

AMERICAN INTERNATIONAL GROUP INC

Form 424B7

December 11, 2012

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Filed Pursuant to Rule 424(b)(7)  
Registration No. 333-182469

**The information in this preliminary prospectus supplement is not complete and may be changed. Neither this preliminary prospectus supplement nor the accompanying prospectus is an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.**

**Subject to Completion. Dated December 10, 2012.**

**Preliminary Prospectus Supplement to Prospectus dated June 29, 2012**

**234,169,156 Shares**

## **American International Group, Inc.**

### **Common Stock**

The United States Department of the Treasury (the "selling shareholder" or "Treasury") is offering 234,169,156 shares of the common stock, par value \$2.50 per share (the "common stock"), of American International Group, Inc. ("AIG"). AIG will not receive any of the proceeds from the sale of the shares being sold by the selling shareholder.

The common stock is listed on the New York Stock Exchange ("NYSE") under the symbol "AIG". The last reported sale price of the common stock on December 10, 2012 was \$33.36 per share.

See Risk Factors beginning on page S-4 of this prospectus supplement and in Item 1A. of Part II of AIG's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2012, Item 1A. of Part II of AIG's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2012 and Item 1A. of Part I of AIG's Annual Report on Form 10-K for the year ended December 31, 2011 to read about risk factors you should consider before buying shares of the common stock.

**Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.**

	Per Share	Total
Initial price to public	\$	\$
Underwriting discount to be paid by AIG with respect to the shares sold by the selling shareholder (1)	\$	\$
Proceeds to the selling shareholder (1)(2)	\$	\$

- (1) AIG has agreed to pay the underwriting discount with respect to the shares sold by the selling shareholder, totaling \$ with respect to 234,169,156 shares.
- (2) AIG will not receive any of the proceeds from the sale of the shares offered by the selling shareholder. AIG has agreed to pay the underwriting discount with respect to any shares sold by the selling shareholder.

The underwriters expect to deliver the shares against payment in New York, New York on or about December , 2012.

*Joint Book-Runners*

**BofA Merrill Lynch**

**Goldman, Sachs & Co.**

**Citigroup**

**Deutsche Bank Securities**

**J.P. Morgan**

Prospectus Supplement dated December , 2012.

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We are responsible only for the information contained in this prospectus supplement, the accompanying prospectus, the documents incorporated by reference herein and therein and any related free writing prospectus issued or authorized by us. Neither we, the selling shareholder nor any underwriter has authorized anyone to provide you with any other information, and we, the selling shareholder and the underwriters take no responsibility for any other information that others may give you. The selling shareholder and the underwriters are offering to sell the common stock only in jurisdictions where offers and sales are permitted. The offer and sale of the common stock in certain jurisdictions is subject to the restrictions described herein under **Underwriting Selling Restrictions**. The information contained in this prospectus supplement, the accompanying prospectus and the documents incorporated herein and therein by reference is accurate only as of the date on the front of those documents, regardless of the time of delivery of those documents or any sale of our common stock.

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**ABOUT THIS PROSPECTUS SUPPLEMENT**

This document consists of two parts. The first part is this prospectus supplement, which describes the specific terms of this offering. The second part is the accompanying prospectus, which describes more general information regarding AIG's securities, some of which does not apply to this offering. This prospectus supplement and the accompanying prospectus are part of a registration statement (the "registration statement"), that we filed with the Securities and Exchange Commission (SEC) using the SEC's shelf registration rules. You should read both this prospectus supplement and the accompanying prospectus, together with additional information incorporated by reference herein and therein as described under the heading "Where You Can Find More Information" in this prospectus supplement and the accompanying prospectus.

Unless otherwise mentioned or unless the context requires otherwise, all references in this prospectus supplement to AIG, we, us, our or similar references mean American International Group, Inc. and not its subsidiaries.

If the information set forth in this prospectus supplement differs in any way from the information set forth in the accompanying prospectus, you should rely on the information set forth in this prospectus supplement. The information contained in this prospectus supplement or the accompanying prospectus or in the documents incorporated by reference herein and therein is only accurate as of their respective dates.

**CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION**

This prospectus supplement and the accompanying prospectus and other publicly available documents, including the documents incorporated herein and therein by reference, may include, and officers and representatives of AIG may from time to time make, projections, goals, assumptions and statements that may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These projections, goals, assumptions 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, goals, assumptions and statements include statements preceded by, followed by or including words such as believe, anticipate, expect, intend, plan, view, target or estimate. Projections, goals, assumptions and statements may address, among other things:

the timing of the disposition of the remaining ownership position of Treasury in AIG;

the monetization of AIG's interests in International Lease Finance Corporation (ILFC), including whether AIG's proposed sale of up to a 90 percent interest in ILFC will be completed and if completed, the timing and the final terms of such sale;

AIG's exposures to subprime mortgages, monoline insurers, the residential and commercial real estate markets, state and municipal bond issuers and sovereign bond issuers;

AIG's exposure to European governments and European financial institutions;

AIG's strategy for risk management;

AIG's generation of deployable capital;

AIG's return on equity and earnings per share long-term aspirational goals;

AIG's strategies to grow net investment income, efficiently manage capital and reduce expenses;

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AIG's strategies for customer retention, growth, product development, market position, financial results and reserves; and the revenues and combined ratios of AIG's subsidiaries.

