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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 14, 2017

AMERICAN INTERNATIONAL GROUP, INC.
(Exact name of registrant as specified in its charter)

Delaware	**1-8787**	**13-2592361**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

175 Water Street
New York, New York 10038
(Address of principal executive offices)

Registrant's telephone number, including area code: (212) 770-7000
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Section 5 — Corporate Governance and Management

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On May 15, 2017, American International Group, Inc. (“AIG”) announced that its Board of Directors (“Board”) appointed Brian Duperreault as President, Chief Executive Officer and a member of the Board, and Peter D. Hancock resigned from his roles as President, Chief Executive Officer and a member of the Board in accordance with AIG’s previously disclosed succession plan, effective May 14, 2017 (the “Transition Date”). Mr. Duperreault was previously Chairman of the Board of Directors and Chief Executive Officer of Hamilton Insurance Group, Ltd. (“Hamilton”).

To enable Mr. Duperreault’s prompt appointment free of conflicts of interest and to continue to accelerate its application of cutting-edge technology to insurance underwriting, AIG simultaneously entered into various arrangements with Hamilton, Two Sigma Insurance Quantified, LP (“Two Sigma”) and Attune Holdings, LLC (“Attune”). These arrangements, which are described in more detail below, provide for the release of Mr. Duperreault from his existing restrictive covenants and the divestiture of his interests in Hamilton, AIG’s purchase of Hamilton’s U.S. operations, the exploration of a technology relationship with Two Sigma and the expansion of the existing Attune joint venture between affiliates of Hamilton, Two Sigma and AIG.

Biographical Background

Mr. Duperreault, age 70, was appointed as AIG’s President, Chief Executive Officer and a member of the Board effective May 14, 2017. Mr. Duperreault was previously the Chief Executive Officer of Hamilton, a Bermuda-based holding company of property and casualty insurance and reinsurance operations in Bermuda, the U.S. and the UK, from December 2013 to May 2017, and served as Chairman of Hamilton from February 2016 to May 2017. He served as President and Chief Executive Officer of Marsh & McLennan Companies, Inc. from February 2008 until his retirement in December 2012. Before joining Marsh, he served as non-executive Chairman of ACE Limited from 2006 through the end of 2007 and as Chief Executive Officer from October 1994 to May 2004. Prior to joining ACE, Mr. Duperreault served in various senior executive positions with AIG and its affiliates from 1973 to 1994. Mr. Duperreault is a director of Johnson Controls International plc, where he is a member of the Corporate Governance Committee, and was a director of Tyco International plc from 2004 to 2016, when it merged with Johnson Controls International plc. In light of Mr. Duperreault’s deep experience in the insurance industry, his history with AIG and his management of large, complex, international institutions, AIG’s Board has concluded that Mr. Duperreault should be elected to the Board.

Letter Agreement with Mr. Duperreault

On May 14, 2017, AIG entered into an agreement with Mr. Duperreault (the “Letter Agreement”) establishing his compensation as President and Chief Executive Officer. Under the Letter Agreement, Mr. Duperreault’s initial compensation will consist of an annual base salary of $1.6 million, a short-term annual incentive target of $3.2 million (which will be prorated for 2017 and is not subject to any guarantee) and an annual long-term incentive award of $11.2 million. For 2017, consistent with AIG’s compensation program for other executive officers, Mr. Duperreault’s long-term incentive award is 70% in the form of performance share units earned based on achievement of performance criteria for the three-year performance period covering January 2017 through December 2019, and 30% in the form of restricted stock units earned based on continued employment through such three-year period.

In addition, Mr. Duperreault will receive a one-time, make-whole cash award of $12 million as compensation for unvested Hamilton equity awards to be forfeited by him in connection with his appointment as President and Chief Executive Officer of AIG, and a one-time, sign-on award of stock options (the “Stock Options”) to purchase 1,500,000 shares of AIG common stock (the “Shares”) for an exercise price equal to the fair market value per Share on the Transition Date and having a seven-year term, as follows:

- Stock Options for 500,000 Shares will vest in equal, annual installments on each of the first three anniversaries of the Transition Date;
- Stock Options for 300,000 Shares will vest only if, for twenty consecutive trading days, the closing price per Share is at least $10.00 over the closing price on May 12, 2017 (the “Reference Price”), but in no event will these Stock Options vest faster than in equal, annual installments on each of the first three anniversaries of the Transition Date;
- Stock Options for 300,000 Shares (of which Stock Options in respect of 100,000 Shares constitute the “$20 Inducement Options”) will vest only if, for twenty consecutive trading days, the closing price per Share is at least $20.00 over the Reference Price; and

- Stock Options for 400,000 shares (the “$30 Inducement Options”) will vest only if, for twenty consecutive trading days, the closing price per Share is at least $30.00 over the Reference Price.

