

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): January 21, 2010

AMERICAN INTERNATIONAL GROUP, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

1-8787

(Commission File Number)

13-2592361

(IRS Employer
Identification No.)

70 Pine Street
New York, New York 10270

(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 13e4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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.

Attached as Exhibit 99.1 and incorporated by reference into this Item 5.02 is the updated Luxury Expenditure Policy of American International Group, Inc. (AIG). The updated Policy is available on AIG's website. Among other things, the Policy prohibits personal use of corporate aircraft, other than personal use by the Chief Executive Officer if the personal use is incidental to a business trip, and requires that any incremental cost incurred by AIG as a result of any such use must be reimbursed. Attached as Exhibit 10.1 and incorporated by reference into this Item 5.02 is AIG's form of reimbursement agreement, to be used to comply with FAA requirements.

Section 9 — Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit 10.1 Form of Reimbursement Agreement for Use of Corporate Aircraft

Exhibit 99.1 AIG Luxury Expenditure Policy

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: January 21, 2010

By: /s/ Kathleen E. Shannon
Name: Kathleen E. Shannon
Title: Senior Vice President and Secretary

EXHIBIT INDEX

<u>Exhibit No</u>	<u>Description</u>
Exhibit 10.1	Form of Reimbursement Agreement for Use of Corporate Aircraft
Exhibit 99.1	AIG Luxury Expenditure Policy

AIRCRAFT TIME SHARING AGREEMENT

THIS AIRCRAFT TIME SHARING AGREEMENT ("Agreement") is made and entered into this 20th day of January, 2010, by and between AMERICAN INTERNATIONAL GROUP, INC., a corporation organized and existing under the laws of the State of Delaware ("Timesharor"), and ROBERT H. BENMOSCHE, a individual ("Timesharee") who together are sometimes also referred to herein individually as a "Party" or collectively as the "Parties."

WITNESSETH:

WHEREAS, Timesharor is the owner and operator of the aircraft set forth on Annex A attached hereto (individually, and collectively, the "Aircraft"); and

WHEREAS, Timesharee desires use of the Aircraft; and

WHEREAS, Timesharor desires to make the Aircraft available to Timesharee on a time sharing basis in accordance with Section 91.501 of the Federal Aviation Regulations ("FARs").

NOW, THEREFORE, in consideration of the mutual covenants herein set forth, the Parties agree as follows:

1. **Provision of Aircraft.** Timesharor agrees to provide the Aircraft to Timesharee on a time sharing basis in accordance with the provisions of Sections 91.501(b)(6), 91.501(c)(1) and 91.501(d) of the FARs and under the terms and conditions of this Agreement for the period commencing upon execution of this Agreement and continuing until terminated.

2. **Reimbursement of Expenses.** For each flight, including positioning, de-positioning, or intervening ferry flights, conducted under this Agreement, Timesharee shall pay Timesharor an amount (as determined by the Timesharor) equal to the sum of the expenses of operating such flight to the extent permitted by FAR 91.501(d), i.e. an amount not to exceed the sum of the expenses set forth in subparagraphs (a)-(j) below for each such flight:

- (a) fuel, oil, lubricants and other additives;
- (b) travel expenses of the crew, including food, lodging and ground transportation;
- (c) hangar and tie-down costs away from the Aircraft's base of operation;
- (d) insurance obtained for the specific flight;
- (e) landing fees, airport taxes and similar assessments;
- (f) customs, foreign permit and similar fees directly related to the flight;
- (g) in-flight food and beverages;
- (h) passenger ground transportation;
- (i) flight planning and weather contract services; and
- (j) an additional charge equal to one hundred percent (100%) of the expenses listed in subparagraph (a) above.

3. **Invoicing and Payment.** All payments to be made to Timesharor by Timesharee hereunder shall be paid in the manner set forth in this Paragraph 3. Timesharor will pay to suppliers, employees, contractors and governmental entities all expenses related to the operation of the Aircraft hereunder in the

ordinary course. As to each flight operated hereunder, Timesharor shall provide to Timesharee an invoice for the charges specified in Paragraph 2 of this Agreement (plus domestic or international air transportation excise taxes, as applicable, imposed by the Internal Revenue Code or state law). Timesharor shall be entitled to retain any fuel tax refunds for taxes previously paid by Timesharor that may be refunded after payment of any taxes imposed on the transportation provided hereunder. Timesharee shall pay Timesharor the full amount of such invoice within thirty (30) days of the date of the invoice. In the event Timesharor has not received supplier invoices for reimbursable charges relating to such flight prior to such invoicing, Timesharor shall issue supplemental invoice(s) for such charge(s) to Timesharee, and Timesharee shall pay such charge(s) within thirty (30) days of the date of each supplemental invoice.

