or Maturity of Series A-6 Junior Subordinated Debentures

Upon the sale, redemption or maturity of Series A-6 Junior Subordinated Debentures, a United States Holder will recognize gain or loss equal to the difference between its adjusted tax basis in the Series A-6 Junior Subordinated Debentures and the amount realized on the sale, redemption or maturity of those Series A-6 Junior Subordinated Debentures. The amount realized will not include amounts that are allocated to accrued but unpaid interest, which will be subject to tax in the manner described above under "Interest Income" and "Original Issue Discount." Assuming that we do not exercise our option to defer payments of interest on the Series A-6 Junior Subordinated Debentures and that the Series A-6 Junior Subordinated Debentures are not deemed to be issued with OID, a United States Holder's adjusted tax basis in the Series A-6 Junior Subordinated Debentures generally will be its initial purchase price. If the Series A-6 Junior Subordinated Debentures are deemed to be issued with OID, a United States Holder's tax basis in the Series A-6 Junior Subordinated Debentures generally will be its initial purchase price, increased by OID previously includible in that United States Holder's gross income to the date of disposition and decreased by distributions or other payments received on the Series A-6 Junior Subordinated Debentures since and including the date that the Series A-6 Junior Subordinated Debentures were deemed to be issued with OID. That gain or loss generally will be a capital gain or loss, except to the extent of any accrued interest on the Series A-6 Junior Subordinated Debentures required to be included in income, and generally will be long-term capital gain or loss if the Series A-6 Junior Subordinated Debentures have been held for more than one year.

Should we exercise our option to defer payment of interest on the Series A-6 Junior Subordinated Debentures, the Series A-6 Junior Subordinated Debentures may trade at a price that does not fully reflect the accrued but unpaid interest. In the event of that deferral, a United States Holder who disposes of its Series A-6 Junior Subordinated Debentures between record dates for payments of interest will be required to include in income as ordinary income accrued but unpaid interest on the Series A-6 Junior Subordinated Debentures to the date of disposition and to add that amount to its adjusted tax basis in the Series A-6 Junior Subordinated Debentures deemed disposed of. To the extent the selling price is less than the holder's adjusted tax basis, that holder will recognize a capital loss. Capital losses generally cannot be applied to offset ordinary income for United States federal income tax purposes.

Information Reporting and Backup Withholding

Generally, income on the Series A-6 Junior Subordinated Debentures will be subject to information reporting. In addition, United States Holders may be subject to backup withholding on those payments if they do not provide their taxpayer identification numbers to the paying agent in the manner required, fail to certify that they are not subject to backup withholding, or otherwise fail to comply with applicable backup withholding tax rules. United States Holders may also be subject to information reporting and backup withholding with respect to the proceeds from a sale, exchange, retirement or other taxable disposition (collectively, a "*disposition*") of the Series A-6 Junior Subordinated Debentures. Any amounts withheld under the backup withholding rules will be allowed as a credit against the United States Holder's United States federal income tax liability, provided the required information is timely furnished to the IRS.

Non-United States Holders

Assuming that the Series A-6 Junior Subordinated Debentures will be respected as indebtedness of AIG, under current United States federal income tax law, no withholding of United States federal income tax will apply to a payment on a Series A-6 Junior Subordinated Debenture to a non-United States Holder under the "Portfolio Interest Exemption," *provided* that:

- the payment is not effectively connected with the holder's conduct of a trade or business in the United States;
- the non-United States Holder does not actually or constructively own 10% or more of the total combined voting power of all classes of our stock entitled to vote;
- the non-United States Holder is not a controlled foreign corporation that is related directly or constructively to us through stock ownership; and
- the non-United States Holder satisfies the statement requirement by providing to the paying agent, in accordance with specified procedures, a statement to the effect that the holder is not a United States person (generally through the provision of a properly executed Form W-8BEN).

If a non-United States Holder cannot satisfy the requirements of the Portfolio Interest Exemption described above, payments on the Series A-6 Junior Subordinated Debentures (including payments in respect of OID, if any, on the Series A-6 Junior Subordinated Debentures) made to a non-United States Holder would be subject to a 30% United States federal withholding tax, unless that Holder provides its withholding agent with a properly executed statement (i) claiming an exemption from or reduction of withholding under an applicable United States income tax treaty; or (ii) stating that the payment on the Series A-6 Junior Subordinated Debentures is not subject to withholding tax because it is effectively connected with that Holder's conduct of a trade or business in the United States.

If a non-United States Holder is engaged in a trade or business in the United States (and, if one of certain tax treaties applies, if the non-United States Holder maintains a permanent establishment within the United States in connection with that trade or business) and the interest on the Series A-6 Junior Subordinated Debentures is effectively connected with the conduct of that trade or business (and, if one of certain tax treaties applies, attributable to that permanent establishment), that non-United States Holder will be subject to United States federal income tax on the interest on a net income basis in the same manner as if that non-United States Holder were a United States Holder. In addition, a non-United States Holder that is a foreign corporation that is engaged in a trade

or business in the United States may be subject to a 30% (or, if one of certain tax treaties applies, any lower rates as provided in that treaty) branch profits tax.

If, contrary to the opinion of our tax counsel, the Series A-6 Junior Subordinated Debentures were recharacterized as equity of AIG, payments on the Series A-6 Junior Subordinated Debentures would generally be subject to U.S. withholding tax imposed at a rate of 30% or such lower rate as might be provided for by an applicable income tax treaty.

Any gain realized on the disposition of a Series A-6 Junior Subordinated Debenture generally will not be subject to United States federal income tax unless:

- that gain is effectively connected with the non-United States Holder's conduct of a trade or business in the United States (or, if one of certain tax treaties applies, is attributable to a permanent establishment maintained by the non-United States Holder within the United States); or
- the non-United States Holder is an individual who is present in the United States for 183 days or more in the taxable year of the disposition and certain other conditions are met.

In general, backup withholding and information reporting will not apply to interest payments on a Series A-6 Junior Subordinated Debenture to a non-United States Holder, or to proceeds from the disposition of a Series A-6 Junior Subordinated Debenture by a non-United States Holder, in each case, if the holder certifies under penalties of perjury that it is a non-United States person and neither we nor our paying agent has actual knowledge to the contrary.

Any amounts withheld under the backup withholding rules will be allowed as a credit against the non-United States Holder's United States federal income tax liability, *provided* the required information is timely furnished to the IRS. In general, if Series A-6 Junior Subordinated Debentures are not held through a qualified intermediary, the amount of payments made on those Series A-6 Junior Subordinated Debentures, the name and address of the beneficial owner and the amount, if any, of tax withheld may be reported to the IRS.

THE UNITED STATES FEDERAL INCOME TAX DISCUSSION SET FORTH ABOVE IS INCLUDED FOR GENERAL INFORMATION ONLY AND MAY NOT BE APPLICABLE DEPENDING UPON A HOLDER'S PARTICULAR SITUATION. HOLDERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE TAX CONSEQUENCES TO THEM OF THE EXCHANGE OF THE OLD JUNIOR SUBORDINATED DEBENTURES FOR NEW JUNIOR SUBORDINATED DEBENTURES AND, OWNERSHIP AND DISPOSITION OF THE SERIES A-6 JUNIOR SUBORDINATED DEBENTURES, INCLUDING THE TAX CONSEQUENCES UNDER STATE, LOCAL, FOREIGN AND OTHER TAX LAWS.

BENEFIT PLAN INVESTOR CONSIDERATIONS

A fiduciary of a pension, profit-sharing or other employee benefit plan (a "*plan*") subject to the Employee Retirement Income Security Act of 1974, as amended ("*ERISA*"), should consider the fiduciary standards of ERISA in the context of the plan's particular circumstances before authorizing an investment in the new junior subordinated debentures. Accordingly, among other factors, the fiduciary should consider whether the investment would satisfy the prudence and diversification requirements of ERISA and would be consistent with the documents and instruments governing the plan.

ERISA and the Internal Revenue Code of 1986, as amended (the "Code") prohibit plans, as well as individual retirement accounts, Keogh plans and other plans subject to Section 4975 of the Code and certain entities whose underlying assets include "plan assets" within the meaning of ERISA by reason of the investment by such plans or accounts therein (also "plans"), from engaging in certain transactions involving plan assets with persons who are "parties in interest" under ERISA or "disqualified persons" under the Code (together, "*parties in interest*") with respect to the plan. A violation of these prohibited transaction rules may result in civil penalties or other liabilities under ERISA and/or an excise tax under the Code for those persons, unless exemptive relief is available under an applicable statutory, regulatory or administrative exemption. Certain governmental plans, church plans and non-U.S. plans ("*non-ERISA arrangements*") are not subject to the requirements of ERISA or the Code but may be subject to similar provisions under applicable federal, state, local, non-U.S. or other laws ("*similar laws*").

AIG and certain of its affiliates may each be considered a party in interest with respect to many plans. The acquisition of new junior subordinated debentures by a plan with respect to which we or an affiliate is or becomes a party in interest may constitute or result in a prohibited transaction under ERISA or the Code, unless the new junior subordinated debentures are acquired pursuant to an applicable exemption. The U.S. Department of Labor has issued five prohibited transaction class exemptions, or "*PTCEs*", that may provide exemptive relief if required for direct or indirect prohibited transactions that may arise from the acquisition or holding of the new junior subordinated debentures. These exemptions are PTCE 84-14 (for certain transactions determined or effected by a qualified professional asset manager), 90-1 (for certain transactions involving insurance company pooled separate accounts), 91-38 (for certain transactions involving bank collective investment funds), 95-60 (for transactions involving insurance company general accounts) and 96-23 (for transactions determined or effected by an in-house asset manager). In addition, ERISA Section 408(b)(17) and Code Section 4975(d)(20) provide an exemption for the acquisition and sale of securities, *provided* that neither the issuer of the securities nor any of its affiliates have or exercise any discretionary authority or control or render any investment advice with respect to the assets of any plan involved in the transaction, and *provided further* that the plan pays no more and receives no less than "adequate consideration" in connection with the transaction (the "*service provider exemption*").

Any acquiror or holder of the new junior subordinated debentures or any interest therein will be deemed to have represented by its acquisition and holding of the new junior subordinated debentures that it either (1) is not a plan and is not acquiring the new junior subordinated debentures on behalf of or with the assets of a plan or (2) its acquisition and holding of the new junior subordinated debentures will not result in any nonexempt prohibited transaction under ERISA or the Code. In addition, any acquiror or holder of the new junior subordinated debentures which is a non-ERISA arrangement will be deemed to have represented by its acquisition or holding of the new junior subordinated debentures that its acquisition and holding will not violate the provisions of any similar laws.

Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is important that fiduciaries or other persons considering the exchange for the new junior subordinated debentures on behalf of or with plan assets of any plan or non-ERISA arrangement consult with their counsel regarding the availability of an exemption, or the potential consequences of any acquisition or holding under similar laws, as applicable. If you are an insurance company or the fiduciary of a pension plan or an employee benefit plan, and propose to acquire the new junior subordinated debentures, you should consult your legal counsel. The acquisition of any new junior subordinated debentures by a plan or non-ERISA arrangement is in no respect a representation by AIG or any of its affiliates that such an acquisition meets all relevant legal requirements with respect to investments by any such plan or arrangement generally or any particular plan or arrangement, or that such acquisition is appropriate for such plans or arrangements generally or any particular plan or arrangement.

PLAN OF DISTRIBUTION

Each broker-dealer that receives new junior subordinated debentures for its own account in connection with the exchange offer must acknowledge that it will comply with the prospectus delivery requirements of the Securities Act in connection with any resale of those new junior subordinated debentures. A broker-dealer may use this prospectus, as amended or supplemented from time to time, in connection with resales of new junior subordinated debentures received in exchange for old junior subordinated debentures where such broker-dealer acquired old junior subordinated debentures as a result of market-making activities or other trading activities. We have agreed that for a period of 30 days after the expiration date of the exchange offer, we will make available a prospectus, as amended or supplemented, meeting the requirements of the Securities Act to any broker-dealer for use in connection with those resales.

We will not receive any proceeds from any sale of new junior subordinated debentures by broker-dealers. Broker-dealers may sell new junior subordinated debentures received by them for their own account pursuant to the exchange offer from time to time in one or more transactions in the over-the-counter market, in negotiated transactions, through the writing of options on the new junior subordinated debentures or a combination of those methods of resale, at market prices prevailing at the time of resale, at prices related to such prevailing market prices or negotiated prices. Any such resale may be made directly to purchasers or to or through brokers or dealers who

may receive compensation in the form of commissions or concessions from any broker-dealer or the purchasers of any new junior subordinated debentures.

Any broker-dealer that resells new junior subordinated debentures that were received by it for its own account pursuant to the exchange offer and any broker or dealer that participates in a distribution of such new junior subordinated debentures may be deemed to be an "underwriter" within the meaning of the Securities Act and any profit on any such resale of new junior subordinated debentures and any commission or concessions received by any such persons may be deemed to be underwriting compensation under the Securities Act. The letter of transmittal states that, by acknowledging that it will comply with the prospectus delivery requirements of the Securities Act, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

For a period of 30 days after the expiration date of the exchange offer, we will promptly send additional copies of this prospectus and any amendment or supplement to this prospectus to any broker-dealer that requests these documents in the letter of transmittal. We have agreed to pay all expenses incident to the exchange offer, other than commission or concessions of any broker or dealers.

VALIDITY OF THE NEW JUNIOR SUBORDINATED DEBENTURES

The validity of the new junior subordinated debentures will be passed upon by Sullivan & Cromwell LLP, New York, New York. Partners of Sullivan & Cromwell LLP involved in the representation of AIG beneficially own approximately 11,360 shares of AIG common stock.

EXPERTS

The consolidated financial statements and the financial statement schedules incorporated into this prospectus by reference to AIG's Annual Report on Form 10-K for the fiscal year ended December 31, 2008 have been so incorporated in reliance upon the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

Table of Contents

AMERICAN INTERNATIONAL GROUP, INC.

OFFER TO EXCHANGE UP TO

$4,000,000,000

8.175% JUNIOR SUBORDINATED DEBENTURES

WHICH HAVE BEEN REGISTERED UNDER THE

SECURITIES ACT OF 1933

FOR

ANY AND ALL OUTSTANDING

8.175% JUNIOR SUBORDINATED DEBENTURES

PROSPECTUS
, 2009

PART II

INFORMATION NOT REQUIRED IN THE PROSPECTUS

Item 20. ***Indemnification of Directors and Officers***

The amended and restated certificate of incorporation of AIG provides that AIG shall indemnify to the full extent permitted by law any person made, or threatened to be made, a party to an action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she, his or her testator or intestate is or was a director, officer or employee of AIG or serves or served any other enterprise at the request of AIG. Section 6.4 of AIG's by-laws contains a similar provision. The amended and restated certificate of incorporation also provides that a director will not be personally liable to AIG or its shareholders for monetary damages for breach of fiduciary duty as a director, except to the extent that the exemption from liability or limitation thereof is not permitted by the Delaware General Corporation Law.

Section 145 of the Delaware General Corporation Law permits indemnification against expenses, fines, judgments and settlements incurred by any director, officer or employee of a company in the event of pending or threatened civil, criminal, administrative or investigative proceedings, if such person was, or was threatened to be made, a party by reason of the fact that he is or was a director, officer or employee of the company. Section 145 also provides that the indemnification provided for therein shall not be deemed exclusive of any other rights to which those seeking indemnification may otherwise be entitled.

In addition, AIG and its subsidiaries maintain a directors' and officers' liability insurance policy.

Item 21. ***Exhibits and Financial Statement Schedules***

See Exhibits Index which is incorporated herein by reference.

Item 22. ***Undertakings***

The undersigned Registrant hereby undertakes:

(a)(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any fact or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in this registration statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Securities and Exchange Commission by the Registrant pursuant to Section 13 or Section 15 (d) of the Securities Exchange Act of 1934 that are incorporated by reference in this registration statement or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of this registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unexchanged at the termination of the offering.

(4) each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness; *provided*, *however*, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(5) That, for the purpose of determining liability of the registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities, in a primary offering of securities of the undersigned Registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned Registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) any preliminary prospectus or prospectus of the undersigned Registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) any free writing prospectus relating to the offering prepared by or on behalf of the undersigned Registrant or used or referred to by the undersigned Registrant;

(iii) the portion of any other free writing prospectus relating to the offering containing material information about the undersigned Registrant or its securities provided by or on behalf of the undersigned Registrant; and

(iv) any other communication that is an offer in the offering made by the undersigned Registrant to the purchaser.

(b) That, for purposes of determining any liability under the Securities Act of 1933, each filing of the Registrant's annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(c) To respond to requests for information that is incorporated by reference into the prospectus pursuant to Item 4, 10(b), 11, or 13 of this Form, within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.

(d) To supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in the registration statement when it became effective.

(e) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in The City of New York, State of New York, on this 16th day of March, 2009.

AMERICAN INTERNATIONAL GROUP, INC.

By: /s/ David L. Herzog
Name: David L. Herzog
Title: Executive Vice President and Chief Financial Officer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Edward M. Liddy and David L. Herzog, and each of them severally, his or her true and lawful attorneys-in fact, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities to sign the registration statement on Form S-4 of American International Group, Inc. and any and all amendments (including pre-effective and post-effective amendments thereto) and to file the same, with the exhibits thereto, and other documents in connection herewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing required and necessary to be done in and about the foregoing as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities indicated on the date indicated.

Signature	Title(s)	Date
/s/ Edward M. Liddy (Edward M. Liddy)	Chief Executive Officer and Director (Principal Executive Officer)	March 16, 2009
/s/ David L. Herzog (David L. Herzog)	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	March 16, 2009
/s/ Joseph D. Cook Joseph D. Cook	Vice President and Controller (Principal Accounting Officer)	March 16, 2009
/s/ Stephen F. Bollenbach (Stephen F. Bollenbach)	Director	March 16, 2009
/s/ Dennis D. Dammerman (Dennis D. Dammerman)	Director	March 16, 2009
/s/ Martin S. Feldstein (Martin S. Feldstein)	Director	March 16, 2009
/s/ George L. Miles, Jr. (George L. Miles, Jr.)	Director	March 16, 2009

Signature	Title(s)	Date
/s/ Suzanne Nora Johnson (Suzanne Nora Johnson)	Director	March 16, 2009
/s/ Morris W. Offit (Morris W. Offit)	Director	March 16, 2009
/s/ James F. Orr III (James F. Orr III)	Director	March 16, 2009
/s/ Virginia M. Rometty (Virginia M. Rometty)	Director	March 16, 2009
/s/ Michael H. Sutton (Michael H. Sutton)	Director	March 16, 2009
/s/ Edmund S.W. Tse (Edmund S.W. Tse)	Director	March 16, 2009

EXHIBITS INDEX

Exhibit Number	Description	Location
4.1	Junior Subordinated Debt Indenture, dated as of March 13, 2007, between AIG and The Bank of New York, as Trustee	Incorporated by reference to Exhibit 4.1 to AIG's Current Report on Form 8-K filed with the SEC on March 13, 2007 (File No. 1-8787)
4.2	Ninth Supplemental Indenture, dated as of May 20, 2008, between AIG and The Bank of New York, as Trustee, including the form of note	Filed herewith
4.3	Exchange and Registration Rights Agreement, dated as of May 20, 2008, between AIG and the initial purchasers listed therein.	Filed herewith
5.1	Validity Opinion of Sullivan & Cromwell LLP	Filed herewith
8	Tax Opinion of Sullivan & Cromwell LLP	Filed herewith
12	Statement regarding computation of ratios of earnings to fixed charges	Incorporated by reference to Exhibit 12 to AIG's Annual Report on Form 10-K for the year ended December 31, 2008 (File No. 1-8787)
23.1	Consent of PricewaterhouseCoopers LLP, AIG's independent registered public accounting firm	Filed herewith
23.2	Consent of Sullivan & Cromwell LLP	Included in Exhibit 5.1
23.3	Consent of Sullivan & Cromwell LLP	Included in Exhibit 8
24	Powers of Attorney	Included in the signature pages of this registration statement
25.1	Form T-1 Statement of Eligibility under the Trust Indenture Act of 1939 of The Bank of New York Mellon, as Trustee	Filed herewith
99.1	Form of Letter of Transmittal	Filed herewith
99.2	Form of Notice of Guaranteed Delivery	Filed herewith
99.3	Form of Letter to DTC Participants	Filed herewith
99.4	Form of Letter to Clients	Filed herewith
99.5	Form of Instructions to DTC Participant from Beneficial Owner	Filed herewith
99.6	Form of Exchange Agent Agreement	Filed herewith
99.7	Replacement of Capital Covenant, dated May 20, 2008	Incorporated by reference to Exhibit 99.1 to AIG's Current Report on Form 8-K filed with the SEC on May 20, 2008 (File No. 1-8787)

AMERICAN INTERNATIONAL GROUP, INC.

Ninth Supplemental Indenture

Dated as of May 20, 2008

(Supplemental to the Junior Subordinated Debt Indenture Dated as of March 13, 2007)

THE BANK OF NEW YORK,
as Trustee

NINTH SUPPLEMENTAL INDENTURE, dated as of May 20, 2008, between American International Group, Inc., a corporation duly organized and existing under the laws of the State of Delaware (herein called the "Company"), and The Bank of New York, a New York banking corporation, as Trustee (herein called "Trustee");

R E C I T A L S:

WHEREAS, the Company has heretofore executed and delivered to the Trustee a Junior Subordinated Debt Indenture, dated as of March 13, 2007 (the "Indenture"), providing for the issuance from time to time of the Company's unsecured debentures, notes or other evidences of indebtedness (herein and therein called the "Securities"), to be issued in one or more series as provided in the Indenture;

WHEREAS, Section 901 of the Indenture permits the Company and the Trustee to enter into an indenture supplemental to the Indenture to establish the form and terms of a series of Securities;

WHEREAS, Section 201 of the Indenture permits the form of Securities of a series to be established in an indenture supplemental to the Indenture;

WHEREAS, Section 301 of the Indenture permits certain terms of a series of Securities to be established pursuant to an indenture supplemental to the Indenture;

WHEREAS, pursuant to Sections 201 and 301 of the Indenture, the Company desires to provide for the establishment of a new series of Securities under the Indenture, the form and substance of such Securities and the terms, provisions and conditions thereof to be set forth as provided in the Indenture and this Ninth Supplemental Indenture;

WHEREAS, all things necessary to make this Ninth Supplemental Indenture a valid agreement of the Company, in accordance with its terms, have been done;

NOW, THEREFORE, THIS NINTH SUPPLEMENTAL INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Securities of the series established by this Ninth Supplemental Indenture by the Holders thereof, it is mutually agreed, for the equal and proportionate benefit of all such Holders, as follows:

ARTICLE ONE

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1 Relation to Indenture

This Ninth Supplemental Indenture constitutes a part of the Indenture (the provisions of which, as modified by this Ninth Supplemental Indenture, shall apply to the Debentures) in respect of the Debentures but shall not modify, amend or otherwise affect the Indenture insofar as it relates to any other series of Securities or modify, amend or otherwise affect in any manner the terms and conditions of the Securities of any other series.

Section 1.2 Definitions

For all purposes of this Ninth Supplemental Indenture, the capitalized terms used herein (i) which are defined in this Section 1.2 have the respective meanings assigned hereto in this Section 1.2 and (ii) which are defined in the Indenture (and which are not defined in this Section 1.2) have the respective meanings assigned thereto in the Indenture. For all purposes of this Ninth Supplemental Indenture:

1.2.1 Unless the context otherwise requires, any reference to an Article or Section refers to an Article or Section, as the case may be, of this Ninth Supplemental Indenture;

1.2.2 The words "herein", "hereof" and "hereunder" and words of similar import refer to this Ninth Supplemental Indenture as a whole and not to any particular Article, Section or other subdivision; and

1.2.3 (a) The terms defined in this Section 1.2.3 have the meanings assigned to them in this Section and include the plural as well as the singular:

"Adjusted Treasury Rate" means, with respect to any Redemption Date, the rate per annum equal to the quarterly equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such Redemption Date.

"Agent Member" means any member of, or participant in, the Depositary.

"APM Commencement Date" means, with respect to any Deferral Period, the earlier of (i) the Business Day following the fifth anniversary of the commencement of such Deferral Period and (ii) the first Interest Payment Date following the commencement of such Deferral Period on which the Company pays any current interest on the Debentures.

"APM Common Stock" means shares of Common Stock, including any shares of Common Stock held in treasury, and any shares of Common Stock sold pursuant to the Company's dividend reinvestment or similar plan or sold pursuant to any Employee Benefit Plan.

"APM Qualifying Securities" means APM Common Stock, Qualifying Warrants, Qualifying Non-Cumulative Preferred Stock and Mandatorily Convertible Preferred Stock; *provided* that, subject to Section 2.1(h), the Company may amend the definition of APM Qualifying Securities to eliminate APM Common Stock, Qualifying Warrants or Mandatorily Convertible Preferred Stock (but not both APM Common Stock and Qualifying Warrants) from the definition if, after May 13, 2008, an accounting standard or interpretive guidance of an existing standard issued by an organization or regulator that has responsibility for establishing or interpreting accounting standards in the United States becomes effective so that there is more than an insubstantial risk that the failure to do so would result in a reduction in the Company's earnings per share as calculated for financial reporting purposes.

"Applicable Procedures" means, with respect to any transfer or transaction involving a Global Security or beneficial interest therein, the rules and procedures of the Depositary for such Debenture, Euroclear and Clearstream, in each case to the extent applicable to such transaction and as in effect at the time of such transfer or transaction.

"Assurance Agreement" means the agreement of the Company, dated as of June 27, 2005, in favor of eligible employees and relating to specified obligations of Starr International Company, Inc. (as such agreement may be amended, supplemented, extended, modified or replaced from time to time).

"Available Shares" has the meaning set forth in Section 2.1(h).

"Bankruptcy Event" means an Event of Default set forth in Sections 501(5) or (6) of the Indenture.

"Business Combination" means a merger, consolidation, amalgamation, binding share exchange or conveyance, transfer or lease of assets substantially as an entirety to any other Person or a similar transaction.

"Business Day" is any day, other than (i) a Saturday, Sunday or other day on which banking institutions in The City of New York are authorized or required by law or executive order to remain closed or (ii) on or after May 15, 2038, a day that is not a London Banking Day.

"Calculation Agent" means AIG Financial Products Corp., or any other firm appointed by the Company, acting as calculation agent for the Debentures. Any successor or substitute Calculation Agent may be an Affiliate of the Company.

"Capital Stock" for any Person means any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) shares issued by that Person.

"Clearstream" means Clearstream Banking, société anonyme, Luxembourg (or any successor securities clearing agency).

"Closing Date" means May 20, 2008.

"Commercially Reasonable Efforts" means, for purposes of selling APM Qualifying Securities or Qualifying Capital Securities, commercially reasonable efforts to complete the offer and sale of APM Qualifying Securities or Qualifying Capital Securities, as applicable, to third parties that are not Subsidiaries of the Company in public offerings or private placements. The Company shall not be considered to have made Commercially Reasonable Efforts to effect a sale of APM Qualifying Securities or Qualifying Capital Securities, as applicable, if it determines not to pursue or complete such sale due to pricing, coupon, dividend rate or dilution considerations.

"Common Stock" means the common stock, par value $2.50 per share, of the Company.

"Comparable Treasury Issue" means the U.S. Treasury security selected by an independent investment bank selected by the Calculation Agent as having a maturity comparable to the term remaining from the Redemption Date to May 15, 2038 that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity.

"Comparable Treasury Price" means, with respect to any Redemption Date, the average of the Reference Treasury Dealer Quotations for such Redemption Date.

"Continuing Director" means a director who was a director of the Company at the time of the initial approval of the definitive agreement relating to a Business Combination transaction by the Company's Board of Directors.

"Current Stock Market Price" of the APM Common Stock on any date shall mean (i) the closing sale price per share (or if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices) on that date as reported in composite transactions by the New York Stock Exchange or, if the Common Stock is not then listed on the New York Stock Exchange, as reported by the principal U.S. securities exchange on which the Common Stock is traded, or (ii) if the Common Stock is not listed on any U.S. securities exchange on the relevant date, the average of the mid-point of the last bid and ask prices for the Common Stock on the relevant date from each of at least three nationally recognized independent investment banking firms selected by the Company for this purpose.

"Debentures" has the meaning set forth in Section 2.1(a).

"Deferral Period" means each period beginning on an Interest Payment Date with respect to which the Company either (A) elects pursuant to Section 2.1(g) to defer all or part of any interest payment due on an Interest Payment Date or (B) fails to pay all or any part of any interest payment due on an Interest Payment Date within five Business Days after the Interest Payment Date and ending on the earlier of (i) the tenth anniversary of such Interest Payment Date and (ii) the next Interest Payment Date on which the Company has paid all accrued and previously unpaid interest on the Debentures.

"Depositary" means, with respect to the Debentures issuable or issued in whole or in part in the form of one or more Global Securities, DTC, for so long as it shall be a clearing agency registered under the Exchange Act, or such successor (which shall be a clearing agency registered under the Exchange Act) as the Company shall designate from time to time in an Officers' Certificate delivered to the Trustee.

"DTC" means The Depository Trust Company.

"Eligible APM Proceeds" means, with respect to any Interest Payment Date, the net proceeds (after underwriters' or placement agents' fees, commissions or discounts and other expenses relating to the issuance or sale) that the Company has received during the 180-days prior to the related Interest Payment Date from the issuance or sale of APM Qualifying Securities to Persons that are not Subsidiaries, up to the Maximum Share Number in the case of APM Qualifying Securities that are APM Common Stock or Mandatorily Convertible Preferred Stock, up to the Maximum Warrant Number in the case of APM Qualifying Securities that are Qualifying Warrants, and up to the Preferred Stock Issuance Cap in the case of APM Qualifying Securities that are Qualifying Non-Cumulative Preferred Stock or Mandatorily Convertible Preferred Stock. This includes, without limitation, sales pursuant to any dividend reinvestment or similar plan and sales made pursuant to any Employee Benefit Plan.

"Eligible Repayment Proceeds" means, with respect to any Repayment Date, the Applicable Percentage of the net proceeds the Company has received from the issuance of Qualifying Capital Securities that the Company has sold during a 180-day period ending on a notice date not more than 30 or less than 10 Business Days prior to such Repayment Date.

"Employee Benefit Plan" means any written purchase, savings, option, bonus, appreciation, profit sharing, thrift, incentive, pension or similar plan or arrangement or any written compensatory contract or arrangement.

"Enforcement Event" means any one of the following events:

(1) failure by the Company to observe, satisfy or perform any of the covenants or agreements contained in this Ninth Supplemental Indenture or the Indenture (other than (i) any covenant or agreement in the Indenture expressly declared inapplicable

herein, (ii) a covenant or agreement in respect of the Debentures a default in whose observance, satisfaction or performance is elsewhere specifically dealt with in this Ninth Supplemental Indenture or the Indenture (including without limitation Article X of the Indenture), or (iii) an event which is, or with the passage of time and/or giving of notice would result in, an Event of Default) on the part of the Company in respect of the Debentures that continues following a period of 60 days after the date on which written notice of such failure, requiring the Company to remedy the same and stating that it is a notice with respect to an Enforcement Event hereunder, shall have been given to the Company by the Trustee by registered mail, or to the Company and the Trustee by the Holders of at least a majority in the aggregate principal amount of the Debentures at the time Outstanding; or

(2) unless otherwise provided for in Section 2.1(d), the Company's failure to use Commercially Reasonable Efforts to raise sufficient Eligible Repayment Proceeds as required by Section 2.1(d); or

(3) the Company's failure (a) to use Commercially Reasonable Efforts to raise Eligible APM Proceeds, or (b) to pay deferred interest on the Debentures, in either case as required by Section 2.1(h) or (i).

"Equity Units" means the units, initially consisting of contracts to purchase shares of Common Stock and junior subordinated debentures, issued by the Company and as described in the Company's prospectus supplement dated May 12, 2008.

"Euroclear" means the Euroclear Bank S.A./N.V. (or any successor securities clearing agency), as operator of the Euroclear System.

"Exchange Debentures" means the Debentures issued pursuant to the Exchange Offer. The Exchange Debentures shall be deemed to constitute the same series as the Original Debentures for which they are exchanged.

"Exchange Offer" has the meaning specified in the form of Debenture contained in Annex A.

"Final Maturity Date" has the meaning set forth in Section 2.1(d)(iii).

"Fixed Commitments" has the meaning set forth in Section 2.1(h).

"Global Security" means any certificated Debenture in global form evidencing all or part of the Debentures, issued to the Depositary, and registered in the name of the Depositary or its nominee. The Restricted Global Security, the Regulation S Global Security and the Unrestricted Global Security shall each be a Global Security.

"Indebtedness" means all indebtedness and obligations (other than the Debentures) of, or Guaranteed or assumed by, the Company that (i) are for borrowed money or (ii) are evidenced by bonds, debentures, notes or other similar instruments.

"Indenture" has the meaning set forth in the Recitals.