The Stock Options are exercisable only after vesting, are subject to the terms of the American International Group, Inc. 2013 Omnibus Incentive Plan (the “Plan”) and, other than the $20 Inducement Options and $30 Inducement Options, are issued under the Plan. The $20 Inducement Options and the $30 Inducement Options are granted outside of the Plan as “employment inducement grants” under New York Stock Exchange Listing Rule 303A.08 and were approved by the Compensation and Management Resources Committee of the Board.

Any bonus, equity or equity-based award or other incentive compensation granted to Mr. Duperreault will be subject to the AIG Clawback Policy (and any other AIG clawback policies as may be in effect from time to time). Mr. Duperreault will be entitled to severance in accordance with AIG’s Executive Severance Plan.

The foregoing summary is qualified in its entirety by reference to the Letter Agreement and the related form of Stock Option award agreement, which are attached as Exhibits 10.1 and 10.2 to this Current Report on Form 8-K, respectively, and which are incorporated by reference.

Transactions with Hamilton Insurance Group, Two Sigma Insurance Quantified and Attune Holdings

On May 14, 2017, AIG entered into a waiver agreement with Hamilton (the “Hamilton Waiver Agreement”) pursuant to which AIG will pay Hamilton $20 million in exchange for Hamilton’s release of Mr. Duperreault from restrictive covenants that would prevent or restrict Mr. Duperreault from being employed by AIG or serving on the Board. Pursuant to the Hamilton Waiver Agreement, AIG will make an additional payment of $20 million contingent upon the completion of Mr. Duperreault’s second year as Chief Executive Officer of AIG, which would continue to be payable in the event Mr. Duperreault is no longer employed as AIG’s Chief Executive Officer at such time due to his death or disability. In addition, Hamilton has advised AIG that, in connection with Mr. Duperreault’s appointment as AIG’s President and Chief Executive Officer effective May 14, 2017, Hamilton has cancelled or agreed to repurchase all of Mr. Duperreault’s equity and equity-related interests in Hamilton and its affiliates. As noted above, Mr. Duperreault was a founding member of Hamilton, served as Chief Executive Officer of Hamilton from 2013 to 2017 and as Chairman from 2016 to 2017 and, as of May 12, 2017 held shares and warrants representing approximately 1.6% of Hamilton’s outstanding common stock. In addition, Attune and certain affiliates of Hamilton and Two Sigma entered into a waiver and agreement (the “Attune Waiver Agreement”) waiving their respective rights to enforce certain employee non-solicitation restrictions relating to Attune, a joint venture in which affiliates of AIG, Hamilton and Two Sigma are equal parties. Attune was formed in September 2016 by affiliates of AIG, Hamilton and Two Sigma as a technology-enabled platform to serve the U.S. small to medium sized enterprise commercial insurance market. Affiliates of AIG made a $10 million capital contribution to Attune. In addition to having had an indirect ownership interest in Attune by virtue of his interests in Hamilton, Mr. Duperreault has served as Chairman of Attune since its formation in September 2016.

Also on May 14, 2017, AIG entered into a memorandum of understanding (the “MOU”) with Hamilton and Two Sigma. The MOU provides that, subject to the negotiation of mutually agreeable terms and conditions, AIG and Hamilton will enter into a stock purchase agreement pursuant to which AIG will acquire all of the outstanding shares of Hamilton U.S. Holdings, Inc. (“HUSA”), a wholly owned subsidiary of Hamilton, for a purchase price equal to HUSA’s book value at closing plus $30 million. HUSA’s book value plus the $30 million premium is currently estimated by Hamilton to total approximately $110 million. Pursuant to the terms of the MOU, AIG will deliver a deposit to Hamilton of $30 million within three business days after the Transition Date, which is non-refundable and will be applied towards the ultimate purchase price for the acquisition. Hamilton will retain its one-third ownership of Attune in the transaction. In addition, AIG will offer Hamilton the opportunity to participate in at least $150 million of reinsurance premium per year for six years (the “Reinsurance Strategic Partnership”), which minimum amount will increase by seven percent per year following the first year. If Hamilton elects to participate in AIG’s reinsurance panel, all pricing and other terms and conditions offered to Hamilton will be on arms’-length, market terms, and Hamilton’s involvement in AIG’s reinsurance panel will be subject to the requirements of AIG’s risk management framework.

The MOU also calls for AIG and Two Sigma to negotiate in good faith the terms of a development contract pursuant to which Two Sigma and AIG will develop a next generation insurance platform for AIG’s use. Pursuant to the terms of the MOU, AIG will deliver a non-refundable, good faith initial installment to Two Sigma of $37.5 million within three business days after the Transition Date, which amount will be used towards the development of the platform while the relationship is being finalized and will be applied towards the eventual compensation to be paid to Two Sigma under any definitive development contract ultimately agreed to. The ultimate cost for the development of the platform is currently estimated to be approximately $250 million over a five-year period.

On May 14, 2017, affiliates of AIG, Hamilton and Two Sigma agreed to expand the scope of Attune’s target market for small-to-medium enterprise businesses to include companies with annual revenues of up to $35 million.