4. Flight Requests.

(a) Timesharee will provide Timesharor with flight requests and proposed flight schedules as far in advance as possible, and in any case at least twenty-four (24) hours in advance of Timesharee's desired departure. Flight requests shall be in a form, whether oral or written, mutually convenient to and agreed upon by the Parties. In addition to proposed schedules and departure times, Timesharee shall provide at least the following information for each proposed flight reasonably in advance of the desired departure time as required by Timesharor or its flight crew:

- (i) departure point;
- (ii) destination;
- (iii) date and time of flight;
- (iv) number and identity of anticipated passengers;
- (v) nature and extent of luggage and/or cargo to be carried;
- (vi) date and time of return flight, if any; and
- (vii) any other information concerning the proposed flight that may be pertinent to or required by Timesharor or its flight crew.

(b) If Timesharee shall cancel any flight previously scheduled with Timesharor on less than twenty-four (24) hours notice, Timesharor may invoice Timesharee, and Timesharee shall pay in accordance with Paragraph 3, any expenses incurred by Timesharor in preparing for such flight in performing any ferry or positioning flights.

5. Aircraft Scheduling. Timesharor shall have final authority over all scheduling of the Aircraft; provided, however, that Timesharor will use reasonable efforts to accommodate Timesharee's requests. In no event shall Timesharor be required to cancel a previously scheduled flight to accommodate Timesharee.

6. Operational Authority and Control. Timesharor shall be responsible for the physical and technical operation of the Aircraft and the safe performance of all flights, and shall retain full authority and control including exclusive operational control and possession of the Aircraft at all times during the term of this Agreement. The pilot-in-command shall have absolute discretion in all matters concerning the preparation of the Aircraft for flight and the flight itself, the load carried and its distribution, the decision whether or not a flight shall be undertaken, the route to be flown, the place where landings shall be made, and all other matters relating to operation of the Aircraft. Timesharee specifically agrees that the flight crew shall have final and complete authority to delay or cancel any flight for any reason or condition that

in the sole judgment of the pilot-in-command could compromise the safety of the flight, and to take any other action, which in the sole judgment of the pilot-in-command, is necessitated by considerations of safety. No such action of the pilot-in-command shall create or support any liability to Timesharee or any other person for loss, injury, damage or delay. The Parties further agree that Timesharor shall not be liable for delay or failure to furnish the Aircraft and crew pursuant to this Agreement when such failure is caused by government regulation or authority, mechanical difficulty or breakdown, war, civil commotion, strikes or labor disputes, weather conditions, acts of God, or other circumstances beyond Timesharor's reasonable control.

7. Insurance and Liability.

(a) Timesharor will maintain or cause to be maintained in full force and effect throughout the term of this Agreement aircraft hull and liability insurance in respect of the Aircraft with insurers of recognized responsibility in amounts no less than those listed in Annex B attached hereto. Timesharor may terminate this Agreement immediately upon notice to Timesharee if such insurance shall be cancelled or otherwise no longer available to Timesharor. Timesharor will use reasonable efforts to procure such additional insurance coverage as Timesharee may reasonable request naming Timesharee as an additional insured; provided that the additional premium for such insurance is invoiced on a flight-by-flight basis and paid for by Timesharee.

(b) Timesharee and Timesharor expressly agree that the insurance provided for herein shall provide the sole remedy for loss or damage incurred by either Party hereto.

(c) NOTWITHSTANDING ANY PROVISION OF THIS AGREEMENT TO THE CONTRARY NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO, LOSS OF USE, REVENUE OR PROFIT, BUSINESS OPPORTUNITIES AND THE LIKE, EVEN IF THE PARTIES WERE ADVISED, KNEW OR SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH DAMAGES.