"Initial Purchasers" means Citigroup Global Markets Inc., J.P. Morgan Securities Inc., Banc of America Securities LLC, Barclays Capital Inc., Lehman Brothers Inc., Mitsubishi UFJ Securities International plc, Mizuho Securities USA Inc., Daiwa Securities America Inc., RBC Capital Markets Corporation, Santander Investment Securities Inc., KeyBanc Capital Markets, Inc., Scotia Capital (USA) Inc., Wells Fargo Securities, LLC, ANZ Securities, Inc., nabCapital Securities, LLC, BMO Capital Markets Corp., TD Securities (USA) LLC, ING Bank N.V., Calyon Securities, SunTrust Robinson Humphrey, Inc., NatCity Investments, Inc., BBVA Securities, Inc. and CIBC World Markets Corp.

"interest" means, when used with reference to the Debentures, any interest payable under the terms of the Debentures, including (unless context otherwise requires) Special Interest, if any.

"Interest Payment Date" has the meaning set forth in Section 2.1(e).

"Interest Period" means the period from and including any Interest Payment Date (or, in the case of the first Interest Payment Date, May 20, 2008) to but excluding the next Interest Payment Date.

"LIBOR Determination Date" means the second London Banking Day immediately preceding the first day of the relevant Interest Period.

"London Banking Day" means any day on which dealings in dollars are transacted in the London interbank market.

"Make-Whole Redemption Price" means:

(a) 100% of the principal amount of the Debentures to be redeemed; or

(b) if greater, the sum, as determined by the Calculation Agent, of the present values of the remaining scheduled payments of principal (assuming for this purpose that the Debentures are to be redeemed at their principal amount on May 15, 2038) discounted from May 15, 2038 and interest thereon that would have been payable to and including May 15, 2038 (not including any portion of such payments of interest accrued to the Redemption Date) discounted from the relevant Interest Payment Date to the Redemption Date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Adjusted Treasury Rate plus 0.50%;

plus, in either case, accrued and unpaid interest on the Debentures to be redeemed to the Redemption Date.

"Mandatorily Convertible Preferred Stock" means cumulative preferred stock with (a) no prepayment obligation on the part of the Company, whether at the election of

the holders or otherwise, and (b) a requirement that the preferred stock converts into Common Stock within three years from the date of its issuance at a conversion ratio within a range established at the time of issuance of the preferred stock, subject to customary anti-dilution adjustments.

"Market Disruption Event" means, for purposes of sales of APM Qualifying Securities pursuant to Section 2.1(h) or sales of Qualifying Capital Securities pursuant to Section 2.1(d), as applicable (collectively, the "Permitted Securities"), the occurrence or existence of any of the following events or sets of circumstances:

(a) trading in securities generally (or in the Company's Capital Stock specifically) on the New York Stock Exchange or any other national securities exchange, or in the over-the-counter market, on which the Company's Capital Stock is then listed or traded shall have been suspended or its settlement generally shall have been materially disrupted or minimum prices shall have been established on any such exchange or market by the relevant regulatory body or governmental agency having jurisdiction that materially disrupts or otherwise has a material adverse effect on trading in, or the issuance and sale of, Permitted Securities;

(b) the Company would be required to obtain the consent or approval of its stockholders or the consent or approval of, license from, or registration with, a regulatory body (including, without limitation, any securities exchange) or governmental authority to issue and sell Permitted Securities, and the Company fails to obtain that consent or approval or to receive such license or effect such registration notwithstanding its commercially reasonable efforts to obtain that consent, approval, license or registration;

(c) an event occurs and is continuing as a result of which the offering document for the offer and sale of Permitted Securities would, in the Company's reasonable judgment, contain an untrue statement of a material fact or omit to state a material fact required to be stated in that offering document or necessary to make the statements in that offering document not misleading, *provided* that (i) one or more events described under this clause (c) shall not constitute a Market Disruption Event with respect to a period of more than 90 days in any 180-day period and (ii) multiple suspension periods contemplated by this clause (c) shall not exceed an aggregate of 180 days in any 360-day period;

(d) the Company reasonably believes that the offering document for the offer and the sale of Permitted Securities would not be in compliance with a rule or regulation of the Commission (for reasons other than those referred to in clause (c) of this definition) and the Company is unable to comply with such rule or regulation or such compliance is unduly burdensome, *provided* that (i) one or more events described under this clause (d) shall not constitute a Market Disruption Event with respect to a period of more than 90 days in any 180-day period and (ii) multiple suspension periods contemplated by this clause (d) shall not exceed an aggregate of 180 days in any 360-day period;

(e) a banking moratorium shall have been declared by the federal or state authorities of the United States that results in a material disruption of any of the markets on which Permitted Securities are trading;

(f) a material disruption shall have occurred in commercial banking or securities settlement or clearance services in the United States;

(g) the United States shall have become engaged in hostilities, there shall have been an escalation in hostilities involving the United States, there shall have been a declaration of a national emergency or war by the United States or there shall have occurred any other national or international calamity or crisis, such that market trading in the Company's Capital Stock has been materially disrupted; or

(h) there shall have occurred such a material adverse change in general domestic or international economic, political or financial conditions, including, without limitation, as a result of terrorist activities, or the effect of international conditions on the financial markets in the United States, that materially disrupts the capital markets such as to make it, in the Company's judgment, impracticable or inadvisable to proceed with the offer and sale of Permitted Securities.

"Maximum Share Number" has the meaning set forth in Section 2.1(h).

"Maximum Warrant Number" has the meaning set forth in Section 2.1(h).

"Original Debentures" means all Debentures other than Exchange Debentures and Unrestricted Debentures.

"Outstanding" has the meaning set forth in Section 2.1(d)(iv).

"Outstanding Parity Securities" has the meaning set forth in Section 2.1(u)(iv).

"*pari passu*", as applied to the ranking of any obligation of a Person in relation to any other obligation of such Person, means in any bankruptcy, insolvency or receivership proceeding that each such obligation either (i) is not subordinated or junior in right of payment to any other obligation or (ii) is subordinate or junior in right of payment to the same obligations as is the other, and is so subordinate or junior to the same extent, and is not subordinate or junior in right of payment to each other or to any obligation as to which the other is not so subordinate or junior.

"Preferred Stock Issuance Cap" has the meaning set forth in Section 2.1(i)(1).

"Qualifying Non-Cumulative Preferred Stock" means the Company's non-cumulative perpetual preferred stock that (i) contains no remedies other than Permitted Remedies and (ii)(a) is redeemable, but is subject to Intent-Based Replacement Disclosure, and has a provision that provides for mandatory suspension of distributions

upon its failure to satisfy one or more financial tests set forth therein or (b) is subject to a replacement capital covenant substantially similar to the Replacement Capital Covenant.

"Qualifying Warrants" means net share settled warrants to purchase shares of APM Common Stock that (i) have an exercise price per share greater than the Current Stock Market Price as of the date of pricing thereof, and (ii) the Company is not entitled to redeem for cash and the holders of which are not entitled to require the Company to repurchase for cash in any circumstances.

"Rating Agency" means any nationally recognized statistical rating organization as defined in Section 3(a)(62) of the Exchange Act (or any successor provision), that publishes a rating for the Company on the relevant date.

"Rating Agency Event" means that any Rating Agency amends, clarifies or changes the criteria it uses to assign equity credit to securities such as the Debentures, which amendment, clarification or change results in:

(a) the shortening of the length of time the Debentures are assigned a particular level of equity credit by that Rating Agency as compared to the length of time they would have been assigned that level of equity credit by that Rating Agency or its predecessor on May 20, 2008; or

(b) the lowering of the equity credit (including up to a lesser amount) assigned to the Debentures by that Rating Agency as compared to the equity credit assigned by that Rating Agency or its predecessor on May 20, 2008.

"Reference Treasury Dealer" means each of Citigroup Global Markets Inc. and J.P. Morgan Securities Inc. or their respective successors; *provided, however*, that if any of the foregoing shall cease to be a primary U.S. government securities dealer in the United States (a "Primary Treasury Dealer"), the Company shall substitute therefor another Primary Treasury Dealer; and any other Primary Treasury Dealer selected by the Calculation Agent after consultation with the Company.

"Reference Treasury Dealer Quotations" means, with respect to each Reference Treasury Dealer and any Redemption Date, the average, as determined by the Calculation Agent, of the bid and ask prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Calculation Agent by that Reference Treasury Dealer at 5:00 p.m. on the third Business Day preceding such Redemption Date.

"Registration Rights Agreement**"** means the Exchange and Registration Rights Agreement, dated as of May 20, 2008, by and among the Company and the Initial Purchasers.

"Regular Record Date" for the payment of any current interest payable on any Interest Payment Date, the date specified in Section 2.1(f) and for the payment of deferred interest, the date specified in Section 2.1(g)(ii).

"Regulation S" means Regulation S under the Securities Act (or any successor provision), as it may be amended from time to time.

"Regulation S Debentures" means all Debentures initially distributed in connection with the offering of the Debentures by the Initial Purchasers in reliance upon Regulation S.

"Regulation S Global Security" has the meaning specified in Section 2.1(c).

"Regulation S Legend" means a legend substantially in the form of the legend required in the form of Debenture set forth in Annex A to be placed upon each Regulation S Debenture.

"Repayment Date" means the Scheduled Maturity Date and each Interest Payment Date thereafter until the Company shall have repaid, redeemed, defeased or otherwise acquired all of the Debentures.

"Replacement Capital Covenant" means the replacement capital covenant, dated as of May 20, 2008, of the Company, as the same may be amended or supplemented from time to time in accordance with the provisions hereof and thereof.

"Restricted Global Security" has the meaning specified in Section 2.1(c).

"Restricted Period" means the period of 41 consecutive days beginning on the later of (i) the day on which Debentures are first offered to persons other than distributors (as defined in Regulation S) in reliance on Regulation S and (ii) the Closing Date, except that any offer or sale by a distributor (as defined in Regulation S) of an unsold allotment shall be deemed to be made during the Restricted Period.

"Restricted Securities Certificate" means a certificate substantially in the form set forth in Annex B.

"Restricted Security Legend" means a legend substantially in the form of the legend required in the form of Debenture set forth in Annex A to be placed upon each Rule 144A Debenture.

"Reuters Screen LIBOR01" means the display designated on Reuters Screen LIBOR01 (or such other page or service as may replace the Reuters Screen LIBOR01 as selected by the Calculation Agent for the purposes of displaying Three-month LIBOR interest rates of major banks or, if not available, such other page and service as may be selected by the Calculation Agent from time to time).

"Rule 144A" means Rule 144A under the Securities Act (including any successor rule thereto), as the same may be amended from time to time.

"Rule 144A Debentures" means all Debentures initially distributed in connection with the offering of the Debentures by the Initial Purchasers in reliance upon Rule 144A.

"Scheduled Maturity Date" has the meaning set forth in Section 2.1(d).

"Securities" has the meaning set forth in the Recitals.

"Securities Act Legend" means the Restricted Securities Legend and/or the Regulation S Legend, as applicable.

"Special Interest" means all amounts, if any, payable pursuant to Section 2(c) of the Registration Rights Agreement.

"Stock and Warrant Issuance Cap" has the meaning set forth in Section 2.1(i)(1).

"Tax Event" means that the Company has requested and received an Opinion of Counsel (which counsel need not be satisfactory to the Trustee) experienced in such matters to the effect that, as a result of any:

(a) amendment to or change in the laws or regulations of the United States or any political subdivision or taxing authority of or in the United States that is enacted or becomes effective after May 13, 2008;

(b) proposed change in those laws or regulations that is announced after May 13, 2008;

(c) official administrative decision or judicial decision or administrative action or other official pronouncement interpreting or applying those laws or regulations that is announced after May 13, 2008; or

(d) threatened challenge asserted in connection with an audit of the Company, or a threatened challenge asserted in writing against any other taxpayer that has raised capital through the issuance of securities that are substantially similar to the Debentures;

there is more than an insubstantial risk that interest payable by the Company on the Debentures is not, or will not be, deductible by the Company, in whole or in part, for United States federal income tax purposes.

"Three-month LIBOR" means, with respect to any quarterly Interest Period, the rate (expressed as a percentage per annum and determined by the Calculation Agent) for deposits in U.S. dollars for a three-month period commencing on the first day of that Interest Period that appears on Reuters Screen LIBOR01 as of 11:00 a.m. (London time) on the LIBOR Determination Date for that Interest Period. If such rate does not appear

on Reuters Screen LIBOR01, Three-month LIBOR will be determined on the basis of the rates at which deposits in U.S. dollars for a three-month period commencing on the first day of that Interest Period are offered to prime banks in the London interbank market by four major banks in the London interbank market selected by the Calculation Agent (after consultation with the Company), at approximately 11:00 a.m., London time, on the LIBOR Determination Date for that Interest Period, in an amount that, in the Calculation Agent's judgment, is representative of a single transaction in that market at that time. The Calculation Agent will request the principal London office of each of such banks to provide a quotation of its rate. If at least two such quotations are provided, Three-month LIBOR with respect to that Interest Period will be the arithmetic mean of such quotations. If fewer than two quotations are provided, Three-month LIBOR with respect to that Interest Period will be the arithmetic mean of the rates quoted by three major banks in New York City selected by the Calculation Agent, at approximately 11:00 a.m., New York City time, on the first day of that Interest Period for loans in U.S. dollars to leading European banks for a three-month period commencing on the first day of that Interest Period and in an amount that, in the Calculation Agent's judgment, is representative of a single transaction in that market at that time. However, if fewer than three banks selected by the Calculation Agent to provide quotations are quoting as described above, Three-month LIBOR for that Interest Period will be the same as Three-month LIBOR as determined for the previous Interest Period or, in the case of the Interest Period beginning on May 15, 2038, 2.676%. The establishment of Three-month LIBOR for each Interest Period by the Calculation Agent shall (in the absence of manifest error) be final and binding.

"Unrestricted Debenture" means any Debenture represented by the Unrestricted Global Security.

"Unrestricted Global Security" means a Global Security that does not contain a Securities Act Legend. On the Closing Date, the Unrestricted Global Security will have an initial principal amount of zero.

"Unrestricted Securities Certificate" means a certificate substantially in the form set forth in Annex C.

"Voting Stock" means equity securities which ordinarily have voting power for the election of directors, whether at all times or only so long as no senior class of equity securities has such voting power by reason of any contingency.

(b) "Applicable Percentage", "Intent-Based Replacement Disclosure", "Permitted Remedies" and "Qualifying Capital Securities" shall have the respective meanings set forth in the Replacement Capital Covenant as in effect on the date hereof and as it may be amended pursuant to its terms consistent with Section 2.1(r).

ARTICLE TWO

GENERAL TERMS AND CONDITIONS OF THE DEBENTURES

Section 2.1 Terms of Debentures

Pursuant to Sections 201 and 301 of the Indenture, there is hereby established a series of Securities, the terms of which shall be as follows:

(a) Designation. The Securities of this series shall be known and designated as the "8.175% Series A-6 Junior Subordinated Debentures" of the Company (the "Debentures"). The CUSIP numbers for the Debentures are U02687 BW7 (Reg S) and 026874 BR7 (144A).

(b) Aggregate Principal Amount. The maximum aggregate principal amount of the Debentures that may be authenticated and delivered under the Indenture and this Ninth Supplemental Indenture is $4,000,000,000 (except for Debentures authenticated and delivered upon registration of transfer of, or exchange for, or in lieu of, other Debentures pursuant to Section 304, 305, 306, 906 or 1107 of the Indenture or Section 3.5 of this Ninth Supplemental Indenture).

(c) Form and Denominations. The Debentures will be issued only in fully registered form, and the authorized denominations of the Debentures shall be $1,000 principal amount and integral multiples of $1,000 in excess thereof. The Debentures will initially be issued in the form of one or more Global Securities substantially in the form of Annex A (attached hereto), with such modifications thereto as may be approved by the authorized officer executing the same. The Debentures will be denominated in U.S. dollars and payments of principal and interest will be made in U.S. dollars.

Upon their original issuance, the Rule 144A Debentures and the Regulation S Debentures shall be issued in the form of separate Global Securities registered in the name of the Depositary or its nominee and deposited with the Trustee, as custodian for the Depositary, for credit by the Depositary to the respective accounts of beneficial owners of the Debentures represented thereby (or such other accounts as they may direct). Each such Global Security will constitute a single Security for all purposes of the Indenture. The Global Securities representing Rule 144A Debentures are collectively herein called the "Restricted Global Securities." The Global Securities representing Regulation S Debentures are collectively herein called the "Regulation S Global Securities."

All Exchange Debentures issued upon any exchange of the Original Debentures (as described in Annex A) shall be the valid obligations of the Company, evidencing the same debt, and entitled to the same benefits under the Indenture, as the Original Debentures surrendered upon such exchange. Subject to the second paragraph of Section 307 of the Indenture, each Exchange Debenture delivered in exchange for an

Original Debenture shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such Original Debenture.

(d) Scheduled Maturity Date.

(i) The principal amount of, and all accrued and unpaid interest on, the Outstanding Debentures shall be payable in full on May 15, 2058, or if such day is not a Business Day, the next Business Day (the "Scheduled Maturity Date"); *provided* that in the event the Company has delivered an Officers' Certificate to the Trustee pursuant to clause (vi) of this Section 2.1(d) in connection with the Scheduled Maturity Date, (A) the principal amount of Debentures payable on the Scheduled Maturity Date, if any, shall be the principal amount set forth in the notice of repayment accompanying such Officers' Certificate, (B) such specified principal amount of Debentures shall be repaid on the Scheduled Maturity Date pursuant to Article III, and (C) subject to clause (ii) of this Section 2.1(d), the remaining Debentures shall remain Outstanding and shall be payable on the immediately succeeding Interest Payment Date or such earlier date on which they are redeemed pursuant to Section 2.1(q) or shall become due and payable pursuant to Section 502 of the Indenture or clause (iii) of this Section 2.1(d). The Outstanding Debentures shall be due and payable on the Scheduled Maturity Date except to the extent otherwise specified in an Officers' Certificate delivered to the Trustee not more than 30 and not less than 10 Business Days immediately preceding the Scheduled Maturity Date.

(ii) In the event the Company has delivered an Officers' Certificate to the Trustee pursuant to clause (vi) of this Section 2.1(d) in connection with any Repayment Date, the principal amount of Debentures payable on such Repayment Date shall be the principal amount set forth in the notice of repayment, if any, accompanying such Officers' Certificate, such principal amount of Debentures shall be repaid on such Repayment Date pursuant to Article III, and the remaining Debentures shall remain Outstanding and shall be payable on the immediately succeeding Repayment Date or such earlier date on which they are redeemed pursuant to Section 2.1(q) or shall become due and payable pursuant to Section 502 of the Indenture or clause (iii) of this Section 2.1(d). The Outstanding Debentures shall be due and payable on any Repayment Date except to the extent otherwise specified in an Officers' Certificate delivered to the Trustee not more than 30 and no less than 10 Business Days immediately preceding such Repayment Date.

(iii) Notwithstanding anything to the contrary set forth in this Ninth Supplemental Indenture, the principal of, and all accrued and unpaid interest on, all Outstanding Debentures shall be due and payable on the Final Maturity Date. The "Final Maturity Date" means May 15, 2068 (or, if this day is not a Business Day, the following Business Day).

(iv) Any repayment of principal and current interest on the Debentures pursuant to this Section 2.1(d) on any date prior to the Final Maturity Date shall not affect the Company's obligations under Section 2.1(h) with respect to the payment of deferred interest on the Debentures. For the purpose of clarity, it is possible that the Company may repay the principal and current interest on a Debenture pursuant to this Section 2.1(d) but still be obligated to pay deferred interest on the Debenture. For the purposes of the definition of "Outstanding" in the Indenture, a Debenture, as to which principal and current interest has been repaid, redeemed or otherwise satisfied by the Company, shall for all purposes of the Indenture and this Ninth Supplemental Indenture, other than for purposes of Article XI of the Indenture and this Section 2.1(d) and Article III of this Ninth Supplemental Indenture, be deemed Outstanding so long as any deferred interest on such Debenture remains unpaid.

(v) Until the principal of and current interest on all Outstanding Debentures are paid in full, the principal of all Outstanding Debentures is automatically accelerated as provided in Section 2.1(k) or a declaration of acceleration pursuant to Section 502 of the Indenture occurs, the Company shall use Commercially Reasonable Efforts, subject to a Market Disruption Event:

(A) to raise sufficient Eligible Repayment Proceeds during a 180-day period ending on a date not more than 30 and not less than 10 Business Days prior to the Scheduled Maturity Date to permit repayment of the principal and current interest on all Outstanding Debentures in full on the Scheduled Maturity Date; and

(B) if the Company is unable for any reason to raise sufficient Eligible Repayment Proceeds to permit repayment in full of the principal amount of and current interest on all the Outstanding Debentures on the Scheduled Maturity Date or any subsequent Interest Payment Date, to raise sufficient Eligible Repayment Proceeds to permit repayment of the principal and current interest on all Outstanding Debentures in full on the next Interest Payment Date pursuant to clause (ii) of this Section 2.1(d).

(vi) The Company shall, if it has not raised sufficient Eligible Repayment Proceeds in connection with any Repayment Date, deliver an Officers' Certificate to the Trustee no more than 30 and no less than 10 Business Days in advance of such Repayment Date stating the amount of Eligible Repayment Proceeds, if any, raised pursuant to clause (v) of this Section 2.1(d) in connection with such Repayment Date. Each Officers' Certificate delivered pursuant to this clause (vi), unless no principal amount of Debentures is to be repaid on the applicable Repayment Date, shall be accompanied by a notice of repayment pursuant to Section 3.1 setting forth the principal amount of the Debentures to be repaid on such Repayment Date, which amount shall be determined after giving effect to clause (viii) of this Section 2.1(d).

(vii) The Company shall be excused from its obligation to use Commercially Reasonable Efforts to sell Qualifying Capital Securities pursuant to clause (v) of this Section 2.1(d) if such Officers' Certificate further certifies that: (A) a Market Disruption Event was existing at any time during the period commencing 180 days prior to the date of such Officers' Certificate or, in the case of any Repayment Date after the Scheduled Maturity Date, the period commencing on the immediately preceding Interest Payment Date and ending on the Business Day immediately preceding the date of such Officers' Certificate; and (B) either (1) the Market Disruption Event continued for the entire 180-day period or, in the case of any Repayment Date after the Scheduled Maturity Date, the period since the most recent Interest Payment Date, as the case may be, or (2) the Market Disruption Event continued for only part of the relevant period, but the Company was unable after Commercially Reasonable Efforts to raise sufficient Eligible Repayment Proceeds during the rest of that period to permit repayment of the Debentures in full.

(viii) Payments on the Debentures on any Repayment Date shall be applied, first, to the extent permitted by Section 2.1(i), to deferred interest to the extent of Eligible APM Proceeds raised pursuant to Section 2.1(i), second, to current interest and, third, to the repayment of the principal of Debentures; *provided* that if the Company is obligated to sell Qualifying Capital Securities and repay any outstanding *pari passu* securities in addition to the Debentures, then on any date and for any period such payments shall be applied (A) first, to any *pari passu* securities having an earlier scheduled maturity date than the Debentures, until the principal of and all accrued and unpaid interest on those securities has been paid in full, and (B) second, to the Debentures and any other *pari passu* securities having the same scheduled maturity date as the Debentures pro rata in accordance with their respective outstanding principal amounts. None of such payments shall be applied to any other *pari passu* securities having a later scheduled maturity date until the principal of and all accrued and unpaid interest on the Debentures has been paid in full, except to the extent permitted by clause (vii) of Section 2.1(g) and the first sentence of Section 2.1(h). If the Company has raised less than $5,000,000 of Eligible Repayment Proceeds during the relevant 180-day or three-month period, the Company will not be required to repay any Debentures on the relevant Repayment Date. On the next Interest Payment Date as of which the Company has raised at least $5,000,000 of Eligible Repayment Proceeds during the 180-day period preceding the applicable notice date (or, if shorter, the period since the Company last repaid any principal amount of the Debentures), the Company shall repay a principal amount of Debentures equal to the Eligible Repayment Proceeds from the sale of Qualifying Capital Securities during such 180-day or shorter period.

(e) Rate of Interest. The Debentures shall bear interest on their principal amount (i) from and including May 20, 2008 to but excluding May 15, 2038 at the rate of 8.175% *per annum*, computed on the basis of a 360-day year comprised of twelve 30-day

months, and (ii) thereafter at an annual rate equal to Three-month LIBOR plus 4.195%, computed on the basis of a 360-day year and the actual number of days elapsed. All percentages resulting from any calculation of Three-month LIBOR will be rounded upward or downward, as appropriate, to the next higher or lower one hundred-thousandth of a percentage point. Subject to Sections 2.1(g) and (h): in the case of Section 2.1(e)(i), interest on the Debentures shall be payable semi-annually in arrears on May 15 and November 15 of each year, beginning on November 15, 2008 and in the case of Section 2.1(e)(ii), interest on the Debentures shall be payable quarterly in arrears on February 15, May 15, August 15 and November 15 of each year, beginning on August 15, 2038 (each such date, an "Interest Payment Date"). In the event any Interest Payment Date on or before May 15 , 2038 falls on a day that is not a Business Day, the interest payment due on that date will be postponed to the next day that is a Business Day and no interest shall accrue as a result of such postponement. If any Interest Payment Date after May 15, 2038 would otherwise fall on a day that is not a Business Day, such Interest Payment Date will be postponed to the following Business Day and interest will accrue to the actual Interest Payment Date, unless such postponement would cause the day to fall in the next calendar month, in which case it shall be brought forward to the immediately preceding Business Day. Any installment of interest (or portion thereof) deferred in accordance with Section 2.1(g) or otherwise unpaid shall bear additional interest, to the extent permitted by law, at the rate of interest then in effect from time to time on the Debentures, from the relevant Interest Payment Date, compounded on each subsequent Interest Payment Date, until paid in accordance with Section 2.1(h).

(f) To Whom Interest is Payable. Interest (other than deferred interest which shall be payable to the Persons specified pursuant to Section 2.1(g)(ii)) shall be payable to the Person in whose name the Debentures are registered at the close of business on the Business Day next preceding the Interest Payment Date, or in the event the Debentures cease to be held in the form of one or more Global Securities, at the close of business on the date 15 days prior to that Interest Payment Date, whether or not a Business Day.

(g) Option to Defer Interest Payments.

(i) The Company shall have the right, at any time and from time to time prior to the Final Maturity Date, to defer the payment of interest on the Debentures for one or more consecutive Interest Periods that do not exceed 10 years; *provided* that no Deferral Period shall extend beyond the Final Maturity Date or the earlier redemption of the Debentures. If an Event of Default has occurred and is continuing or the Company has given notice of its election to defer interest payments but the Deferral Period has not yet commenced or a Deferral Period is continuing, the Company shall not, and shall not permit any Subsidiary, subject to the exceptions specified in clause (vii) of this Section 2.1(g), to: (a) declare or pay any dividends or distributions on, or redeem, purchase, acquire or make a liquidation payment with respect to, any shares of Capital Stock of the Company, (b) make any payment of principal of, or interest or premium, if any, on, or repay, purchase or redeem any debt securities of the

Company that rank *pari passu* with or junior to the Debentures or (c) make any payments with respect to any Guarantee by the Company of securities of any Subsidiary if such Guarantee ranks *pari passu* with, or junior to, the Debentures.

(ii) At the end of any Deferral Period, the Company shall pay all deferred interest on the Debentures (together with compounded interest thereon, if any, to the extent permitted by applicable law), to the Person in whose name the Debentures are registered at the close of business on the Business Day next preceding the Interest Payment Date at the end of such Deferral Period or, in the event the Debentures cease to be held in the form of one or more Global Securities, at the close of business on the date 15 days prior to the end of the Deferral Period, whether or not a Business Day.

(iii) Upon termination of any Deferral Period and upon the payment of all deferred interest and any compounded interest then due on any Interest Payment Date, the Company may elect to begin a new Deferral Period pursuant to clause (i) of this Section 2.1(g).

(iv) The Company may elect to pay deferred interest on any Interest Payment Date during any Deferral Period to the extent permitted by Section 2.1(h).

(v) The Company shall give written notice to the Trustee and the Holders of the Debentures of its election to begin any Deferral Period at least one Business Day prior to the Regular Record Date for that Interest Payment Date. Notwithstanding the previous sentence, the Company's failure to pay any interest due within five Business Days after any Interest Payment Date shall automatically and without any further action by any Person be deemed to commence a Deferral Period.

(vi) If any Deferral Period lasts longer than one year, the Company shall not, and shall cause its Subsidiaries not to, purchase, redeem or otherwise acquire any securities ranking junior to or *pari passu* with any APM Qualifying Securities the proceeds of which were used to pay deferred interest during such Deferral Period until the first anniversary of the date on which all deferred interest has been paid, subject to the exceptions set forth in clause (vii) below. If the Company is involved in a Business Combination where immediately after the consummation of the Business Combination more than 50% of the surviving or resulting entity's Voting Stock is owned by the shareholders of the other party to the Business Combination or Continuing Directors cease for any reason to constitute a majority of the directors of the surviving or resulting entity, then neither the restrictions set forth in this clause (vi) nor the provisions of Section 2.1(h) shall apply to any Deferral Period that is terminated on the next Interest Payment Date following the date of consummation of the Business Combination.

(vii) The restrictions in clauses (i) and (vi) of this Section 2.1(g) do not apply to (a) purchases, redemptions or other acquisitions of shares of the Company's Capital Stock in connection with (1) any Employee Benefit Plan or the Assurance Agreement or (2) a dividend reinvestment, stock purchase plan or other similar plan, (b) any exchange or conversion of any class or series of the Company's Capital Stock (or the Capital Stock of any Subsidiary) for any class or series of the Company's Capital Stock or of any class or series of Indebtedness of the Company for any class or series of the Company's Capital Stock, (c) the purchase of fractional interests in shares of the Capital Stock of the Company in accordance with the conversion or exchange provisions of the Company's Capital Stock or the security or instrument being converted or exchanged, (d) any declaration of a dividend in connection with any stockholders' right plan, or the issuance of rights, equity securities or other property under any stockholders' right plan, or the redemption or repurchase of rights in accordance with any stockholders' rights plan, (e) any dividend in the form of equity securities, warrants, options or other rights where the dividend stock or the stock issuable upon exercise of the warrants, options or other rights is the same stock as that on which the dividend is being paid or ranks *pari passu* with or junior to such equity securities, (f) any payment during a Deferral Period of current or deferred interest in respect of any debt securities of the Company that rank *pari passu* with the Debentures that is made *pro rata* to the amounts due on *pari passu* securities and the Debentures (*provided* that such payments are made in accordance with Section 2.1(h) to the extent it applies) and any payments of deferred interest on such *pari passu* securities that, if not made, would cause the Company to breach the terms of the instrument governing such *pari passu* securities, (g) any payment of principal in respect of any *pari passu* securities having an earlier scheduled maturity date than the Debentures, as required under a provision of such *pari passu* securities that is substantially the same as Section 2.1(d) or any such payment in respect of any *pari passu* securities having the same scheduled maturity date as the Debentures that is made on a *pro rata* basis among one or more series of such securities and the Debentures, (h) any repurchase of *pari passu* securities (including the junior subordinated debentures initially included in the Equity Units) in exchange for Common Stock in connection with a failed remarketing or similar event, or any payment of deferred interest on any *pari passu* securities (including such junior subordinated debentures) in the form of additional debentures that will rank *pari passu* with the Debentures and any repayment of any such additional debentures at maturity or (i) any repayment or redemption of a security necessary to avoid a breach of the instrument governing that security.

(h) Payment of Deferred Interest. The Company shall not pay deferred interest (including compounded interest thereon) on the Debentures on any Interest Payment Date during any Deferral Period prior to the Final Maturity Date from any source other than Eligible APM Proceeds unless (x) required by an applicable regulatory authority, (y) permitted under clause (vi) of Section 2.1(g) or (z) an Event of

Default has occurred and is continuing. Notwithstanding the foregoing, the Company may pay current interest during a Deferral Period from any available funds. To the extent that the Company is able to raise some, but not all, Eligible APM Proceeds to pay accrued and unpaid interest on the applicable Interest Payment Date, such Eligible APM Proceeds shall be allocated first to deferred payments of accrued and unpaid interest in chronological order based on the date each payment was first deferred. If any Indebtedness of the Company that ranks *pari passu* with the Debentures is outstanding in addition to the Debentures under which the Company is obligated to sell APM Qualifying Securities and apply the net proceeds to the payment of deferred interest or distributions, then on any date and for any period the amount of Eligible APM Proceeds received by the Company from such sales and available for payment of the deferred interest and distributions shall be applied to the Debentures and such *pari passu* securities on a *pro rata* basis up to, in the case of Common Stock, the Stock and Warrant Issuance Cap and the Maximum Share Number, in the case of Qualifying Warrants, the Stock and Warrant Issuance Cap and the Maximum Warrant Number, in the case of Mandatorily Convertible Preferred Stock, the Maximum Share Number and the Preferred Stock Issuance Cap, and, in the case of Qualifying Non-Cumulative Preferred Stock, the Preferred Stock Issuance Cap (or comparable provisions in the instruments governing such *pari passu* securities) in proportion to the total amounts that are due on the Debentures and such *pari passu* securities. The Company may make such *pro rata* payments on such *pari passu* securities so long as it shall have paid or deposited with the paying agent for the Debentures or shall have segregated and holds in trust for payment the *pro rata* proceeds applicable to the Debentures that have not been paid.