AIG’s Nominating and Corporate Governance Committee approved the Hamilton Waiver Agreement, the Attune Waiver Agreement, the MOU, the Reinsurance Strategic Partnership and the expansion of the scope of Attune’s target market in accordance with AIG’s Related-Party Transactions Approval Policy.

Section 7 — Regulation FD

Item 7.01 Regulation FD Disclosure.

On May 15, 2017, AIG issued a press release announcing Mr. Duperreault’s appointment as President, Chief Executive Officer and a director of AIG. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information in Item 7.01 of this Current Report on Form 8-K, including Exhibit 99.1 hereto, shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section. Furthermore, Item 7.01 of this Current Report on Form 8-K, including Exhibit 99.1 hereto, shall not be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934.

Section 9 — Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

10.1	Letter Agreement, dated May 14, 2017, between American International Group, Inc. and Brian Duperreault.
10.2	Form of Stock Option Award Agreement, between American International Group, Inc. and Brian Duperreault.
99.1	Press Release of American International Group, Inc., dated May 15, 2017 (furnished and not filed for purposes of Item 7.01).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AMERICAN INTERNATIONAL GROUP, INC.

(Registrant)

Date: May 15, 2017

By: /s/ Rose Marie E. Glazer
Name: Rose Marie E. Glazer
Title: Vice President, Deputy General Counsel and Corporate Secretary

EXHIBIT INDEX

Exhibit No.	Description
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10.2	Form of Stock Option Award Agreement, between American International Group, Inc. and Brian Duperreault.
99.1	Press Release of American International Group, Inc., dated May 15, 2017 (furnished and not filed for purposes of Item 7.01).

Exhibit 10.1

May 14, 2017

Brian Duperreault
Address on file with the Company

Re: Offer Letter

Dear Brian:

We are pleased to confirm the terms of your joining American International Group, Inc. ("AIG" or the "Company").

- *Effective Date*. May 14, 2017.
- *Position*. On the Effective Date, you will begin to serve as Chief Executive Officer and as a member of the Company's Board of Directors (the "Board"). In that capacity, you will report directly (and only) to the Board and have all of the customary authorities, duties and responsibilities that accompany these positions.
- *Total Direct Compensation.* Your initial annual target direct compensation will be $16,000,000 as follows:
    - <u>Base Salary</u>. Your base cash salary will be at a rate of $1,600,000 per year.
    - <u>Short-term Incentive</u>. Your annual incentive target award amount will be $3,200,000.

      Annual incentives are currently determined and paid in accordance with the AIG Short-Term Incentive Plan. For 2017, as a member of the Executive Leadership Team, your award will be based on a combination of an enterprise-wide Company score and an assessment of individual performance, resulting in a potential range from 0 to 200 percent of target, and will be pro-rated for your service during 2017.
    - <u>Long-term Incentive</u>. Your annual long-term incentive target award amount will be $11,200,000.

      Long-term incentives are currently granted in accordance with the AIG Long Term Incentive Plan ("LTIP"). For 2017, as a member of the Executive Leadership Team, on the Effective Date you will be granted an award consisting of (i) 70% as Performance Share Units (PSUs) to be earned based on achievement of performance criteria for the three-year performance period covering January 2017 through December 2019 consistent with other senior management grantees and (ii) the other 30% as Restricted Stock Units (RSUs) to be earned based on continued employment through such three-year period, and which LTIP award will not be pro-rated. Your awards will be subject to the terms and conditions of the relevant LTIP and the award agreement governing the grant (including, without limitation, the six-month notice requirement) applicable to other senior management grantees; *provided* that all annual equity awards granted to you will provide for retirement eligibility as set forth in the LTIP but beginning on the third anniversary of the Effective Date and otherwise as set forth in the LTIP on the date hereof.

- *Sign-On Arrangements*. On the Effective Date, AIG will grant you stock options ("Stock Options") on 1,500,000 shares of Company common stock with an exercise price equal to the fair market value of a share of Company common stock on the Effective Date and a seven-year term. The Stock Options will be granted under the AIG 2013 Omnibus Incentive Plan or issued as an inducement grant under the listing rules of the New York Stock Exchange (with a registration statement filed on Form S-8). The Stock Options will vest as follows:

  - *Sign-on Grant*. 500,000 stock options will vest in equal annual installments on the first three anniversaries of the Effective Date, respectively, subject to your continued employment through such dates ("3-Year Pro-rata Vesting"), except as provided below, (the "Time Options").

  - *Outperformance Award*. As to the other 1,000,000 stock options (the "Performance Options"):

  - Thirty percent of the Performance Options will vest upon the Company attaining a closing common stock price, for at least twenty consecutive trading days, of at least $10.00 over the closing stock price on the day before the public announcement of your hiring (the "Reference Price") and satisfaction of the 3-Year Pro-rata Vesting;

  - Another thirty percent of the Performance Options will vest upon the Company attaining a closing common stock price, for at least twenty consecutive trading days, of at least $20.00 over the Reference Price; and

  - Another forty percent of the Performance Options will vest upon the Company attaining a closing common stock price, for at least twenty consecutive trading days, of at least $30.00 over the Reference Price.