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It is possible that AIG's actual results and financial condition will differ, possibly materially, from the results and financial condition indicated in these projections, goals, assumptions and statements. Factors that could cause AIG's actual results to differ, possibly materially, from those in the specific projections, goals, assumptions and statements include:

changes in market conditions;

the occurrence of catastrophic events, both natural and man-made;

significant legal proceedings;

the timing and applicable requirements of any new regulatory framework to which AIG is subject as a savings and loan holding company, and if such a determination is made, as a systemically important financial institution;

concentrations in AIG's investment portfolios, including its municipal bond portfolio;

actions by credit rating agencies;

judgments concerning casualty insurance underwriting and reserves;

judgments concerning the recognition of deferred tax assets;

judgments concerning deferred policy acquisition costs recoverability;

judgments concerning the recoverability of aircraft values in ILFC's fleet; and

such other factors as are discussed throughout the Risk Factors section of this prospectus supplement, discussed throughout Part I, Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations and in Part II, Item 1A. Risk Factors of AIG's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2012, discussed in Part II, Item 1A. Risk Factors of AIG's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2012 and 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, 2011, as amended by Amendment No. 1 and Amendment No. 2 on Form 10-K/A filed on February 27, 2012 and March 30, 2012, respectively (collectively, the Annual Report on Form 10-K) and discussed throughout Exhibit 99.2, Management's Discussion and Analysis of Financial Condition and Results of Operations of AIG's Current Report on Form 8-K filed on May 4, 2012.

AIG is not under any obligation (and expressly disclaims any obligation) to update or alter any projections, goals, assumptions or other statements, whether written or oral, that may be made from time to time, whether as a result of new information, future events or otherwise.

Unless the context otherwise requires, the term AIG in this Cautionary Statement Regarding Forward-Looking Information section means American International Group, Inc. and its consolidated subsidiaries.



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**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 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. publicly 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 through:

The SEC's website at [www.sec.gov](http://www.sec.gov); and

The New York Stock Exchange, 20 Broad Street, New York, New York 10005.  
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-3 relating to the common stock. This prospectus supplement 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 supplement 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 supplement. 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 until all the shares of the common stock to which this prospectus supplement relates are sold or the offering is otherwise terminated (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, 2011 filed on February 23, 2012, Amendment No. 1 on Form 10-K/A filed on February 27, 2012 and Amendment No. 2 on Form 10-K/A filed on March 30, 2012.

(2) Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2012 filed on May 3, 2012, Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2012 filed on August 2, 2012 and Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2012 filed on November 1, 2012.

(3) The definitive proxy statement on Schedule 14A filed on April 5, 2012.

(4) Current Reports on Form 8-K filed on January 11, 2012, February 23, 2012, March 5, 2012, March 6, 2012, March 8, 2012, March 13, 2012, March 13, 2012, March 22, 2012, March 22, 2012, April 10, 2012, May 3, 2012, May 4, 2012, May 10, 2012, May 10, 2012, May 16, 2012, May 24, 2012, June 21, 2012, June 29, 2012, July 11, 2012, August 2, 2012, August 8, 2012, August 20, 2012, August 23, 2012, September 6, 2012, September 7, 2012, September 14, 2012, October 5, 2012, November 1, 2012, November 23, 2012, November 30, 2012, December 7, 2012 and December 10, 2012.

(5) The description of common stock in the registration statement on Form 8-A, dated September 20, 1984, filed pursuant to Section 12(b) of the Exchange Act, and the description of the share purchase rights associated with the common stock in the registration statement on Form 8-A, dated March 9, 2011, filed pursuant to Section 12(b) of the Exchange Act.

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AIG will provide without charge to each person, including any beneficial owner, to whom this prospectus supplement 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 supplement excluding exhibits to those documents unless they are specifically incorporated by reference into those documents. You can request those documents from AIG's Investor Relations Department, 180 Maiden Lane, New York, New York 10038, telephone 212-770-6293, or you may obtain them from AIG's corporate website at [www.aig.com](http://www.aig.com). Except for the documents specifically incorporated by reference into this prospectus supplement, information contained on AIG's website or that can be accessed through its website is not incorporated into and does not constitute a part of this prospectus supplement. 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.

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### **SUMMARY**

*This summary highlights information contained elsewhere in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein. As a result, it does not contain all of the information that may be important to you or that you should consider before investing in our common stock. You should read carefully this entire prospectus supplement and the accompanying prospectus, including the Risk Factors section of this prospectus supplement, Part II, Item 1A. of AIG's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2012, Part II, Item 1A. of AIG's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2012, Part I, Item 1A. Risk Factors of our Annual Report on Form 10-K, and the documents incorporated by reference into this prospectus supplement and the accompanying prospectus, which are described under Where You Can Find More Information in this prospectus supplement and the accompanying prospectus.*

#### **American International Group, Inc.**

AIG, a Delaware corporation, is a leading international insurance organization serving customers in more than 130 countries. AIG companies serve commercial, institutional and individual customers through one of the most extensive worldwide property-casualty networks of any insurer. In addition, AIG companies are leading providers of life insurance and retirement services in the United States. AIG's principal executive offices are located at 180 Maiden Lane, New York, New York 10038, and its main telephone number is (212) 770-7000. AIG's internet address for its corporate website is [www.aig.com](http://www.aig.com). Except for the documents referred to under Where You Can Find More Information in this prospectus supplement and the accompanying prospectus which are specifically incorporated by reference into this prospectus supplement and the accompanying prospectus, information contained on AIG's website or that can be accessed through its website is not incorporated into and does not constitute a part of this prospectus supplement or the accompanying 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.

#### **Recent Developments**

##### ***Storm Sandy***

AIG announced on December 7, 2012 that its preliminary estimate of AIG's after-tax losses related to Storm Sandy, net of reinsurance, will total approximately \$1.3 billion. This estimate reflects a pre-tax loss estimate, net of reinsurance, totaling approximately \$2.0 billion. AIG expects to make a capital contribution to its U.S. property casualty insurance subsidiaries of \$1 billion from existing, readily available funds. In 2012, AIG Property Casualty has paid dividends to American International Group, Inc. totaling \$2.4 billion. As of September 30, 2012, AIG Property Casualty's equity totaled \$49.6 billion, and AIG's equity totaled \$102.4 billion.