The "Maximum Share Number" will equal 400,000,000 and the "Maximum Warrant Number" will equal 400,000,000 (or 800,000,000 if the Company amends the definition of APM Qualifying Securities to eliminate Common Stock) if the shareholders of the Company approve an increase in the number of the authorized shares of Common Stock, which the Company will propose for shareholder vote at its annual shareholder meeting in 2009. Unless and until such time as the number of the authorized shares of Common Stock is increased by at least 1,225,000,000 shares, the Maximum Share Number is 185,000,000 and the Maximum Warrant Number is zero and, to the extent permitted by law, the Company shall use commercially reasonable efforts to obtain shareholder approval of such increase at future annual meetings of shareholders if approval is not obtained at the 2009 annual shareholder meeting. The Company will not be permitted to amend the definition of APM Qualifying Securities to eliminate Common Stock prior to such time as the number of the authorized shares of Common Stock is increased by at least 1,225,000,000 shares. On each Interest Payment Date during a Deferral Period, the Company will increase the Maximum Share Number, as necessary, for so long as such Deferral Period is continuing, such that it is at least equal to the number of shares of Common Stock that the Company would need to issue to raise sufficient proceeds to pay, assuming a price per share equal to the average of the Current Stock Market Price over the ten-trading day period preceding such Interest Payment Date, three times the then outstanding deferred interest on the Debentures (including compounded interest thereon) up to a maximum of 10 years' of interest (including

compounded interest thereon); *provided* that the Company will only be required to increase the Maximum Share Number to the extent that such increase does not result in a Maximum Share Number that is greater than the number of Available Shares. "Available Shares" shall mean, as of any date, the number of shares of Common Stock calculated by the Company by subtracting from the number of authorized and unissued shares of Common Stock on such date the maximum number of shares of Common Stock that can be issued under existing options, warrants, convertible securities, equity-linked contracts, equity compensation plans and other agreements of any type that requires the Company to issue a determinable maximum number of shares of Common Stock, including without limitation for the purpose of funding deferred distributions (such maximum number the "Fixed Commitments"). The Available Shares will be allocated on a *pro rata* basis to all of the Company's obligations under any similar commitments under which the Company is required to increase its maximum obligation to issue shares of Common Stock in comparable circumstances. If the increase in the Maximum Share Number required by this paragraph is limited by the number of Available Shares, to the extent permitted by law, the Company will use commercially reasonable efforts to obtain shareholder consent at the next annual meeting of the Company's shareholders to increase the number of shares of the authorized Common Stock so that it is no longer limited. If the Company amends the definition of APM Qualifying Securities to eliminate Common Stock, the foregoing obligations shall apply to the Maximum Warrant Number, assuming a price per qualifying warrant equal to 50% of the average of the Current Stock Market Price over the relevant period. For purposes of determining the amounts accruing during any period after May 15, 2038, the interest will be computed by reference to Three-month LIBOR on the calculation date plus a margin equal to 4.195%. The Company will provide notice to the Trustee if the Company increases the Maximum Share Number or Maximum Warrant Number.

If, as of a date no more than 15 and no less than 10 Business Days in advance of any Interest Payment Date, the Company has not raised sufficient Eligible APM Proceeds to pay all deferred interest (including compounded interest thereon) on the Debentures on such Interest Payment Date as a result of the foregoing limitation, the Company will provide written certification to the Trustee (which the Trustee will promptly forward upon receipt to each holder of record of Debentures) of the Company's calculation of the Maximum Share Number or Maximum Warrant Number, as the case may be, the number of authorized and unissued shares of Common Stock, the Fixed Commitments and the number of shares of Common Stock issued (or issuable upon exercise of such Qualifying Warrants) that the Company has sold pursuant to Section 2.1(i) during the 180-day period preceding the date of such notice.

(i) Alternative Payment Mechanism. Immediately following any APM Commencement Date and until the termination of the related Deferral Period, the Company will be required to use Commercially Reasonable Efforts to sell APM Qualifying Securities until the Company has raised an amount of Eligible APM Proceeds at least equal to the aggregate amount of accrued and unpaid deferred interest on the Debentures (including compounded interest thereon) and applied such Eligible APM

Proceeds on the next Interest Payment Date to the payment of deferred interest (including compounded interest thereon) in accordance with Section 2.1(h); *provided* that:

(1) the foregoing obligations shall not apply (i) to the issuance of Common Stock and Qualifying Warrants during the first five years of any Deferral Period to the extent the number of shares of Common Stock issued and the number of shares of Common Stock subject to such Qualifying Warrants, together with the number of shares of Common Stock previously issued, and the number of shares of Common Stock subject to Qualifying Warrants previously issued, during such Deferral Period to pay interest on the Debentures pursuant to this Section 2.1(i), would, in the aggregate, exceed 2% of the total number of issued and outstanding shares of Common Stock as of the date of the Company's most recent publicly available consolidated financial statements on the date of determination (the "Stock and Warrant Issuance Cap") or (ii) to the issuance of Qualifying Non-Cumulative Preferred Stock and Mandatorily Convertible Preferred Stock at any time to the extent the Eligible APM Proceeds raised from such issuance, together with the Eligible APM Proceeds of all prior issuances of Qualifying Non-Cumulative Preferred Stock and still outstanding Mandatorily Convertible Preferred Stock pursuant to this Section 2.1(i) applied to pay deferred interest on the Debentures, would exceed $1,000,000,000 (the "Preferred Stock Issuance Cap");

(2) the foregoing obligations shall not apply in respect of any Interest Payment Date if the Company shall have provided to the Trustee (which the Trustee will promptly forward upon receipt to each Holder of the Debentures whose name appears in the Security Register) no more than 30 and no less than 10 Business Days prior to such Interest Payment Date an Officers' Certificate stating that (i) a Market Disruption Event occurred after the immediately preceding Interest Payment Date and (ii) either (A) the Market Disruption Event continued for the entire period from the Business Day immediately following the preceding Interest Payment Date to the Business Day immediately preceding the date on which such Officers' Certificate is provided or (B) the Market Disruption Event continued for only part of such period but the Company was unable after Commercially Reasonable Efforts to raise sufficient Eligible APM Proceeds during the rest of that period to pay all accrued and unpaid interest due on the Interest Payment Date with respect to which such Officers' Certificate is being delivered;

(3) the sale of Mandatorily Convertible Preferred Stock to pay deferred interest is an option that may be exercised at the Company's sole discretion, and the Company will not be obligated to sell Mandatorily Convertible Preferred Stock or to apply the proceeds of any such sale to pay deferred interest on the Debentures, and no class of investors of the Company's securities or other obligations, or any other Person, may require the Company to issue Mandatorily Convertible Preferred Stock; and

(4) to the extent that the Company has raised some but not all Eligible APM Proceeds necessary to pay all deferred interest on any Interest Payment Date, such Eligible APM Proceeds shall be applied in accordance with Section 2.1(h).

Once the Company reaches the Stock and Warrant Issuance Cap for a Deferral Period, the Company will not be required to issue more shares of Common Stock or Qualifying Warrants under this Section 2.1(i) during the first five years of such Deferral Period even if the Stock and Warrant Issuance Cap subsequently increases because of a subsequent increase in the number of outstanding shares of Common Stock. The Stock and Warrant Issuance Cap will cease to apply after the fifth anniversary of the commencement of any Deferral Period, at which point the Company must pay any deferred interest, regardless of the time at which it was deferred pursuant to Section 2.1(h), subject to the limitations in Section 2.1(g), the Preferred Stock Issuance Cap, the Maximum Share Number, the Maximum Warrant Number and any Market Disruption Event. In addition, if the Stock and Warrant Issuance Cap is reached during a Deferral Period and the Company subsequently pays all deferred interest, the Stock and Warrant Issuance Cap will cease to apply at the termination of such Deferral Period, reset to zero and will not apply again unless and until the start of a new Deferral Period. The Preferred Stock Issuance Cap shall not reset to zero even if the Company pays all deferred interest for a Deferral Period, and the Eligible APM Proceeds from sales of Qualifying Non-Cumulative Preferred Stock and then outstanding Mandatorily Convertible Preferred Stock applied pursuant to Section 2.1(h) during such Deferral Period and all prior Deferral Periods cumulate as Qualifying Non-Cumulative Preferred Stock is issued or so long as Mandatorily Convertible Preferred Stock is outstanding, to pay deferred interest. The Company will not be excused from its obligations under this Section 2.1(i) if it determines not to pursue or complete the sale of APM Qualifying Securities due to pricing, dividend rate or dilution considerations.

If the Company eliminates Common Stock from the definition of APM Qualifying Securities, the Company must use commercially reasonable efforts, subject to the Maximum Warrant Number, to set the terms of any Qualifying Warrants that the Company issues pursuant to this Section 2.1(i) so that the proceeds from the issuance of Qualifying Warrants, together with the proceeds from the sale of any other APM Qualifying Securities are sufficient proceeds to pay all deferred interest on the Debentures in accordance with this Section 2.1(i).

(j) Events of Default. The Debentures shall not be entitled to the benefits of the Events of Default in clauses (1) through (4) of Section 501 of the Indenture. The Debentures shall be entitled to the benefits of the Events of Default in clauses (5) and (6) of Section 501 of the Indenture. The following events shall be Events of Default with respect to the Debentures (whatever the reason for such Event of Default and whether it shall be occasioned by the provisions of Article Fourteen of the Indenture or be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or

order of any court or any order, rule or regulation of any administrative or governmental body):

(1) default in the payment of interest, including compounded interest, in full on any Debenture for a period of 30 days after the tenth anniversary of the commencement of any Deferral Period if such Deferral Period has not ended prior to such tenth anniversary; and

(2) default in the payment of the principal of the Debentures at the Final Maturity Date or upon a call for redemption.

Except as provided in this paragraph (j), no breach or default by the Company of any other covenant or obligation under the Indenture or the terms of the Debentures shall constitute an Event of Default.

(k) Acceleration of Maturity; Rescission of Amendment. The remedies provided to the Trustee and Holders by Section 502 of the Indenture will apply only to an Event of Default under clause (1) of Section 2.1(j). If an Event of Default specified in Section 501(5) or 501(6) of the Indenture occurs, then in every such case the principal amount of all the Debentures shall automatically become due and payable immediately, without any declaration or other action on the part of the Trustee or any Holder. An Event of Default in clause (2) of Section 2.1(j) shall not entitle the Holders to the benefits of Section 502 of the Indenture.

(l) Collection of Indebtedness and Suits From Enforcement by Trustee. The Debentures shall not have the benefits of the first paragraph of Section 503 of the Indenture.

(m) Limitation on Suits. For purposes of the Debentures, Section 507 of the Indenture is hereby amended (i) by adding "or Enforcement Event" after "Event of Default" in clause (1) thereof, and (ii) by adding at the end of clause (2) thereof: "or the Holders of no less than a majority in principal amount of the Outstanding Securities of that series shall have made written request to the Trustee to institute proceedings in respect of such Enforcement Event in its own name as Trustee hereunder;"

(n) Unconditional Right of Holders to Receive Principal, Premium and Interest. For purposes of the Debentures, Section 508 of the Indenture is hereby amended and restated in its entirety:

"Notwithstanding any other provision in this Indenture or the Ninth Supplemental Indenture, the Holder of any Debenture shall have the right, which is absolute and unconditional (subject to withholding tax (if any) and backup withholding tax (if any)), to receive payment of the principal of and any premium and (subject to Section 2.1(g)(ii) of the Ninth Supplemental Indenture and Section 307 of the Indenture) interest on such Debenture when due, it being understood (i) that, in the case of a Deferral Period, interest shall only become due and payable at the

time and in the manner provided for in Sections 2.1(g) and (h) of the Ninth Supplemental Indenture, and interest shall, in the case of Section 2.1(i) of the Ninth Supplemental Indenture, only become due and payable in the amount determined in accordance with such Section, and (ii) that the extent to which Holders have a right to receive payment of principal on any Repayment Date is determined in accordance with Section 2.1(d) of the Ninth Supplemental Indenture. Any Holder's right to institute suit for the enforcement of any such payment, and such rights referred to in this Section 508 shall not be impaired without the consent of such Holder."

For the purposes of Section 316(b) of the Trust Indenture Act, it is understood and agreed that no payment of principal or interest shall be deemed due and payable under the provisions of Sections 2.1(d), 2.1(g)(ii) and 2.1(h) until the Company has received Eligible Repayment Proceeds or Eligible APM Proceeds, respectively, to pay such principal or interest.

(o) Waiver of Past Defaults. Notwithstanding anything to the contrary in Section 513 of the Indenture, for the purposes of the Debentures, a past default that is an Event of Default under Section 501(5) or 501(6) of the Indenture cannot be waived, with respect to the Debentures and its consequences, without the consent of each Holder of the Debentures.

(p) Notice of Defaults and Enforcement Events. For purposes of the Debentures, Section 602 of the Indenture is hereby amended (i) by adding "and Enforcement Events" after "Defaults" in the header thereof, and (ii) by adding "or Enforcement Event" after "default" in the first and second line of such Section.

(q) Redemption. The Debentures shall be redeemable in accordance with Article Eleven of the Indenture, *provided* that the Debentures shall be redeemable at the Company's option, (i) on any Interest Payment Date on or after May 15, 2038, in whole or in part, at 100% of the principal amount thereof, plus accrued and unpaid interest thereon to the Redemption Date, (ii) at any time prior to May 15, 2038, in whole or in part, at the Make-Whole Redemption Price and (iii) at any time prior to May 15, 2038, in connection with a Tax Event or a Rating Agency Event, in whole but not in part, at the Make-Whole Redemption Price; *provided* that if the Company exercises its right to redeem the Debentures in part prior to May 15, 2038, the aggregate principal amount thereof outstanding after such redemption must be at least $50,000,000. For purposes of the Debentures, the first sentence of Section 1104 of the Indenture is replaced in its entirety with the following: "Notice of redemption shall be given by first-class mail, postage prepaid, mailed not less than 10 nor more than 60 days prior to the Redemption Date, to each Holders of Securities to be redeemed, at his address appearing in the Security Register."

(r) Replacement Capital Covenant. The Company shall not modify the Replacement Capital Covenant to (A) amend the definitions incorporated into this Ninth

Supplemental Indenture pursuant to Section 1.2.3(b) in a manner adverse to the Holders or (B) impose additional restrictions on the type or amount of Qualifying Capital Securities that the Company may include for purposes of determining the extent to which repayment, redemption, defeasance or repurchase of the Debentures is permitted, except with the consent of the holders of a majority of the principal amount of Outstanding Debentures. Except as expressly provided in the preceding sentence, the Company may modify the Replacement Capital Covenant at any time and in any manner without the consent of the Holders of the Debentures.

(s) Limitation on Claims in the Event of Bankruptcy, Insolvency or Receivership. To the extent permitted by law, each Holder, by such Holder's acceptance of the Debentures, agrees that if a Bankruptcy Event shall occur prior to the redemption, repayment or defeasance of such Debentures, such Holder shall only have a claim for deferred and unpaid interest (including compounded interest thereon) to the extent such interest (including compounded interest thereon) relates to the earliest two years of the portion of the Deferral Period for which interest has not been paid.

(t) Sinking Fund; Holder Repurchase Right. The Debentures shall not be subject to any sinking fund or analogous provision or be redeemable at the option of the Holders. Article XII of the Indenture shall not be applicable to the Debentures.

(u) Subordination. The Debentures shall be subject to Article XIV of the Indenture, subject to the following modifications:

(i) For purposes of the Debentures, the "or" before clause (iii) of the definition of Senior Debt in the Indenture is deleted, and the following clauses are added to the definition of Senior Debt in the Indenture after the word "contracts," in clause (iii) for purposes of the Debentures:

", (iv) any subordinated or junior subordinated debt that by its terms is not expressly *pari passu* or subordinated to the Debentures, (v) any Guarantee of any indebtedness, obligation or security issued by any Person that is an Affiliate of the Company and such Person is viewed by the Company as a vehicle to finance its operations, and (vi) Indebtedness of the Company to its Subsidiaries"; and

(ii) For purposes of the Debentures, the following provision is added to the end of the definition of Senior Debt in the Indenture after the word "Securities": "*provided* that (a) trade account payables and accrued liabilities arising in the ordinary course of the Company's business, (b) the Company's 6.25% Series A-1 Junior Subordinated Debentures, 5.75% Series A-2 Junior Subordinated Debentures, 4.875% Series A-3 Junior Subordinated Debentures, 6.45% Series A-4 Junior Subordinated Debentures and 7.70% Series A-5 Junior Subordinated Debentures, (c) prior to the settlement of any successful remarketing of the junior subordinated debentures included in the Equity Units, such junior subordinated debentures and (d) any other indebtedness, Guarantee or other obligation that is specifically designated as being subordinate, or not

superior, in right of payment to the Debentures, shall not be considered Senior Debt".

(iii) For purposes of the Debentures, the provisions of Section 1404 of the Indenture shall only apply in the case where (A) there has been an event of default with respect to Senior Debt within the meaning of clause (i) of the definition of Senior Debt, (B) the principal amount of such Senior Debt has been accelerated, (C) the outstanding principal amount of Senior Debt at the time of acceleration is at least $100,000,000 and (D) the event of default has not been cured, waived, or ceased to exist or the acceleration has not been rescinded. In no other case and to no other Senior Debt shall Section 1404 apply.

(iv) The Debentures shall rank *pari passu* with the Company's 6.25% Series A-1 Junior Subordinated Debentures, 5.75% Series A-2 Junior Subordinated Debentures, 4.875% Series A-3 Junior Subordinated Debentures, 6.45% Series A-4 Junior Subordinated Debentures and 7.70% Series A-5 Junior Subordinated Debentures, and prior to the settlement of any successful remarketing of the junior subordinated debentures included in the Equity Units, such junior subordinated debentures (the "Outstanding Parity Securities").

(v) Registrar, Paying Agent, Authenticating Agent and Place of Payment. The Company hereby appoints The Bank of New York as Security Registrar, Authenticating Agent and Paying Agent with respect to the Debentures. The Debentures may be surrendered for registration of transfer and for exchange at the office or agency of the Company maintained for such purpose in The City of New York, New York and at any other office or agency maintained by the Company for such purpose. The Place of Payment for the Debentures shall be the Paying Agent's office in New York, New York.

(w) Defeasance. Until May 15, 2058, the Debentures will be subject to Sections 1302 and 1303 of the Indenture.

(x) Special Interest. If Special Interest is payable by the Company pursuant to the Registration Rights Agreement, the Company shall deliver to the Trustee an Officers' Certificate to that effect stating (i) the amount of such Special Interest that is payable and (ii) the date on which such Special Interest is payable. Unless and until the Trustee receives such a certificate, the Trustee may assume without inquiry that no Special Interest is payable. If the Company has paid Special Interest directly to the persons entitled to it, the Company shall deliver to the Trustee an Officers' Certificate setting forth the particulars of such payment.

Section 2.2 Transfers and Exchanges; Securities Act Legends

(a) Certain Transfers and Exchanges. Transfers and exchanges of Debentures and beneficial interests in Global Securities of the kinds specified in this Section 2.2 shall be made only in accordance with this Section 2.2.

(i) *Restricted Global Security to Regulation S Global Security or Unrestricted Global Security*. If the owner of a beneficial interest in the Restricted Global Security wishes to transfer such interest to a Person who wishes to acquire the same in the form of a beneficial interest in the Regulation S Global Security or the Unrestricted Global Security, such transfer may be effected only in accordance with the provisions of this Section 2.2(a)(i) and subject to the Applicable Procedures. Upon receipt by the Trustee, as Security Registrar, of (i) an order given by the Depositary or its authorized representative directing that a beneficial interest in the Regulation S Global Security or Unrestricted Global Security in a specified principal amount be credited to a specified Agent Member's account and that a beneficial interest in the Restricted Global Security in an equal amount be debited from the same or another specified Agent Member's account and (ii) an Unrestricted Securities Certificate, satisfactory to the Company and duly executed by the Holder of such Restricted Global Security or his attorney duly authorized in writing, then the Trustee, as Security Registrar, shall reduce the principal amount of such Restricted Global Security and increase the principal amount of the Regulation S Global Security or the Unrestricted Global Security by such specified principal amount, *provided* that if the transfer is to occur during the Restricted Period, then such Person will take delivery in the form of a Regulation S Global Security.

(ii) *Regulation S Global Security to Restricted Global Security*. If during the Restricted Period, the owner of a beneficial interest in the Regulation S Global Security wishes to transfer such interest to a Person who wishes to acquire the same in the form of a beneficial interest in the Restricted Global Security, such transfer may be effected only in accordance with this Section 2.2(a)(ii) and subject to the Applicable Procedures. Upon receipt by the Trustee, as Security Registrar, of (i) an order given by the Depositary or its authorized representative directing that a beneficial interest in the Restricted Global Security in a specified principal amount be credited to a specified Agent Member's account and that a beneficial interest in the Regulation S Global Security in an equal principal amount be debited from the same or another specified Agent Member's account and (ii) a Restricted Securities Certificate, satisfactory to the Company and duly executed by the Holder of such Regulation S Global Security or his attorney duly authorized in writing, then the Trustee, as Security Registrar, shall reduce the principal amount of such Regulation S Global Security and increase the principal amount of such Restricted Global Security by such specified principal amount.

(b) Securities Act Legends. Rule 144A Debentures shall bear the Restricted Securities Legend and Regulation S Debentures shall bear the Regulation S Legend.

ARTICLE THREE

REPAYMENT OF THE DEBENTURES

3.1. Repayment

The Company shall, not more than 30 nor less than 10 Business Days prior to each Repayment Date (unless a shorter notice shall be satisfactory to the Trustee), notify the Trustee of the principal amount of Debentures to be repaid on such date pursuant to Section 2.1(d).

3.2. Selection of Securities to be Repaid

If less than all the Debentures are to be repaid on any Repayment Date, the particular Debentures to be repaid shall be selected not more than 30 days prior to such Repayment Date by the Trustee, from the Outstanding Debentures not previously repaid or redeemed or as to which notice of repayment or redemption has been given, by such other method as the Trustee may deem fair and appropriate and which may provide for the selection for repayment of a portion of the principal amount of any Debenture, *provided* that the portion of the principal amount of any Debenture not repaid shall be in an authorized denomination (which shall not be less than the minimum authorized denomination).

The Trustee shall promptly notify the Company in writing of the Debentures selected for partial repayment and the principal amount thereof to be repaid. For all purposes hereof, unless the context otherwise requires, all provisions relating to the repayment of Debentures shall relate, in the case of any Debenture repaid or to be repaid only in part, to the portion of the principal amount of such Debenture which has been or is to be repaid.

3.3. Notice of Repayment

Notice of repayment shall be given by first-class mail, postage prepaid, mailed at least 10 calendar days, but no more than 15 calendar days, prior to the Repayment Date, to each Holder of Debentures to be repaid, at the address of such Holder as it appears in the Security Register.

Each notice of repayment shall identify the Debentures to be repaid (including CUSIP number, if a CUSIP number has been assigned to the Debentures) and shall state:

(a) the Repayment Date;

(b) if less than all Outstanding Debentures are to be repaid, the identification (and, in the case of partial repayment, the respective principal amounts) of the particular Debentures to be repaid;

(c) that on the Repayment Date, the principal amount of the Debentures or portions thereof to be repaid will become due and payable, and that interest thereon, if any, shall cease to accrue on and after said date;

(d) whether any deferred interest shall remain outstanding on any Debentures to be repaid, and if so, the amount of such deferred interest and that compound interest thereon shall continued to accrue on and after said date until paid; and

(e) the place or places where such Debentures are to be surrendered for payment of the principal amount thereof.

Notice of repayment shall be given by the Company or, at the Company's request, by the Trustee in the name and at the expense of the Company and shall be irrevocable.

3.4. Deposit of Repayment Amount

Prior to 10:00 a.m., New York City time, on the Repayment Date specified in the notice of repayment given as provided in Section 3.3, the Company will deposit with the Trustee or with one or more Paying Agents (or if the Company is acting as its own Paying Agent, the Company will segregate and hold in trust as provided in Section 1003 of the Indenture) an amount of money sufficient to pay the principal amount of, and (except to the extent the payment of such accrued interest shall be prohibited pursuant to Section 2.1(h)) any accrued interest (including compounded interest) on, all the Debentures which are to be repaid on that date.

3.5. Payment of Debentures Subject to Repayment

If any notice of repayment has been given as provided in Section 3.3, the Debentures or portion of the Debentures with respect to which such notice has been given shall become due and payable on the Repayment Date. On presentation and surrender of such Debentures as provided in the notice of repayment, such Debentures or the specified portions thereof shall be paid by the Company at their principal amount, together with accrued interest (including any compounded interest) to the Repayment Date (except to the extent the payment of such accrued interest shall be prohibited pursuant to Section 2.1(h)); *provided* that, except in the case of a repayment in full of all Outstanding Debentures, installments of interest whose Stated Maturity is on or prior to the Repayment Date will be payable to the Holders of such Debentures, or one or more Predecessor Securities, registered as such at the close of business on the relevant Regular Record Dates according to their terms and the provisions of Section 307 of the Indenture and Section 2.1(g)(ii) of this Ninth Supplemental Indenture.

Section 1107 of the Indenture shall apply to any Debenture repaid in part pursuant to this Article III.

If any Debenture subject to repayment shall not be so repaid upon surrender thereof, the principal of such Debenture shall, until paid, bear interest from the applicable Repayment Date at the rate prescribed therefore in the Debenture.

ARTICLE FOUR

MISCELLANEOUS

Section 4.1 Relationship to Existing Indenture

The Ninth Supplemental Indenture is a supplemental indenture within the meaning of the Indenture. The Indenture, as supplemented and amended by this Ninth Supplemental Indenture, is in all respects ratified, confirmed and approved and, with respect to the Debentures, the Indenture, as supplemented and amended by this Ninth Supplemental Indenture, shall be read, taken and construed as one and the same instrument.

Section 4.2 Modification of the Existing Indenture

Except as expressly modified by this Ninth Supplemental Indenture, the provisions of the Indenture shall govern the terms and conditions of the Debentures.

Section 4.3 Governing Law

This instrument shall be governed by and construed in accordance with the laws of the State of New York.

Section 4.4 Counterparts

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

Section 4.5 Trustee Makes No Representation

The recitals contained herein are made by the Company and not by the Trustee, and the Trustee assumes no responsibility for the correctness thereof. The Trustee makes no representation as to the validity or sufficiency of this Ninth Supplemental Indenture (except for its execution thereof and its certificates of authentication of the Debentures).

In Witness Whereof, the parties hereto have caused this Ninth Supplemental Indenture to be duly executed and attested all as of the day and year first above written.

AMERICAN INTERNATIONAL GROUP, INC.

By /s/ Robert A. Gender
Name: Robert A. Gender
Title: Vice President and Treasurer

Attest:

/s/ Patrick M. Burke
Patrick M. Burke
Assistant Secretary

THE BANK OF NEW YORK,

as Trustee

By /s/ Sherma Thomas
Name: Sherma Thomas
Title: Assistant Treasurer

ANNEX A

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITARY OR A NOMINEE THEREOF. THIS SECURITY MAY NOT BE EXCHANGED IN WHOLE OR IN PART FOR A SECURITY REGISTERED, AND NO TRANSFER OF THIS SECURITY IN WHOLE OR IN PART MAY BE REGISTERED, IN THE NAME OF ANY PERSON OTHER THAN SUCH DEPOSITARY OR A NOMINEE THEREOF, EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION OR ITS DIRECT PARTICIPANTS ("DTC"), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OR TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

[INCLUDE IF SECURITY IS A RESTRICTED GLOBAL SECURITY: THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE SOLD OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. EACH PURCHASER OF THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER.

THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (A) (1) TO A PERSON WHO THE TRANSFEROR REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT ACQUIRING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (2) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER OR (3) OUTSIDE THE UNITED STATES TO PERSONS OTHER THAN U.S. PERSONS, PURSUANT TO THE TERMS AND CONDITIONS OF REGULATION S UNDER THE SECURITIES ACT AND (B) IN ACCORDANCE

WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND OTHER JURISDICTIONS.**]**

[INCLUDE IF SECURITY IS A REGULATION S GLOBAL SECURITY: THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, PRIOR TO THE EXPIRATION OF FORTY DAYS FROM THE LATER OF (1) THE DATE ON WHICH THESE SECURITIES WERE FIRST OFFERED AND (2) THE DATE OF ISSUANCE OF THESE SECURITIES, MAY NOT BE OFFERED, SOLD OR DELIVERED IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON EXCEPT (A) TO A PERSON WHO THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) PURCHASING FOR ITS OWN ACCOUNT OR THE ACCOUNT OF ONE OR MORE OTHER QUALIFIED INSTITUTIONAL BUYERS IN ACCORDANCE WITH RULE 144A, OR (B) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR 904 OF REGULATION S. THE HOLDER HEREOF, BY PURCHASING THIS SECURITY, REPRESENTS AND AGREES FOR THE BENEFIT OF THE ISSUER THAT IT WILL NOTIFY ANY PURCHASER OF THIS SECURITY FROM IT OF THE RESALE RESTRICTIONS REFERRED TO ABOVE.**]**

EACH PURCHASER AND TRANSFEREE OF THIS SECURITY BY ITS ACCEPTANCE HEREOF REPRESENTS THAT EITHER (A) IT IS NOT ACQUIRING THIS SECURITY WITH THE ASSETS OF (1) ANY "EMPLOYEE BENEFIT PLAN" (SUBJECT TO TITLE I OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA")) INDIVIDUAL RETIREMENT ACCOUNTS AND OTHER ARRANGEMENTS THAT ARE SUBJECT TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), OR ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" WITHIN THE MEANING OF ERISA BY REASON OF THE INVESTMENT BY SUCH PLANS OR ACCOUNTS THEREIN OR (2) ANY GOVERNMENTAL OR NON-U.S. PLAN SUBJECT TO ANY FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAWS OR REGULATIONS THAT ARE SIMILAR TO SUCH PROVISIONS OF THE CODE OR ERISA (COLLECTIVELY, "SIMILAR LAWS") OR (B) THE ACQUISITION AND HOLDING OF THIS SECURITY DOES NOT CONSTITUTE A NON-EXEMPT PROHIBITED TRANSACTION UNDER ERISA, THE CODE, OR ANY SIMILAR LAWS. SUCH HOLDER FURTHER REPRESENTS AND COVENANTS THAT THROUGHOUT THE PERIOD IT HOLDS THIS SECURITY, THE FOREGOING REPRESENTATIONS SHALL BE TRUE.

THIS SECURITY AND ANY RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON RESALES AND OTHER TRANSFERS OF THIS SECURITY TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO THE RESALE OR TRANSFER OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS SECURITY SHALL BE DEEMED BY THE ACCEPTANCE OF THIS

SECURITY TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT.

AMERICAN INTERNATIONAL GROUP, INC.

No. CUSIP No.: [026874BR7 (144A) / U02687BW7 (REG S)]
$

American International Group, Inc., a corporation duly organized and existing under the laws of Delaware (herein called the "Company", which term includes any successor Person under the Indenture hereinafter referred to), for value received, hereby promises to pay to Cede & Co., or registered assigns, the principal sum of Dollars ($) on May 15, 2068 (or, if this day is not a Business Day, the following Business Day) (the "Final Maturity Date"); *provided* that the principal amount of, and all accrued and unpaid interest on, this Security shall be payable in full on May 15, 2058, or if such day is not a Business Day, the next Business Day (the "Scheduled Maturity Date"), or any subsequent Interest Payment Date (as hereinafter defined) to the extent set forth in the Indenture hereinafter referred to. As provided in the Indenture, the principal of this Security is payable on the Scheduled Maturity Date only to the extent the Company has raised sufficient Eligible Repayment Proceeds during the relevant period. The Company's obligation to raise Eligible Repayment Proceeds is subject to certain limitations and restrictions described in the Ninth Supplemental Indenture hereinafter referred to. In connection with the issuances of this Security, the Company has entered into a Replacement Capital Covenant that contains restrictions on the Company's ability to repay the principal of this Security.