- *Treatment of Stock Options*. Upon your termination of employment by the Company without Cause, by you for Good Reason, or due to your death or Disability (each as defined below), any unvested portion of the Time Options will immediately 100% vest and remain exercisable for three years, and any unvested portion of the Performance Options will immediately 100% time-vest as to the portion subject to 3-Year Pro-rata Vesting and as to the unvested portion of all of the Performance Options continue to be eligible to vest and become exercisable for such three-year period, *provided* that such three-year period will not extend beyond the seven-year term. Upon a termination of your employment by you not for Good Reason (and not due to Disability), the vested portion of the Stock Options will remain exercisable for ninety days (and the unvested portion forfeited and canceled), *provided* that such ninety-day period will not extend beyond the seven-year term. Upon a termination of your employment by the Company for Cause, all Stock Options (whether vested or unvested) will be forfeited and cancelled. The Stock Options will be subject to compliance with the same restrictive covenants as set forth in the LTIP (and, with respect to post-termination exercise as a result of a termination without Cause or for Good Reason, as set forth in AIG's Executive Severance Plan (the "ESP")).

For purposes of the Stock Options, "Cause" and "Disability" have the meanings set forth in the ESP, except that the procedure for determining Cause thereunder shall not apply. For purposes of the Stock Options, all of your annual LTIP awards, and a "Covered Termination" under the ESP, "Good Reason" means the occurrence (without your prior written consent) of any of: (1) a reduction of more than 10% in any of your annual base salary, target short-term incentive opportunity or annual long-term incentive opportunity; or (2) a material adverse change in title, duties or responsibilities (including reporting responsibilities), it being understood that the preceding would occur on any Change in Control (as defined in the ESP) in which you are not the most senior officer, reporting to the board of directors, of the most senior parent company of the survivor of such Change in Control; *provided*, that a termination for Good Reason shall not have occurred unless (a) you give written notice to the Company of termination of employment within thirty days after you first become aware of the occurrence of the circumstances constituting Good Reason, specifying in detail the circumstances constituting Good Reason, and the Company has failed within thirty days after receipt of such notice to cure the circumstances constituting Good Reason, and (b) your "separation from service" (within the meaning of Section 409A) occurs no later than two years following the initial existence of the circumstances giving rise to Good Reason.

- *Make-Whole Payment*. In consideration of compensation foregone from your current employer, you will receive a one-time cash payment of $12,000,000 on or promptly following the Effective Date.

- *Benefits.* You will be entitled to benefits consistent with senior executives of AIG and reimbursement of reasonable business expenses, in each case in accordance with applicable AIG policies as in effect from time to time. To facilitate the performance of their management responsibilities, AIG provides some employees, including the Chief Executive Officer, with aircraft usage (including aircraft usage for the Chief Executive Officer's spouse when such spouse accompanies the Chief Executive Officer on travel for business purposes), use of company pool cars and drivers, annual health exams, legal services, financial, estate and tax planning and other benefits. The Company will also provide you with a second office and clerical assistant in Bermuda.

In connection with your joining AIG, the Company will pay your expenses of advisors in connection with negotiating and documenting these arrangements.

- *Termination Protection*. Beginning on the Effective Date, you will participate in the ESP (subject to the definition of "Good Reason" above); *provided* that any determination under the ESP will be subject to customary contractual dispute resolution in a court of competent jurisdiction. Any termination or adverse amendment of the ESP to which you do not consent in writing will be disregarded as applied to you.

  All unvested annual incentives granted under the LTIP will remain outstanding and continue to time-vest and any such performance-based awards subject to achieving the respective performance requirements in the event of a termination of your employment by the Company without Cause, by you for Good Reason, or due to your Disability.

  All unvested annual incentives granted under the LTIP will 100% vest and any such performance-based awards will be deemed achieved at target performance in the event of a termination of your employment due to your death.

- *Clawback Policy*. As an executive officer, any bonus, equity or equity-based award or other incentive compensation granted to you will be subject to the AIG Clawback Policy (and any other AIG clawback policies as may be in effect for senior management from time to time).

- *Indemnification and Cooperation*. During and after your employment, AIG will indemnify you in your capacity as an officer and a member of the Board of AIG to the fullest extent permitted by applicable law and AIG's charter and by-laws, and will provide you with director and officer liability insurance coverage (including post-termination/post-director service tail coverage) on the same basis as AIG's other executive officers or directors. AIG agrees to cause any successor to all or substantially all of the business or assets (or both) of AIG to assume expressly in writing and to agree to perform all of the obligations of AIG in this paragraph.

  You agree (whether during or after your employment with AIG) to reasonably cooperate with AIG in connection with any litigation or regulatory matter or with any government authority on any matter, in each case, pertaining to AIG and with respect to which you may have relevant knowledge, *provided* that, in connection with such cooperation, AIG will reimburse your reasonable expenses and you shall not be required to act against your own legal interests.