This preliminary estimate involves the exercise of considerable judgment. Due to the complexity of factors contributing to the losses, there can be no assurance that AIG's ultimate losses associated with this storm will not differ from the estimate, perhaps materially.

Losses related to Storm Sandy will be reflected in AIG's fourth quarter 2012 results, and any subsequent changes will be recorded in the period in which they occur.

##### ***Sale of ILFC***

On December 9, 2012, AIG and AIG Capital Corporation, a wholly-owned direct subsidiary of AIG, entered into a definitive agreement with Jumbo Acquisition Limited for the sale of 80.1% of the common stock of ILFC by AIG Capital Corporation to Jumbo Acquisition Limited for approximately \$4.23 billion in cash (the ILFC

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Transaction ). Jumbo Acquisition Limited may elect to purchase an additional 9.9% of the common stock of ILFC for \$522.5 million (the Option ) by the later of March 15, 2013 and ten days after approval of the ILFC Transaction and the Option by the Committee on Foreign Investment in the United States ( CFIUS ). AIG Capital Corporation will retain a 19.9% ownership interest in ILFC, or a 10.0% ownership interest in ILFC if the Option is exercised by Jumbo Acquisition Limited, in each case subject to dilution for management issuances (which, over time, would reduce AIG s ownership interest by approximately one percentage point). In connection with the transaction, Jumbo Acquisition Limited has agreed to pay a deposit in Renminbi equivalent to \$422.75 million (the Transaction Deposit ) into an escrow account upon the later of ten days after approval of the Transaction and the Option by CFIUS, and March 15, 2013. If the Option is exercised by Jumbo Acquisition Limited, then concurrently with the Transaction Deposit, Jumbo Acquisition Limited has agreed to deposit an additional Renminbi equivalent of \$52.25 million. Jumbo Acquisition Limited was formed on behalf of an investor group consisting of New China Trust Co., Ltd., China Aviation Industrial Fund and P3 Investments Ltd., and led by Mr. Weng Xianding, the Chairman of New China Trust Co., Ltd.

The consummation of the ILFC Transaction is subject to the satisfaction or waiver of certain customary and other closing conditions, including receipt of approvals or non-disapprovals from certain regulatory bodies, including, among others, the People s Republic of China National Development and Reform Commission, CFIUS and other anti-trust and regulatory agencies, in some cases without the imposition on either party by such agencies of conditions that would qualify as burdensome.

When the ILFC Transaction meets the criteria for held for sale accounting treatment, AIG expects to record a nonoperating loss of approximately US\$4.4 billion, which includes a non-cash charge of approximately \$1.8 billion associated with the utilization of tax net operating loss carry forwards from this transaction.

There can be no assurance that the ILFC Transaction will be completed or, if completed, that it will be completed for the amount or on the terms contemplated or that there will not be a delay in the completion of the ILFC Transaction.

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**Summary of the Offering**

Common stock the selling shareholder is offering 234,169,156 Shares

Common stock outstanding as of November 30, 2012 1,476,313,967 Shares

Use of proceeds We will not receive any of the proceeds from the sale of the shares offered by the selling shareholder. We will pay the underwriting discount with respect to the shares sold by the selling shareholder and we will pay our share of the offering expenses, including the fees and expenses of counsel for the selling shareholder.

Treasury ownership after completion of this offering Assuming all of the shares of our common stock owned by Treasury are sold in the offering, upon completion of this offering, it is expected that Treasury will no longer own any of our common stock.

Regardless of the outcome of this offering, Treasury will continue to hold the Series D Warrant (as defined below) to purchase up to 2,689,938 shares of our common stock and the Series F Warrant (as defined below) to purchase up to 150 shares of our common stock, each pursuant to the current terms of the Series D Warrant and Series F Warrant. See Description of Common Stock Impact of Other Securities and Contractual Obligations of AIG and The Selling Shareholder in this prospectus supplement for more information on the Series D Warrant and Series F Warrants held by Treasury.

New York Stock Exchange, or NYSE, Listing Ticker AIG  
Symbol

The offer and sale of the common stock in certain jurisdictions is subject to the restrictions described herein under Underwriting Selling Restrictions.

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**RISK FACTORS**

*An investment in our common stock involves certain risks. You should carefully consider the risks described below and in Part II, Item 1A. Risk Factors of our Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2012, Part II, Item 1A. Risk Factors of our Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2012 and Part I, Item 1A. Risk Factors of our Annual Report on Form 10-K, as well as the other information included in this prospectus supplement and the accompanying prospectus, or incorporated by reference into this prospectus supplement and the accompanying prospectus, before purchasing shares of our common stock.*

**We currently do not pay cash dividends and we may be unable to pay dividends or repurchase shares of our common stock in the future.**

We have not paid any cash dividends since September 2008, and we may not pay cash dividends in the future. No assurance can be given that we will begin paying cash dividends.

Our regulatory status will affect our ability to pay dividends or repurchase shares of our common stock. Companies that control a federal savings association, such as AIG Federal Savings Bank, are generally savings and loan holding companies (each, a "SLHC") and subject to regulation by the Board of Governors of the Federal Reserve System ("FRB"). As a result, we are regulated by the FRB as an SLHC. The FRB, as a supervisory matter, could limit our ability to pay dividends or repurchase shares of our common stock. The payment of dividends and repurchase of shares of common stock may depend, among other things, on whether we are well capitalized and whether we have demonstrated profitability. In addition, the FRB has proposed consolidated capital requirements that would apply to SLHCs and will propose enhanced prudential standards for SLHCs, all of which could, when adopted, restrict our ability to pay dividends and repurchase our common stock. In addition, if we are treated as a systemically important financial institution ("SIFI") under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 ("Dodd-Frank"), we will be subject to an additional regulatory framework that could further limit our ability to pay dividends or repurchase shares of our common stock. A more detailed discussion of the SHLC regulatory framework that is expected to be applicable to us is set forth under Part II, Item 1A. Risk Factors Regulation Our status as a savings and loan holding company and the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act will subject us to substantial additional federal regulation, either or both of which may materially and adversely affect our businesses, results of operations, cash flows, financial condition and credit ratings and Part I, Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations Regulatory Environment in our Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2012. We are unable to predict if or when we will be able to pay dividends or repurchase shares of our common stock consistent with future regulatory restrictions.