This Security shall bear interest (i) from and including May 15, 2008 to but excluding May 15, 2038, payable (subject to deferral as set forth herein and in the Indenture) at the rate of 8.175% *per annum* semi-annually in arrears on May 15 and November 15 in each year, beginning on November 15, 2008 (computed on the basis of a 360-day year comprised of twelve 30-day months), and (ii) from and including May 15, 2038, at an annual rate equal to Three-month LIBOR (as defined in the Indenture) plus 4.195% (computed on the basis of a 360-day year and the actual number of days elapsed), payable (subject to deferral as set forth herein and in the Indenture) quarterly in arrears on February 15, May 15, August 15 and November 15 in each year, beginning on August 15, 2038, until the principal hereof is paid or made available for payment (each such date referred to in clause (i) or (ii), an "Interest Payment Date"). In the event that any Interest Payment Date on or before May 15, 2038 falls on a day that is not a Business Day, the interest payment due on that date shall be postponed to the next day that is a Business Day and no interest shall accrue as a result of that postponement. In the event that any Interest Payment Date after May 15, 2038 would otherwise fall on a day that is not a Business Day, that Interest Payment Date shall be postponed to the next day that is a Business Day and interest will accrue to the actual Interest Payment Date, unless such postponement would cause the day to fall in the next calendar month, in which case it shall be brought forward to the immediately preceding Business Day. Any installment of interest (or portion thereof) deferred in accordance with the Indenture or otherwise

unpaid on the relevant Interest Payment Date shall bear additional interest, to the extent permitted by law, at the rate of interest then in effect on this Security, from the relevant Interest Payment Date, compounded on each subsequent Interest Payment Date, until paid in accordance with the Indenture.

A "Business Day" shall mean any day other than (i) a Saturday, Sunday or other day on which banking institutions in The City of New York are authorized or required by law or executive order to remain closed or (ii) on or after May 15, 2038, a day which is not a London Banking Day.

The interest (other than deferred interest) so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture, be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered (i) at the close of business on the Business Day next preceding the Interest Payment Date if this Security is issued in the form of a Global Security, or (ii) at the close of business on the day 15 days prior to that Interest Payment Date (whether or not a Business Day), if this Security is not issued in the form of a Global Security. Any such interest not so punctually paid or duly provided for (other than deferred interest) will forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Securities of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in the Indenture. Any deferred interest shall be payable to the holder of record of this Security as provided below.

The Company shall have the right, at any time and from time to time, prior to the Final Maturity Date to defer the payment of interest on this Security for one or more consecutive Interest Periods that do not exceed 10 years; *provided* that no Deferral Period shall extend beyond the Final Maturity Date or the earlier redemption of the Securities of this series. As provided in the Indenture, the payment of deferred interest is subject to the Company's ability to raise Eligible APM Proceeds. The Company's obligation to raise Eligible APM Proceeds is subject to certain limitations, restrictions and exceptions described in the Ninth Supplemental Indenture.

At the end of any Deferral Period, the Company shall pay all deferred interest on this Security (together with compounded interest thereon, if any, to the extent permitted by applicable law), to the Person in whose name this Security is registered at the close of business on the Business Day next preceding the Interest Payment Date at the end of such Deferral Period or, in the event this Security ceases to be held in the form of a Global Security, at the close of business on the date 15 days prior to the end of the Deferral Period, whether or not a Business Day. Upon termination of any Deferral Period and upon the payment of all deferred interest and any compounded interest then due on any Interest Payment Date, the Company may elect to begin a new Deferral Period, subject to

the above requirements and those in the Indenture. The Company may elect to pay deferred interest on any Interest Payment Date during any Deferral Period to the extent permitted, and shall pay deferred interest (including compounded interest thereon) to the extent required, by the Indenture.

To the extent permitted by law, each Holder of this Security, by such Holder's acceptance of this Security agrees that if a Bankruptcy Event shall occur prior to the redemption or repayment of this Security, such Holder shall only have a claim for deferred and unpaid interest (including compounded interest thereon) to the extent such interest (including compounded interest thereon) relates to the earliest two years of the portion of the Deferral Period for which interest has not so been paid.

The Company shall give written notice to the Trustee and the Holders of this Security of its election to begin any Deferral Period at least one Business Day prior to the Regular Record Date for that Interest Payment Date, *provided*, *however*, that the Company's failure to pay any interest due within five Business Days after any Interest Payment Date shall automatically and without any further action by any Person be deemed to commence a Deferral Period.

[INCLUDE IF SECURITY IS AN ORIGINAL DEBENTURE — Pursuant to the Exchange and Registration Rights Agreement, dated as of May 20, 2008 (the "Registration Rights Agreement"), by and among the Company and the Initial Purchasers (as defined therein), the Company has agreed for the benefit of the Holders from time to time of this Security that it will (i) file under the Securities Act, no later than 270 days after the date on which this Security is initially issued (the "Issue Date"), a registration statement (the "Exchange Offer Registration Statement") relating to an offer to exchange the Securities for new junior subordinated debentures having terms substantially identical to the Securities but that are registered under the Securities Act (the "Exchange Offer"), (ii) use its commercially reasonable efforts to cause the Exchange Offer Registration Statement to become effective under the Securities Act no later than 360 days following the Issue Date and (iii) use its commercially reasonable efforts to commence and complete the Exchange Offer promptly, but no later than 30 days after the Exchange Offer Registration Statement has become effective; *provided*, *however*, that if on or prior to the time the Exchange Offer is completed, existing interpretations of the Securities and Exchange Commission are changed such that this Security is not or would not be, upon receipt under the Exchange Offer, transferable by the Holder of this Security without restriction under the Securities Act, the Company has agreed to file under the Securities Act no later than 360 days after the Issue Date, a "shelf" registration statement providing for the registration of and the sale on a continuous or delayed basis by the Holder of this Security (such registration statement, the "Shelf Registration Statement") and to use its commercially reasonable efforts to cause the Shelf Registration Statement to become effective no later than 30 days after the Shelf Registration Statement is filed.

In the event that (i) the Exchange Offer has not been completed within 390 days after the Issue Date, (ii) a Shelf Registration Statement is required to be filed and is not effective within 390 days of the Issue Date, or (iii) the Exchange Offer Registration Statement or, if applicable, the Shelf Registration Statement is filed and declared

effective but shall thereafter either be withdrawn by the Company or shall cease to be effective except as permitted by the Registration Rights Agreement, in each case (i) through (iii) upon the terms and conditions set forth in the Registration Rights Agreement (each such event referred to in clauses (i) through (iii), a "Registration Default" and each period during which a Registration Default has occurred and is continuing, until the earlier of such time as no Registration Default is in effect or the second anniversary of the Issue Date, a "Registration Default Period"), then special interest ("Special Interest") will accrue (in addition to any stated interest on this Security) at a per annum rate of 0.125% for the first 90 days of the Registration Default Period and increase by 0.125% per annum thereafter for the remaining portion of the Registration Default Period; provided that in no event shall Special Interest accrue at a rate in excess of 0.25% per annum in the aggregate.**]**

Payment of the principal of and interest on this Security will be made at the office or agency of the Company maintained for that purpose in the Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; *provided*, *however*, that at the option of the Company payment of interest may be made by check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register.

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

Dated:

AMERICAN INTERNATIONAL GROUP, INC.

By: _____
Name:
Title:

Attest:

_____
[Secretary or Assistant Secretary]

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

Dated:

THE BANK OF NEW YORK,
as Trustee

By: _____
Name:
Title:

(Signature Page for Series A-6 Security)

REVERSE OF SECURITY

This Security is one of a duly authorized issue of securities of the Company (herein called the "Securities"), issued and to be issued in one or more series under a Junior Subordinated Debt Indenture, dated as of March 13, 2007 (herein called the "Base Indenture"), which term shall have the meaning assigned to it in such instrument, as supplemented by a Ninth Supplemental Indenture, dated as of May 20, 2008 (herein called the "Ninth Supplemental Indenture" and, together with the Base Indenture, the "Indenture"), in each case, between the Company and The Bank of New York, as Trustee (herein called the "Trustee", which term includes any successor trustee under the Indenture), and reference is hereby made to the Indenture for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee, the holders of Senior Debt and the Holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. This Security is one of the series designated on the face hereof limited in aggregate principal amount to $4,000,000,000 (except for Securities authenticated and delivered upon registration or transfer of, or exchange for, or in lieu of, other Securities pursuant to Section 304, 305, 306, 906, or 1107 of the Base Indenture or Section 3.5 of the Ninth Supplemental Indenture).

All terms used in this Security that are defined in the Indenture shall have the meanings assigned to them in the Indenture.

The Securities of this series are subject to redemption upon not less than 10 days nor more than 60 days' prior notice by first class mail, postage pre-paid, to each Holder of Securities to be redeemed, at the option of the Company, (i) on any Interest Payment Date on or after May 15, 2038, in whole or in part, at 100% of the principal amount thereof, plus accrued and unpaid interest thereon to the Redemption Date, (ii) at any time prior to May 15, 2038, in whole or in part, at the Make-Whole Redemption Price and (iii) at any time prior to May 15, 2038, in whole but not in part, in connection with a Tax Event or a Rating Agency Event, at the Make-Whole Redemption Price.

In the event of redemption of this Security in part only, a new Security or Securities of this series and of like tenor and of an authorized denomination for the unredeemed portion hereof will be issued in the name of the Holder hereof upon the cancellation hereof.

The indebtedness evidenced by this Security is, to the extent provided in the Indenture, subordinate and subject in right of payment to the prior payment in full of all Senior Debt, and this Security is issued subject to the provisions of the Indenture with respect thereto. Each Holder of this Security, by accepting the same, (a) agrees to and shall be bound by such provisions, (b) authorizes and directs the Trustee on his or her behalf to take such actions as may be necessary or appropriate to effectuate the subordination so provided and (c) appoints the Trustee as his or her attorney-in-fact for any and all such purposes. Each Holder hereof, by his or her acceptance hereof, waives

all notice of the acceptance of the subordination provisions contained herein and in the Indenture by each holder of Senior Debt, whether now outstanding or hereafter created, incurred, assumed or Guaranteed, and waives reliance by each such holder of Senior Debt upon said provisions.

The Indenture contains provisions for defeasance of the entire indebtedness of this Security at any time prior to the Scheduled Maturity Date upon compliance with certain conditions set forth in the Indenture.

The Securities of this series are entitled to the benefits of the Events of Default described in Section 2.1(j) of the Ninth Supplemental Indenture and the Enforcement Events as defined in the Ninth Supplemental Indenture. The Holder of this Security and the Trustee shall be entitled to the remedies provided by Section 502 of the Base Indenture only if an Event of Default specified in clause (1) of Section 2.1(j) of the Ninth Supplemental Indenture shall occur with respect to the Securities of this series. If an Event of Default specified in Section 501(5) or Section 501(6) of the Base Indenture shall occur with respect to the Securities of this series, then in every such case the principal amount of all the Securities of this series shall become automatically due and payable immediately, without any declaration or other action on the part of the Trustee or any Holder. An Event of Default specified in clause (2) of Section 2.1(j) of the Ninth Supplemental Indenture shall not entitle the Holders to the benefits of Section 502 of the Base Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of a majority in principal amount of the Securities at the time Outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in principal amount of the Securities of each series at the time Outstanding, on behalf of the Holders of all Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Security.

As provided in and subject to the provisions of the Indenture, the Holder of this Security shall not have the right to institute any proceeding with respect to the Indenture or for the appointment of a receiver or trustee or for any other remedy thereunder, unless such Holder shall have previously given the Trustee written notice of a continuing Event of Default or Enforcement Event with respect to the Securities of this series, the Holders of not less than 25% (or, in the case of an Enforcement Event, a majority) in principal amount of the Securities of this series at the time Outstanding shall have made written

request to the Trustee to institute proceedings in respect of such Event of Default or Enforcement Event, as the case may be, as Trustee and offered the Trustee reasonable indemnity, and the Trustee shall not have received from the Holders of a majority in principal amount of Securities of this series at the time Outstanding a direction inconsistent with such request, and shall have failed to institute any such proceeding, for 60 days after receipt of such notice, request and offer of indemnity. The foregoing shall not apply to any suit instituted by the Holder of this Security for the enforcement of any payment of principal hereof or any premium or interest hereon on or after the respective due dates to the extent provided by Section 2.1(n) of the Ninth Supplemental Indenture.

As provided in the Indenture and subject to the transfer restrictions and limitations therein set forth, the transfer of this Security is registrable in the Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company in any place where the principal of and interest on this Security are payable, duly endorsed by, or accompanied by a written instrument of transfer and any other written certification required by the Indenture, in each case in a form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Securities of this series are issuable only in registered form without coupons in denominations of $1,000.00 and integral multiples of $1,000.00 in excess thereof. As provided in the Indenture and subject to certain limitations therein set forth, Securities of this series are exchangeable for a like aggregate principal amount of Securities of this series and of like tenor of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

The Company and, by its acceptance of this Security or a beneficial interest therein, the Holder of, and any Person that acquires beneficial interest in, this Security agree that, for United States federal, state and local tax purposes, it is intended that this Security constitute indebtedness of the Company.

THE BASE INDENTURE, THE NINTH SUPPLEMENTAL INDENTURE AND THIS SECURITY SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

ANNEX B — Form of Restricted Securities Certificate

RESTRICTED SECURITIES CERTIFICATE

The Bank of New York
101 Barclay Street, Floor 8 West
New York, New York 10286
Attn: Corporate Trust Administration

Re: 8.175% Series A-6 Junior Subordinated Debentures of American International Group, Inc. (the "Securities")

Reference is made to the Junior Subordinated Debt Indenture, dated as of March 13, 2007, between American International Group, Inc. (the "Company") and The Bank of New York, as Trustee, as supplemented (the "Indenture"). Terms used herein and defined in the Indenture or in Rule 144A under the U.S. Securities Act of 1933, as amended (the "Securities Act"), are used herein as so defined.

This certificate relates to U.S.$_____ principal amount of Securities, which are evidenced by the following certificate(s) (the "Specified Securities"):

CUSIP No(s).

ISIN

COMMON CODE

CERTIFICATE No(s). _____

The person in whose name this certificate is executed below (the "Undersigned") hereby certifies that (i) it is the sole beneficial owner of the Specified Securities, (ii) it is acting on behalf of all the beneficial owners of the Specified Securities and is duly authorized by them to do so or (iii) it is the Holder of a Global Security and has received a certification to the effect set forth below. Such beneficial owner or owners are referred to herein collectively as the "Owner". If the Specified Securities are represented by a Global Security, they are held through the Depositary or an Agent Member in the name of the Undersigned, as or on behalf of the Owner. If the Specified Securities are not represented by a Global Security, they are registered in the name of the Undersigned, as or on behalf of the Owner.

The Owner has requested that the Specified Securities be transferred to a person (the "Transferee") who will take delivery in the form of a Restricted Global Security. In connection with such transfer, the Owner hereby certifies that such transfer is being effected in accordance with Rule 144A under the Securities Act and all applicable securities laws of the states of the United States and other jurisdictions. Accordingly, the Owner hereby further certifies the transfer is being effected in accordance with Rule 144A:

(A) the Specified Securities are being transferred to a person that the Owner and any person acting on its behalf reasonably believe is a "qualified institutional buyer" within the meaning of Rule 144A, acquiring for its own account or for the account of a qualified institutional buyer; and

(B) the Owner and any person acting on its behalf have taken reasonable steps to ensure that the Transferee is aware that the Owner may be relying on Rule 144A in connection with the transfer.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

Dated:

_____

(Print the name of the Undersigned, as such term is defined in the third paragraph of this certificate.)

By: _____

Name:
Title:

(If the Undersigned is a corporation, partnership or fiduciary, the title of the person signing on behalf of the Undersigned must be stated.)

ANNEX C — Form of Unrestricted Securities Certificate

UNRESTRICTED SECURITIES CERTIFICATE

The Bank of New York
101 Barclay Street, Floor 8 West
New York, New York 10286
Attn: Corporate Trust Administration

Re: 8.175% Series A-6 Junior Subordinated Debentures of American International Group, Inc. (the "Securities")

Reference is made to the Junior Subordinated Debt Indenture, dated as of March 13, 2007, between American International Group, Inc. (the "Company") and The Bank of New York, as Trustee, as supplemented (the "Indenture"). Terms used herein and defined in the Indenture or in Regulation S, Rule 144 or Rule 144A under the U.S. Securities Act of 1933, as amended (the "Securities Act"), are used herein as so defined.

This certificate relates to U.S. $_____ principal amount of Securities, which are evidenced by the following certificate(s) (the "Specified Securities"):

CUSIP No(s).

ISIN

COMMON CODE

CERTIFICATE No(s). _____

The person in whose name this certificate is executed below (the "Undersigned") hereby certifies that (i) it is the sole beneficial owner of the Specified Securities, (ii) it is acting on behalf of all the beneficial owners of the Specified Securities and is duly authorized by them to do so or (iii) it is the Holder of a Global Security and has received a certification to the effect set forth below. Such beneficial owner or owners are referred to herein collectively as the "Owner". If the Specified Securities are represented by a Global Security, they are held through the Depositary or an Agent Member in the name of the Undersigned, as or on behalf of the Owner. If the Specified Securities are not represented by a Global Security, they are registered in the name of the` Undersigned, as or on behalf of the Owner.

The Owner has requested that the Specified Securities be transferred to a person (the "Transferee") who will take delivery in the form of a Regulation S Global Security (if certification is given during the Restricted Period pursuant to paragraph (1) below) or

an Unrestricted Global Security (if certification is given (a) after the Restricted Period pursuant to paragraph (1) or (b) pursuant to paragraph (2)). In connection with such transfer, the Owner hereby certifies or has certified that, unless such transfer is being effected pursuant to an effective registration statement under the Securities Act, it is being effected in accordance with Rule 904 of Regulation S or Rule 144 under the Securities Act and all applicable securities laws of the states of the United States and other jurisdictions. Accordingly, the Owner hereby further certifies or has certified as follows:

(1) Rule 904 Transfers. If the transfer is being effected in accordance with Rule 904 of Regulation S:

(A) the Owner is not a Distributor of the Securities, an affiliate of the Company or any such Distributor or a person acting on behalf of any of the foregoing;

(B) the offer of the Specified Securities was not made to a person in the United States or for the account or benefit of a U.S. Person;

(C) either:

(i) at the time the buy order was originated, the Transferee was outside the United States or the Owner and any person acting on its behalf reasonably believed that the Transferee was outside the United States, or

(ii) the transaction is being executed in, on or through the facilities of the Eurobond market, as regulated by the International Securities Market Association or another designated offshore securities market and neither the Owner nor any person acting on its behalf knows that the transaction has been prearranged with a buyer in the United States;

(D) no directed selling efforts have been made in the United States by or on behalf of the Owner or any affiliate thereof;

(E) if the Owner is a dealer in securities or has received a selling concession, fee or other remuneration in respect of the Specified Securities, and the transfer is to occur during the Restricted Period, then the requirements of Rule 904(b)(1) have been satisfied; and

(F) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act;

provided that if the transfer is to occur during the Restricted Period, then the Transferee will take delivery in the form of a Regulation S Global Security.

(2) Rule 144 Transfers. If the transfer is being effected pursuant to Rule 144:

(A) the transfer is occurring after a holding period of at least six months has elapsed since the Specified Securities were last acquired from the Company or from an affiliate of the Company, whichever is later, and is being effected in accordance the requirements of Rule 144; and

(B) if the transfer is occurring prior to the first anniversary of the date of issuance of the Securities, the Company is, and has been for a period of at least 90 days immediately before the transfer, subject to the reporting requirements of section 13 or 15(d) of the Securities Exchange Act of 1934.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

Dated:

(Print the name of the Undersigned, as such term is defined in the third paragraph of this certificate.)

By:

Name:
Title:

(If the Undersigned is a corporation, partnership or fiduciary, the title of the person signing on behalf of the Undersigned must be stated.)

Exhibit 4.3

EXCHANGE AND REGISTRATION RIGHTS AGREEMENT

EXCHANGE AND REGISTRATION RIGHTS AGREEMENT, dated as of May 20, 2008 (the "*Agreement*").

WHEREAS, American International Group, Inc., a corporation organized under the laws of the state of Delaware (the "*Company*"), proposes to issue and sell to Citigroup Global Markets Inc., J.P. Morgan Securities Inc., Banc of America Securities LLC, Barclays Capital Inc., Lehman Brothers Inc., Mitsubishi UFJ Securities International plc, Mizuho Securities USA Inc., Daiwa Securities America Inc., RBC Capital Markets Corporation, Santander Investment Securities Inc., KeyBanc Capital Markets Inc., Scotia Capital (USA) Inc., Wells Fargo Securities, LLC, ANZ Securities, Inc., nabCapital Securities, LLC, BMO Capital Markets Corp., TD Securities (USA) LLC, ING Bank N.V., Calyon Securities, SunTrust Robinson Humphrey, Inc., NatCity Investments, Inc., BBVA Securities, Inc. and CIBC World Markets Corp. (the "*Initial Purchasers*"), upon the terms set forth in the purchase agreement, dated May 13, 2008 (the "*Purchase Agreement*"), its 8.175% Series A-6 Junior Subordinated Debentures (the "*Debentures*").

WHEREAS, it is a condition to the Initial Purchasers' obligation to purchase the Securities that the Company enter into this Agreement;

NOW THEREFORE, the Company hereby undertakes as follows:

1. *Certain Definitions*. For purposes of this Agreement, the following terms shall have the following respective meanings:

"*Base Interest*" shall mean the interest that would otherwise accrue on the Debentures under the terms thereof and the Indenture, without giving effect to the provisions of this Agreement.

The term "*broker-dealer*" shall mean any broker or dealer registered with the Commission under the Exchange Act.

"*Closing Date*" shall mean the date on which the Debentures are initially issued.

"*Commission*" shall mean the United States Securities and Exchange Commission, or any other federal agency at the time administering the Exchange Act or the Securities Act, whichever is the relevant statute for the particular purpose.

"*Effective Time*," in the case of (i) an Exchange Registration, shall mean the time and date as of which the Commission declares the Exchange Registration Statement effective or as of which the Exchange Registration Statement otherwise becomes effective and (ii) a Shelf Registration, shall mean the time and date as of which the Commission declares the Shelf Registration Statement effective or as of which the Shelf Registration Statement otherwise becomes effective.

"*Electing Holder*" shall mean any holder of Registrable Securities that has returned a completed and signed Notice and Questionnaire to the Company in accordance with Section 3(d)(ii) or 3(d)(iii) hereof.

"*Exchange Act*" shall mean the Securities Exchange Act of 1934, or any successor thereto, as the same shall be amended from time to time.

"*Exchange Offer*" shall have the meaning assigned thereto in Section 2(a) hereof.

"*Exchange Registration*" shall have the meaning assigned thereto in Section 3(c) hereof.

"*Exchange Registration Statement*" shall have the meaning assigned thereto in Section 2(a) hereof.

"*Exchange Securities*" shall have the meaning assigned thereto in Section 2(a) hereof.

The term "*holder*" shall mean the Initial Purchasers and other persons who acquire Registrable Securities from time to time (including any successors or assigns), in each case for so long as such person is a record or beneficial owner of any Registrable Securities.

"*Indenture*" shall mean the Junior Subordinated Debt Indenture, dated as of March 13, 2007, between the Company and The Bank of New York, as Trustee (the "*Trustee*"), as supplemented by the Ninth Supplemental Indenture, dated as of May 20, 2008, between the Company and the Trustee as the same shall be amended from time to time.

"Material Adverse Effect" shall have the meaning assigned thereto in Section 5(c).

"*Notice and Questionnaire*" means a Notice of Registration Statement and Selling Securityholder Questionnaire substantially in the form of Exhibit A hereto.

"*Outstanding*" has the meaning specified in the Indenture.

The term "*person*" shall mean a corporation, association, partnership, organization, business trust, individual, government or political subdivision thereof or governmental agency.

"*Registrable Securities*" shall mean the Securities other than any Exchange Securities issued in an Exchange Offer as contemplated in Section 2(a) hereof (*provided* that any Exchange Security that, pursuant to the sentence immediately preceding the penultimate sentence of Section 2(a), is included in a prospectus for use in connection with resales by broker-dealers shall be deemed to be a Registrable Security with respect to Sections 5, 6 and 7 hereof until resale of such Registrable Security has been effected within the 30 day period referred to in Section 2(a)); *provided, however*, that a Security shall cease to be a Registrable Security when (i) in the circumstances contemplated by Section 2(b) hereof, a Shelf Registration Statement registering such Security under the Securities Act has been declared or becomes effective and such Security has been sold or otherwise transferred by the holder thereof pursuant to and in a manner contemplated by such effective Shelf Registration Statement, (ii) such Security is sold pursuant to Rule 144 or Regulation S under circumstances in which any legend borne by such Security relating to restrictions on transferability thereof, under the Securities Act or otherwise,

is removed by the Company or pursuant to the Indenture or (iii) such Security shall cease to be Outstanding.

"*Registration Default*" shall have the meaning assigned thereto in Section 2(c) hereof.

"*Registration Expenses*" shall have the meaning assigned thereto in Section 4 hereof.

"*Resale Period*" shall have the meaning assigned thereto in Section 2(a) hereof.

"*Restricted Holder*" shall mean (i) a holder that is an affiliate of the Company within the meaning of Rule 405, (ii) a holder who acquires Exchange Securities outside the ordinary course of such holder's business, (iii) a holder who has arrangements or understandings with any person to participate in the Exchange Offer for the purpose of distributing Exchange Securities and (iv) a holder that is a broker-dealer, but only with respect to Exchange Securities received by such broker-dealer pursuant to an Exchange Offer in exchange for Registrable Securities acquired by the broker-dealer directly from an Initial Purchaser or in the secondary market.

"*Rule 144*," "*Rule 405*" and "*Rule 415*" shall mean, in each case, such rule promulgated under the Securities Act (or any successor provision), as the same shall be amended from time to time.

"*Securities*" shall mean the Debentures of the Company to be issued and sold to the Initial Purchasers and securities issued in exchange therefor or in lieu thereof pursuant to the Indenture.

"*Securities Act*" shall mean the Securities Act of 1933, or any successor thereto, as the same shall be amended from time to time.

"*Shelf Registration*" shall have the meaning assigned thereto in Section 2(b) hereof.

"*Shelf Registration Statement*" shall have the meaning assigned thereto in Section 2(b) hereof.

"*Special Interest*" shall have the meaning assigned thereto in Section 2(c) hereof.

"*Trust Indenture Act*" shall mean the Trust Indenture Act of 1939, or any successor thereto, and the rules, regulations and forms promulgated thereunder, all as the same shall be amended from time to time.

Unless the context otherwise requires, any reference herein to a "*Section*" or "*clause*" refers to a Section or clause, as the case may be, of this Agreement, and the words "*herein*," "*hereof*" and "*hereunder*" and other words of similar import refer to this Agreement as a whole and not to any particular Section or other subdivision.

2. *Registration Under the Securities Act.*

(a) Except as set forth in Section 2(b) below, the Company agrees to file under the Securities Act, no later than 270 days after the Closing Date, one or more

registration statements relating to an offer to exchange (each such registration statement, an "*Exchange Registration Statement*", and each such offer, an "*Exchange Offer*") any and all of the Securities for a like aggregate principal amount of junior subordinated debentures issued by the Company, which junior subordinated debentures have provisions that are substantially identical to the Securities (and are entitled to the benefits of a trust indenture which is substantially identical to the Indenture or is the Indenture and which has been qualified under the Trust Indenture Act), except that they have been registered with the Commission pursuant to an effective registration statement under the Securities Act and do not contain provisions restricting their transfer or for the additional interest contemplated in Section 2(c) below (any such new junior subordinated debentures hereinafter called "*Exchange Securities*"). The Company agrees to use commercially reasonable efforts to cause an Exchange Registration Statement to become effective under the Securities Act no later than 360 days after the Closing Date. The Exchange Offers will be registered under the Securities Act on the appropriate form and will comply, in all material respects, with all applicable tender offer rules and regulations under the Exchange Act. The Company further agrees to use commercially reasonable efforts to commence and complete each Exchange Offer promptly, but no later than 30 days after such Exchange Registration Statement has become effective and exchange Exchange Securities for all Registrable Securities that have been properly tendered and not withdrawn on or prior to the expiration of such Exchange Offer. An Exchange Offer will be deemed to have been "*completed*" only if the Exchange Securities received by holders other than Restricted Holders in such Exchange Offer for Registrable Securities are, upon receipt, transferable by each such holder without restriction under the Securities Act and without material restrictions under the blue sky or securities laws of a substantial majority of the States of the United States of America. An Exchange Offer shall be deemed to have been completed upon the earlier to occur of (i) the Company having exchanged Exchange Securities for all outstanding Registrable Securities pursuant to the Exchange Offer and (ii) the Company having exchanged, pursuant to such Exchange Offer, Exchange Securities for all Registrable Securities that have been properly tendered and not withdrawn before the expiration of such Exchange Offer, which shall be on a date that is at least 20 business days following the commencement of such Exchange Offer. The Company agrees (x) to include in an Exchange Registration Statement a prospectus for use in any resales by any holder of Exchange Securities that is a broker-dealer or any other person with similar prospectus delivery requirements and (y) to keep such Exchange Registration Statement effective for a period (the "*Resale Period*") beginning when Exchange Securities are first issued in the Exchange Offer and ending upon the earlier of the expiration of the 30th day after such Exchange Offer has been completed or such time as such broker-dealers or such other persons no longer own any Registrable Securities. With respect to such Exchange Registration Statement, such holders shall have the benefit of the rights of indemnification and contribution set forth in Sections 6(a), (c) and (d) hereof. In the event the Company for any reason does not complete the Exchange Offer as contemplated in this Section 2(a), the Company shall have no further obligations under this Agreement except as provided in Section 2(b) below and for the payment of "*Special Interest*" as provided in Section 2(c) below.

(b) If on or prior to the time an Exchange Offer is completed in respect of the Securities, existing Commission interpretations are changed such that the Exchange

Securities received by holders, other than Restricted Holders, in the Exchange Offer are not or would not be, upon receipt, transferable by each such holder without restriction under the Securities Act, the Company shall, in lieu of conducting an Exchange Offer contemplated by Section 2(a), file under the Securities Act no later than 360 days after the Closing Date, a "*shelf*" registration statement providing for the registration of, and the sale on a continuous or delayed basis by the holders of all of the Registrable Securities, pursuant to Rule 415 or any similar rule that may be adopted by the Commission (such filing, a "*Shelf Registration*" and such registration statement, the "*Shelf Registration Statement*"). The Company agrees to use commercially reasonable efforts to cause such Shelf Registration Statement to become or be declared effective no later than 30 days after such Shelf Registration Statement is filed and to keep such Shelf Registration Statement continuously effective for a period ending on the earlier of the second anniversary of the Closing Date or such time as all the Registrable Securities covered by the Shelf Registration Statement are sold thereunder; *provided*, *however*, that no holder shall be entitled to be named as a selling securityholder in such Shelf Registration Statement or to use the prospectus forming a part thereof for resales of such Registrable Securities unless such holder is an Electing Holder. The Company further agrees to supplement or make amendments to such Shelf Registration Statement, as and when required by the rules, regulations or instructions applicable to the registration form used by the Company for such Shelf Registration Statement or by the Securities Act or rules and regulations thereunder for shelf registration. In the event the Shelf Registration Statement has not been filed or become or been declared effective as contemplated in this Section 2(b), the Company shall have no further obligations under this Agreement except for the payment of "*Special Interest*" as provided in Section 2(c) below.

(c) In the event that (i) the Exchange Offer is not completed within 390 days after the Closing Date or (ii) the Shelf Registration Statement (to the extent required by Section 2(b) hereof) has not become or been declared effective by the 390th day after the Closing Date or (iii) any Exchange Registration Statement or Shelf Registration Statement in respect of the Securities required by Section 2(a) or 2(b) hereof is filed and declared effective but shall thereafter either be withdrawn by the Company or shall become subject to an effective stop order issued pursuant to Section 8(d) of the Securities Act suspending the effectiveness of such registration statement (except as specifically permitted herein) without being succeeded by a post-effective amendment or a prospectus supplement to such registration statement or an additional registration statement that cures such failure and that is itself declared effective promptly (each such event referred to in clauses (i) through (iii), a "*Registration Default*" and each period during which a Registration Default has occurred and is continuing until the earlier of such time as no Registration Default is in effect or the second anniversary of the Closing Date, a "*Registration Default Period*"), then, the Company hereby agrees to pay to each holder of Registrable Securities affected thereby, as liquidated damages for such Registration Default, special interest ("*Special Interest*"), in addition to the Base Interest, which shall accrue at a per annum rate of 0.125% for the first 90 days of the Registration Default Period, and shall increase at a per annum rate of 0.125% thereafter for the remaining portion of the Registration Default Period; *provided* that the Company shall in no event be required to pay Special Interest for more than one Registration Default at any given

time; and *provided further* that in no event shall the Special Interest rate exceed 0.25% per annum in the aggregate.

(d) The Company shall take all actions reasonably necessary or advisable to be taken by it to ensure that the transactions contemplated herein are effected as so contemplated.

(e) Any reference herein to a registration statement as of any time shall be deemed to include any document incorporated, or deemed to be incorporated, therein by reference as of such time and any reference herein to any post-effective amendment to a registration statement as of any time shall be deemed to include any document incorporated, or deemed to be incorporated, therein by reference as of such time.