- *Tax Matters.* Tax will be withheld by AIG as appropriate under applicable tax requirements for any payments or deliveries under this letter. To the extent any taxable expense reimbursement or in-kind benefits under this letter is subject to Section 409A of the U.S. Internal Revenue Code of 1986 ("Section 409A"), the amount thereof eligible in one taxable year shall not affect the amount eligible for any other taxable year, in no event shall any expenses be reimbursed after the last day of the taxable year following the taxable year in which you incurred such expenses and in no event shall any right to reimbursement or receipt of in-kind benefits be subject to liquidation or exchange for another benefit. Each payment under this letter will be treated as a separate payment for purposes of Section 409A.

- *No Guarantee of Employment.* This offer letter is not a guarantee of employment or target direct compensation for a fixed term.

- *Invention Assignment*. You hereby assign all right, title and interest in any intellectual property, including but not limited to discoveries, ideas, inventions, works, reports, rules, processes, lists, data and other materials along with all improvements thereto (whether or not patentable or registerable under copyright or similar statutes) whether conceived, produced or developed by you, either alone or in conjunction with others, that are pursuant to, or in furtherance of your employment with the Company (collectively "Intellectual Property"). Moreover, if requested, you agree to execute any documents required to perfect the Company's interest in the above-referenced intellectual property, and to otherwise fully cooperate with such process during and after your employment with the Company.

  This assignment shall include all such Intellectual Property that (1) relates in any way to the Company's business, or to actual or anticipated research and development activities of the Company or (2) results in any way from the performance by you of duties and responsibilities as an employee of the Company. You further agree that all original works of authorship which were made by you (either alone or with others) within the scope of and during the period of your employment with the Company and which are protectable by copyright laws, are "works made for hire" as that term is defined in the United States Copyright Act. Notwithstanding the foregoing, this provision does not apply to inventions that qualify under state law as inventions that cannot be required to be assigned.

- *Entire Agreement.* This offer letter constitutes AIG's only statement relating to its offer of employment to you and supersedes any previous communications or representations, oral or written, from or on behalf of AIG or any of its affiliates. In the event of any inconsistency between this letter and any other plan, program, practice or agreement in which you are a participant or a party, the terms described in this offer letter will control unless such other plan, program, practice or agreement specifically identifies the terms in this offer letter, and the specific provision hereof, as not so controlling.

- *Miscellaneous Representations*. You confirm and represent to AIG, by signing this letter, that: (1) you are under no obligation or arrangement (including any restrictive covenants with any prior employer or any other entity) that would prevent you from becoming an employee of AIG or that would adversely impact your ability to perform the expected services on behalf of AIG other than as previously disclosed in writing to AIG; (2) you have not taken (or failed to return) any confidential information belonging to your prior employer or any other entity, and, to the extent you remain in possession of any such information, you will never use or disclose such information to AIG or any of its employees, agents or affiliates; and (3) you understand and accept all of the terms and conditions of this offer.

We look forward to your leadership.

Sincerely,

AMERICAN INTERNATIONAL GROUP, INC.

By: /s/ W. Don Cornwell
W. Don Cornwell

Chair, Compensation and Management Resources Committee

I agree with and accept the foregoing terms.

/s/ Brian Duperreault
Brian Duperreault

Exhibit 10.2

AMERICAN INTERNATIONAL GROUP, INC.
STOCK OPTION AWARD AGREEMENT

1. Award of Stock Options. American International Group, Inc. (“***AIG***”) has awarded you stock options (the “***Awards***”) to purchase 1,500,000 shares of Common Stock (“***Shares***”) with an exercise price equal to $●.[1] This award agreement (“***Award Agreement***”), dated ●, 2017[2] (the “***Date of Grant***”), sets forth the terms and conditions of the Awards. Capitalized terms not defined in the Award Agreement have the meanings ascribed to them in the American International Group, Inc. 2013 Omnibus Incentive Plan (the “***Plan***”).

2. Vesting; Expiration. The Awards comprise five sets of stock options (the “***Stock Options***”) as follows: the Time-Vesting Options, the $10 Performance Options, the $20 Performance Options, the $20 Inducement Options and the $30 Inducement Options. For purposes of this Award Agreement, the $10 Performance Options, the $20 Performance Options, the $20 Inducement Options and the $30 Inducement Options are collectively referred to as the “***Performance Options***.” Notwithstanding anything to the contrary in the Plan or herein, the Stock Options will expire and no longer be exercisable as of ●, 2024[3] (the “***Expiration Date***”), subject to earlier termination as provided in this Award Agreement, or otherwise in accordance with the Plan.

3. Awards.

3.1 First Award. Stock Options to purchase 500,000 Shares (the “**Time-Vesting Options**”) will vest in equal, annual installments on each of the first three anniversaries of the Date of Grant, such that 166,666 Time Options will vest on ●, 2018, 166,667 Time Options will vest on ●, 2019 and 166,667 Time Options will vest on ●, 2020.