Even if regulatory approval of a payment of dividends or a repurchase of shares of our common stock is received, the payment of any dividend or repurchase of any shares of common stock will be subject to the approval of our Board of Directors, in its sole discretion. In considering whether to pay a dividend or repurchase shares of common stock, our Board of Directors will take into account such matters as our financial position, the performance of our businesses, our consolidated financial condition, results of operations and liquidity, available capital, the existence of investment opportunities, contractual, legal and regulatory restrictions on the payment of dividends by our subsidiaries to us, rating agency considerations, including the potential effect on our debt ratings, and such other factors as our Board of Directors may deem relevant.

In 2012, we have repurchased approximately \$13 billion of common stock that had been offered in four registered offerings by the selling shareholder of shares of our common stock. The timing of additional purchases, if any, will depend on future regulatory restrictions, further board action, market conditions, our financial condition, results of operations, liquidity, rating agency considerations and other factors. There is no assurance that we will repurchase any additional shares.

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### **Our holding company structure and certain regulatory and other constraints could affect our ability to pay our obligations.**

We are a holding company and we conduct substantially all of our operations through subsidiaries. We depend on dividends, distributions and other payments from our subsidiaries to fund payments on our obligations, including debt obligations. Further, the majority of our investments are held by our regulated subsidiaries. Our subsidiaries may be limited in their ability to make dividend payments or advance funds to us in the future because of the need to support their own capital levels.

### **If Treasury is not able to sell all of its shares of the common stock as contemplated in this offering, Treasury may continue to be a significant shareholder and may have interests inconsistent with other holders of our common stock.**

Treasury currently has approximately 15.9 percent of the voting power of our common stock before this offering. Assuming all of the shares of our common stock owned by Treasury are sold in this offering, upon completion of this offering, it is expected that Treasury will no longer own any of our common stock. However, if Treasury remains a substantial shareholder, the interests of Treasury (as a government entity) may not be the same as those of other holders of our common stock.

For as long as it remains a substantial shareholder, Treasury will continue to have a significant vote on matters subject to shareholder approval, including:

approval of mergers or other business combinations;

a sale of all or substantially all of our assets;

amendments to our restated certificate of incorporation; and

other matters that might be favorable to Treasury, but not to our other shareholders.

Moreover, Treasury's significant vote in connection with a change in control of us could also have an adverse effect on the market price of our common stock. Treasury may, subject to applicable securities laws and except as described under "Underwriting," transfer all, or a portion of, our common stock to another person or entity and, in the event of such a transfer, that person or entity could become a significant shareholder. Treasury's rights under a registration rights agreement, dated as of January 14, 2011, between us and Treasury (the "Registration Rights Agreement"), may be assigned to any person purchasing over \$500 million of our common stock.

Regardless of the outcome of this offering, Treasury will continue to hold the Series D Warrant (as defined below) to purchase up to 2,689,938 shares of our common stock and the Series F Warrant (as defined below) to purchase up to 150 shares of our common stock, each pursuant to the current terms of the Series D Warrant and Series F Warrant. See "Description of Common Stock—Impact of Other Securities and Contractual Obligations of AIG" and "The Selling Shareholder" in this prospectus supplement for more information on the Series D Warrant and Series F Warrants held by Treasury.

### **Possible future sales or other dilution of our equity by us, or the perception of any such possible future sales, may adversely affect the market price of our common stock.**

Except as described under "Underwriting" and subject to Treasury's rights under, and the restrictions contained in, the Registration Rights Agreement, we are not restricted from issuing additional shares of our common stock, including any securities that are convertible into or exchangeable for, or that represent the right to receive, our common stock, such as various warrants issued by us. The issuance of the additional shares of our common stock or such other securities will dilute the ownership interest of the existing holders of our common stock. The market price of our common stock could decline as a result of sales of shares of our common stock or sales of such other securities made after this offering or the perception that such sales could occur.

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**The price of our common stock has fluctuated and may continue to fluctuate significantly, which may make it difficult for you to resell shares of our common stock owned by you at times or at prices you find attractive.**

The price of our common stock on the NYSE constantly changes and has been highly volatile. We expect that the market price of our common stock will continue to fluctuate.

Our stock price may fluctuate as a result of a variety of factors, many of which are beyond our control. These factors include:

sales of common stock, including any securities that are convertible into or exchangeable for, or that represent the right to receive, our common stock, or the perception that such sales could occur, or other actions by Treasury;

periodic variations in our operating results or the quality of our assets;

operating results that vary from the expectations of securities analysts and investors;

changes in expectations as to our future financial performance;

the operating and securities price performance of other companies that investors believe are comparable to us;

actions by credit rating agencies;

factors as noted or referenced in this prospectus supplement under **Risk Factors** and **Cautionary Statement Regarding Forward-Looking Information** and under comparable headings in the documents incorporated by reference in this prospectus supplement and the accompanying prospectus; and

changes in global financial markets and global economies and general market conditions, such as interest or foreign exchange rates, stock, commodity or real estate valuations or volatility, adverse European economic and financial conditions related to sovereign debt issues in certain countries, concerns regarding the European Union or geopolitical or military crises.

In addition, in recent years, the stock market in general has experienced extreme price and volume fluctuations. This volatility has significantly affected the market prices of securities issued by many companies, including for reasons unrelated to their operating performance. These broad market fluctuations may adversely affect our stock price regardless of our operating results.