3. *Registration Procedures*.

If the Company files a registration statement pursuant to Section 2(a) or Section 2(b), the following provisions shall apply:

(a) At or before the Effective Time of any Exchange Registration Statement or any Shelf Registration Statement, as the case may be, in the event a new indenture is used, the Company shall qualify the Indenture under the Trust Indenture Act.

(b) In the event that such qualification would require the appointment of a new trustee under the Indenture, the Company shall appoint a new trustee thereunder pursuant to the applicable provisions of the Indenture.

(c) In connection with the Company's obligations with respect to any registration of Exchange Securities as contemplated by Section 2(a) (an "*Exchange Registration*"), if applicable, the Company shall:

(i) use commercially reasonable efforts to prepare and file with the Commission no later than 270 days after the Closing Date, an Exchange Registration Statement on any form which may be utilized by the Company and which shall permit such Exchange Offer and resales of Exchange Securities by broker-dealers during the Resale Period to be effected as contemplated by Section 2(a), and use commercially reasonable efforts to cause such Exchange Registration Statement to become effective no later than 360 days after the Closing Date;

(ii) use commercially reasonable efforts to prepare and file with the Commission such amendments and supplements to such Exchange Registration Statement and the prospectus included therein as may be necessary to effect and maintain the effectiveness of such Exchange Registration Statement for the periods and purposes contemplated in Section 2(a) hereof and as may be required by the applicable rules and regulations of the Commission and the instructions applicable to the form of such Exchange Registration Statement, and promptly provide each broker-dealer holding Exchange Securities with such number of copies of the prospectus included therein (as then amended or supplemented), in

conformity in all material respects with the requirements of the Securities Act and the Trust Indenture Act and the rules and regulations of the Commission thereunder, as such broker-dealer reasonably may request prior to the expiration of the Resale Period, for use in connection with resales of such Exchange Securities;

(iii) promptly notify each broker-dealer that has requested or received copies of the prospectus included in such registration statement (A) when such Exchange Registration Statement or the prospectus included therein or any prospectus amendment or supplement or post-effective amendment has been filed, and, with respect to such Exchange Registration Statement or any post-effective amendment, when the same has become effective, (B) of any request by the Commission for amendments or supplements to such Exchange Registration Statement or prospectus or for additional information, (C) of the issuance by the Commission of any stop order suspending the effectiveness of such Exchange Registration Statement under the Securities Act or the initiation of any proceedings for that purpose, (D) if at any time the representations and warranties of the Company contemplated by Section 5 cease to be true and correct in all material respects, (E) of the receipt by the Company of any notification with respect to the suspension of the qualification of the Exchange Securities for sale in any jurisdiction or the initiation of any proceeding for such purpose, or (F) at any time during the Resale Period when a prospectus is required to be delivered under the Securities Act, that such Exchange Registration Statement, prospectus, prospectus amendment or supplement or post-effective amendment does not conform in all material respects to the applicable requirements of the Securities Act and the Trust Indenture Act and the rules and regulations of the Commission thereunder or contains an untrue statement of a material fact or omits to state any material fact necessary to make the statements therein not misleading in light of the circumstances then existing;

(iv) in the event that the Company would be required, pursuant to Section 3(c)(iii)(F) above, to notify any broker-dealers holding Exchange Securities, promptly prepare and furnish to each such holder a reasonable number of copies of a prospectus supplemented or amended so that, as thereafter delivered to purchasers of such Exchange Securities during the Resale Period, such prospectus shall conform in all material respects to the applicable requirements of the Securities Act and the Trust Indenture Act and the rules and regulations of the Commission thereunder and shall not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein not misleading in light of the circumstances then existing;

(v) use commercially reasonable efforts to obtain the withdrawal or lifting of any order suspending the effectiveness of such Exchange Registration Statement or any post-effective amendment thereto at the earliest practicable date;

(vi) use commercially reasonable efforts to (A) register or qualify the Exchange Securities under the securities laws or blue sky laws of such

jurisdictions as are contemplated by Section 2(a) no later than the commencement of an Exchange Offer, (B) keep such registrations or qualifications in effect and comply with such laws so as to permit the continuance of offers, sales and dealings therein in such jurisdictions until the expiration of the Resale Period and (C) take any and all other actions as may be reasonably necessary or advisable to enable each broker-dealer holding Exchange Securities to consummate the disposition thereof in such jurisdictions; *provided*, *however*, that the Company shall not be required for any such purpose to (1) qualify as a foreign corporation in any jurisdiction wherein it would not otherwise be required to qualify but for the requirements of this Section 3(c)(vi), (2) consent to general service of process in any such jurisdiction or (3) make any changes to its certificate of incorporation or by-laws or any agreement between it and its stockholders;

(vii) use commercially reasonable efforts to obtain the consent or approval of each governmental agency or authority, whether federal, state or local, which may be required in order for the Company to effect such Exchange Registration and such Exchange Offer;

(viii) provide a CUSIP number for all such Exchange Securities, not later than the applicable Effective Time; and

(ix) use commercially reasonable efforts to comply with all applicable rules and regulations of the Commission, and make generally available to its securityholders as soon as practicable, an earning statement of the Company and its subsidiaries complying with Section 11(a) of the Securities Act (including, at the option of the Company, Rule 158 thereunder).

(d) In connection with the Company's obligations with respect to any Shelf Registration, if applicable, the Company shall:

(i) use commercially reasonable efforts to prepare and file with the Commission, within the time periods specified in Section 2(b), a Shelf Registration Statement on any form which may be utilized by the Company and which shall register all of the Registrable Securities for resale by the holders thereof in accordance with such method or methods of disposition as may be specified by such of the holders as, from time to time, may be Electing Holders and use commercially reasonable efforts to cause such Shelf Registration Statement to become effective within the time periods specified in Section 2(b);

(ii) mail the Notice and Questionnaire to the holders of such Registrable Securities on the date of the filing of such Shelf Registration Statement; no holder shall be entitled to be named as a selling securityholder in the Shelf Registration Statement as of the Effective Time, and no holder shall be entitled to use the prospectus forming a part thereof for resales of Registrable Securities at any time, unless such holder has returned a completed and signed Notice and Questionnaire to the Company by the deadline for response set forth therein; *provided*, *however*, that holders of such Registrable Securities shall have

at least 18 calendar days from the date on which the Notice and Questionnaire is first mailed to such holders to return a completed and signed Notice and Questionnaire to the Company;

(iii) after the Effective Time of such Shelf Registration Statement, upon the request of any holder of such Registrable Securities that is not then an Electing Holder, promptly send a Notice and Questionnaire to such holder; *provided* that the Company shall not be required to take any action to name such holder as a selling securityholder in such Shelf Registration Statement or to enable such holder to use the prospectus forming a part thereof for resales of Registrable Securities until such holder has returned a completed and signed Notice and Questionnaire to the Company;

(iv) use commercially reasonable efforts to prepare and file with the Commission such amendments and supplements to such Shelf Registration Statement and the prospectus included therein as may be necessary to effect and maintain the effectiveness of such Shelf Registration Statement for the period specified in Section 2(b) hereof and as may be required by the applicable rules and regulations of the Commission and the instructions applicable to the form of such Shelf Registration Statement;

(v) use commercially reasonable efforts to comply with the provisions of the Securities Act with respect to the disposition of all of the Registrable Securities covered by such Shelf Registration Statement in accordance with the intended methods of disposition by the Electing Holders provided for in such Shelf Registration Statement;

(vi) provide (A) the Electing Holders, (B) the underwriters (which term, for purposes of this Agreement, shall include a person deemed to be an underwriter within the meaning of Section 2(a)(11) of the Securities Act), if any, thereof, (C) any sales or placement agent therefor, (D) counsel for any such underwriter or agent and (E) not more than one counsel for all the Electing Holders the opportunity to review and comment on such Shelf Registration Statement for a period of 5 business days if practicable, or such shorter period of time as is practicable and to review and promptly comment on each amendment or supplement thereto;

(vii) for a reasonable period prior to the filing of such Shelf Registration Statement, and throughout the period specified in Section 2(b), make available at reasonable times at the Company's principal place of business or another reasonable place for inspection by the persons referred to in Section 3(d)(vi) who shall certify to the Company that they have a current intention to sell the Registrable Securities pursuant to the Shelf Registration such financial and other information and books and records of the Company, and cause the officers and employees of the Company to respond to such inquiries, as shall be reasonably necessary, to conduct a reasonable investigation within the meaning of Section 11 of the Securities Act; *provided*, *however*, that each such party shall be required to

maintain in confidence and not to disclose to any other person any information or records reasonably designated by the Company as being confidential, until such time as (A) such information becomes a matter of public record (whether by virtue of its inclusion in such registration statement or otherwise), or (B) such person shall be required to so disclose such information pursuant to a subpoena or order of any court or other governmental agency or body having jurisdiction over the matter (subject to the requirements of such order, and only after such person shall have given the Company prompt prior written notice of such requirement), or (C) such information is required to be set forth in such Shelf Registration Statement or the prospectus included therein or in an amendment to such Shelf Registration Statement or an amendment or supplement to such prospectus in order that such Shelf Registration Statement, prospectus, amendment or supplement, as the case may be, complies with applicable requirements of the Securities Act and the rules and regulations of the Commission and does not contain an untrue statement of a material fact or omit to state therein a material fact necessary to make the statements therein not misleading in light of the circumstances then existing;

(viii) advise each of the Electing Holders, any sales or placement agent therefor and any underwriter thereof (which notification may be made through any managing underwriter that is a representative of such underwriter for such purpose) (A) when such Shelf Registration Statement or the prospectus included therein or any prospectus amendment or supplement or post-effective amendment has been filed, and, with respect to such Shelf Registration Statement or any post-effective amendment, when the same has become effective, (B) of any request by the Commission for amendments or supplements to such Shelf Registration Statement or prospectus or for additional information, (C) of the issuance by the Commission of any stop order suspending the effectiveness of such Shelf Registration Statement under the Securities Act or the initiation of any proceedings for that purpose, (D) if at any time the representations and warranties of the Company contemplated by Section 5 cease to be true and correct in all material respects, (E) of the receipt by the Company of any notification with respect to the suspension of the qualification of the Registrable Securities for sale in any jurisdiction or the initiation of any proceeding for such purpose, or (F) if at any time when a prospectus is required to be delivered under the Securities Act, that such Shelf Registration Statement, prospectus, prospectus amendment or supplement or post-effective amendment does not conform in all material respects to the applicable requirements of the Securities Act and the Trust Indenture Act and the rules and regulations of the Commission thereunder or contains an untrue statement of a material fact or omits to state any material fact necessary to make the statements therein not misleading in light of the circumstances then existing;

(ix) use commercially reasonable efforts to obtain the withdrawal or lifting of any order suspending the effectiveness of such Shelf Registration Statement or any post-effective amendment thereto at the earliest practicable date;

(x) if requested by any managing underwriter or underwriters, any placement or sales agent or any Electing Holder, promptly incorporate in a prospectus supplement or post-effective amendment such information as is required by the applicable rules and regulations of the Commission and as such managing underwriter or underwriters, such agent or such Electing Holder specifies should be included therein relating to the terms of the sale of such Registrable Securities, including information with respect to the principal amount of such Registrable Securities being sold by such Electing Holder or agent or to any underwriters, the name and description of such Electing Holder, agent or underwriter, the offering price of such Registrable Securities and any discount, commission or other compensation payable in respect thereof, the purchase price being paid therefor by such underwriters and with respect to any other terms of the offering of the Registrable Securities to be sold by such Electing Holder or agent or to such underwriters; and make all required filings of such prospectus supplement or post-effective amendment promptly after notification of the matters to be incorporated in such prospectus supplement or post-effective amendment;

(xi) furnish to each Electing Holder, each placement or sales agent, if any, therefor, each underwriter, if any, thereof and the respective counsel referred to in Section 3(d)(vi) a copy of such Shelf Registration Statement, each such amendment and supplement thereto (in each case including all exhibits thereto (in the case of an Electing Holder of Registrable Securities, upon request) and documents incorporated by reference therein) and such number of copies of such Shelf Registration Statement (excluding exhibits thereto and documents incorporated by reference therein) and of the prospectus included in such Shelf Registration Statement (including each preliminary prospectus and any summary prospectus), in conformity in all material respects with the applicable requirements of the Securities Act and the Trust Indenture Act and the rules and regulations of the Commission thereunder, and such other documents, as such Electing Holder, agent, if any, and underwriter, if any, may reasonably request in order to facilitate the offering and disposition of the Registrable Securities owned by such Electing Holder, offered or sold by such agent or underwritten by such underwriter and to permit such Electing Holder, agent and underwriter to satisfy the prospectus delivery requirements of the Securities Act; and the Company hereby consents to the use of such prospectus (including such preliminary and summary prospectus) and any amendment or supplement thereto by each such Electing Holder and by any such agent and underwriter, in each case in the form most recently provided to such person by the Company, in connection with the offering and sale of the Registrable Securities covered by the prospectus (including such preliminary and summary prospectus) or any supplement or amendment thereto;

(xii) use commercially reasonable efforts to (A) register or qualify the Registrable Securities to be included in such Shelf Registration Statement under such securities laws or blue sky laws of such jurisdictions within the United States as any Electing Holder shall reasonably request, (B) keep such registrations or qualifications in effect and comply with such laws so as to permit the continuance

of offers, sales and dealings therein in such jurisdictions during the period such Shelf Registration is required to remain effective under Section 2(b) above and for so long as may be necessary to enable any such Electing Holder, agent or underwriter to complete its distribution of Securities pursuant to such Shelf Registration Statement and (C) take any and all other actions as may be reasonably necessary or advisable to enable each such Electing Holder, agent, if any, and underwriter, if any, to consummate the disposition in such jurisdictions of such Registrable Securities; *provided*, *however*, that the Company shall not be required for any such purpose to (1) qualify as a foreign corporation in any jurisdiction wherein it would not otherwise be required to qualify but for the requirements of this Section 3(d)(xii), (2) consent to general service of process in any such jurisdiction or (3) make any changes to its certificate of incorporation or by-laws or any agreement between it and its stockholders;

(xiii) use commercially reasonable efforts to obtain the consent or approval of each governmental agency or authority, whether federal, state or local, which may be required by the Company in order to effect such Shelf Registration or the offering or sale contemplated thereby;

(xiv) provide a CUSIP number for all such Registrable Securities, not later than the applicable Effective Time;

(xv) enter into one or more underwriting agreements, engagement letters, agency agreements, "*best efforts*" underwriting agreements or similar agreements, as appropriate, including customary provisions relating to indemnification and contribution, and take such other actions in connection therewith as any Electing Holders aggregating at least 25% in aggregate principal amount of the Registrable Securities at the time Outstanding shall reasonably request in order to expedite or facilitate the disposition of such Registrable Securities; and

(xvi) use commercially reasonable efforts to comply with all applicable rules and regulations of the Commission, and make generally available to its securityholders as soon as practicable, an earning statement of the Company and its subsidiaries complying with Section 11(a) of the Securities Act (including, at the option of the Company, Rule 158 thereunder).

(e) In the event that the Company would be required, pursuant to Section 3(d)(viii)(F) above, to notify the Electing Holders, the placement or sales agent, if any, therefor and the managing underwriters, if any, thereof, the Company shall prepare and furnish to each of the Electing Holders, to each placement or sales agent, if any, and to each such underwriter, if any, a reasonable number of copies of a prospectus supplemented or amended so that, as thereafter delivered to purchasers of such Registrable Securities, such prospectus shall conform in all material respects to the applicable requirements of the Securities Act and the Trust Indenture Act and the rules and regulations of the Commission thereunder and shall not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein

not misleading in light of the circumstances then existing. Each Electing Holder agrees that upon receipt of any notice from the Company pursuant to Section 3(d)(viii)(F) hereof, such Electing Holder shall forthwith discontinue the disposition of the Registrable Securities pursuant to the Shelf Registration Statement applicable to such Registrable Securities until such Electing Holder shall have received copies of such amended or supplemented prospectus, and if so directed by the Company, such Electing Holder shall deliver to the Company (at the Company's expense) all copies, other than permanent file copies, then in such Electing Holder's possession of the prospectus covering such Registrable Securities at the time of receipt of such notice.

(f) In the event of a Shelf Registration, in addition to the information required to be provided by each Electing Holder in its Notice and Questionnaire, the Company may require such Electing Holder to furnish to the Company such additional information regarding such Electing Holder and such Electing Holder's intended method of distribution of the Registrable Securities as may be required in order to comply with the Securities Act. Each such Electing Holder agrees to notify the Company as promptly as practicable of any inaccuracy or change in information previously furnished by such Electing Holder to the Company or of the occurrence of any event in either case as a result of which any prospectus relating to such Shelf Registration contains or would contain an untrue statement of a material fact regarding such Electing Holder or such Electing Holder's intended method of disposition of such Registrable Securities or omits to state any material fact regarding such Electing Holder or such Electing Holder's intended method of disposition of such Registrable Securities necessary to make the statements therein not misleading in light of the circumstances then existing, and promptly to furnish to the Company any additional information required to correct and update any previously furnished information or required so that such prospectus shall not contain, with respect to such Electing Holder or the disposition of such Registrable Securities, an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein not misleading in light of the circumstances then existing.

(g) Until the expiration of two years after the Closing Date, the Company will not, and will not permit any of its "*affiliates*" (as defined in Rule 144) to, resell any of the Securities that have been reacquired by any of them except pursuant to an effective registration statement under the Securities Act.

4. *Registration Expenses.*

The Company agrees to bear and to pay or cause to be paid all expenses incident to the Company's performance of or compliance with this Agreement, including (a) all Commission and any Financial Industry Regulatory Authority registration, filing and review fees and expenses including fees and disbursements of counsel for the placement or sales agent or underwriters in connection with such registration, filing and review, (b) all fees and expenses in connection with the qualification of the Securities for offering and sale under the State securities and blue sky laws referred to in Section 3(c)(vi) and Section 3(d)(xii) hereof and determination of their eligibility for investment under the laws of such jurisdictions as any managing underwriters or the Electing Holders may designate, including any fees and disbursements of counsel for the Electing Holders or underwriters in connection with such qualification and

determination, (c) all expenses relating to the preparation, printing, production, distribution and reproduction of each registration statement required to be filed hereunder, each prospectus included therein or prepared for distribution pursuant hereto, each amendment or supplement to the foregoing, the expenses of preparing the Exchange Securities for delivery and the expenses of printing or producing any underwriting agreements, agreements among underwriters, selling agreements and blue sky or legal investment memoranda and all other documents in connection with the offering, sale or delivery of Securities to be disposed of (including certificates representing the Exchange Securities), (d) messenger, telephone and delivery expenses relating to the offering, sale or delivery of the Exchange Securities and the preparation of documents referred in clause (c) above, (e) fees and expenses of the Trustee under the Indenture, any agent of the Trustee and of any collateral agent or custodian, (f) internal expenses (including all salaries and expenses of the Company's officers and employees performing legal or accounting duties), (g) fees, disbursements and expenses of counsel and independent certified public accountants of the Company (including the expenses of any opinions or "*cold comfort*" letters required by or incident to such performance and compliance), (h) reasonably incurred fees, disbursements and expenses of one counsel for the Electing Holders retained in connection with a Shelf Registration, as selected by the Electing Holders of at least a majority in aggregate principal amount of the Registrable Securities held by Electing Holders (which counsel shall be reasonably satisfactory to the Company), (i) any fees charged by securities rating services for rating the Exchange Securities, and (j) fees, expenses and disbursements of any other persons, including special experts, retained by the Company in connection with such registration (collectively, the "*Registration Expenses*"). To the extent that any Registration Expenses are incurred, assumed or paid by any holder of Registrable Securities or any placement or sales agent therefor or underwriter thereof, the Company shall reimburse such person for the full amount of the Registration Expenses so incurred, assumed or paid after receipt of a request therefor. Notwithstanding the foregoing, the holders of the Registrable Securities being registered shall pay all agency fees and commissions and underwriting discounts and commissions attributable to the sale of such Registrable Securities and the fees and disbursements of any counsel or other advisors or experts retained by such holders (severally or jointly), other than the counsel and experts specifically referred to above.

5. *Representations and Warranties.*

The Company represents and warrants to, and agrees with, the Initial Purchasers and each of the holders from time to time of Registrable Securities that:

(a) Each registration statement covering Registrable Securities and each prospectus (including any preliminary or summary prospectus) contained therein or furnished pursuant to Section 3(c) or Section 3(d) hereof and any further amendments or supplements to any such registration statement or prospectus, when it becomes effective or is filed with the Commission, as the case may be, and, in the case of an underwritten offering of Registrable Securities, at the time of the sale by the underwriters under the underwriting agreement relating thereto and at the time of closing under such underwriting agreement, will conform in all material respects to the requirements of the Securities Act and the Trust Indenture Act and will not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein in the light of the circumstances then existing not misleading; and at all times subsequent to

the Effective Time when a prospectus would be required to be delivered under the Securities Act, other than from (i) such time as a notice has been given to holders of Registrable Securities pursuant to Section 3(c)(iii)(F) or Section 3(d)(viii)(F) hereof until (ii) such time as the Company furnishes an amended or supplemented prospectus pursuant to Section 3(c)(iv) or Section 3(e) hereof, each such registration statement, and each prospectus (including any summary prospectus) contained therein or furnished pursuant to Section 3(c) or Section 3(d) hereof, as then amended or supplemented, will conform in all material respects to the requirements of the Securities Act and the Trust Indenture Act and will not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein not misleading in the light of the circumstances then existing; *provided*, *however*, that this representation and warranty shall not apply to (i) that part of the registration statement which constitutes the Statement of Eligibility under the Trust Indenture Act of the Trustee, (ii) statements or omissions in the registration statement or the prospectus made in reliance upon and in conformity with information furnished in writing by a holder of Registrable Securities expressly for use therein; and (iii) any statement which does not constitute part of the registration statement or prospectus pursuant to Rule 412 under the Securities Act.

(b) The documents to be incorporated by reference in the prospectus, when they were filed with the Commission, conformed in all material respects to the requirements of the Exchange Act, and none of such documents contained an untrue statement of a material fact or omitted to state a material fact necessary to make the statements therein, in the light of the circumstances under which they are made, not misleading; and any further documents so filed and incorporated by reference, when they are filed with the Commission, will conform in all material respects to the requirements of the Exchange Act and will not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they are made, not misleading; *provided*, *however*, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by a holder of Registrable Securities expressly for use therein or to any statement in any such document which does not constitute part of the registration statement or prospectus pursuant to Rule 412 under the Securities Act.

(c) The compliance by the Company with all of the provisions of this Agreement and the consummation of the transactions herein contemplated will not result in a breach of any of the terms or provisions of, or constitute a default under, any material indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company is a party or by which the Company is bound or to which any of the property or assets of the Company is subject, nor will such action result in any violation of the provisions of the Restated Certificate of Incorporation, as amended, or the By-laws of the Company or any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its properties, except, in each case, for such breaches, defaults and violations that would not have a material adverse effect on the business, financial position, shareholders' equity or results of operations of the Company and its subsidiaries considered as an entirety (a "*Material Adverse Effect*"); and no consent, approval, authorization, order, registration or

qualification of or with any court or any such regulatory authority or other governmental agency or body is required for the consummation by the Company of the other transactions contemplated by this Agreement, except for the registration of the Securities under the Securities Act, and the qualification of an indenture under the Trust Indenture Act, as contemplated by this Agreement, and such consents, approvals, authorizations, registrations or qualifications the failure to obtain or make would not have a Material Adverse Effect or affect the validity of the Exchange Securities and as may be required under State securities or blue sky or insurance securities laws in connection with the offering and distribution of the Exchange Securities.

6. *Indemnification.*

(a) *Indemnification by the Company*. The Company will indemnify and hold harmless each of the holders of Registrable Securities included in an Exchange Registration Statement, each of the Electing Holders of Registrable Securities included in a Shelf Registration Statement and each person who participates as a placement or sales agent or as an underwriter and each person, if any, who controls such placement or sales agent or underwriter within the meaning of the Securities Act in any offering or sale of such Registrable Securities against any losses, claims, damages or liabilities, joint or several, to which such holder, agent, underwriter or control person may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any Exchange Registration Statement or Shelf Registration Statement, as the case may be, under which such Registrable Securities were registered under the Securities Act, or any preliminary, final or summary prospectus contained therein or furnished by the Company to any such holder, Electing Holder, agent or underwriter, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact necessary to make the statements therein not misleading, and will reimburse such holder, such Electing Holder, such agent, such underwriter and such control person for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action; *provided*, *however*, that the Company shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in any of such documents in reliance upon and in conformity with written information furnished to the Company by such person expressly for use therein; and *provided*, *further*, that with respect to any untrue statement or omission or alleged untrue statement or omission made in any preliminary prospectus, the indemnity agreement contained in this Section 6(a) shall not inure to the benefit of any holder of Registrable Securities included in an Exchange Registration Statement, Electing Holders of Registrable Securities included in a Shelf Registration Statement or any person who participates as a placement or sales agent or as an underwriter in any offering or sale of such Registrable Securities from whom the person asserting any such losses, claims, damages or liabilities purchased such Registrable Securities (or to the benefit of any person controlling any placement or sales agent or underwriter), to the extent that any such loss, claim, damage or liability of such person results from the fact that a copy of the prospectus was not sent or given to such

person at or prior to the written confirmation of the sale of such Registrable Securities to such person.

(b) *Indemnification by the Holders and any Agents and Underwriters*. The Company may require, as a condition to including any Registrable Securities in any registration statement filed pursuant to Section 2(b) hereof and to entering into any underwriting agreement with respect thereto, that the Company shall have received an undertaking reasonably satisfactory to it from the Electing Holder of such Registrable Securities and from each underwriter named in any such underwriting agreement, severally and not jointly, to (i) indemnify and hold harmless the Company, each of its directors, each of its officers who have signed any Shelf Registration Statement and each person, if any, who controls the Company within the meaning of the Securities Act and all other holders of Registrable Securities, against any losses, claims, damages or liabilities to which the Company or any such director, officer, controlling person or such other holders of Registrable Securities may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in such registration statement, or any preliminary, final or summary prospectus contained therein or furnished by the Company to any such Electing Holder, agent or underwriter, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Company by such Electing Holder or underwriter expressly for use therein, and (ii) reimburse the Company, any director, officer or controlling person or other holder of Registrable Securities for any legal or other expenses reasonably incurred by the Company or any such director, officer or controlling person or holder of Registrable Securities in connection with investigating or defending any such loss, claim, damage, liability or action.

(c) *Notices of Claims, Etc*. Promptly after receipt by an indemnified party under subsection (a) or (b) above of notice in writing of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against an indemnifying party pursuant to the indemnification provisions under this Section 6, notify such indemnifying party of the commencement of such action; but the omission to so notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party otherwise than under the indemnification provisions of Section 6(a) or Section 6(b) hereof. In case any such action shall be brought against any indemnified party and it shall notify an indemnifying party of the commencement thereof, such indemnifying party shall be entitled to participate therein and, to the extent that it may wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, such indemnifying party shall not be liable to such indemnified party for any legal or other expenses, in each case

subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation.

(d) *Contribution*. If for any reason the indemnification provisions contemplated by Section 6(a) or Section 6(b) hereof are unavailable to or insufficient to hold harmless an indemnified party in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative fault of the indemnifying party and the indemnified party in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative fault of such indemnifying party and indemnified party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by such indemnifying party or by such indemnified party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The parties hereto agree that it would not be just and equitable if contributions pursuant to this Section 6(d) were determined by pro rata allocation (even if the holders or any agents or underwriters or all of them were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in this Section 6(d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages, or liabilities (or actions in respect thereof) referred to above shall be deemed to include any legal or other fees or expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 6(d), no holder shall be required to contribute any amount in excess of the amount by which the dollar amount of the proceeds received by such holder from the sale of any Registrable Securities (after deducting any fees, discounts and commissions applicable thereto) exceeds the amount of any damages which such holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission, and no underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Registrable Securities underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The holders' and any underwriters' obligations in this Section 6(d) to contribute shall be several in proportion to the principal amount of Registrable Securities registered or underwritten, as the case may be, by them and not joint.

7. *Underwritten Offerings*.

(a) *Selection of Underwriters*. If any of the Registrable Securities covered by a Shelf Registration are to be sold pursuant to an underwritten offering, the managing

underwriter or underwriters thereof shall be designated by Electing Holders holding at least a majority in aggregate principal amount of the Registrable Securities to be included in such offering, provided that such designated managing underwriter or underwriters is acceptable to the Company.

(b) *Participation by Holders*. Each holder of Registrable Securities hereby agrees with each other such holder that no such holder may participate in any underwritten offering hereunder unless such holder (i) agrees to sell such holder's Registrable Securities on the basis provided in any underwriting arrangements approved by the persons entitled hereunder to approve such arrangements and (ii) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents reasonably required under the terms of such underwriting arrangements.

8. *Rule 144*.

For one year from the initial issuance of the Debentures, the Company covenants to the holders of Registrable Securities that to the extent it shall be required to do so under the Exchange Act, the Company shall timely file the reports required to be filed by it under the Exchange Act or the Securities Act (including the reports under Sections 13 and 15(d) of the Exchange Act referred to in subparagraph (c)(1) of Rule 144) and the rules and regulations adopted by the Commission thereunder, and shall take such further action as any holder of Registrable Securities may reasonably request, all to the extent required from time to time to enable such holder to sell Registrable Securities without registration under the Securities Act within the limitations of the exemption provided by Rule 144 under the Securities Act, as such Rule may be amended from time to time, or any similar or successor rule or regulation hereafter adopted by the Commission. Upon the request of any holder of Registrable Securities in connection with that holder's sale pursuant to Rule 144, the Company shall deliver to such holder a written statement as to whether it has complied with such requirements.

9. *Miscellaneous*.

(a) *Notices*. All notices, requests, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been duly given when delivered by hand, if delivered personally or by courier, or three days after being deposited in the mail (registered or certified mail, postage prepaid, return receipt requested) as follows: If to the Company, to it at 70 Pine Street, New York, New York 10270, Attention: Secretary, and if to a holder, to the address of such holder set forth in the security register or other records of the Company, or to such other address as the Company or any such holder may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

(b) *Parties in Interest*. All the terms and provisions of this Agreement shall be binding upon, shall inure to the benefit of and shall be enforceable by the parties hereto and the holders from time to time of the Registrable Securities and the respective successors and assigns of the parties hereto and such holders and the directors, officers and controlling persons referred to in Section 6 hereof. In the event that any transferee of

any holder of Registrable Securities shall acquire Registrable Securities, in any manner, whether by gift, bequest, purchase, operation of law or otherwise, such transferee shall, without any further writing or action of any kind, be deemed a beneficiary hereof for all purposes and such Registrable Securities shall be held subject to all of the terms of this Agreement, and by taking and holding such Registrable Securities such transferee shall be entitled to receive the benefits of, and be conclusively deemed to have agreed to be bound by, all of the applicable terms and provisions of this Agreement. If the Company shall so request, any such successor, assign or transferee shall agree in writing to acquire and hold the Registrable Securities subject to all of the applicable terms hereof. If the Company so requests, then until such writing is obtained, such successor, assign or transferee shall have no rights under this Agreement.

(c) *Survival*. The respective indemnities, agreements, representations, warranties and each other provision set forth in this Agreement or made pursuant hereto shall remain in full force and effect regardless of any investigation (or statement as to the results thereof) made by or on behalf of any holder of Registrable Securities, any director, officer or partner of such holder, any agent or underwriter or any director, officer or partner thereof, or any controlling person of any of the foregoing, and shall survive the transfer and registration of Registrable Securities by such holder and the consummation of an Exchange Offer.

(d) ***Governing Law*. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.**

(e) *Headings*. The descriptive headings of the several Sections and paragraphs of this Agreement are inserted for convenience only, do not constitute a part of this Agreement and shall not affect in any way the meaning or interpretation of this Agreement.

(f) *Entire Agreement; Amendments*. This Agreement and the other writings referred to herein (including the Indenture and the Debentures) or delivered pursuant hereto which form a part hereof contain the entire understanding of the parties with respect to its subject matter. This Agreement supersedes all prior agreements and understandings between the parties with respect to its subject matter. This Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively) only by a written instrument duly executed by the Company. In the case of any amendment or waiver that materially and adversely affects the rights of a holder of Registrable Securities, such amendment or waiver must be approved by the holders of not less than a majority of the Registrable Securities held by the materially and adversely affected holders of Registrable Securities. Each holder of any Registrable Securities at the time or thereafter Outstanding shall be bound by any amendment or waiver effected pursuant to this Section 9(f), whether or not any notice, writing or marking indicating such amendment or waiver appears on such Registrable Securities or is delivered to such holder. Any such amendment may be retroactive so long as such amendment does not adversely affect the rights of any holder of Registrable Securities in any material respect.

(g) *Counterparts*. This Agreement may be executed by the parties in counterparts, each of which shall be deemed to be an original, but all such respective counterparts shall together constitute one and the same instrument.