8. Tax Indemnity; FET. Timesharee agrees to pay when due and assume liability for, and indemnify and hold harmless Timesharor concerning all claims of any kind whatsoever asserted by any person in the nature of, taxes, which are incurred by Timesharee (or his guests) through his (or their) use of the Aircraft under this Agreement. Timesharor agrees to invoice, collect and remit for the benefit of Timesharee any Federal excise taxes imposed under IRC Section 4261 resulting from Timesharee's (or his guests') use of the Aircraft under this Agreement; provided, however, that such agreement shall in no way relieve Timesharee of his duty to indemnify Timesharor for any and all taxes as described in the immediately preceding sentence.

9. Warranties. Timesharee warrants that:

(a) Timesharee will use the Aircraft under this Agreement for and only for his own account, including the carriage of its guests, and will not use the Aircraft for the purpose of providing transportation of passengers or cargo for compensation or hire;

(b) Timesharee will not permit any lien, security interest or other charge or encumbrance to attach against the Aircraft as a result of his actions or inactions, and shall not convey, mortgage, assign, lease or in any way alienate the Aircraft or Timesharor's rights hereunder; and

(c) During the term of this Agreement, Timesharee will abide by and conform to all such laws, governmental and airport orders, rules, and regulations as shall from time to time be in effect relating in any way to the operation or use of the Aircraft under a time sharing arrangement.

10. Notices and Communications. All notices and other communications under this Agreement shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt or refusal to accept receipt) by personal delivery, by telecopy (with a simultaneous confirmation copy sent by first class mail properly addressed and postage prepaid), or by a reputable overnight courier service, addressed as follows:

If to Timesharor:

American International Group, Inc.
107 Lindbergh Drive
Teterboro, New Jersey 07608
Attention: AIG Director of Flight Operations

Telephone: (201) 288-3432
Telecopy: (201) 288-8201

If to Timesharee:

Robert H. Benmosche
c/o American International Group, Inc.
70 Pine Street
New York New York 10270

Telephone: (212) 770-3020
Telecopy: (212) 344-8526

or to such other person or address as either Party may from time to time designate in writing to the other Party.

11. Further Acts. Timesharor and Timesharee shall from time to time perform such other and further acts and execute such other and further instruments as may be required by law or may be reasonably necessary (i) to carry out the intent and purpose of this Agreement, and (ii) to establish, maintain and protect the respective rights and remedies of the other Party.

12. Successors and Assigns. Neither this Agreement nor any Party's interest herein shall be assignable to any other party. This Agreement shall inure to the benefit of and be binding upon the Parties hereto, their heirs, representatives and successors.

13. Termination. Either Party may terminate this Agreement for any reason upon written notice to the other, such termination to become effective thirty (30) days from the date of the notice; provided, that this Agreement may be terminated as a result of a breach by either Party of its obligations under this Agreement on ten (10) days' written notice by the non-breaching Party to the breaching Party; and provided further, that this Agreement may be terminated on such shorter notice as may be required to comply with applicable laws, regulations, or insurance requirements. This Agreement will terminate automatically upon Timesharor's sale of the Aircraft.

14. Governing Law. This Agreement shall be construed under and the legal relations between the Parties shall be governed by the laws of the State of New York.

15. Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remaining provisions shall not be affected or impaired.

16. Amendment or Modification. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and is not intended to confer upon any person or entity any rights or remedies hereunder which are not expressly granted herein. This Agreement may be amended or modified only in writing duly executed by the Parties hereto.

17. TRUTH IN LEASING STATEMENT PURSUANT TO SECTION 91.23 OF THE FEDERAL AVIATION REGULATIONS:

(a) THE AIRCRAFT HAS BEEN INSPECTED AND MAINTAINED WITHIN THE 12-MONTH PERIOD PRECEDING THE DATE OF THIS AGREEMENT IN ACCORDANCE WITH THE PROVISIONS OF FEDERAL AVIATION REGULATIONS PART 91 AND TIMESHAROR CERTIFIES THAT ALL APPLICABLE REQUIREMENTS FOR THE AIRCRAFT'S MAINTENANCE AND INSPECTION UNDER PART 91 OF THE FEDERAL AVIATION REGULATIONS HAVE BEEN MET AND ARE VALID FOR THE OPERATIONS TO BE CONDUCTED UNDER THIS AGREEMENT.