**Our common stock is an equity security and is subordinate to our existing and future indebtedness and our preferred stock.**

Shares of our common stock are equity interests in us and do not constitute indebtedness. This means that shares of our common stock will rank junior to all of our indebtedness and to other non-equity claims against us and our assets available to satisfy claims against us, including in our liquidation. Additionally, the holders of our common stock are subject to the prior dividend and liquidation rights of holders of our preferred stock or the depositary shares representing such preferred stock then outstanding. Our Board of Directors is authorized to issue additional classes or series of preferred stock without any action on the part of the holders of our common stock.

**The amendment to our previously amended and restated certificate of incorporation (the **Protective Amendment** ) and our **Tax Asset Protection Plan (the **Plan** ) could have an anti-takeover effect.****

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Although the reason our Board of Directors approved the Protective Amendment (which has been included in our restated certificate of incorporation) and adopted the Plan is to protect the long-term value of certain tax attributes that may reduce future income taxes, the Protective Amendment could be deemed to have an

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anti-takeover effect because, among other things, it will restrict the ability of a person, entity or group to accumulate 4.99 percent or more of our common stock. Similarly, while the Plan is not intended to prevent a takeover, it does have a potential anti-takeover effect because an acquiring person may be diluted upon the occurrence of a triggering event. Accordingly, the overall effects of the Protective Amendment and the Plan may be to render more difficult, or discourage, a merger, tender offer, proxy contest or assumption of control by a substantial holder of our securities. See Description of Common Stock Protective Amendment and Description of Common Stock The Tax Asset Protection Plan in this prospectus supplement for a more detailed discussion about the Protective Amendment and the Plan.

**Our ability to utilize tax losses and credits carryforwards to offset future taxable income may be significantly limited if we experience an ownership change under the Internal Revenue Code.**

As of September 30, 2012, we had substantial net operating loss carryforwards, capital loss carryforwards and foreign tax credits carryforwards to reduce future income taxes ( tax assets ). Our ability to utilize such tax assets to offset future taxable income may be significantly limited if we experience an ownership change as defined in Section 382 of the Internal Revenue Code of 1986, as amended (the Code ). An ownership change will generally occur if the percentage of our stock owned by 5-percent shareholders (as defined in Section 382 of the Code) has increased by more than 50 percentage points over the lowest percentage of our stock owned by such shareholders at any time during a 3-year period, with certain exceptions related to the disposition of the common stock held by the Treasury. If we were to experience an ownership change, it is possible that a significant portion of our tax assets could expire before we would be able to use them to offset future taxable income. Based on the proposed method of distributing the common stock offered hereby, we do not, however, expect this offering to result in an ownership change.

On March 9, 2011, our Board of Directors adopted the Plan to help protect our ability to recognize tax benefits from certain tax attributes in order to reduce our potential future income tax liability. At our annual meeting of shareholders on May 11, 2011, our shareholders ratified the Plan and also adopted the Protective Amendment, which is designed to prevent certain transfers of our common stock that could result in an ownership change. While the Plan and the Protective Amendment are intended to deter and prevent acquisitions of our common stock that may result in an ownership change, such acquisitions may still occur. See Description of Common Stock Protective Amendment and Description of Common Stock The Tax Asset Protection Plan in this prospectus supplement for a more detailed discussion about the Protective Amendment and the Plan.

**The selling shareholder is a federal agency, and your ability to bring a claim against the selling shareholder under the federal securities laws may be limited.**

The doctrine of sovereign immunity, as limited by the Federal Tort Claims Act (the FTCA ), provides that claims may not be brought against the United States of America or any agency or instrumentality thereof unless specifically permitted by an act of Congress. The FTCA bars claims for fraud or misrepresentation. At least one federal court, in a case involving a federal agency, has held that the United States may assert its sovereign immunity to claims brought under the federal securities laws. In addition, Section 3(c) of the Exchange Act provides that the selling shareholder and its officers, agents and employees are exempt from liability for any violation or alleged violation of any provision of the Exchange Act, including the anti-fraud provisions of Section 10(b) of the Exchange Act. Accordingly, any attempt to assert such a claim against the officers, agents or employees of the selling shareholder for a violation of the Securities Act or the Exchange Act resulting from an alleged material misstatement in or material omission from this prospectus supplement, the accompanying prospectus, the documents incorporated by reference herein and therein or the registration statement, or resulting from any other act or omission in connection with the offering by the selling shareholder, would likely be barred.

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**USE OF PROCEEDS**

The shares of our common stock offered by this prospectus supplement are being sold for the account of the selling shareholder. Any proceeds from the sale of the shares will be received by the selling shareholder for its own account, and we will not receive any such proceeds. We will pay the underwriting discount with respect to the shares sold by the selling shareholder and we will pay our share of the offering expenses, which include the fees and expenses of counsel for the selling shareholder.

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**Table of Contents****PRICE RANGE OF COMMON STOCK AND DIVIDENDS**

Our common stock is listed on the NYSE under the symbol **AIG** and is also listed on the Tokyo stock exchange. The following table sets forth the high and low closing sale prices per share of our common stock on the NYSE during the periods shown.

	<b>Low Closing Sale Price</b>	<b>High Closing Sale Price</b>
<b>2012:</b>		
Fourth Quarter (through December 10, 2012)	\$ 30.68	\$ 37.21
Third Quarter	30.15	35.02
Second Quarter	27.21	34.76
First Quarter	23.54	30.83
<b>2011:</b>		
Fourth Quarter	20.07	26.52
Third Quarter	21.61	30.21
Second Quarter	27.23	35.00
First Quarter	34.95*	61.18*
<b>2010:</b>		
Fourth Quarter	38.86	59.38
Third Quarter	33.10	41.64
Second Quarter	34.05	44.51
First Quarter	22.16	36.24

\* Includes the effect of our common stock trading with due bills for the dividend paid in the form of warrants.