If the foregoing is in accordance with your understanding, please sign and return to us seven counterparts hereof, and upon the acceptance hereof by you, this letter and such acceptance hereof shall constitute a binding agreement between the Purchaser and the Company.

Very truly yours,

AMERICAN INTERNATIONAL GROUP, INC.

By: /s/ Robert A. Gender
Title: Vice President and Treasurer
Name: Robert A. Gender

Accepted as of the date hereof:

Citigroup Global Markets Inc.
J.P. Morgan Securities Inc.
Banc of America Securities LLC
Barclays Capital Inc.
Lehman Brothers Inc.
Mitsubishi UFJ Securities International plc
Mizuho Securities USA Inc.
Daiwa Securities America Inc.
RBC Capital Markets Corporation
Santander Investment Securities Inc.
KeyBanc Capital Markets, Inc.
Scotia Capital (USA) Inc.

Wells Fargo Securities, LLC
ANZ Securities, Inc.
nabCapital Securities, LLC
BMO Capital Markets Corp.
TD Securities (USA) LLC
ING Bank N.V.
Calyon Securities
SunTrust Robinson Humphrey, Inc.
NatCity Investments, Inc.
BBVA Securities, Inc.
CIBC World Markets Corp.

By CITIGROUP GLOBAL MARKETS INC., as
Representative of the initial purchasers

By: /s/ Jack D. McSpadden, Jr.
Title: Managing Director
Name: Jack D. McSpadden, Jr.

By J.P. MORGAN SECURITIES INC., as
Representative of the initial purchasers

By: /s/ Maria Sramek
Title: Executive Director
Name: Maria Sramek

Exhibit A

American International Group, Inc.

INSTRUCTION TO DTC PARTICIPANTS

(Date of Mailing)

URGENT — IMMEDIATE ATTENTION REQUESTED

DEADLINE FOR RESPONSE: [DATE]*

The Depository Trust Company ("DTC") has identified you as a DTC Participant through which beneficial interests in American International Group, Inc. (the "*Company*") 8.175% Series A-6 Junior Subordinated Debentures (the "*Securities*") are held.

The Company is in the process of registering the Securities under the Securities Act of 1933 for resale by the beneficial owners thereof. In order to have their Securities included in the registration statement, beneficial owners must complete and return the enclosed Notice of Registration Statement and Selling Securityholder Questionnaire.

It is important that beneficial owners of the Securities receive a copy of the enclosed materials as soon as possible as their rights to have the Securities included in the registration statement depend upon their returning the Notice and Questionnaire by **[Deadline For Response*]**. Please forward a copy of the enclosed documents to each beneficial owner that holds interests in the Securities through you. If you require more copies of the enclosed materials or have any questions pertaining to this matter, please contact 70 Pine Street, New York, New York 10270, Attention: Secretary, Telephone No. (212) 770-5123.

* Not less than 18 calendar days from date of mailing.

American International Group, Inc.

Notice of Registration Statement
and
Selling Securityholder Questionnaire

(Date)

Reference is hereby made to the Agreement (the "*Agreement*") between American International Group, Inc. (the "*Company*") and the Initial Purchasers named therein. Pursuant to the Agreement, the Company has filed with the United States Securities and Exchange Commission (the "*Commission*") a registration statement on Form S-3 (the "*Shelf Registration Statement*") for the registration and resale under Rule 415 of the Securities Act of 1933, as amended (the "*Securities Act*"), of the Company's 8.175% Series A-6 Junior Subordinated Debentures (the "*Securities*"). A copy of the Agreement is attached hereto. All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Agreement.

Each beneficial owner of Registrable Securities (as defined in the Agreement) is entitled to have the Registrable Securities beneficially owned by it included in the Shelf Registration Statement. In order to have Registrable Securities included in the Shelf Registration Statement, this Notice of Registration Statement and Selling Securityholder Questionnaire ("*Notice and Questionnaire*") must be completed, executed and delivered to the Company's counsel at the address set forth herein for receipt ON OR BEFORE **[Deadline for Response]**. Beneficial owners of Registrable Securities who do not complete, execute and return this Notice and Questionnaire by such date (i) will not be named as selling securityholders in the Shelf Registration Statement and (ii) may not use the prospectus forming a part thereof for resales of Registrable Securities.

Certain legal consequences arise from being named as a selling securityholder in the Shelf Registration Statement and related prospectus. Accordingly, holders and beneficial owners of Registrable Securities are advised to consult their own securities law counsel regarding the consequences of being named or not being named as a selling securityholder in the Shelf Registration Statement and related prospectus.

ELECTION

The undersigned holder (the "*Selling Securityholder*") of Registrable Securities hereby elects to include in the Shelf Registration Statement the Registrable Securities beneficially owned by it and listed below in Item (3). The undersigned, by signing and returning this Notice and Questionnaire, agrees to be bound with respect to such Registrable Securities by the terms and conditions of this Notice and Questionnaire and the Agreement, including, without limitation, Section 6 of the Agreement, as if the undersigned Selling Securityholder were an original party thereto.

Upon any sale of Registrable Securities pursuant to the Shelf Registration Statement, the Selling Securityholder will be required to deliver to the Company and Trustee the Notice of Transfer set forth in Appendix A to the Prospectus and as Exhibit B to the Agreement.

The Selling Securityholder hereby provides the following information to the Company and represents and warrants that such information is accurate and complete:

QUESTIONNAIRE

(1) (a) Full Legal Name of Selling Securityholder:

_____

(b) Full Legal Name of Registered Holder (if not the same as in (a) above) of Registrable Securities Listed in Item (3) below:

_____

(c) Full Legal Name of DTC Participant (if applicable and if not the same as (b) above) Through Which Registrable Securities Listed in Item (3) below are Held:

_____

(2) Address for Notices to Selling Securityholder:

_____
_____
_____
Telephone: _____
Fax: _____
Contact Person: _____

(3) Beneficial Ownership of Securities:

Except as set forth below in this Item (3), the undersigned does not beneficially own any Securities.

(a) Principal amount of Registrable Securities beneficially owned:

8.175% Series A-6 Junior Subordinated Debentures: $ _____

CUSIP No(s). of such Registrable Securities:

(b) Principal amount of Securities other than Registrable Securities beneficially owned:

CUSIP No(s). of such other Securities:

(c) Principal amount of Registrable Securities which the undersigned wishes to be included in the Shelf Registration Statement:

8.175% Series A-6 Junior Subordinated Debentures: $ _____

(4) Beneficial Ownership of Other Securities of the Company:

Except as set forth below in this Item (4), the undersigned Selling Securityholder is not the beneficial or registered owner of any other securities of the Company, other than the Securities listed above in Item (3).

State any exceptions here:

(5) Relationships with the Company:

Except as set forth below, neither the Selling Securityholder nor any of its affiliates, officers, directors or principal equity holders (5% or more) has held any position or office or has had any other material relationship with the Company (or its predecessors or affiliates) during the past three years.

State any exceptions here:

(6) Plan of Distribution:

Except as set forth below, the undersigned Selling Securityholder intends to distribute the Registrable Securities listed above in Item (3) only as follows (if at all): Such Registrable Securities may be sold from time to time directly by the undersigned Selling Securityholder or, alternatively, through underwriters, broker-dealers or agents. Such Registrable Securities may be sold in one or more transactions at fixed prices, at prevailing market prices at the time of sale, at varying prices determined at the time of sale, or at negotiated prices. Such sales may be effected in transactions (which may involve crosses or block transactions) (i) on any national securities exchange or quotation service on which the Registrable Securities may be listed or quoted at the time of sale, (ii) in the over-the-counter market, (iii) in transactions otherwise than on such exchanges or

services or in the over-the-counter market, or (iv) through the writing of options. In connection with sales of the Registrable Securities or otherwise, the Selling Securityholder may enter into hedging transactions with broker-dealers, which may in turn engage in short sales of the Registrable Securities in the course of hedging the positions they assume. The Selling Securityholder may also sell Registrable Securities short and deliver Registrable Securities to close out such short positions, or loan or pledge Registrable Securities to broker-dealers that in turn may sell such securities.

State any exceptions here:

By signing below, the Selling Securityholder acknowledges that it understands its obligation to comply, and agrees that it will comply, with the provisions of the Exchange Act and the rules and regulations thereunder, particularly Regulation M.

In the event that the Selling Securityholder transfers all or any portion of the Registrable Securities listed in Item (3) above after the date on which such information is provided to the Company, the Selling Securityholder agrees to notify the transferee(s) at the time of the transfer of its rights and obligations under this Notice and Questionnaire and the Agreement.

By signing below, the Selling Securityholder consents to the disclosure of the information contained herein in its answers to Items (1) through (6) above and the inclusion of such information in the Shelf Registration Statement and related Prospectus. The Selling Securityholder understands that such information will be relied upon by the Company in connection with the preparation of the Shelf Registration Statement and related Prospectus.

In accordance with the Selling Securityholder's obligation under Section 3(f) of the Agreement to provide such information as may be required by law for inclusion in the Shelf Registration Statement, the Selling Securityholder agrees to promptly notify the Company of any inaccuracies or changes in the information provided herein which may occur subsequent to the date hereof at any time while the Shelf Registration Statement remains in effect. All notices hereunder and pursuant to the Agreement shall be made in writing, by hand-delivery, first-class mail, or air courier guaranteeing overnight delivery as follows:

(i) To the Company:

American International Group, Inc.
Attn: Secretary

70 Pine Street
New York, New York 10270

(ii) With a copy to:

Sullivan & Cromwell LLP
Attn: Robert W. Reeder III
125 Broad Street
New York, New York 10004

Once this Notice and Questionnaire is executed by the Selling Securityholder and received by the Company's counsel, the terms of this Notice and Questionnaire, and the representations and warranties contained herein, shall be binding on, shall inure to the benefit of and shall be enforceable by the respective successors, heirs, personal representatives, and assigns of the Company and the Selling Securityholder with respect to the Registrable Securities beneficially owned by such Selling Securityholder and listed in Item (3) above. This Notice and Questionnaire shall be governed in all respects by the laws of the State of New York.

IN WITNESS WHEREOF, the undersigned, by authority duly given, has caused this Notice and Questionnaire to be executed and delivered either in person or by its duly authorized agent.

Dated: _____

_____
Selling Securityholder
(Print/type full legal name of beneficial owner of Registrable Securities)

By: _____
Name:
Title:

PLEASE RETURN THE COMPLETED AND EXECUTED NOTICE AND QUESTIONNAIRE FOR RECEIPT ON OR BEFORE **[DEADLINE FOR RESPONSE]** TO THE COMPANY'S COUNSEL AT:

Sullivan & Cromwell LLP
Attn: Robert W. Reeder III
125 Broad Street
New York, New York 10004

Exhibit B

NOTICE OF TRANSFER PURSUANT TO REGISTRATION STATEMENT

The Bank of New York
101 Barclay Street
New York, NY 10007

Attention: Trust Officer

Re: American International Group, Inc. (the "Company")
8.175% Series A-6 Junior Subordinated Debentures

Dear Sirs:

Please be advised that _____ has transferred $_____ aggregate principal amount of the 8.175% Series A-6 Junior Subordinated Debentures pursuant to an effective Registration Statement on Form (File No. 333-_____) filed by the Company.

We hereby certify that the prospectus delivery requirements, if any, of the Securities Act of 1933, as amended, have been satisfied and that the above-named beneficial owner of the 8.175% Series A-6 Junior Subordinated Debentures (the "Debentures") is named as a "Selling Holder" in the Prospectus dated **[date]** or in supplements thereto, and that the aggregate principal amount of the Debentures transferred are the Debentures listed in such Prospectus opposite such owner's name.

Dated:

Very truly yours,

_____
(Name)

By: _____
(Authorized Signature)

Exhibit 5.1

[LETTERHEAD OF SULLIVAN & CROMWELL LLP]

March 16, 2009

American International Group, Inc.,
70 Pine Street,
New York, New York 10270.

Ladies and Gentlemen:

In connection with the registration under the Securities Act of 1933 (the "Act") of $4,000,000,000 principal amount of 8.175% Series A-6 Junior Subordinated Debentures (the "Securities ") of American International Group, Inc., a Delaware corporation (the "Company"), to be issued pursuant to the Junior Subordinated Debt Indenture, dated as of March 13, 2007, as supplemented by the Ninth Supplemental Indenture, dated as of May 20, 2008 (together, the "Indenture"), each between the Company and The Bank of New York Mellon, as Trustee (the "Trustee"), we, as your counsel, have examined such corporate records, certificates and other documents, and such questions of law, as we have considered necessary or appropriate for the purposes of this opinion.

Upon the basis of such examination, we advise you that, in our opinion, when the Registration Statement has become effective under the Act, and the Securities have been duly executed and authenticated in accordance with the Indenture and issued and delivered in exchange for the Company's outstanding 8.175% Series A-6 Junior Subordinated Debentures as contemplated by the Registration Statement, the Securities will constitute valid and legally binding obligations of the Company, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles.

The foregoing opinion is limited to the laws of the State of New York and the General Corporation Law of the State of Delaware, and we are expressing no opinion as to the effect of the laws of any other jurisdiction.

We have relied as to certain factual matters on information obtained from public officials, officers of the Company and other sources believed by us to be responsible, and we have assumed that the Indenture has been duly authorized, executed and delivered by the Trustee, that the

Securities will conform to the specimen thereof examined by us and that the signatures on all documents examined by us are genuine, assumptions which we have not independently verified.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the reference to us under the heading “Validity of the New Junior Subordinated Debentures” in the Prospectus. In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Act.

Very truly yours,

/s/ Sullivan & Cromwell LLP

Exhibit 8

[LETTERHEAD OF SULLIVAN & CROMWELL LLP]

March 16, 2009

American International Group, Inc.
70 Pine Street
New York, NY 10270

Ladies and Gentlemen:

As special tax counsel to American International Group, Inc. in connection with the registration of the 8.175% Series A-6 Junior Subordinated Debentures, as described in the Registration Statement on Form S-4, dated March 17, 2009 (the "Registration Statement"), we hereby confirm to you our opinion as set forth under the heading "Certain United States Federal Income Tax Considerations" in the Registration Statement, subject to the limitations set forth therein.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the reference to us under the heading "Certain United States Federal Income Tax Considerations" in the Registration Statement. In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act of 1933.

Very truly yours,

/s/ Sullivan & Cromwell LLP

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in this Registration Statement on Form S-4 of our report dated March 2, 2009 relating to the financial statements, financial statement schedules and the effectiveness of internal control over financial reporting, which appears in the Annual Report on Form 10-K for the year ended December 31, 2008 of American International Group, Inc. We also consent to the reference to us under the heading “Experts” in such Registration Statement.

/s/ PricewaterhouseCoopers LLP

New York, New York
March 16, 2009

FORM T-1

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE

CHECK IF AN APPLICATION TO DETERMINE
ELIGIBILITY OF A TRUSTEE PURSUANT TO
SECTION 305(b)(2) o

THE BANK OF NEW YORK MELLON

(Exact name of trustee as specified in its charter)

New York (State of incorporation if not a U.S. national bank)	13-5160382 (I.R.S. employer identification no.)
One Wall Street, New York, N.Y. (Address of principal executive offices)	10286 (Zip code)

American International Group, Inc.

(Exact name of obligor as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	13-2592361 (I.R.S. employer identification no.)
70 Pine Street New York, New York (Address of principal executive offices)	10270 (Zip code)

8.175% Series A-6 Junior Subordinated Debentures
(Title of the indenture securities)

1. General information. Furnish the following information as to the Trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Name	Address
Superintendent of Banks of the State of New York	One State Street, New York, N.Y. 10004-1417, and Albany, N.Y. 12223
Federal Reserve Bank of New York	33 Liberty Street, New York, N.Y. 10045
Federal Deposit Insurance Corporation	Washington, D.C. 20429
New York Clearing House Association	New York, New York 10005

(b) Whether it is authorized to exercise corporate trust powers.

Yes.

2. Affiliations with Obligor.

If the obligor is an affiliate of the trustee, describe each such affiliation.

None.

16. List of Exhibits.

Exhibits identified in parentheses below, on file with the Commission, are incorporated herein by reference as an exhibit hereto, pursuant to Rule 7a-29 under the Trust Indenture Act of 1939 (the "Act") and 17 C.F.R. 229.10(d).

1. A copy of the Organization Certificate of The Bank of New York Mellon (formerly known as The Bank of New York, itself formerly Irving Trust Company) as now in effect, which contains the authority to commence business and a grant of powers to exercise corporate trust powers. (Exhibit 1 to Amendment No. 1 to Form T-1 filed with Registration Statement No. 33-6215, Exhibits 1a and 1b to Form T-1 filed with Registration Statement No. 33-21672, Exhibit 1 to Form T-1 filed with Registration Statement No. 33-29637, Exhibit 1 to Form T-1 filed with Registration Statement No. 333-121195 and Exhibit 1 to Form T-1 filed with Registration Statement No. 333-152735).

4. A copy of the existing By-laws of the Trustee. (Exhibit 4 to Form T-1 filed with Registration Statement No. 333-121195).

6. The consent of the Trustee required by Section 321(b) of the Act (Exhibit 6 to Form T-1 filed with Registration Statement No. 333-152735).

7. A copy of the latest report of condition of the Trustee published pursuant to law or to the requirements of its supervising or examining authority.

SIGNATURE

Pursuant to the requirements of the Act, the Trustee, The Bank of New York Mellon, a corporation organized and existing under the laws of the State of New York, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in The City of New York, and State of New York, on the 11th day of March, 2009.

THE BANK OF NEW YORK MELLON

By: /S/ FRANCA M. FERRERA
Name: FRANCA M. FERRERA
Title: ASSISTANT VICE PRESIDENT

EXHIBIT 7

Consolidated Report of Condition of

THE BANK OF NEW YORK MELLON

of One Wall Street, New York, N.Y. 10286
And Foreign and Domestic Subsidiaries,

a member of the Federal Reserve System, at the close of business December 31, 2008, published in accordance with a call made by the Federal Reserve Bank of this District pursuant to the provisions of the Federal Reserve Act.

	Dollar Amounts In Thousands
ASSETS	
Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coin	4,440,000
Interest-bearing balances	87,807,000
Securities:	
Held-to-maturity securities	7,327,000
Available-for-sale securities	32,572,000
Federal funds sold and securities purchased under agreements to resell:	
Federal funds sold in domestic offices	373,000
Securities purchased under agreements to resell	0
Loans and lease financing receivables:	
Loans and leases held for sale	0
Loans and leases, net of unearned income	32,827,000
LESS: Allowance for loan and lease losses	357,000
Loans and leases, net of unearned income and allowance	32,470,000
Trading assets	10,665,000
Premises and fixed assets (including capitalized leases)	1,098,000
Other real estate owned	8,000
Investments in unconsolidated subsidiaries and associated companies	795,000
Not applicable	
Intangible assets:	
Goodwill	4,908,000
Other intangible assets	1,606,000
Other assets	11,095,000

	Dollar Amounts In Thousands
Total assets	195,164,000
LIABILITIES	
Deposits:	
In domestic offices	85,286,000
Noninterest-bearing	54,008,000
Interest-bearing	31,278,000
In foreign offices, Edge and Agreement subsidiaries, and IBFs	72,497,000
Noninterest-bearing	1,558,000
Interest-bearing	70,939,000
Federal funds purchased and securities sold under agreements to repurchase:	
Federal funds purchased in domestic offices	454,000
Securities sold under agreements to repurchase	75,000
Trading liabilities	8,365,000
Other borrowed money:	
(includes mortgage indebtedness and obligations under capitalized leases)	6,256,000
Not applicable	
Not applicable	
Subordinated notes and debentures	3,490,000
Other liabilities	7,018,000
Total liabilities	183,441,000
Minority interest in consolidated subsidiaries	350,000
EQUITY CAPITAL	
Perpetual preferred stock and related surplus	0
Common stock	1,135,000
Surplus (exclude all surplus related to preferred stock)	8,276,000
Retained earnings	6,810,000
Accumulated other comprehensive income	-4,848,000
Other equity capital components	0
Total equity capital	11,373,000
Total liabilities, minority interest, and equity capital	195,164,000

I, Thomas P. Gibbons, Chief Financial Officer of the above-named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

Thomas P. Gibbons,
Chief Financial Officer

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

Gerald L. Hassell
Steven G. Elliott
Robert P. Kelly

Directors

LETTER OF TRANSMITTAL

To Tender for Exchange
8.175% Series A-6 Junior Subordinated Debentures
of
American International Group, Inc.

Pursuant to the Prospectus Dated , 2009

THE EXCHANGE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON , 2009 (THE "EXPIRATION DATE") UNLESS THE EXCHANGE OFFER IS EXTENDED, IN WHICH CASE THE TERM "EXPIRATION DATE" SHALL MEAN THE LATEST TIME AND DATE TO WHICH THE EXCHANGE OFFER IS EXTENDED. TENDERS MAY BE WITHDRAWN AT ANY TIME PRIOR TO THE EXPIRATION DATE.

The Exchange Agent:

THE BANK OF NEW YORK MELLON

By Mail, Hand Delivery or Overnight Courier:

The Bank of New York Mellon
Corporate Trust Operations
Reorganization Unit
101 Barclay Street — 7 East
New York, NY 10286
Attention: Ms. Carolle Montreuil

By Facsimile Transmission:

(212) 298-1915
Attention: Ms. Carolle Montreuil

Confirm by Telephone
(212) 815-5092

For Information, Call: (212) 815-5092

Delivery of this instrument to an address other than as set forth above or transmission of instructions to a facsimile number other than the one listed above will not constitute a valid delivery. The instructions set forth in this letter of transmittal and the notice of guaranteed delivery should be read carefully before this letter of transmittal and the notice of guaranteed delivery are completed.

The undersigned acknowledges receipt of the Prospectus dated , 2009 (the "Prospectus") of American International Group, Inc. (the "Company") and this Letter of Transmittal (this "Letter of Transmittal"), which, together with the Prospectus, constitutes the Company's offer (the "Exchange Offer") to exchange up to $4,000,000,000 aggregate principal amount of its 8.175% Series A-6 Junior Subordinated Debentures (the "New Junior Subordinated Debentures"), which have been registered under the Securities Act of 1933, as amended (the "Securities Act"), for up to $4,000,000,000 aggregate principal amount of its outstanding 8.175% Series A-6 Junior Subordinated Debentures (the "Old Junior Subordinated Debentures").

Recipients of the Prospectus should read the requirements described in such Prospectus with respect to eligibility to participate in the Exchange Offer. Capitalized terms used but not defined herein have the meanings given to them in the Prospectus.

Old Junior Subordinated Debentures may be tendered only by book-entry transfer to the Exchange Agent's account at The Depository Trust Company (the "Depositary"). Tenders of the Old Junior Subordinated Debentures must be effected in accordance with the procedures mandated by the Depositary's Automated Tender Offer Program and the procedures set forth in the Prospectus under the caption "The Exchange Offer — Book-Entry Transfer."

The undersigned hereby tenders the Old Junior Subordinated Debentures described in the box entitled "Description of Old Junior Subordinated Debentures" below pursuant to the terms and conditions described in the Prospectus and this Letter of Transmittal. The undersigned is the registered holder of all the Old Junior Subordinated Debentures covered by this Letter of Transmittal and the undersigned represents that it has received from each beneficial owner of Old Junior Subordinated Debentures ("Beneficial Owners") a duly completed and executed form of "Instruction to Registered Holder from Beneficial Owner" accompanying this Letter of Transmittal, instructing the undersigned to take the action described in this Letter of Transmittal. Registered holder, as used herein, refers to a participant in the Depositary whose name appears on the Depositary's security position listing as the owner of the Old Junior Subordinated Debentures tendered hereby. The undersigned hereby represents and warrants that the information set forth in the box entitled "Beneficial Owner(s)" is true and correct. Any Beneficial Owner whose Old Junior Subordinated Debentures are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and who wishes to tender should contact such registered holder of Old Junior Subordinated Debentures promptly and instruct such registered holder of Old Junior Subordinated Debentures to tender on behalf of the Beneficial Owner.

In order to properly complete this Letter of Transmittal, a holder of Old Junior Subordinated Debentures must (i) complete the box entitled "Description of Old Junior Subordinated Debentures," (ii) if appropriate, check and complete the boxes relating to Book-Entry Transfer, Guaranteed Delivery, Prospectus Copies, Special Issuance Instructions and Beneficial Owner(s), (iii) sign this Letter of Transmittal by completing the box entitled "Sign Here," and (iv) complete and sign the attached IRS Form W-9, or if applicable, the appropriate Form W-8 (which can be found at www.irs.gov). Each holder of Old Junior Subordinated Debentures should carefully read the detailed instructions below prior to completing the Letter of Transmittal. If the holder of Old Junior Subordinated Debentures wishes to tender for exchange less than all of such holder's Old Junior Subordinated Debentures, column (3) in the box entitled "Description of Old Junior Subordinated Debentures" must be completed in full. See also Instruction 5.

Holders of Old Junior Subordinated Debentures who desire to tender their Old Junior Subordinated Debentures for exchange and who cannot deliver all the documents required hereby to the Exchange Agent on or prior to the Expiration Date or to complete the procedure for book-entry transfer on a timely basis, must tender the Old Junior Subordinated Debentures pursuant to the guaranteed delivery procedures set forth in the section of the Prospectus entitled "The Exchange Offer — Guaranteed Delivery Procedures." See Instruction 2.

DESCRIPTION OF OLD JUNIOR SUBORDINATED DEBENTURES		
(1)	(2)	(3)
Name(s) and Address(es) of Registered Holder(s) of Old Junior Subordinated Debenture(s), Exactly as the Name of the Participant Appears on the Book-Entry Transfer Facility's Security Position Listing (Please fill in, if blank)	**Aggregate Principal Amount**	**Principal Amount Tendered for Exchange (only if different amount from Column (2)) (Must be in minimum denominations of $1,000 and integral multiples of $1,000 in excess thereof)(1)**

1. Column (3) need not be completed by holders of Old Junior Subordinated Debentures who wish to tender for exchange the principal amount of Old Junior Subordinated Debentures listed in column (2). Completion of column (3) will indicate that the holder of Old Junior Subordinated Debentures wishes to tender for exchange only the principal amount of Old Junior Subordinated Debentures indicated in column (3).

o **CHECK HERE IF OLD JUNIOR SUBORDINATED DEBENTURES ARE BEING DELIVERED BY BOOK-ENTRY TRANSFER MADE TO THE ACCOUNT MAINTAINED BY THE EXCHANGE AGENT WITH THE DEPOSITARY AND COMPLETE THE FOLLOWING:**

Name of Tendering Institution: _____

Account Number: _____

Transaction Code Number: _____

BY CREDITING THE OLD JUNIOR SUBORDINATED DEBENTURES TO THE EXCHANGE AGENT'S ACCOUNT WITH THE DEPOSITARY'S AUTOMATED TENDER OFFER PROGRAM ("ATOP") AND BY COMPLYING WITH APPLICABLE ATOP PROCEDURES WITH RESPECT TO THE EXCHANGE OFFER, THE HOLDER OF THE OLD JUNIOR SUBORDINATED DEBENTURES ACKNOWLEDGES AND AGREES TO BE BOUND BY THE TERMS OF THIS LETTER OF TRANSMITTAL AND CONFIRMS ON BEHALF OF ITSELF AND THE BENEFICIAL OWNERS OF SUCH OLD JUNIOR SUBORDINATED DEBENTURES ALL PROVISIONS OF THIS LETTER OF TRANSMITTAL APPLICABLE TO IT AND SUCH BENEFICIAL OWNERS AS FULLY AS IF SUCH BENEFICIAL OWNERS HAD COMPLETED THE INFORMATION REQUIRED HEREIN AND EXECUTED AND TRANSMITTED THIS LETTER OF TRANSMITTAL.

o **CHECK HERE IF TENDERED OLD JUNIOR SUBORDINATED DEBENTURES ARE BEING DELIVERED PURSUANT TO A NOTICE OF GUARANTEED DELIVERY ENCLOSED HEREWITH AND COMPLETE THE FOLLOWING (FOR USE BY ELIGIBLE INSTITUTIONS ONLY):**

Name of Registered Holder of Old Junior Subordinated Debenture(s): _____

Date of Execution of Notice of Guaranteed Delivery: _____

Window Ticket Number (if available): _____

Name of Institution which Guaranteed Delivery: _____

Account Number: _____

ATTENTION BROKER-DEALERS: IMPORTANT NOTICE
CONCERNING YOUR ABILITY TO RESELL THE NEW JUNIOR SUBORDINATED DEBENTURES

IF THE COMPANY OR THE EXCHANGE AGENT DOES NOT RECEIVE ANY LETTERS OF TRANSMITTAL FROM BROKER-DEALERS REQUESTING ADDITIONAL COPIES OF THE PROSPECTUS FOR USE IN CONNECTION WITH RESALES OF THE NEW JUNIOR SUBORDINATED DEBENTURES, THE COMPANY INTENDS TO TERMINATE THE EFFECTIVENESS OF THE REGISTRATION STATEMENT AS SOON AS PRACTICABLE AFTER THE CONSUMMATION OR TERMINATION OF THE EXCHANGE OFFER. IF THE EFFECTIVENESS OF THE REGISTRATION STATEMENT IS TERMINATED, YOU WILL NOT BE ABLE TO USE THE PROSPECTUS IN CONNECTION WITH RESALES OF NEW JUNIOR SUBORDINATED DEBENTURES AFTER SUCH TIME. SEE SECTION ENTITLED "THE EXCHANGE OFFER — TERMS OF THE EXCHANGE OFFER" CONTAINED IN THE PROSPECTUS FOR MORE INFORMATION.

o **CHECK HERE IF YOU ARE A BROKER-DEALER AND WISH TO RECEIVE ADDITIONAL COPIES OF THE PROSPECTUS AND COPIES OF ANY AMENDMENTS OR SUPPLEMENTS THERETO FOR USE IN CONNECTION WITH RESALES OF NEW JUNIOR SUBORDINATED DEBENTURES:**

Name: _____

Address: _____

Telephone No.: _____

SPECIAL ISSUANCE INSTRUCTIONS
(SEE INSTRUCTIONS 1, 5, 6 AND 7)

To be completed ONLY if Old Junior Subordinated Debentures tendered by book-entry transfer which are not exchanged are to be returned by credit to an account maintained at the Depositary.

Credit Old Junior Subordinated Debentures not exchanged and delivered by book-entry transfer to the Depositary account set forth below:

_____
(Account Number)

BENEFICIAL OWNER(S)	
STATE OF PRINCIPAL RESIDENCE OF EACH BENEFICIAL OWNER OF OLD JUNIOR SUBORDINATED DEBENTURES	PRINCIPAL AMOUNT OF OLD JUNIOR SUBORDINATED DEBENTURES HELD FOR ACCOUNT OF BENEFICIAL OWNER(S)

SIGNATURES MUST BE PROVIDED BELOW
PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY

Ladies and Gentlemen:

Pursuant to the offer by American International Group, Inc. (the "Company") upon the terms and subject to the conditions set forth in the Prospectus dated , 2009 (the "Prospectus") and this Letter of Transmittal (this "Letter of Transmittal"), which, together with the Prospectus, constitutes the Company's offer (the "Exchange Offer") to exchange up to $4,000,000,000 aggregate principal amount of its 8.175% Series A-6 Junior Subordinated Debentures (the "New Junior Subordinated Debentures"), which have been registered under the Securities Act of 1933, as amended (the "Securities Act"), for up to $4,000,000,000 aggregate principal amount of its outstanding 8.175% Series A-6 Junior Subordinated Debentures (the "Old Junior Subordinated Debentures"), the undersigned hereby tenders to the Company for exchange the Old Junior Subordinated Debentures indicated above.

By executing this Letter of Transmittal and subject to and effective upon acceptance for exchange of the Old Junior Subordinated Debentures tendered for exchange herewith, the undersigned (i) acknowledges and agrees that the Company shall have fully performed all of its obligations to conduct an "Exchange Offer" under the Exchange and Registration Rights Agreement, dated as of May 20, 2008, among the Company and the Initial Purchasers (as defined therein), (ii) will have irrevocably sold, assigned and transferred to the Company all right, title and interest in, to and under all of the Old Junior Subordinated Debentures tendered for exchange hereby, and (iii) hereby appoints The Bank of New York Mellon (the "Exchange Agent") as the true and lawful agent and attorney-in-fact (with full knowledge that the Exchange Agent also acts as agent of the Company) of such holder of Old Junior Subordinated Debentures with respect to such Old Junior Subordinated Debentures, with full power of substitution, to (x) transfer ownership of such Old Junior Subordinated Debentures on the account books maintained by The Depository Trust Company (the "Depositary") (together with all accompanying evidences of transfer and authenticity), (y) take any action necessary to transfer such Old Junior Subordinated Debentures to the Company, and (z) receive all benefits and otherwise exercise all rights and incidents of ownership with respect to such Old Junior Subordinated Debentures, all in accordance with the terms of the Exchange Offer. The power of attorney granted in this paragraph shall be deemed to be irrevocable and coupled with an interest.