(b) TIMESHAROR AGREES, CERTIFIES AND ACKNOWLEDGES THAT WHENEVER THE AIRCRAFT ARE OPERATED UNDER THIS AGREEMENT, TIMESHAROR SHALL BE KNOWN AS, CONSIDERED AND SHALL IN FACT BE THE OPERATOR OF THE AIRCRAFT AND THAT TIMESHAROR UNDERSTANDS ITS RESPONSIBILITIES FOR COMPLIANCE WITH APPLICABLE FEDERAL AVIATION REGULATIONS.

(c) THE PARTIES UNDERSTAND THAT AN EXPLANATION OF FACTORS AND PERTINENT FEDERAL AVIATION REGULATIONS BEARING ON OPERATIONAL CONTROL CAN BE OBTAINED FROM THE NEAREST FAA FLIGHT STANDARDS DISTRICT OFFICE. TIMESHAROR FURTHER CERTIFIES THAT IT WILL SEND, OR CAUSE TO BE SENT, A TRUE COPY OF THIS AGREEMENT TO: FEDERAL AVIATION ADMINISTRATION, AIRCRAFT REGISTRATION BRANCH, ATTN. TECHNICAL SECTION, P.O. BOX 25724, OKLAHOMA CITY, OKLAHOMA 73125, WITHIN 24 HOURS AFTER ITS EXECUTION, AS REQUIRED BY SECTION 91.23(c)(1) OF THE FEDERAL AVIATION REGULATIONS.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed on the date first above written. The persons signing below warrant their authority to sign.

TIMESHAROR

TIMESHAREE

By: _____
Name:
Title:

By: _____
Name: Robert H. Benmosche

Description of Aircraft

<u>Type of Aircraft</u>	<u>US Registration Number</u>	<u>Manufacturer's Serial Number</u>
1. Bombardier Global Express	N70PS	9012
2. Bombardier GEX 5000	N720WS	9176
3. Dassault Falcon 2000 Ex	N72PS	116
4. Citation Excel	N175WS	5327
5. Bell/Agusta AB139	N71PS	31021

Insurance Limits

No less than (i) Three Hundred Million Dollars (\$300,000,000) aircraft liability for bodily injury to or death of persons (including passengers) and property damage and (ii) One Million Dollars (\$1,000,000) per passenger, including crew, passenger voluntary settlement or seat accident, and aircraft hull insurance.

AIG Luxury Expenditure Policy
Effective Date: December 30, 2009

Objective

American International Group, Inc. ("AIG") and its subsidiaries are committed to high standards of corporate governance and compliance. Accordingly, AIG has corporate-wide policies and guidelines in place to help ensure that AIG's expenses are reasonable and appropriate and meet its responsibilities to the American taxpayers.

Scope

In February 2009, Congress required that each recipient of funds under the Troubled Assets Relief Program ("TARP") implement a company-wide policy that addresses categories of expenses under the American Recovery and Reinvestment Act of 2009 ("ARRA").

AIG's Luxury Expenditure Policy summarizes existing underlying relevant policies and guidelines that address corporate expenditures, including entertainment and events, office and facility renovations, aviation and other transportation services, and other similar items, activities, and events.

Specifically, AIG's Luxury Expenditure Policy, in conjunction with existing underlying relevant policies and guidelines, complies with ARRA's requirements that a luxury expenditure policy must: identify the types or categories of expenditures that are prohibited; identify the types or categories of expenditures that require prior approval; provide reasonable procedures for expenditures requiring prior approval; require Principal Executive Officer and Principal Financial Officer certification that the approval of any expenditure requiring the prior approval of any Senior Executive Officer or any executive officer of a similar level of responsibility, or the TARP recipient's Board of Directors (or a committee of such Board of Directors), was properly obtained with respect to each such expenditure; require the timely internal reporting and escalation of violations to an appropriate person or persons identified in the policy; and mandate accountability for adherence to the policy.

Further, AIG's corporate policies require that AIG's assets be used for the benefit of the business and are otherwise consistent with applicable laws in the more than 130 countries and jurisdictions in which AIG and its subsidiaries operate. Only expenditures that are appropriate, customary, and achieve AIG's business objectives for the long-term benefit of AIG shareholders and customers are considered reasonable by AIG's Board of Directors and its Executive and AIG Senior Management.

Target Audience

AIG's Luxury Expenditure Policy, in conjunction with existing underlying relevant policies and guidelines, apply and are provided to all relevant employees of AIG and its subsidiaries.