During the periods shown above, no cash dividends were declared or paid. In January 2011, as part of a series of integrated transactions with Treasury, the Federal Reserve Bank of New York (the **FRBNY**) and the AIG Credit Facility Trust (the **Trust**) that closed on January 14, 2011 to recapitalize AIG (the **Recapitalization**), we declared a dividend of 0.533933 warrants for each share of our common stock owned by the common shareholders of record as of January 13, 2011. Each of such 10-year warrants entitles the holder to purchase one share of our common stock at an initial exercise price of \$45.00 per share, subject to anti-dilution adjustments for certain events. On January 19, 2011, 74,997,777.598 warrants were issued to our common shareholders, of which 67,650.196 warrants were retained by us to satisfy tax withholding. In addition, in connection with the adoption of the Plan, on March 9, 2011, our Board of Directors declared a dividend of one right for each outstanding share of our common stock, held of record as of the close of business on March 18, 2011 or issued thereafter. See **Description of Common Stock** **The Tax Asset Protection Plan** for a description of the rights.

As of November 30, 2012, there were 1,476,313,967 shares of common stock outstanding, held by approximately 40,146 record holders. On December 10, 2012, the last reported sale price of our common stock on the NYSE was \$33.36 per share.

Payment of future dividends is dependent on the regulatory regime that is or will ultimately be applicable to us, and dividends will be payable on our common stock only when, as and if declared by our Board of Directors in its discretion, from funds legally available for such purpose. In considering whether to pay a dividend or repurchase shares of common stock, our Board of Directors will take into account such matters as our financial position, the performance of our businesses, our consolidated financial condition, results of operations and liquidity, available capital, the existence of investment opportunities, contractual, legal and regulatory restrictions on the payment of dividends by our subsidiaries to us, rating agency considerations, including the potential effect on our debt ratings, and such other factors as our Board of Directors may deem relevant. We currently do not pay cash dividends and we may be unable to pay cash dividends in the future. In addition, the

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FRB could limit our ability to pay dividends, since we are regulated as an SLHC. In addition, if we are treated as a SIFI, we will be subject to an additional regulatory framework that could further limit our ability to pay dividends. For a discussion of certain regulatory restrictions that might apply to our ability to pay dividends on our common stock, see [Risk Factors](#). We currently do not pay cash dividends and we may be unable to pay dividends or repurchase shares of our common stock in the future. For a discussion of certain restrictions on the payment of dividends to AIG by our insurance subsidiaries, see [Risk Factors](#). Our holding company structure and certain regulatory and other constraints could affect our ability to pay our obligations.

In addition, subject to certain exceptions, the terms of our outstanding junior subordinated debentures may restrict our ability to declare or pay dividends on our common stock upon an event of default under or deferral of interest payments on those junior subordinated debentures. As of the date of this prospectus supplement, we have not deferred any interest payments under those junior subordinated debentures. See [Description of Common Stock](#), [Impact of Other Securities and Contractual Obligations of AIG](#), [Junior Subordinated Debentures](#) for a more detailed discussion of these restrictions.

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**DESCRIPTION OF COMMON STOCK**

*This section summarizes some of the terms of our capital stock, plans, securities exercisable for our common stock and debt instruments and agreements containing restrictions relating to our capital stock. This summary does not purport to be complete and is qualified by the documents governing those terms which contain the full legal text of the matters described in this section. Such documents have been filed with the SEC or incorporated by reference as exhibits to the registration statement of which the accompanying prospectus forms a part or to our Annual Report on Form 10-K. You should refer to these documents for more information.*

This summary supplements and amends the general description of our common stock contained in the accompanying prospectus. Any information regarding the common stock contained in this prospectus supplement that is inconsistent with information in the accompanying prospectus will apply and will supersede the inconsistent information in the accompanying prospectus.

**General**

AIG's authorized capital stock includes 5,000,000,000 shares of common stock (par value \$2.50 per share). As of November 30, 2012, there were 1,476,313,967 shares of our common stock outstanding.

All of the outstanding shares of our common stock are fully paid and nonassessable. Subject to the prior rights of the holders of shares of preferred stock that may be issued and outstanding, the holders of common stock are entitled:

to receive dividends when, as and if declared by our Board of Directors out of funds legally available for the payment of dividends (AIG is subject to contractual and potentially other restrictions on its ability to pay dividends in certain circumstances. See Price Range of Common Stock and Dividends above and Impact of Other Securities and Contractual Obligations of AIG below); and

in the event of dissolution of AIG, to share ratably in all assets remaining after payment of liabilities and satisfaction of the liquidation preferences, if any, of then outstanding shares of preferred stock, as provided in AIG's restated certificate of incorporation. Each holder of common stock is entitled to one vote for each share held of record on all matters presented to a vote at a shareholders meeting, including the election of directors. Holders of common stock have no cumulative voting rights or preemptive rights to purchase or subscribe for any additional shares of common stock or other securities, and there are no conversion rights or redemption or sinking fund provisions with respect to the common stock. Authorized but unissued shares of common stock may be issued without shareholder approval.

AIG has adopted direct company registration of its common stock. Holders of shares of common stock will not receive stock certificates evidencing their share ownership. Instead, they will be provided with a statement reflecting the number of shares registered in their accounts.

The transfer agent for our common stock is Wells Fargo Bank, N.A.

**Protective Amendment**

Our Board of Directors and our shareholders approved the Protective Amendment, which has been included in our restated certificate of incorporation. The purpose of the Protective Amendment is to prevent certain transfers of our securities that could result in an ownership change under Section 382 (Section 382) of the Code, and, therefore, materially inhibit our ability to use certain net operating loss carryforwards, capital loss carryforwards and foreign tax credits carryforwards to reduce future income taxes (the Tax Attributes).