3.2 Second Award. Stock Options to purchase 300,000 Shares (the “***$10 Performance Options***”) will vest in equal, annual installments on each of the first three anniversaries of the Date of Grant, or, if later, on the close of the twentieth consecutive trading day on the New York Stock Exchange on which the closing price of Common Stock is at least $10.00 over $●[4] (the “***Reference Price***”).

3.3 Third Award. Stock Options to purchase 200,000 Shares (the “***$20 Performance Options***”) will vest on the close of the twentieth consecutive trading day on the New York Stock Exchange on which the closing price of Common Stock is at least $20.00 over the Reference Price.

3.4 Fourth Award. Stock Options to purchase 100,000 Shares (the “***$20 Inducement Options***”) will vest on the close of the twentieth consecutive trading day on the New York Stock Exchange on which the closing price of Common Stock is at least $20.00 over the Reference Price.

3.5 Fifth Award. Stock Options to purchase 400,000 Shares (the “***$30 Inducement Options***”) will vest on the close of the twentieth consecutive trading day on the New York Stock Exchange on which the closing price of Common Stock is at least $30.00 over the Reference Price.

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1 Fair market value on the Date of Grant.
2 Effective date of hire.
3 Seventh anniversary of the Date of Grant.
4 Closing stock price on day before public announcement of hire.

4. Vesting in the Event of Termination.

4.1 Termination Generally. Except as otherwise provided in this Section 4, if your Employment terminates for any reason, vested Stock Options will remain exercisable for 90 days following your date of termination (but in no case later than the Expiration Date) and any unvested Stock Options will immediately terminate and be forfeited.

4.2 Termination for Cause. In the case of your termination of Employment by the Company for Cause, all Stock Options (whether vested or unvested) will immediately terminate and be forfeited. For purposes of this Award Agreement, "***Cause***" has the meaning set forth in the American International Group, Inc. 2012 Executive Severance Plan (the "***ESP***"), except that the procedure for determining Cause thereunder shall not apply.

4.3 Involuntary Termination, Retirement or Disability. Subject to Section 4.4, in the case of your termination of Employment by the Company without Cause or by you for Good Reason, your death, Retirement or Disability, (i) any vested Stock Options will remain exercisable for three years following your date of termination (or date of death or Disability, if applicable), (ii) any unvested Time-Vesting Options will immediately vest and remain exercisable for three years following your date of termination (or date of death or Disability, as applicable), (iii) if unvested, the $10 Performance Options will be deemed to have attained the three-anniversary time-vesting requirement, and (iv) any unvested Performance Options will continue to be eligible to vest (relative to the Reference Price, in the case of the $10 Performance Options) and become exercisable for three years following your date of termination (or date of death or Disability, as applicable), *provided* that no Stock Options will remain exercisable beyond the Expiration Date. For purposes of this Award Agreement, (a) "***Retirement***" means a voluntary termination of Employment initiated by you (while you are in good standing with the Company) on or after ●, 2020[5] (b) "***Good Reason***" has the meaning set forth in the Letter Agreement, dated May 14, 2017, between you and the Company and (c) "***Disability***" has the meaning set forth in the ESP.

4.4 Release of Claims. In the case of your termination of Employment by the Company without Cause or by you for Good Reason or your Retirement, as a condition to the treatment of outstanding Stock Options set forth in Section 4.3, you will be required to execute the ESP form of release (the "***Release***") modified to cover the treatment of outstanding Stock Options pursuant to Section 4.3, which Release will include, without limitation, a non-competition requirement for six months following your date of termination. The Release must be executed by you and become irrevocable within 90 days of your Retirement, and you may not exercise any Stock Options prior to the effective date of the Release.

5. Status of Awards. The Time-Vesting Options, the $10 Performance Options and the $20 Performance Options are granted pursuant to and under the Plan. The $20 Inducement Options and the $30 Inducement Options are granted outside of the terms of the Plan, and the share reserve thereunder, as "employment inducement grants" within the meaning of NYSE Manual 303A.08 (the "***Inducement Grants***"). Subject to the terms of this Award Agreement, the Awards will be subject to the terms and conditions of the Plan and the Inducement Grants will be governed as if they had been granted under the Plan.

5 Third anniversary of Date of Grant.

6. Exercisability of Vested Options. Vested Options may be exercised in accordance with procedures set forth in Section 2.3.5 of the Plan, including procedures established by AIG. Stock Options that are not vested may not be exercised.

7. Non-Disclosure. During the term of your Employment, the Company has permitted and will continue to permit you to have access to and become acquainted with information of a confidential, proprietary and/or trade secret nature. During your Employment and any time thereafter, you agree that (i) all confidential, proprietary and/or trade secret information received, obtained or possessed at any time by you concerning or relating to the business, financial, operational, marketing, economic, accounting, tax or other affairs at the Company or any client, customer, agent or supplier or prospective client, customer, agent or supplier of the Company will be treated by you in the strictest confidence and will not be disclosed or used by you in any manner other than in connection with the discharge of your job responsibilities without the prior written consent of the Company or unless required by law, and (ii) you will not remove or destroy any confidential, proprietary and/or trade secret information and will return any such information in your possessions, custody or control at the end of your Employment (or earlier if so requested by the Company). Nothing herein shall prevent you from making or publishing any truthful statement (a) when required by law, subpoena or court order, (b) in the course of any legal, arbitral or regulatory proceeding, (c) to any governmental authority, regulatory agency or self-regulatory organization, or (d) in connection with any investigation by the Company.