The undersigned hereby represents and warrants that (i) the undersigned has full power and authority to tender, exchange, assign and transfer the Old Junior Subordinated Debentures, and (ii) when such Old Junior Subordinated Debentures are accepted for exchange by the Company, the Company will acquire good, marketable and unencumbered title thereto, free and clear of all security interests, liens, restrictions, charges, encumbrances, or other obligations relating to their sale and transfer, and not subject to any adverse claims. The undersigned will, upon request, execute and deliver any additional documents deemed by the Exchange Agent or the Company to be necessary or desirable to complete the tender, exchange, assignment and transfer of the Old Junior Subordinated Debentures tendered for exchange hereby.

The undersigned hereby further represents to the Company that (i) the New Junior Subordinated Debentures to be acquired pursuant to the Exchange Offer will be acquired in the ordinary course of business of the person acquiring the New Junior Subordinated Debentures, whether or not such person is the undersigned, (ii) neither the undersigned nor any person receiving any New Junior Subordinated Debentures directly or indirectly from the undersigned pursuant to the Exchange Offer (if not a broker-dealer referred to in the last sentence of this paragraph) is engaging or intends to engage in the distribution of the New Junior Subordinated Debentures and none of them have any arrangement or understanding with any person to participate in the distribution of the New Junior Subordinated Debentures, (iii) the undersigned and each person receiving any New Junior Subordinated Debentures directly or indirectly from the undersigned pursuant to the Exchange Offer acknowledge and agree that any broker-dealer or any person participating in the Exchange Offer for the purpose of distributing the New Junior Subordinated Debentures (x) must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a secondary resale transaction of the New Junior Subordinated Debentures acquired by such person and (y) cannot rely on the position of the staff of the Securities and Exchange Commission (the "Commission") set forth in Morgan Stanley & Co. Incorporated no-action letter (available June 5, 1991) or the Exxon Capital Holdings Corporation no-action letter (available May 13, 1988) or similar letters, (iv) the undersigned and each person receiving any New Junior Subordinated Debentures directly or indirectly from the undersigned pursuant to the Exchange Offer understand that a secondary resale transaction described in clause (iii) above should be covered by an effective registration statement and (v) neither the undersigned nor any person receiving any New Junior Subordinated Debentures directly or indirectly from the undersigned pursuant to the Exchange Offer is an "affiliate" of the Company, as defined under Rule 405 under the Securities Act. If the

undersigned is a broker-dealer that will receive New Junior Subordinated Debentures for its own account in exchange for Old Junior Subordinated Debentures that were acquired as a result of market making or other trading activities, it acknowledges that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of such New Junior Subordinated Debentures received in respect of such Old Junior Subordinated Debentures pursuant to the Exchange Offer; however, by so acknowledging and by delivering a prospectus, the undersigned will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

The undersigned acknowledges that, for purposes of the Exchange Offer, the Company will be deemed to have accepted for exchange, and to have exchanged, validly tendered Old Junior Subordinated Debentures, if, as and when the Company gives oral or written notice thereof to the Exchange Agent. The undersigned acknowledges that the Company's acceptance of Old Junior Subordinated Debentures validly tendered for exchange pursuant to any one of the procedures described in the section of the Prospectus entitled "The Exchange Offer" and in the instructions hereto will constitute a valid, binding and enforceable agreement between the undersigned and the Company upon the terms and subject to the conditions of the Exchange Offer. Tenders of Old Junior Subordinated Debentures for exchange may be withdrawn at any time prior to the Expiration Date.

Unless otherwise indicated in the box entitled "Special Issuance Instructions," please return any Old Junior Subordinated Debentures not tendered for exchange to the undersigned. The undersigned recognizes that the Company has no obligation pursuant to the "Special Issuance Instructions" to transfer any Old Junior Subordinated Debentures if the Company does not accept for exchange any of the Old Junior Subordinated Debentures so tendered for exchange or if such transfer would not be in compliance with any transfer restrictions applicable to such Old Junior Subordinated Debentures.

All authority herein conferred or agreed to be conferred shall survive the death, incapacity, liquidation, dissolution, winding up or any other event relating to the undersigned, and any obligation of the undersigned hereunder shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned. Except as otherwise stated in the Prospectus, this tender for exchange of Old Junior Subordinated Debentures is irrevocable.

SIGN HERE

X _____ Date: _____

Signature of Owner

MUST BE SIGNED BY THE REGISTERED HOLDER(S) OF OLD JUNIOR SUBORDINATED DEBENTURES EXACTLY AS NAME(S) APPEAR(S) ON A SECURITY POSITION LISTING. IF SIGNATURE IS BY TRUSTEES, EXECUTORS, ADMINISTRATORS, GUARDIANS, ATTORNEYS-IN-FACT, OFFICERS OF CORPORATIONS OR OTHERS ACTING IN A FIDUCIARY OR REPRESENTATIVE CAPACITY, PLEASE PROVIDE THE FOLLOWING INFORMATION. (SEE INSTRUCTION 6.)

Names(s)

Capacity (Full Title)

Address (including zip code)

Area Code and Telephone Number

Tax Identification Number

GUARANTEE OF SIGNATURE(S)
(SIGNATURE(S) MUST BE GUARANTEED IF REQUIRED BY INSTRUCTION 1)

X _____ Date: _____

Authorized Signature

Name and Title

INSTRUCTIONS

FORMING PART OF THE TERMS AND CONDITIONS OF THE EXCHANGE OFFER

1. Guarantee of Signatures.

Except as otherwise provided below, all signatures on this Letter of Transmittal must be guaranteed by an institution which is a member of the New York Stock Exchange Medallion Signature Program or an "eligible guarantor institution" within the meaning of Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended (an "Eligible Institution"). Signatures on this Letter of Transmittal need not be guaranteed if such Old Junior Subordinated Debentures are tendered for the account of an Eligible Institution. **IN ALL OTHER CASES, ALL SIGNATURES MUST BE GUARANTEED BY AN ELIGIBLE INSTITUTION**.

2. Delivery of this Letter of Transmittal and Old Junior Subordinated Debentures; Guaranteed Delivery Procedures.

This Letter of Transmittal is to be completed by holders of Old Junior Subordinated Debentures if tenders are to be made pursuant to the procedures for tender by book-entry transfer or guaranteed delivery set forth in the section of the Prospectus entitled "The Exchange Offer — Guaranteed Delivery Procedures." All deliveries of Old Junior Subordinated Debentures must be made to the account of the Exchange Agent maintained at the Depositary. A confirmation of a book-entry transfer (a "Book-Entry Confirmation"), as well as any other documents required by this Letter of Transmittal, must be received by the Exchange Agent prior to the Expiration Date. Holders of Old Junior Subordinated Debentures who desire to tender their Old Junior Subordinated Debentures for exchange and who cannot deliver all documents required hereby to the Exchange Agent on or prior to the Expiration Date or to complete the procedure for book-entry transfer on a timely basis, may have such tender effected if: (a) such tender is made by or through an Eligible Institution, (b) prior to the Expiration Date, the Exchange Agent has received from such Eligible Institution a properly completed and duly executed Notice of Guaranteed Delivery substantially in the form provided by the Company (by facsimile transmission, mail or hand delivery) setting forth the name of the holder of such Old Junior Subordinated Debentures and the principal amount of Old Junior Subordinated Debentures tendered for exchange, stating that tender is being made thereby and guaranteeing that, within three New York Stock Exchange trading days after the date of execution of the Notice of Guaranteed Delivery, this Letter of Transmittal (or a manually executed facsimile thereof) or an agent's message, properly completed and duly executed, a Book-Entry Confirmation and any other documents required by this Letter of Transmittal, will be deposited by such Eligible Institution with the Exchange Agent, and (c) a properly completed and duly executed Letter of Transmittal (or a manually executed facsimile thereof) or an agent's message, a Book-Entry Confirmation and any other documents required by this Letter of Transmittal are received by the Exchange Agent within three New York Stock Exchange trading days after the date of execution of the Notice of Guaranteed Delivery.

THE METHOD OF DELIVERY OF OLD JUNIOR SUBORDINATED DEBENTURES, THIS LETTER OF TRANSMITTAL AND ALL OTHER REQUIRED DOCUMENTS IS AT THE ELECTION AND RISK OF THE TENDERING HOLDER OF OLD JUNIOR SUBORDINATED DEBENTURES. EXCEPT AS OTHERWISE PROVIDED BELOW, THE DELIVERY WILL BE DEEMED MADE ONLY WHEN ACTUALLY RECEIVED OR CONFIRMED BY THE EXCHANGE AGENT. IF DELIVERY IS BY MAIL, REGISTERED MAIL WITH RETURN RECEIPT REQUESTED, PROPERLY INSURED, IS RECOMMENDED. AS AN ALTERNATIVE TO DELIVERY BY MAIL, THE HOLDER MAY WISH TO CONSIDER USING AN OVERNIGHT OR HAND DELIVERY SERVICE. THE LETTER OF TRANSMITTAL SHOULD NOT BE SENT TO THE COMPANY.

No alternative, conditional or contingent tenders will be accepted. All tendering holders of Old Junior Subordinated Debentures, by execution of this Letter of Transmittal (or facsimile hereof, if applicable), waive any right to receive notice of the acceptance of their Old Junior Subordinated Debentures for exchange.

3. Inadequate Space.

If the space provided in the box entitled "Description of Old Junior Subordinated Debentures" above is inadequate, the principal amounts of the Old Junior Subordinated Debentures being tendered should be listed on a separate signed schedule affixed hereto.

4. Withdrawals.

A tender of Old Junior Subordinated Debentures may be withdrawn at any time prior to the Expiration Date by delivery of an Automated Tender Offer Program electronic transmission notice of withdrawal and the Exchange Agent must receive the electronic notice of withdrawal from the Depositary prior to the Expiration Date. Withdrawals of tenders of Old Junior Subordinated Debentures may not be rescinded, and any Old Junior Subordinated Debentures withdrawn will thereafter be deemed not validly tendered for purposes of the Exchange Offer, and no New Junior Subordinated Debentures will be issued with respect thereto unless the Old Junior Subordinated Debentures so withdrawn are validly retendered. Properly withdrawn Old Junior Subordinated Debentures may be retendered by following one of the procedures described in the section of the Prospectus entitled "The Exchange Offer — Procedures for Tendering" at any time prior to the Expiration Date.

5. Partial Tenders.

Tenders of Old Junior Subordinated Debentures will be accepted only in minimum denominations of $1,000 and integral multiples of $1,000 in excess thereof. If a tender for exchange is to be made with respect to less than the entire principal amount of any Old Junior Subordinated Debentures, fill in the principal amount of Old Junior Subordinated Debentures which are tendered for exchange in column (3) of the box entitled "Description of Old Junior Subordinated Debentures." In case of a partial tender for exchange, the untendered principal amount of the Old Junior Subordinated Debentures will be credited to Depositary account of the tendering holder, unless otherwise indicated in the appropriate box on this Letter of Transmittal, as promptly as practicable after the expiration or termination of the Exchange Offer.

6. Signatures on this Letter of Transmittal and Powers of Attorney.

The signature(s) of the holder of Old Junior Subordinated Debentures on this Letter of Transmittal must correspond with the name of such holder as it appears on a security position listing maintained by the Depositary, without any change whatsoever.

When this Letter of Transmittal is signed by the holder of the Old Junior Subordinated Debentures listed and transmitted hereby, no separate powers of attorney are required. If, however, Old Junior Subordinated Debentures not tendered or not accepted are to be issued or returned to a person other than the holder of Old Junior Subordinated Debentures, then the Old Junior Subordinated Debentures transmitted hereby must be accompanied by appropriate powers of attorney in a form satisfactory to the Company, in either case signed exactly as the name(s) of the holder of Old Junior Subordinated Debentures appear(s) on a security position listing maintained by the Depositary. Signatures on such powers of attorney must be guaranteed by an Eligible Institution (unless signed by an Eligible Institution).

If this Letter of Transmittal or powers of attorney are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and proper evidence satisfactory to the Company of their authority so to act must be submitted.

7. Transfer Taxes.

Except as set forth in this Instruction 7, the Company will pay all transfer taxes, if any, applicable to the transfer and exchange of Old Junior Subordinated Debentures pursuant to the Exchange Offer. If issuance of New Junior Subordinated Debentures is to be made to, or Old Junior Subordinated Debentures not tendered for exchange are to be issued or returned to, any person other than the tendering holder, or if a transfer tax is imposed for any reason other than the exchange of Old Junior Subordinated Debentures pursuant to the Exchange Offer, and satisfactory evidence of payment of such taxes or exemptions therefrom is not submitted with this Letter of Transmittal, the amount of any transfer taxes payable on account of any such transfer will be imposed on and payable by the tendering holder of Old Junior Subordinated Debentures prior to the issuance of the New Junior Subordinated Debentures.

8. Irregularities.

All questions as to the form of documents and the validity, eligibility (including time of receipt), acceptance and withdrawal of Old Junior Subordinated Debentures will be determined by the Company, in its sole discretion, whose determination shall be final and binding. The Company reserves the absolute right to reject any or all tenders for exchange of any particular Old Junior Subordinated Debentures that are not in proper form, or the acceptance of which would, in the opinion of the Company (or its counsel), be unlawful. The Company reserves the absolute right to waive any defect, irregularity

or condition of tender for exchange with regard to any particular Old Junior Subordinated Debentures. The Company's interpretation of the terms of, and conditions to, the Exchange Offer (including the instructions herein) will be final and binding. Unless waived, any defects or irregularities in connection with the Exchange Offer must be cured within such time as the Company shall determine. Neither the Company, the Exchange Agent nor any other person shall be under any duty to give notice of any defects or irregularities in Old Junior Subordinated Debentures tendered for exchange, nor shall any of them incur any liability for failure to give such notice. A tender of Old Junior Subordinated Debentures will not be deemed to have been made until all defects and irregularities with respect to such tender have been cured or waived. Any Old Junior Subordinated Debentures received by the Exchange Agent that are not properly tendered and as to which the defects or irregularities have not been cured or waived will be returned by the Exchange Agent to the tendering holders, unless otherwise provided in this Letter of Transmittal, as soon as practicable following the Expiration Date.

9. Waiver of Conditions.

The Company reserves the absolute right to waive, amend or modify any of the specified conditions described under "The Exchange Offer — Conditions to the Exchange Offer" in the Prospectus.

10. Requests for Information or Additional Copies.

Requests for information about the procedure for tendering or for withdrawing tenders, or for additional copies of the Prospectus and this Letter of Transmittal, may be directed to the Exchange Agent at the address or telephone number set forth on the cover of this Letter of Transmittal. All other questions about this Exchange Offer should be addressed to Investor Relations at the Company (telephone number — 212-770-6293).

IMPORTANT: THIS LETTER OF TRANSMITTAL (OR A FACSIMILE THEREOF, IF APPLICABLE) OR AN AGENT'S MESSAGE TO THE DEPOSITARY TOGETHER WITH CONFIRMATION OF BOOK-ENTRY OR THE NOTICE OF GUARANTEED DELIVERY, AND ALL OTHER REQUIRED DOCUMENTS, MUST BE RECEIVED BY THE EXCHANGE AGENT PRIOR TO 5:00 P.M., NEW YORK CITY TIME, ON THE EXPIRATION DATE.

Name (as shown on your income tax return)		
Business Name, if different from above		
Check appropriate box: o Individual/Sole proprietor o Corporation o Partnership o Limited Liability Company. Enter the tax classification (D = Disregarded entity, C = Corporation, P = Partnership). o Other .		
Address		
City, State, and ZIP Code		
SUBSTITUTE **Form W-9** **Department of the Treasury** **Internal Revenue Service** **Payer's Request for Taxpayer Identification Number ("TIN") and Certification**	**PART 1 —** Taxpayer Identification Number — Please provide your TIN in the box at right and certify by signing and dating below. If awaiting TIN, write "Applied For" and see the note below.	Social Security Number OR Employer Identification Number
	PART 2 — If you are exempt from backup withholding, please check the box at right.	o Exempt Payee
	PART 3 — Certification — Under penalties of perjury, I certify that: (1) The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), (2) I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and (3) I am a U.S. citizen or other U.S. person (see the "General Instructions for Completing Substitute Form W-9" below).	
	Certification Instructions. — You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. However, if after being notified by the IRS that you were subject to backup withholding you received another notification from the IRS that you are no longer subject to backup withholding, do not cross out item 2.	
The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding. **SIGNATURE . DATE .**		

NOTE: FAILURE TO COMPLETE THIS SUBSTITUTE FORM W-9 MAY RESULT IN BACKUP WITHHOLDING OF 28% ON ANY PAYMENTS MADE TO YOU PURSUANT TO THE NEW JUNIOR SUBORDINATED DEBENTURES. IN ADDITION, FAILURE TO PROVIDE SUCH INFORMATION MAY RESULT IN A PENALTY IMPOSED BY THE INTERNAL REVENUE SERVICE. PLEASE REVIEW THE ENCLOSED GUIDELINES FOR CERTIFICATION OF YOUR TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9 FOR ADDITIONAL DETAILS.

YOU MUST COMPLETE THE FOLLOWING CERTIFICATION IF YOU WROTE "APPLIED FOR" IN THE APPROPRIATE LINE IN PART 1 OF SUBSTITUTE FORM W-9.

CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER

I certify under penalties of perjury that a taxpayer identification number has not been issued to me, and either (1) I have mailed or delivered an application to receive a taxpayer identification number to the appropriate Internal Revenue Service Center or Social Security Administration Office, or (2) I intend to mail or deliver an application in the near future. I understand that if I do not provide a taxpayer identification number by the time of payment, 28% of all reportable payments made to me will be withheld.

Signature . Date .

IRS Circular 230 Notice: To ensure compliance with Internal Revenue Service Circular 230, you are hereby notified that: (a) any discussion of U.S. federal tax issues contained or referred to in this communication or any document referred to herein is not intended or written to be used, and cannot be used by you for the purpose of avoiding penalties that may be imposed on you under the Internal Revenue Code; (b) such discussion is written for use in connection with the promotion or marketing of the transactions or matters addressed herein; and (c) you should seek advice based on your particular circumstances from an independent tax advisor.

GENERAL INSTRUCTIONS FOR COMPLETING SUBSTITUTE FORM W-9

All "section" references are to the Internal Revenue Code of 1986, as amended. "IRS" is the Internal Revenue Service.

Purpose of Form

United States federal income tax law generally requires that a U.S. person who receives a reportable payment provide the payer with its correct Taxpayer Identification Number (TIN), which, in the case of a holder who is an individual, is generally the individual's social security number. If the payer is not provided with the correct TIN or an adequate basis for an exemption, such holder may be subject to penalties imposed by the Internal Revenue Service and backup withholding in an amount equal to 28% of the gross proceeds of any payment received hereunder. If backup withholding results in an overpayment of taxes, a refund may generally be obtained.

You should use Substitute Form W-9 only if you are a U.S. person (including a resident alien) to give your correct TIN to the person requesting it (the requester) and, when applicable, (1) to certify that the TIN you are giving is correct (or you are waiting for a number to be issued), (2) to certify that you are not subject to backup withholding, or (3) to claim exemption from backup withholding if you are a U.S. exempt payee. The TIN provided must match the name given on the Substitute Form W-9. If you are a nonresident alien or foreign entity not subject to backup withholding, you should not use Substitute Form W-9. Instead, you should provide the requester with an appropriate Form W-8. Forms W-8 and instructions for completing Forms W-8 can be obtained at www.irs.gov.

Definition of a U.S. Person

For federal tax purposes, you are considered a U.S. person if you are: (1) An individual who is a U.S. citizen or U.S. resident alien; (2) a partnership, corporation, company, or association created or organized in the United States or under the laws of the United States; (3) An estate (other than a foreign estate), or (4) A domestic trust (as defined in Treasury Regulations section 301.7701-7).

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia and U.S. possessions to carry out their tax laws. The IRS may also disclose this information to other countries under a tax treaty, or to federal and state agencies to enforce federal non-tax criminal laws and to intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividends, and certain other payments to a payee who does not give a TIN to a payer. The penalties described below may also apply.

How to Get a TIN

If you do not have a TIN, apply for one immediately. To apply for an SSN, obtain Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form on-line at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN

online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting www.irs.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you do not have a TIN, write "Applied For" in Part 1, sign and date the form, and give it to the requester. For interest and dividend payments and certain payments made with respect to readily tradable instruments, you will generally have 60 days to get a TIN and give it to the requester. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Writing "Applied For" on the form means that you have already applied for a TIN OR that you intend to apply for one soon. As soon as you receive your TIN, complete another Substitute Form W-9, include your TIN, sign and date the form, and give it to the requester.

Guidelines for Determining the Proper Identification Number to Give the Requester

Social Security Numbers ("SSNs") have nine digits separated by two hyphens: *i.e.*, 000-00-0000. Employer Identification Numbers ("EINs") have nine digits separated by only one hyphen: *i.e.*, 00-0000000. The table below will help determine the number to give the requester.

For this type of account:		GIVE THE NAME AND SOCIAL SECURITY NUMBER OR EMPLOYER IDENTIFICATION NUMBER OF —
1.	Individual	The individual
2.	Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account (1)
3.	Custodian account of a minor (Uniform Gift to Minors Act)	The minor (2)
4.	a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee (1)
	b. So-called trust account that is not a legal or valid trust under State law	The actual owner (1)
5.	Sole proprietorship or single-owner LLC	The owner (3)

For this type of account:		GIVE THE NAME AND EMPLOYER IDENTIFICATION NUMBER OF —
6.	A valid trust, estate, or pension trust	Legal entity (4)
7.	Corporation or LLC electing corporate status on Form 8832	The corporation
8.	Association, club, religious, charitable, educational or other tax-exempt organization	The organization
9.	Partnership or multi-member LLC	The partnership or LLC
10.	A broker or registered nominee	The broker or nominee

(1) List first and circle the name of the person whose SSN you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.
(2) Circle the minor's name and furnish the minor's SSN.
(3) You must show your individual name and you may also enter your business or "doing business as" name. You may use either your SSN or EIN (if you have one). If you are a sole proprietor, the Internal Revenue Service encourages you to use your SSN.
(4) List first and circle the name of the legal trust, estate or pension trust. (Do not furnish the taxpayer identification number of the personal representative or trustee unless the legal entity itself is not designated in the account title).

NOTE: If no name is circled when more than one name is listed, the number will be considered to be that of the first name.

CAUTION: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Payees Exempt from Backup Withholding

Individuals (including sole proprietors) are generally **not** exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note: If you are exempt from backup withholding, you should still complete Substitute Form W-9 to avoid possible erroneous backup withholding. If you are exempt, enter your correct TIN in Part 1, check the "Exempt" box in Part 2, and sign and date the form. If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

The following is a list of payees that may be exempt from backup withholding and for which no information reporting is required. For interest and dividends, all listed payees are exempt except for those listed in item (9). For broker transactions, payees listed in (1) through (13) and any person registered under the Investment Advisers Act of 1940 who regularly acts as a broker are exempt. Payments over $600 required to be reported and direct sales over $5000 are generally exempt from backup withholding only if made to payees described in items (1) through (7). However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: (i) medical and health care payments, (ii) attorneys' fees, and (iii) payments for services paid by a federal executive agency. Only payees described in items (1) through (5) are exempt from backup withholding for barter exchange transactions and patronage dividends.

(1) An organization exempt from tax under section 501(a), or an individual retirement plan ("IRA"), or a custodial account under section 403(b)(7), if the account satisfies the requirements of section 401(f)(2).

(2) The United States or any of its agencies or instrumentalities.

(3) A state, the District of Columbia, a possession of the United States, or any of their subdivisions or instrumentalities.

(4) A foreign government or any of its political subdivisions, agencies or instrumentalities.

(5) An international organization or any of its agencies or instrumentalities.

(6) A corporation.

(7) A foreign central bank of issue.

(8) A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States.

(9) A futures commission merchant registered with the Commodity Futures Trading Commission.

(10) A real estate investment trust.

(11) An entity registered at all times during the tax year under the Investment Company Act of 1940.

(12) A common trust fund operated by a bank under section 584(a).

(13) A financial institution.

(14) A middleman known in the investment community as a nominee or custodian.

(15) A trust exempt from tax under Section 664 or described in Section 4947.

Exempt payees described above should file the Substitute Form W-9 to avoid possible erroneous backup withholding. If you are an exempt payee, you should furnish your taxpayer identification number, check the "exempt" box in part 2 on the face of the form in the space provided, sign and date the form and return it to the requester.

Penalties

Failure to Furnish TIN. If you fail to furnish your correct TIN to a payer, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil Penalty for False Information with Respect to Withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal Penalty for Falsifying Information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the payer discloses or uses TINs in violation of federal law, the payer may be subject to civil and criminal penalties.

FOR ADDITIONAL INFORMATION, CONTACT YOUR TAX ADVISOR OR THE INTERNAL REVENUE SERVICE.

NOTICE OF GUARANTEED DELIVERY
With Respect to
8.175% Series A-6 Junior Subordinated Debentures
of
American International Group, Inc.

This form must be used by a holder of unregistered 8.175% Series A-6 Junior Subordinated Debentures (the "Old Junior Subordinated Debentures") of American International Group, Inc. (the "Company"), who wishes to tender Old Junior Subordinated Debentures to the Exchange Agent in exchange for the Company's 8.175% Series A-6 Junior Subordinated Debentures (the "New Junior Subordinated Debentures"), which have been registered under the Securities Act of 1933, as amended, pursuant to the guaranteed delivery procedures described in "The Exchange Offer — Guaranteed Delivery Procedures" of the Prospectus, dated , 2009 (the "Prospectus"), and in Instruction 2 to the related Letter of Transmittal. Any holder who wishes to tender Old Junior Subordinated Debentures pursuant to such guaranteed delivery procedures must ensure that the Exchange Agent receives this Notice of Guaranteed Delivery prior to the Expiration Date of the Exchange Offer. Capitalized terms not defined herein have the meanings ascribed to them in the Prospectus or the Letter of Transmittal.

THE EXCHANGE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON , 2009 (THE "EXPIRATION DATE") UNLESS THE EXCHANGE OFFER IS EXTENDED, IN WHICH CASE THE TERM "EXPIRATION DATE" SHALL MEAN THE LATEST TIME AND DATE TO WHICH THE EXCHANGE OFFER IS EXTENDED. TENDERS MAY BE WITHDRAWN AT ANY TIME PRIOR TO THE EXPIRATION DATE.

The Exchange Agent:

THE BANK OF NEW YORK MELLON

By Mail, Hand Delivery or Overnight Courier:

The Bank of New York Mellon
Corporate Trust Operations
Reorganization Unit
101 Barclay Street – 7 East
New York, NY 10286
Attention: Ms. Carolle Montreuil

By Facsimile Transmission:

(212) 298-1915
Attention: Ms. Carolle Montreuil

Confirm by Telephone

(212) 815-5092

For Information Call: (212) 815-5092

Delivery of this instrument to an address other than as set forth above or transmission of instructions to a facsimile number other than the one listed above will not constitute a valid delivery. The instructions set forth in this notice of guaranteed delivery and in the letter of transmittal should be read carefully before this notice of guaranteed delivery and the letter of transmittal are completed.

THIS FORM IS NOT TO BE USED TO GUARANTEE SIGNATURES. IF A SIGNATURE ON THE LETTER OF TRANSMITTAL IS REQUIRED TO BE GUARANTEED BY AN "ELIGIBLE INSTITUTION" UNDER THE INSTRUCTIONS THERETO, SUCH SIGNATURE GUARANTEE MUST APPEAR IN THE APPLICABLE SPACE PROVIDED IN THE SIGNATURE BOX ON THE LETTER OF TRANSMITTAL.

Ladies and Gentlemen:

The undersigned hereby tenders to the Company, upon the terms and subject to the conditions set forth in the Prospectus and the related Letter of Transmittal, receipt of which is hereby acknowledged, the principal amount of Old Junior Subordinated Debentures set forth below pursuant to the guaranteed delivery procedures set forth in the Prospectus and in Instruction 2 of the Letter of Transmittal.

The undersigned understands that tenders of Old Junior Subordinated Debentures will be accepted only in authorized denominations. The undersigned understands that tenders of Old Junior Subordinated Debentures pursuant to the Exchange Offer may not be withdrawn after the Expiration Date. Tenders of Old Junior Subordinated Debentures may be withdrawn at any time prior to the Expiration Date or if the Exchange Offer is terminated or as otherwise provided in the Prospectus.

All authority herein conferred or agreed to be conferred by this Notice of Guaranteed Delivery shall survive the death, incapacity, liquidation, dissolution, winding up or any other event relating to the undersigned and every obligation of the undersigned under this Notice of Guaranteed Delivery shall be binding upon the heirs, personal representatives, executors, administrators, successors, assigns, trustees in bankruptcy and other legal representatives of the undersigned.

The undersigned hereby tenders the Old Junior Subordinated Debentures listed below:

Depository Trust Company Account No.	**Aggregate Principal Amount Represented**	**Aggregate Principal Amount Tendered**

PLEASE SIGN AND COMPLETE

Signature of Authorized Signatory:

Date: , 2009

Name of Tendering Institution:

This Notice of Guaranteed Delivery must be signed by the holder(s) exactly as the name(s) appear(s) on a security position listing as the owner of Old Junior Subordinated Debentures. If signature is by a trustee, executor, administrator, guardian, attorney-in-fact, officer or other person acting in a fiduciary or representative capacity, such person must provide the following information.

Please print name(s) and address(es)

Name(s): _____

_____

Capacity (Full Title): _____

Address(es): _____

_____

_____

GUARANTEE
(Not to be used for signature guarantee)

The undersigned, a firm which is a member of the New York Stock Exchange Medallion Signature Program or an "eligible guarantor institution" within the meaning of Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended, hereby guarantees deposit with the Exchange Agent of the Letter of Transmittal (or facsimile thereof), together with a confirmation of the book-entry transfer of the Old Junior Subordinated Debentures tendered hereby into the Exchange Agent's account at the Depository Trust Company pursuant to the procedures described in the Prospectus under the caption "The Exchange Offer — Guaranteed Delivery Procedures" and in the Letter of Transmittal and any other required documents, all by 5:00 p.m., New York City time, on the third New York Stock Exchange trading day following the date of execution of this Notice of Guaranteed Delivery.

Name of Firm: _____

_____
Authorized Signature

Address: _____

_____

Name: _____

Title: _____

Area Code and Telephone No.: _____

Date: , 2009

INSTRUCTIONS FOR NOTICE OF GUARANTEED DELIVERY

1. DELIVERY OF THIS NOTICE OF GUARANTEED DELIVERY. A properly completed and duly executed copy of this Notice of Guaranteed Delivery and any other documents required by this Notice of Guaranteed Delivery must be received by the Exchange Agent at its address set forth herein prior to the Expiration Date. The method of delivery of this Notice of Guaranteed Delivery and any other required documents to the Exchange Agent is at the election and sole risk of the holder, and the delivery will be deemed made only when actually received by the Exchange Agent. If delivery is by mail, registered mail with return receipt requested, properly insured, is recommended. As an alternative to delivery by mail, the holders may wish to consider using an overnight or hand delivery service. In all cases, sufficient time should be allowed to assure timely delivery. For a description of the guaranteed delivery procedures, see Instruction 2 of the Letter of Transmittal.

2. SIGNATURES ON THIS NOTICE OF GUARANTEED DELIVERY. The signature on this Notice of Guaranteed Delivery must correspond with the name shown on the security position listing as the owner of the Old Junior Subordinated Debentures.

If this Notice of Guaranteed Delivery is signed by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation, or other person acting in a fiduciary or representative capacity, such person should so indicate when signing and submit with the Notice of Guaranteed Delivery evidence satisfactory to the Company of such person's authority to so act.

3. REQUESTS FOR ASSISTANCE OR ADDITIONAL COPIES. Questions and requests for assistance and requests for additional copies of the Prospectus or Letter of Transmittal may be directed to the Exchange Agent at the address specified in the Prospectus. Holders may also contact their broker, dealer, commercial bank, trust company, or other nominee for assistance concerning the Exchange Offer.

American International Group, Inc.

Offer to Exchange up to
$4,000,000,000 8.175% Series A-6 Junior Subordinated Debentures
Which Have Been Registered Under the Securities Act of 1933

for

All Outstanding Unregistered
8.175% Series A-6 Junior Subordinated Debentures

To DTC Participants:

We are enclosing herewith the materials listed below relating to the offer (the "Exchange Offer") by American International Group, Inc. (the "Company") to exchange up to $4,000,000,000 aggregate principal amount of its 8.175% Series A-6 Junior Subordinated Debentures (the "New Junior Subordinated Debentures"), which have been registered under the Securities Act of 1933, as amended (the "Securities Act"), for $4,000,000,000 aggregate principal amount of its outstanding unregistered 8.175% Series A-6 Junior Subordinated Debentures (the "Old Junior Subordinated Debentures"), upon the terms and subject to the conditions set forth in the Prospectus dated , 2009 and the related Letter of Transmittal.