Effective Date

AIG's Luxury Expenditure Policy, in conjunction with existing underlying relevant policies, is effective as of December 30, 2009 and is in the process of being implemented across all of AIG's Business and Corporate Units. This Policy amends and supersedes AIG's initial Luxury Expenditure Policy of September 14, 2009.

This policy has been approved by AIG's Board of Directors and posted on AIG's corporate website. Any material amendments to this policy must be approved by AIG's Board of Directors. Within 90 days of such amendment, AIG will submit the amended policy to the U.S. Department of the Treasury and primary regulatory agency. AIG will post the amended policy on AIG's corporate website.

Policy Administration

The guidelines and approval processes set forth in this policy and the existing underlying relevant AIG policies and guidelines on entertainment or events, office and facility renovations and aviation and other transportation services have been communicated to all relevant AIG employees and are monitored for compliance. Any exception to the Luxury Expenditure Policy must be reported and brought to the attention of the AIG Chief Administrative Officer (AIG CAO), who oversees administration, monitoring, and compliance with this policy.

Employee expenditures that violate AIG's expense policies will be deemed to be personal expenses. Violations of this policy may also result in disciplinary action up to and including termination of employment and loss of employment-related benefits.

Any employee aware of any circumstance that may indicate a violation of this policy is required to report such circumstance to their supervisor, respective Compliance Officer, the AIG CAO, or the Global Compliance Group. AIG prohibits retaliation against any employee for making a good faith report of actual or suspected violations of AIG's Code of Conduct, laws, regulations, or other AIG policies. A finding of retaliation against any such employee will result in disciplinary action up to and including termination. Failure to promptly report known violations by others may also be deemed a violation of the Code of Conduct.

AIG employees may ask questions, raise concerns or report instances of non-compliance with this policy and/or any of the existing underlying relevant policies by contacting either of the following:

- **AIG's Global Compliance Group** at 1-646-857-1877 or e-mail corporatelegalcompliance@aig.com.
- **AIG Compliance Help Line** at 1-877-244-2210 or via the internet, at www.aigcompliancehelpline.com.

All AIG employees must annually reaffirm to the Global Compliance Group their ongoing commitment to AIG's Code of Conduct and, by reference, all Corporate policies therein.

Annually, AIG's Chief Executive Officer (CEO) and Chief Financial Officer (CFO) will provide the certifications called for by the regulations promulgated by the U.S. Department of the Treasury.

Policy

I. General Prohibition on Excessive and Luxury Expenditures

AIG prohibits excessive and luxury expenditures on: (i) entertainment or events; (ii) office and facility renovations; (iii) aviation or other transportation services; and (iv) other activities that are not reasonable expenditures, including any such expenditures for staff development or other similar measures.

Excessive or luxury expenditures are those that are unreasonable in that they are lavish in nature and significantly exceed the expenditures necessary to further AIG's business objectives or goals or contribute to staff development and retention or are otherwise prohibited by law. The reasonableness of expenses may vary by region or industry depending on the customs, practices, and legal restrictions in that region or industry. Expenditures that are considered reasonable or customary within a particular industry and are consistent with law are not prohibited by this policy.

II. Expense Management: Entertainment and Events, Office and Facility Renovations, Aviation and Transportation Services, and Other Activities

Among the responsibilities of each AIG manager is a commitment to control spending, scrutinize the cost effectiveness of business decisions, and focus on productivity improvements.

AIG employees at every level are responsible for expense management and are required to adhere to existing policies and guidelines. If an AIG employee seeks reimbursement of expenditures that may reasonably be viewed as excessive, designated expense management personnel will review the specific circumstances to determine if the expenses are proper and adhere to the policy prohibiting excessive expenditures. The designated expense management personnel will approve or deny such reimbursement requests and, where required under specific existing policies, submit for review and approval to the appropriate Business Unit CEO, CFO, CAO or Corporate Unit Head or Designee (hereinafter Senior Management) or the AIG CAO. AIG has informed the relevant employees about the existing underlying policies and guidelines with which they are required to comply.

A. Entertainment or Events

AIG's Expense Management Policies and associated guidelines require that all AIG entertainment and events have a clear business purpose, are not excessive, and are otherwise consistent with this policy and guidelines and applicable laws.

Entertainment and events may include those activities that support business development or staff/agent retention. Reasonable and customary expenses associated with such entertainment and events are permissible expenses under this policy.