8. Non-Solicitation. Your Employment with the Company requires exposure to and use of confidential, proprietary and/or trade secret information (as set forth in Paragraph 7). You agree that (i) during your Employment with the Company and any time thereafter, you will not, directly or indirectly, on your own behalf or on behalf of any other person or entity, solicit, contact, call upon, communicate with or attempt to communicate with any customer or client or prospective customer or client of the Company where to do so would require the use or disclosure of confidential, proprietary and/or trade secret information, and (ii) during your Employment with the Company and for a period of one (1) year after Employment terminates for any reason, you will not, directly or indirectly, regardless of who initiates the communication, solicit, participate in the solicitation or recruitment of, or in any manner encourage or provide assistance to any employee, consultant, registered representative, or agent of the Company to terminate his or her Employment or other relationship with the Company or to leave its employ or other relationship with the Company for any engagement in any capacity or any other person or entity.

9. Non-Disparagement. You agree that during and after your Employment with the Company, you will not make disparaging comments about AIG or any of its subsidiaries or affiliates or any of their officers, directors or employees to any person or entity not affiliated with the Company. Nothing herein shall prevent you from making or publishing any truthful statement (a) when required by law, subpoena or court order, (b) in the course of any legal, arbitral or regulatory proceeding, (c) to any governmental authority, regulatory agency or self-regulatory organization, or (d) in connection with any investigation by AIG.

10. Notice of Termination of Employment. Except where local law prohibits enforcement, you agree that if you voluntarily resign you will give at least six months' written notice to the Company of your voluntary Termination, which may be working notice or non-working notice at the Company's sole discretion and which notice period is waivable by the Company at the Company's sole discretion.

11. Clawback/Repayment. Notwithstanding anything to the contrary contained herein, in consideration of the grant of this award, you agree that this award and any payments hereunder will be subject to forfeiture and/or repayment to the extent provided for in the AIG Clawback Policy, as in effect from time to time, if it is determined in accordance with the policy that a Covered Event (as defined in such policy) has occurred.

12. Entire Agreement. The Plan is incorporated herein by reference. This Award Agreement and the Plan constitute the entire agreement and understanding of the parties hereto with respect to the subject matter hereof and supersede all prior understandings and agreements with respect to such subject matter.

13. Notices. Any notice or communication required to be given or delivered to AIG under the terms of this Award Agreement will be in writing (which may include an electronic writing) and addressed to the Corporate Secretary of AIG at its principal corporate offices as specified in Section 9E of the Plan or, with respect to the acceptance of an Award, as specified in Schedule A or the Compensation Plan Grant Acceptance website. Any notice required to be given or delivered to you will be in writing (including an electronic writing) and addressed to you at your AIG email address or your home address on file in AIG's payroll or personnel records. All notices will be deemed to have been given or delivered upon: personal delivery; electronic delivery or three (3) business days after deposit in the United States mail by certified or registered mail (return receipt requested) or one (1) business day after deposit with any return receipt express courier (prepaid).

14. Governing Law. This Award Agreement will be governed by and construed in accordance with the laws of the State of New York, without regard to principles of conflict of laws.

15. Signatures. Execution of this Award Agreement by the Company and/or you may be in the form of an electronic, manual or similar signature, and such signature shall be treated as an original signature for all purposes.

IN WITNESS WHEREOF, AMERICAN INTERNATIONAL GROUP, INC. has caused this Award Agreement to be duly executed and delivered as of the date hereof.

AMERICAN INTERNATIONAL GROUP, INC.

By: ______________________________
W. Don Cornwell
Chair, Compensation and Management Resources Committee

By your signature, you (i) acknowledge that a complete copy of this Award Agreement and the Plan have been made available to you and (ii) agree to all of the terms and conditions set forth in this Award Agreement and the Plan.

____
Brian Duperreault

Exhibit 99.1

FOR IMMEDIATE RELEASE

Press Release
AIG
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AIG APPOINTS BRIAN DUPERREAULT PRESIDENT AND CHIEF EXECUTIVE OFFICER

NEW YORK, May 15, 2017 – American International Group, Inc. (NYSE: AIG) announced today the appointment of Brian Duperreault as President, Chief Executive Officer and Director effective May 14, 2017. Mr. Duperreault has resigned as Chairman and Chief Executive Officer of Hamilton Insurance Group (Hamilton). Peter D. Hancock resigned as President, Chief Executive Officer and Director concurrent with Mr. Duperreault's appointment.