Enclosed herewith are copies of the following documents:

1. Prospectus dated , 2009;
2. Letter of Transmittal;
3. Notice of Guaranteed Delivery;
4. Instruction to Registered Holder from Beneficial Owner; and
5. Letter to Clients, which may be sent to your clients for whose account you hold Old Junior Subordinated Debentures in your name or in the name of your nominee, to accompany the instruction form referred to above, for obtaining such client's instruction with regard to the Exchange Offer.

WE URGE YOU TO CONTACT YOUR CLIENTS PROMPTLY. PLEASE NOTE THAT THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON , 2009 UNLESS EXTENDED BY THE COMPANY.

The Exchange Offer is not conditioned upon any minimum number of Old Junior Subordinated Debentures being tendered.

Pursuant to the Letter of Transmittal, each tendering holder of Old Junior Subordinated Debentures (a "Holder") will represent to the Company that (i) the New Junior Subordinated Debentures to be acquired pursuant to the Exchange Offer will be acquired in the ordinary course of business of the person acquiring the New Junior Subordinated Debentures, whether or not such person is the Holder, (ii) neither the Holder nor any person receiving any New Junior Subordinated Debentures directly or indirectly from the Holder pursuant to the Exchange Offer (if not a broker-dealer referred to in the last sentence of this paragraph) is engaging or intends to engage in the distribution of the New Junior Subordinated Debentures and none of them have any arrangement or understanding with any person to participate in the distribution of the New Junior Subordinated Debentures, (iii) the Holder and each person receiving any New Junior Subordinated Debentures directly or indirectly from the Holder pursuant to the Exchange Offer acknowledge and agree that any broker-dealer or any person participating in the Exchange Offer for the purpose of distributing the New Junior Subordinated Debentures (x) must comply with the registration and prospectus delivery requirements of the Securities Act, in connection with a secondary resale transaction of the New Junior Subordinated Debentures acquired by such person and (y) cannot rely on the position of the staff of the Securities and Exchange Commission set forth in the Morgan Stanley & Co. Incorporated no action letter (available June 5, 1991) or the Exxon Capital Holdings Corporation no-action letter (available May 13, 1988) or similar letters, (iv) the Holder and each person receiving any New Junior Subordinated Debentures directly or indirectly from the Holder pursuant to the Exchange Offer understand that a secondary resale transaction described in clause (iii) above should be covered by an effective registration statement and (v) neither the Holder nor any person receiving any New Junior Subordinated Debentures directly or indirectly from the Holder pursuant to the Exchange Offer is an "affiliate" of the Company, as defined under Rule 405 under the Securities Act. If the

Holder is a broker-dealer that will receive New Junior Subordinated Debentures for its own account in exchange for Old Junior Subordinated Debentures that were acquired as a result of market making or other trading activities, it acknowledges that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of such New Junior Subordinated Debentures received in respect of such Old Junior Subordinated Debentures pursuant to the Exchange Offer; however, by so acknowledging and by delivering a prospectus, the Holder will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

The enclosed Instruction to Registered Holder from Beneficial Owner contains an authorization by beneficial owner of Old Junior Subordinated Debentures held by you to make the foregoing representations and warranties on behalf of such beneficial owner.

The Company will not pay any fee or commission to any broker or dealer or to any other persons (other than the exchange agent for the Exchange Offer) in connection with the solicitation of tenders of Old Junior Subordinated Debentures pursuant to the Exchange Offer. The Company will pay all transfer taxes, if any, applicable to the transfer and exchange of Old Junior Subordinated Debentures pursuant to the Exchange Offer, except as otherwise provided in Instruction 7 of the enclosed Letter of Transmittal.

Any inquiries you may have relating to the procedure for tendering or withdrawing tenders may be addressed to, and additional copies of the enclosed materials may be obtained from the Exchange Agent at:

The Bank of New York Mellon
Corporate Trust Operations
Reorganization Unit
101 Barclay Street — 7 East
New York, NY 10286
Attention: Ms. Carolle Montreuil
By Facsimile: (212) 298-1915
By Telephone: (212) 815-5092

All other questions regarding the Exchange Offer should be addressed to Investor Relations at the Company at telephone number 212-770-6293.

Very truly yours,

AMERICAN INTERNATIONAL GROUP, INC.

NOTHING CONTAINED HEREIN OR IN THE ENCLOSED DOCUMENTS SHALL CONSTITUTE YOU OR ANY PERSON AS AN AGENT OF THE COMPANY OR THE EXCHANGE AGENT, OR AUTHORIZE YOU OR ANY OTHER PERSON TO USE ANY DOCUMENT OR MAKE ANY STATEMENT ON BEHALF OF EITHER OF THEM IN CONNECTION WITH THE EXCHANGE OFFER OTHER THAN THE DOCUMENTS ENCLOSED HEREWITH AND THE STATEMENTS CONTAINED THEREIN.

American International Group, Inc.

Offer to Exchange up to
$4,000,000,000 8.175% Series A-6 Junior Subordinated Debentures
Which Have Been Registered Under the Securities Act of 1933

for

All Outstanding Unregistered
$4,000,000,000 8.175% Series A-6 Junior Subordinated Debentures

To Our Clients:

We are enclosing herewith (i) a Prospectus dated , 2009 of American International Group, Inc. (the "Company"), (ii) a related Letter of Transmittal (which together with the Prospectus constitutes the "Exchange Offer") relating to the offer by the Company to exchange up to $4,000,000,000 aggregate principal amount of its 8.175% Series A-6 Junior Subordinated Debentures (the "New Junior Subordinated Debentures"), which have been registered under the Securities Act of 1933, as amended (the "Securities Act"), for up to $4,000,000,000 aggregate principal amount of its outstanding 8.175% Series A-6 Junior Subordinated Debentures (the "Old Junior Subordinated Debentures"), upon the terms and subject to the conditions set forth in the Exchange Offer and (iii) an Instruction to Registered Holder from Beneficial Owner (the "Instruction Letter").

PLEASE NOTE THAT THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON , 2009 UNLESS EXTENDED. THE EXCHANGE OFFER IS NOT CONDITIONED UPON ANY MINIMUM NUMBER OF OLD JUNIOR SUBORDINATED DEBENTURES BEING TENDERED.

We are the holder of record of Old Junior Subordinated Debentures for your account. A tender of such Old Junior Subordinated Debentures can be made only by us as the record holder pursuant to your instructions. The Letter of Transmittal is furnished to you for your information only and cannot be used by you to tender Old Junior Subordinated Debentures held by us for your account.

We request instructions as to whether you wish to tender any or all of the Old Junior Subordinated Debentures held by us for your account pursuant to the terms and conditions of the Exchange Offer. We also request that you confirm that we may make on your behalf the representations and warranties contained in the Letter of Transmittal. In this regard, please complete the enclosed Instruction Letter and return it to us as soon as practicable.

Pursuant to the Letter of Transmittal, each tendering holder of Old Junior Subordinated Debentures (a "Holder") will represent to the Company that (i) the New Junior Subordinated Debentures to be acquired pursuant to the Exchange Offer will be acquired in the ordinary course of business of the person acquiring the New Junior Subordinated Debentures, whether or not such person is the Holder, (ii) neither the Holder nor any person receiving any New Junior Subordinated Debentures directly or indirectly from the Holder pursuant to the Exchange Offer (if not a broker-dealer referred to in the last sentence of this paragraph) is engaging or intends to engage in the distribution of the New Junior Subordinated Debentures and none of them have any arrangement or understanding with any person to participate in the distribution of the New Junior Subordinated Debentures, (iii) the Holder and each person receiving any New Junior Subordinated Debentures directly or indirectly from the Holder pursuant to the Exchange Offer acknowledge and agree that any broker-dealer or any person participating in the Exchange Offer for the purpose of distributing the New Junior Subordinated Debentures (x) must comply with the registration and prospectus delivery requirements of the Securities Act, in connection with a secondary resale transaction of the New Junior Subordinated Debentures acquired by such person and (y) cannot rely on the position of the staff of the Securities and Exchange Commission set forth in the Morgan Stanley & Co. Incorporated no action letter (available June 5, 1991) or the Exxon Capital Holdings Corporation no-action letter (available May 13, 1988) or similar letters, (iv) the Holder and each person receiving any New Junior Subordinated Debentures directly or indirectly from the Holder pursuant to the Exchange Offer understand that a secondary resale transaction described in clause (iii) above should be covered by an effective registration statement and (v) neither the Holder nor any person receiving any New Junior Subordinated Debentures directly or indirectly from the Holder pursuant to the Exchange Offer is an "affiliate" of the Company, as defined under Rule 405 under the Securities Act. If the Holder is a broker-dealer that will receive New Junior Subordinated Debentures for its own account in exchange for Old Junior

Subordinated Debentures that were acquired as a result of market making or other trading activities, it acknowledges that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of such New Junior Subordinated Debentures received in respect of such Old Junior Subordinated Debentures pursuant to the Exchange Offer; however, by so acknowledging and by delivering a prospectus, the Holder will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

Very truly yours,

AMERICAN INTERNATIONAL GROUP, INC.

INSTRUCTION TO REGISTERED HOLDER
From Beneficial Owner
of
8.175% Series A-6 Junior Subordinated Debentures
of
American International Group, Inc.

To DTC Participant:

The undersigned hereby acknowledges receipt of the Prospectus dated , 2009 (the "Prospectus") of American International Group, Inc. (the "Company"), and accompanying Letter of Transmittal (the "Letter of Transmittal") that together constitute the Company's offer (the "Exchange Offer") to exchange $1,000 principal amount and integral multiples of $1,000 in excess thereof of 8.175% Series A-6 Junior Subordinated Debentures (the "New Junior Subordinated Debentures") of the Company for each $1,000 principal amount and integral multiples of $1,000 in excess thereof of outstanding 8.175% Series A-6 Junior Subordinated Debentures (the "Old Junior Subordinated Debentures") of the Company. Capitalized terms used but not defined have the meanings assigned to them in the Prospectus.

This will instruct you as to the action to be taken by you relating to the Exchange Offer with respect to the Old Junior Subordinated Debentures held by you for the account of the undersigned.

The aggregate face amount of the Old Junior Subordinated Debentures held by you for the account of the undersigned is (fill in amount):

$ of Old Junior Subordinated Debentures

With respect to the Exchange Offer, the undersigned hereby instructs you (check one of the following boxes):

o To TENDER the following Old Junior Subordinated Debentures held by you for the account of the undersigned (insert principal amount of Old Junior Subordinated Debentures to be tendered (if any)):

$ of Old Junior Subordinated Debentures*

or

o NOT to TENDER any Old Junior Subordinated Debentures held by you for the account of the undersigned.

* New Junior Subordinated Debentures and the untendered portion of Old Junior Subordinated Debentures must be in minimum denominations of $1,000 and integral multiples of $1,000 in excess thereof.

If the undersigned instructs you to tender Old Junior Subordinated Debentures held by you for the account of the undersigned, it is understood that you are authorized to make on behalf of the undersigned (and the undersigned, by its signature below, hereby makes to you), the representations, warranties and agreements contained in the Letter of Transmittal that are to be made with respect to the undersigned as a beneficial owner, including but not limited to the representations that (i) the New Junior Subordinated Debentures to be acquired pursuant to the Exchange Offer will be acquired in the ordinary course of business of the person acquiring the New Junior Subordinated Debentures, whether or not such person is the undersigned, (ii) neither the undersigned nor any person receiving any New Junior Subordinated Debentures directly or indirectly from the undersigned pursuant to the Exchange Offer (if not a broker-dealer referred to in the last sentence of this paragraph) is engaging or intends to engage in the distribution of the New Junior Subordinated Debentures and none of them have any arrangement or understanding with any person to participate in the distribution of the New Junior Subordinated Debentures, (iii) the undersigned and each person receiving any New Junior Subordinated Debentures directly or indirectly from the undersigned pursuant to the Exchange Offer acknowledge and agree that any broker-dealer or any person participating in the Exchange Offer for the purpose of distributing the New Junior Subordinated Debentures (x) must comply with the registration and prospectus delivery requirements of the Securities Act of 1933, as amended (the "Securities Act"), in connection with a secondary resale transaction of the New Junior Subordinated Debentures acquired by such person and (y) cannot rely on the position of the staff of the Securities and Exchange Commission set forth in the Morgan Stanley & Co. Incorporated no-action letter (available June 5, 1991) or the Exxon Capital Holdings Corporation no-action letter (available May 13, 1988) or similar letters, (iv) the undersigned and each person receiving any New Junior Subordinated Debentures directly or indirectly from the undersigned pursuant to the Exchange Offer understand that a secondary resale transaction described in clause (iii) above should be covered

by an effective registration statement and (v) neither the undersigned nor any person receiving any New Junior Subordinated Debentures directly or indirectly from the undersigned pursuant to the Exchange Offer is an "affiliate" of the Company, as defined under Rule 405 under the Securities Act. If the undersigned is a broker-dealer that will receive New Junior Subordinated Debentures for its own account in exchange for Old Junior Subordinated Debentures that were acquired as a result of market making or other trading activities, it acknowledges that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of such New Junior Subordinated Debentures received in respect of such Old Junior Subordinated Debentures pursuant to the Exchange Offer; however, by so acknowledging and by delivering a prospectus, the undersigned will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

SIGN HERE

Signature(s) of Owner(s)

Date:

Name(s):

(Please Print)

Capacity (Full Title):

Address:

(Include Zip Code)

Area Code and Telephone Number:

Tax Identification or Social Security Number(s):

Exhibit 99.6

EXCHANGE AGENT AGREEMENT

[ ], 2009

The Bank of New York Mellon
101 Barclay Street
New York, NY 10286

Attention: Corporate Trust Administration

Ladies and Gentlemen:

American International Group, Inc. (the "Company") proposes to make an offer (the "Exchange Offer") to exchange up to $4,000,000,000 of its 8.175% Series A-6 Junior Subordinated Debentures (the "New Junior Subordinated Debentures"), which have been registered under the Securities Act of 1933, as amended (the "Securities Act"), for $4,000,000,000 of its outstanding 8.175% Series A-6 Junior Subordinated Debentures (the "Old Junior Subordinated Debentures"), which have not been registered under the Securities Act. The terms and conditions of the Exchange Offer as currently contemplated are set forth in a prospectus, dated [ ], 2009 (the "Prospectus"), and a Letter of Transmittal, a copy of which is attached as Annex A to the Prospectus (the "Letter of Transmittal"), proposed to be distributed to all record holders of the Old Junior Subordinated Debentures. The Old Junior Subordinated Debentures and the New Junior Subordinated Debentures are collectively referred to herein as the "Junior Subordinated Debentures."

The Company hereby appoints The Bank of New York Mellon to act as exchange agent (the "Exchange Agent") in connection with the Exchange Offer. References hereinafter to "you" shall refer to The Bank of New York Mellon. The Exchange Offer is expected to be commenced by the Company on or about [ ], 2009. The Automated Tender Offer Program ("ATOP") of The Depository Trust Company ("DTC") is to be used by the holders of the Old Junior Subordinated Debentures to accept the Exchange Offer. The Letter of Transmittal contains instructions with respect to the delivery of Old Junior Subordinated Debentures tendered in connection therewith.

The Exchange Offer shall commence on [ ], 2009 (the "Effective Time") and shall expire at 5:00 p.m., New York City time, on [ ], 2009 or on such subsequent date or time to which the Company may extend the Exchange Offer (the "Expiration Date"). Subject to the terms and conditions set forth in the Prospectus, the Company expressly reserves the right to extend the Exchange Offer from time to time and may extend the Exchange Offer by giving oral (promptly confirmed in writing) or written notice to you before 5:00 p.m., New York City time, on the previously scheduled Expiration Date. If the Exchange Offer is extended, then the term "Expiration Date" shall mean the latest date and time to which the Exchange Offer is extended.

The Company expressly reserves the right to amend the Exchange Offer or to delay acceptance of Old Junior Subordinated Debentures, or to terminate the Exchange Offer if, in the Company's sole judgment, any of the conditions of the Exchange Offer specified in the Prospectus under the caption "The Exchange Offer — Conditions to the Exchange Offer" shall not have been satisfied. The Company will give oral (promptly confirmed in writing) or written notice of any amendment, delay or termination to you as promptly as practicable. In carrying out your duties as Exchange Agent, you are to act in accordance with the following instructions:

1. You will perform such duties and only such duties as are specifically set forth in the section of the Prospectus captioned "The Exchange Offer," as specifically set forth in the Letter of Transmittal or as specifically set forth herein; *provided*, *however*, that in no way will your general duty to act in good faith be discharged by the foregoing.

2. You will establish a book-entry account with respect to the Old Junior Subordinated Debentures at DTC to facilitate book-entry tenders of the Old Junior Subordinated Debentures through DTC's ATOP for the Exchange Offer within two business days after the date of the Prospectus, and any financial institution that is a participant in DTC's systems may make book-entry delivery of the Old Junior Subordinated Debentures by causing DTC to transfer such Old Junior Subordinated Debentures into your account in accordance with DTC's procedure for such transfer.

3. From and after the Effective Time, you are hereby authorized and directed to accept and to examine each of the Letters of Transmittal and confirmation of book-entry transfer into your account at DTC and any other documents delivered or mailed to you by or for holders of the Old Junior Subordinated Debentures to ascertain whether: (i) the Letters of Transmittal (or the instructions from DTC (the "DTC Transmissions")) contain the proper information required to be set forth therein and any such other documents (including a Notice of Guaranteed Delivery, substantially in the form attached

hereto as Exhibit B (the "Notice of Guaranteed Delivery")) are duly executed and properly completed in accordance with instructions set forth therein; and (ii) that book-entry confirmations are in due and proper form and contain the information required to be set forth therein. In each case where the Letter of Transmittal or any other document has been improperly completed or executed (or any DTC Transmission is not in due and proper form or omits required information) or some other irregularity in connection with the acceptance of the Exchange Offer exists, you will endeavor to inform the Holders of the need for fulfillment of all requirements. If such condition is not promptly remedied by the Holder, you shall report such condition to the Company and await its direction. All questions as to the validity, form, eligibility (including timeliness of receipt), acceptance and withdrawal of any Old Junior Subordinated Debentures tendered or delivered shall be determined by the Company, in its sole discretion.

4. You are authorized to request that any person tendering Old Junior Subordinated Debentures provide you with such additional documents as you or the Company deems appropriate. You are hereby authorized and directed to process withdrawals of tenders to the extent withdrawal thereof is authorized by the Exchange Offer.

5. The Company reserves the absolute right (i) to reject any or all tenders of any particular Old Junior Subordinated Debenture determined by the Company not to be in proper form or the acceptance or exchange of which may, in the opinion of Company's counsel, be unlawful and (ii) to waive any of the conditions of the Exchange Offer or any defects, irregularities or conditions to the tender of any particular Old Junior Subordinated Debenture, and the Company's interpretation of the terms and conditions of the Exchange Offer (including the Letter of Transmittal and Notice of Guaranteed Delivery and the instructions set forth therein) will be final and binding.

6. With the approval of the Chief Executive Officer, Chief Financial Officer or Treasurer, of the Company (such approval, if given orally, to be promptly confirmed in writing) or any other officer of the Company designated by the Chief Executive Officer (each an "Authorized Officer"), you are authorized to waive any irregularities in connection with any tender of Old Junior Subordinated Debentures pursuant to the Exchange Offer.

7. Tenders of Old Junior Subordinated Debentures may be made only as set forth in the Letter of Transmittal and in the section of the Prospectus captioned "The Exchange Offer — Procedures for Tendering," and Old Junior Subordinated Debentures shall be considered properly tendered to you only when tendered in accordance with the procedures set forth therein.

Notwithstanding the provisions of this Section 7, Old Junior Subordinated Debentures which an Authorized Officer shall approve as having been properly tendered shall be considered to be properly tendered (such approval, if given orally, shall be promptly confirmed in writing).

8. You shall advise the Company with respect to any Old Junior Subordinated Debentures received subsequent to the Expiration Date and accept the Company's written instructions with respect to disposition of such Old Junior Subordinated Debentures.

9. Upon satisfaction or waiver of all of the conditions to the Exchange Offer, the Company will notify you (such notice, if given orally, to be promptly confirmed in writing) of its acceptance, promptly after the Expiration Date, of all Old Junior Subordinated Debentures properly tendered and you, on behalf of the Company, will exchange such Old Junior Subordinated Debentures for New Junior Subordinated Debentures and cause such Old Junior Subordinated Debentures to be cancelled and delivered to the Company. Delivery of New Junior Subordinated Debentures will be made on behalf of the Company by you, and each $1,000 principal amount of Old Junior Subordinated Debentures shall be exchanged for an equal principal amount of New Junior Subordinated Debentures; *provided*, *however*, that New Junior Subordinated Debentures shall only be issued in denominations of $1,000 and integral multiples of $1,000 in excess thereof. Such delivery shall be made promptly after notice (such notice if given orally, to be promptly confirmed in writing) of acceptance of said Old Junior Subordinated Debentures by the Company; *provided*, *however*, that in all cases, Old Junior Subordinated Debentures tendered pursuant to the Exchange Offer will be exchanged only after timely receipt by you of confirmation of book-entry transfer into your account at DTC, a properly completed and duly executed Letter of Transmittal (or manually signed facsimile thereof) with any required signature guarantees (or DTC Transmission) and, if applicable, a Notice of Guaranteed Delivery, and any other required documents.

10. Tenders pursuant to the Exchange Offer are irrevocable, except that, subject to the terms and upon the conditions set forth in the Prospectus and the Letter of Transmittal, Old Junior Subordinated Debentures tendered pursuant to the Exchange Offer may be withdrawn at any time prior to the Expiration Date.

11. The Company shall not be required to exchange any Old Junior Subordinated Debentures tendered if any of the conditions set forth in the Exchange Offer are not met. Notice of any decision by the Company not to exchange any Old Junior Subordinated Debentures tendered shall be given (if given orally, to be promptly confirmed in writing) by the Company to you.

12. If, pursuant to the Exchange Offer, the Company does not accept for exchange all or part of the Old Junior Subordinated Debentures tendered because of an invalid tender, the occurrence of certain other events set forth in the Prospectus under the captions "The Exchange Offer — Terms of the Exchange Offer" or "The Exchange Offer — Conditions to the Exchange Offer" or otherwise, you shall as soon as practicable after the expiration or termination of the Exchange Offer effect appropriate book-entry transfer, together with any related required documents that are in your possession, to the persons who deposited the Old Junior Subordinated Debentures not accepted for exchange.

13. You are not authorized to pay or offer to pay any concessions, commissions or solicitation fees to any broker, dealer, bank or other persons or to engage or utilize any person to solicit tenders.

14. As Exchange Agent hereunder you:

(a) shall not be liable for any action or omission to act unless the same constitutes your own negligence, willful misconduct or bad faith, and in no event shall you be liable to the Company for special, indirect or consequential damages, or lost profits, arising in connection with this Agreement;

(b) shall have no duties or obligations other than those specifically set forth herein or in the Prospectus or as may be subsequently agreed to in writing between you and the Company;

(c) will be regarded as making no representations and having no responsibilities as to the validity, sufficiency, value or genuineness of any of the Old Junior Subordinated Debentures deposited with you pursuant to the Exchange Offer, and will not be required to and will make no representation as to the validity, value or genuineness of the Exchange Offer;

(d) shall not be obligated to take any legal action hereunder which might in your judgment involve any expense or liability, unless you shall have been furnished with indemnity reasonably satisfactory to you;

(e) may conclusively rely on and shall be protected in acting in reliance upon any certificate, instrument, opinion, notice, letter, telegram or other document or security delivered to you and reasonably believed by you to be genuine and to have been signed or presented by the proper person or persons;

(f) may act upon any tender, statement, request, document, agreement, certificate or other instrument whatsoever not only as to its due execution and validity and effectiveness of its provisions, but also as to the truth and accuracy of any information contained therein, which you shall reasonably believe to be genuine or to have been signed or presented by the proper person or persons;

(g) may conclusively rely on, and shall be protected in acting upon, written or oral instructions from any authorized officer of the Company or from Company's counsel;

(h) may consult with counsel of your selection with respect to any questions relating to your duties and responsibilities and the advice or opinion of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted to be taken by you hereunder in good faith and in accordance with the advice or opinion of such counsel; and

(i) shall not make any recommendation as to whether a holder or beneficial owner of Old Junior Subordinated Debentures should or should not tender such holder's or beneficial owner's Old Junior Subordinated Debentures and shall not solicit any holder or beneficial owner for the purpose of causing such holder or beneficial owner to tender such holder's or beneficial owner's Old Junior Subordinated Debentures.

15. You shall take such action as may from time to time be requested by the Company (and such additional action as you may deem appropriate) to furnish copies of the Prospectus, Letter of Transmittal and the Notice of Guaranteed Delivery or such other forms as may be approved from time to time by the Company to all persons requesting such documents, and to accept and comply with telephone, mail or facsimile requests for information relating to the Exchange Offer, provided that such information shall relate only to the procedures for accepting (or withdrawing from) the Exchange

Offer. The Company will furnish you with copies of such documents on your request. All other requests for information relating to the Exchange Offer shall be directed to the Company, Attention: Director of Investor Relations, 212-770-6293.

16. You shall advise by electronic communication to Robert Gender, Vice President and Treasurer (Robert.Gender@aig.com), and such other person or persons as the Company may reasonably request, weekly (and daily during the week immediately preceding the Expiration Date) up to and including the Expiration Date, as to the principal amount of Old Junior Subordinated Debentures which have been duly tendered since the previous report and the aggregate amount tendered since the Effective Date pursuant to the Exchange Offer until the Expiration Date. Such report shall be delivered in substantially the form attached hereto as Exhibit C. In addition, you will also inform, and cooperate in making available to, the Company or any such other person or persons as the Company may request upon oral request (promptly confirmed in writing) made from time to time prior to the Expiration Date of such other information as they may reasonably request. Such cooperation shall include, without limitation, the granting by you to the Company and such person as the Company may request of access to those persons on your staff who are responsible for receiving tenders in order to ensure that immediately prior to the Expiration Date the Company shall have received information in sufficient detail to enable it to decide whether to extend the Exchange Offer. Within two business days after the Expiration Date, (i) you shall prepare a final list of all persons whose tenders were accepted, the aggregate principal amount of Old Junior Subordinated Debentures tendered, the aggregate principal amount of Old Junior Subordinated Debentures accepted, and (ii) you shall deliver said list to the Company.

17. Each Letter of Transmittal and other documents received by you in connection with the Exchange Offer shall be stamped by you to show the date of receipt (and you will maintain such form of record of receipt as is customary for tenders through ATOP) and, if defective, the date and time the last defect was cured or waived. You shall retain all Letters of Transmittal and other related documents or correspondence received by the Exchange Agent until the Expiration Date. You shall return all such material to the Company as soon as practicable after the Expiration Date.

18. For services rendered as Exchange Agent hereunder, you shall be entitled to such compensation as shall be agreed in writing between the Company and you.

19. You hereby acknowledge receipt of the Prospectus, the Letter of Transmittal and the Notice of Guaranteed Delivery. Any discrepancies or questions regarding any Letter of Transmittal, notice of withdrawal or any other documents received by you in connection with the Exchange Offer shall be referred to the Company and you shall have no further duty with respect to such matter; *provided*, that you shall cooperate with the Company in attempting to resolve such discrepancies or questions. Any inconsistency between this Agreement, on the one hand, and the Prospectus and the Letter of Transmittal (as they may be amended from time to time), on the other hand, shall be resolved in favor of the latter two documents, except with respect to your duties, liabilities and indemnification as Exchange Agent.

20. The Company covenants and agrees to indemnify and hold you harmless against any and all losses, damages, claims, liabilities, costs or expenses, including attorneys' fees and expenses, incurred without negligence, willful misconduct or bad faith on your part, arising out of or in connection with your appointment and acting thereunder, including without limitation any act, omission, delay or refusal made by you in reliance upon any signature, endorsement, assignment, certificate, order, request, notice, instruction or other instrument or document reasonably believed by you to be valid, genuine and sufficient, in accepting any tender or effecting any transfer of Old Junior Subordinated Debentures reasonably believed by you to be authorized, and in reasonably delaying or refusing to accept any tenders or effect any transfer of Old Junior Subordinated Debentures. In each case, the Company shall be notified by you, by letter or facsimile transmission, of the written assertion of a claim against you or of any other action commenced against you, promptly after you shall have received any such written assertion or shall have been served with a summons in connection therewith. The Company shall be entitled to participate at its own expense in the defense of any such claim or other action and, if the Company so elects, the Company may assume the defense of any such claim or action and you shall cooperate with the Company in the defense. In the event that the Company assumes the defense of any such claim or action, the Company shall not be liable for the fees and expenses of any additional counsel thereafter retained by you, so long as you have not determined, in your reasonable judgement, that a conflict of interest exists between you and the Company.

21. You shall comply with all requirements under the tax laws of the United States imposed with respect to the activities performed by you pursuant to this Agreement, including filing with the Internal Revenue Service and Holders Form 1099 reports regarding principal and interest payments on Junior Subordinated Debentures, compliance with backup withholding and record retention which you have made in connection with the Exchange Offer, if any. Any questions with

respect to any tax matters relating to the Exchange Offer shall be referred to the Company, and you shall have no duty with respect to such matter; *provided*, that you shall cooperate with the Company in attempting to resolve such questions.

22. You shall notify the Company in a timely manner regarding any transfer taxes that are payable in respect of the exchange of Old Junior Subordinated Debentures of which you become aware.

23. This Agreement and your appointment as Exchange Agent hereunder shall be governed by, and construed in accordance with, the laws of the State of New York and shall inure to the benefit of, and the obligations created hereby shall be binding upon, the successors and assigns of each of the parties hereto.

24. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same agreement.

25. In case any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

26. This Agreement shall not be deemed or construed to be modified, amended, rescinded, cancelled or waived, in whole or in part, except by a written instrument signed by a duly authorized representative of the party to be charged. This Agreement may not be modified orally.

27. Unless otherwise provided herein, all notices, requests and other communications to any party hereunder shall be in writing (including facsimile or similar writing) and shall be given to such party, addressed to it, at its address or telecopy number set forth below:

If to the Company:

American International Group, Inc.
70 Pine Street
New York, New York 10270
Telephone: 212-770-8212
Facsimile: 212-770-7991
Attention: Vice President & Treasurer

If to the Exchange Agent:

The Bank of New York Mellon
101 Barclay Street
Floor 8W
New York, NY 10286
Facsimile: 212-815-5704
Attention: Corporate Trust Administration

or to such other address as either party shall provide by notice to the other party.

28. Unless terminated earlier by the parties hereto, this Agreement shall terminate 90 days following the Expiration Date. Notwithstanding the foregoing, Sections 18 and 20 shall survive the termination of this Agreement. Upon any termination of this Agreement, you shall promptly deliver to the Company any funds or property then held by you as Exchange Agent under this Agreement.

29. You may resign from your duties under this Agreement by giving to the Company thirty (30) days' prior written notice, and the Company may terminate your appointment hereunder on five (5) days' prior written notice. Any successor exchange agent appointed by the Company shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named as Exchange Agent without any further act or deed, but you shall deliver and transfer to the successor exchange agent any property at the time held by you hereunder and shall, upon payment of your charges thereunder, execute and deliver any further assurance, conveyance, act or deed necessary for such purpose as the Company may reasonably request. If an instrument of acceptance by a successor exchange agent shall not have been delivered to the Exchange Agent within 30 days after the giving of such notice of removal or resignation, the Exchange Agent being removed or resigning may petition any court of competent jurisdiction for the appointment of a successor Exchange Agent. The Company will pay all reasonable expenses in connection with such petition.

30. You may not transfer or assign or delegate your rights or responsibilities under this Agreement without the prior written consent of the Company.

31. This Agreement shall be binding and effective as of the date hereof.

32. EACH OF THE COMPANY AND THE EXCHANGE AGENT HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE JUNIOR SUBORDINATED DEBENTURES OR THE TRANSACTION CONTEMPLATED HEREBY.

33. In no event shall the Exchange Agent be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Exchange Agent shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

Please acknowledge receipt of this Agreement and confirm the arrangements herein provided by signing and returning the enclosed copy.

American International Group, Inc.

By: _____
Name:
Title:

Accepted as of the date first above written:

The Bank of New York Mellon

By: _____
Name:
Title:

Exhibit B

NOTICE OF GUARANTEED DELIVERY

Exhibit C

SAMPLE REPORT

DATE:
PREPARED BY:
ADMIN:

EXCHANGE OFFER. REPORT #
AMERICAN INTERNATIONAL GROUP, INC.
8.175% Series A-6 Junior Subordinated Debentures
CUSIP: [ ]
PRINCIPAL AMOUNT: $4,000,000,000

A TOP SUBMISSIONS

PARTICIPANTS	DTC #	QUANTITY PRESENTED
Total DTC Participants Presented	=	
DTC PARTICIPANTS		$
GUARANTEE DELIVERY		$
WITHDRAWALS		
Total A/O [date]	=	$