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The Protective Amendment generally restricts any direct or indirect transfer of our common stock (such as transfers of our securities that result from the transfer of interests in other entities that own our common stock) if the effect would be to:

increase the direct, indirect or constructive ownership by any Person (as defined below) to 4.99 percent or more of our common stock then outstanding or certain other classes of stock then outstanding (a Five Percent Shareholder ); or

increase the percentage of our stock owned directly, indirectly or constructively by a Five Percent Shareholder.

*Person* means any individual, firm, partnership, limited liability company, trust, association, limited liability partnership, corporation or other entity within the meaning of Treasury regulation §1.382-3(a)(1)(i), and includes any successor (by merger or otherwise) of such entity. Restricted transfers include sales to Persons whose resulting percentage ownership (direct, indirect or constructive) of our common stock would equal or exceed the 4.99 percent threshold discussed above, or to Persons whose direct or indirect ownership of our common stock would by attribution cause another Person to equal or exceed such threshold. Complicated stock ownership rules prescribed by the Code (and Treasury regulations promulgated thereunder) apply in determining whether a Person is a Five Percent Shareholder under the Protective Amendment.

These transfer restrictions may result in the delay or refusal of certain requested transfers of our common stock, or prohibit ownership (thus requiring dispositions) of our common stock due to a change in the relationship between two or more persons or entities or to a transfer of an interest in an entity that, directly or indirectly, owns our common stock. The transfer restrictions will also apply to proscribe the creation or transfer of certain options (which are broadly defined by Section 382) with respect to AIG securities to the extent that, in certain circumstances, the creation, transfer or exercise of the option would result in a proscribed level of ownership. These restrictions also apply to the exercise of the Dividend Warrants, the Series D Warrant and Series F Warrant (each as defined below).

Any direct or indirect transfer attempted in violation of the Protective Amendment will be void as of the date of the prohibited transfer as to the purported transferee (or, in the case of an indirect transfer, the direct owner of our securities will be deemed to have disposed of, and required to dispose, the excess stock (as defined below), with such disposition being deemed to occur simultaneously with the transfer), and the purported transferee (or in the case of any indirect transfer, the direct owner) will not be recognized as the owner of the securities owned in violation of the Protective Amendment for any purpose, including for purposes of voting and receiving dividends or other distributions in respect of our common stock, or in the case of options, receiving our common stock in respect of their exercise. In this prospectus supplement, the common stock purportedly acquired in violation of the Protective Amendment is referred to as excess stock.

In addition to a prohibited transfer being void as of the date it is attempted, upon demand, the purported transferee must transfer the excess stock to our agent along with any dividends or other distributions paid with respect to such excess stock. Our agent is required to sell such excess stock in an arm's-length transaction (or series of transactions) that would not constitute a violation under the Protective Amendment. The net proceeds of the sale, together with any other distributions with respect to such excess stock received by our agent, after deduction of all costs incurred by the agent, will be distributed first to the purported transferee in an amount, if any, up to the cost (or, in the case of gift, inheritance or similar transfer, the fair market value of the excess stock on the date of the prohibited transfer) incurred by the purported transferee to acquire such excess stock, and the balance of the proceeds, if any, will be distributed to the transferor in the prohibited transfer, or to a charitable beneficiary if the transferor cannot be readily identified. If the excess stock is sold by the purported transferee, such person will be treated as having sold the excess stock on behalf of our agent, and will be required to remit all proceeds to our agent (except to the extent we grant written permission to the purported transferee to retain an amount, not to exceed the amount such person otherwise would have been entitled to retain had our agent sold such shares for an amount equal to the proceeds of such sale (taking into account the actual costs incurred by our agent)).

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The transfer restrictions in the Protective Amendment are subject to certain exceptions. Among other things, a transfer from one member of a public group (as defined under Section 382) to another member of the same public group that does not result in such transferee being treated as a 5-percent shareholder (as defined under Section 382) does not increase the percentage interests taken into account for purposes of determining an ownership change and, therefore, such transfers are generally not restricted. In addition, our Board of Directors will have the discretion to approve a transfer of our securities that would otherwise violate the transfer restrictions if it determines that the transfer is in our best interests or if the Board of Directors receives a report, at the Board of Directors' request, from our advisors that the proposed transfer does not create a significant risk of material adverse tax consequences to us. The Board of Directors is also required to approve any proposed transfer by Treasury if that transfer and all prior and anticipated transfers or other transactions during the relevant testing period do not result in an owner shift of more than 40 percent under Section 382.

The Protective Amendment expires on the earliest of (i) the close of business on the third anniversary of the annual meeting of our shareholders in 2011, (ii) the date on which our Board of Directors receives, at its request, a report from our advisors that the Protective Amendment is no longer necessary for the preservation of the Tax Attributes because of the amendment or repeal of Section 382 or any other change in law, (iii) the first day of a taxable year to which our Board of Directors receives a report, at its request, from our advisors that no Tax Attributes may be carried forward, and (iv) such date as the Board of Directors determines for the restrictions in the Protective Amendment to terminate.

### **The Tax Asset Protection Plan**

Our Board of Directors adopted the Plan on March 9, 2011 and our shareholders ratified the Plan at our annual meeting of shareholders on May 11, 2011. Subject to certain limited exceptions, the Plan is intended to act as a deterrent to any person or group acquiring 4.99 percent or more of our outstanding common stock (an Acquiring Person) without the approval of our Board of Directors. Shareholders who owned 4.99 percent or more of our common stock as of the close of business on March 9, 2011 generally will not trigger the Plan so long as they do not acquire any additional shares of our common stock. Treasury is the only shareholder who owned 4.99 percent or more of our common stock as of the close of business on March 9, 2011. Our Board of Directors may, in its sole discretion, exempt any person or group from being deemed an Acquiring Person for purposes of the Plan with respect to which it receives, at its request, a report from our advisors to the effect that such exemption would not create a significant risk of material adverse tax consequences to us, or our Board of Directors otherwise determines it is in our best interests.