Douglas M. Steenland, AIG's Chairman of the Board, said: "Brian is uniquely qualified to lead AIG at this important time. Brian has spent his entire career in insurance. He worked for AIG for 21 years at the start of his career, so he knows this company well. He was the CEO of ACE, one of our main competitors. He ran Marsh & McLennan Companies, one of AIG's largest broker partners. At Hamilton, he introduced cutting edge data science and analytics into the insurance business. He is a hands-on leader who has consistently delivered strong bottom-line results. He has demonstrated a passion for deploying new and innovative ways to serve clients. All of this will enable Brian to help AIG achieve its full potential to be the leading insurance company."

Mr. Steenland continued: "The Board and I want to thank Peter Hancock for his leadership in positioning AIG for the future. During his tenure, Peter set the course for the company to deliver higher quality, more sustainable earnings and dramatically reduced reserve risk. We are grateful for his leadership over the past seven years."

Mr. Duperreault said: "It is a privilege to return and lead AIG. I look forward to building on AIG's nearly 100-year heritage as one of the world's leading insurers for its next century."

He continued: "In my discussions with the Board and management team, I have been impressed with the progress made. I look forward to working with AIG's global team to build on this momentum to grow the business, and continue delivering innovative solutions and extraordinary service to clients. I also welcome the opportunity to continue AIG's work with Hamilton and Two Sigma to become the most technology-enabled and capital-efficient carrier in the industry."

Mr. Duperreault's compensation arrangements are described in AIG's Current Report on Form 8-K filed with the Securities and Exchange Commission on the date of this Press Release. Pursuant to New York Stock Exchange Rules, AIG notes that these arrangements include a grant, made upon Mr. Duperreault's commencement of service with AIG, of stock options to purchase 500,000 shares of AIG common stock, which vest subject to AIG's stock price exceeding certain price targets and which will be made outside of AIG's equity incentive plans as an "employment inducement grant" under NYSE Listing Rule 303A.08.

Mr. Duperreault previously served as Chairman and Chief Executive Officer of Hamilton Insurance Group, a Bermuda-based holding company, with property and casualty insurance and reinsurance operations in Bermuda, the U.S. and the UK. Prior to this, Mr. Duperreault was President and Chief Executive Officer of Marsh & McLennan Companies, a global professional services firm offering clients advice and solutions in risk, strategy and people, from 2008 to 2012. Before joining Marsh, he served for two years as non-executive Chairman of ACE Limited, an insurance and reinsurance company, and CEO of ACE Limited from October 1994 through May 2004. Prior to joining ACE, Mr. Duperreault served in various senior executive positions with AIG and its affiliates from 1973 to 1994.

Mr. Duperreault is Chairman of Attune, a data-enabled company established by Hamilton Insurance Group, AIG and Two Sigma, and Chairman of the Board of Directors of Blue Marble Microinsurance. He is the former Chairman of the Board of Overseers of the School of Risk Management of St. John's University, New York. Mr. Duperreault is a member of the Boards of the International Insurance Society, the Insurance Information Institute and the Bermuda Institute of Ocean Studies (BIOS), and is a former Member of the Association of The Metropolitan Opera, New York. He serves on Johnson Controls' Board of Directors.

Mr. Duperreault will make introductory remarks at AIG's Consumer Investor Day on Monday, May 15, 2017, at 9:30 a.m. ET. The webcast is open to the public and can be accessed via a live listen-only webcast in the Investor Relations section of www.aig.com. A replay will be available after the investor meeting at the same location.

# # #

Certain statements in this press release constitute forward-looking statements. These 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. It is possible that actual results will differ, possibly materially, from the anticipated results contemplated by these statements. Factors that could cause actual results to differ, possibly materially, from those in the forward-looking statements are discussed throughout AIG's periodic filings with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934.

American International Group, Inc. (AIG) is a leading global insurance organization. Founded in 1919, today AIG member companies provide a wide range of property casualty insurance, life insurance, retirement products, and other financial services to customers in more than 80 countries and jurisdictions. These diverse offerings include products and services that help businesses and individuals protect their assets, manage risks and provide for retirement security. AIG's core businesses include Commercial Insurance and Consumer Insurance, as well as Other Operations. Commercial Insurance comprises two modules – Liability and Financial Lines, and Property and Special Risks. Consumer Insurance comprises four modules – Individual Retirement, Group Retirement, Life Insurance and Personal Insurance. AIG common stock is listed on the New York Stock Exchange and the Tokyo Stock Exchange.

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

AIG is the marketing name for the worldwide property-casualty, life and retirement, and general insurance operations of American International Group, Inc. For additional information, please visit our website at www.aig.com. All products and services are written or provided by subsidiaries or affiliates of American International Group, Inc. Products or services may not be available in all countries, and coverage is subject to actual policy language. Non-insurance products and services may be provided by independent third parties. Certain property-casualty coverages may be provided by a surplus lines insurer. Surplus lines insurers do not generally participate in state guaranty funds, and insureds are therefore not protected by such funds.