Celebratory events are prohibited, except those acknowledging key AIG career milestones. Holiday parties must be approved by Senior Management and should, where practicable, be held in AIG facilities.

All meetings and events that require a supplier contract must be entered into the Designated Meeting Management System prior to the time of the meeting or event. Meetings and events are tracked and approved by the Business Units and Corporate Units through internal systems as required by the AIG Expense Management Policies. Meeting or event requests must include a detailed description stating why the event is important to the business including information on the amount of business produced or expected to be produced by the event, if applicable; the rationale for using an offsite facility if an AIG facility is not used for the event; a detailed description of event costs broken down by major category including AIG-related expenses.

Detailed and specific rules are set forth in the AIG Expense Management Policies, which are incorporated by reference into this policy. Any exception to the AIG Expense Management Policies must be pre-approved by the appropriate member of Senior Management. Senior Management is responsible for implementing appropriate monitoring and reviewing and escalating exceptions to the AIG CAO. Any requests for exceptions to the meetings and events guidelines must be approved by the appropriate member of Senior Management.

Internal Audit will perform a quarterly review to ensure adherence to the relevant policies. Periodic compliance assessments will also be conducted by the Global Compliance Group.

B. Office and Facility Renovations

AIG's Expense Management Policies require that expenditures related to material office construction, relocations, and/or facility renovations must be reasonable on a cost/benefit basis and advance AIG's business objectives. AIG's Expense Management Policies are available all employees on AIG's intranet and are incorporated and referenced in this policy.

AIG maintains a database for AIG occupied, owned, and leased properties. In addition, AIG has a reporting structure that places oversight and control of occupied real estate under the authority of the AIG CAO.

Each Business and Corporate Unit establishes its own policies and procedures relating to office and facilities renovations, which are subject to review and approval by the AIG CAO and must be maintained on file with the AIG CAO. Pre-approval of the appropriate member of Senior Management is required for renovations above a certain monetary threshold.

An exception to the pre-approval requirement can be allowed in the event of an emergency situation, such as an act of nature, with respect to which the expenditure is necessary to make the facility operational for business use.

Senior Management is responsible for implementing appropriate monitoring and reviewing and escalating exceptions to the AIG CAO.

C. Aviation or Other Transportation Services

AIG's Expense Management Policies and Policy on the Use of Corporate Aircraft require that business travel by AIG employees be in furtherance of a business or security objective.

Commercial travel arrangements must be pre-approved by the relevant designee. Senior Management is responsible for implementing appropriate monitoring of commercial travel arrangements.

Each use of the corporate aircraft must be approved in advance by the AIG CAO.

Each request for the use of corporate aircraft will require detailed information with respect to nature of the AIG related business purpose and the names of all passengers. In determining the business justification for corporate aircraft use, the executive making the request and the AIG CAO will consider the relative costs of the corporate air travel compared to available commercial air transportation and ensure that the additional costs are warranted by a sound business justification, such as (i) material time savings, convenience or flexibility or (ii) substantial safety and security advantages.

The Corporate Flight Department will ensure aircraft availability and proper recordkeeping.

Accompanying travel on corporate aircraft by family members or guests of the AIG Chief Executive Officer (CEO) and other executives is permitted if a documented business reason exists for the family member or guests to travel with the executive.

The Chairman of the Board or the Chairman of the Nominating and Corporate Governance Committee must approve in advance any accompanying travel on the corporate aircraft by family members or guests of the AIG CEO. The AIG CEO must approve in advance any accompanying travel by family members or guests of the AIG CAO. The AIG CAO must approve in advance any accompanying travel by family members or guests of any executive other than the AIG CEO.

Personal use of the corporate aircraft by the AIG CEO is permitted if the personal use is incidental to a business trip and the incremental cost is paid by the AIG CEO. All other personal use of the corporate aircraft is strictly prohibited.

No elected official or candidate for elected office may travel on AIG corporate aircraft.

Internal audit will provide a report to the Regulatory, Compliance and Public Policy Committee, on at least a quarterly basis, with respect to compliance with applicable policy and guidelines and any periodic compliance assessment completed by the Global Compliance Group since the last such report.

D. Other Activities

Other expenditures that may arise in the normal course of AIG's business operations will be reviewed by designated approval authorities. Expenditures that do not conform with this policy and the existing underlying policies and guidelines are prohibited.

###