*The Rights.* Our Board of Directors authorized the issuance of one right per each outstanding share of our common stock payable to our shareholders of record as of the close of business on March 18, 2011. Subject to the terms, provisions and conditions of the Plan, if these rights become exercisable, each right would initially represent the right to purchase from us one ten-thousandth of a share of our Participating Preferred Stock, par value \$5.00 per share (the Participating Preferred Stock), for a purchase price of \$185.00 per right (the Exercise Price). If issued, each one ten-thousandth of a share of Participating Preferred Stock would generally give a shareholder approximately the same dividend, voting and liquidation rights as does one share of our common stock. However, prior to exercise, a right does not give its holder any rights as a shareholder, including without limitation any dividend, voting or liquidation rights.

*Exercisability.* The rights will not be exercisable until the earlier of (i) a public announcement by us that a person or group has become an Acquiring Person (the date of such public announcement is referred to herein as the Stock Acquisition Date) and (ii) 10 business days after the commencement of a tender or exchange offer by a person or group if upon consummation of the offer the person or group would directly, indirectly or constructively own 4.99 percent or more of our outstanding common stock. We refer to the date on which the rights become exercisable as the Separation Time.

Until the Separation Time, our common stock certificates (or the registration of uncertificated shares on our stock transfer books) will evidence the rights and may contain a notation to that effect. Any transfer of shares of

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our common stock prior to the Separation Time will constitute a transfer of the associated rights. After the Separation Time, the rights may be transferred other than in connection with the transfer of the underlying shares of our common stock.

If there is an Acquiring Person on the Separation Time or a person or group becomes an Acquiring Person after the Separation Time, each holder of a right, other than rights that are or were beneficially owned by an Acquiring Person (which will be void), will thereafter have the right to receive upon exercise of a right and payment of the Exercise Price that number of shares of our common stock (or, at AIG's election, Participating Preferred Stock) having a market value of two times the exercise price of the right.

*Exchange.* At any time after the Stock Acquisition Date, provided the Acquiring Person does not hold 50 percent or more of the outstanding common stock, our Board of Directors may exchange the rights, other than rights that are or were beneficially owned by an Acquiring Person, which will be void, in whole or in part, at an exchange ratio equal to one share of our common stock (or one ten-thousandth of a share of Participating Preferred Stock) per right.

*Redemption.* At any time until the Stock Acquisition Date, the Board of Directors may redeem all of the then-outstanding rights in whole, but not in part, at a price of \$0.001 per right, subject to adjustment (the Redemption Price). Immediately upon action of the Board of Directors ordering redemption of the rights, the right to exercise the rights will terminate, and the only right of the holders of rights will be to receive the Redemption Price.

*Anti-Dilution Provisions.* The Exercise Price and the number of outstanding rights are subject to adjustment to prevent dilution that may occur as a result of certain events, including, among others, a stock dividend, a stock split or a reclassification of our common stock.

*Amendments.* Any of the provisions of the Plan may be amended by our Board of Directors at any time and in any manner.

*Expiration.* The rights issued pursuant to the Plan will expire on the earliest of (i) the close of business on March 9, 2014, provided that the Board of Directors may determine to extend the Plan prior to such date as long as our shareholders are asked to ratify such extension at the next succeeding annual meeting, (ii) the time at which the rights are redeemed, (iii) the time at which the rights are exchanged, (iv) the time at which our Board of Directors receives, at its request, a report from our advisors that the Tax Attributes are utilized in all material respects or no longer available in any material aspect or that an ownership change under Section 382 or any applicable state law would not adversely impact in any material respect the time period in which we could use the Tax Attributes, or materially impair the amount of the Tax Attributes that could be used.

## **Impact of Other Securities and Contractual Obligations of AIG**

### ***Preferred Stock***

We currently have no preferred stock issued or outstanding. However, we may issue shares of Participating Preferred Stock pursuant to the Plan or issue other classes or series of preferred stock without consent of or any action on the part of holders of our common stock. See "Description of Common Stock - The Tax Asset Protection Plan" above for a more detailed description of the Participating Preferred Stock and "Description of Preferred Stock and Depositary Shares AIG May Offer" in the accompanying prospectus for a more detailed description of the preferred stock AIG may offer from time to time.

### ***Series D Warrant***

On November 25, 2008, we issued to Treasury a warrant (the Series D Warrant) to purchase up to 2,689,938 shares of our common stock, as adjusted to reflect the effect of the one-for-twenty reverse stock split

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of our common stock. The Series D Warrant is currently exercisable at an exercise price of \$50 per share. The ultimate number of shares of common stock to be issued under the terms of the Series D Warrant and the exercise price of the Series D Warrant is also subject to certain customary anti-dilution adjustments as set forth in the Series D Warrant certificate, including, among others, upon the issuances, in certain circumstances, of common stock or securities convertible into common stock.

The Series D Warrant has a term of 10 years and is exercisable at any time, in whole or in part. The Series D Warrant is not subject to any contractual restrictions on transfer other than such as are necessary to ensure compliance with U.S. federal and state securities laws. Treasury has agreed that it will not exercise any voting rights with respect to the common stock issued upon exercise of the Series D Warrant.

### ***Series F Warrant***

On April 17, 2009, we issued to Treasury a warrant (the Series F Warrant ) to purchase up to 150 shares of our common stock, as adjusted to reflect the effect of the one-for-twenty reverse stock split of our common stock. The Series F Warrant is currently exercisable at an exercise price of \$0.00002 per share. The ultimate number of shares of common stock to be issued under the terms of the Series F Warrant and the exercise price of the Series F Warrant are subject to certain customary anti-dilution adjustments as set forth in the Series F Warrant certificate, including, among others, upon the issuances, in certain circumstances, of common stock or securities convertible into common stock.

The Series F Warrant has a term of 10 years and is exercisable at any time, in whole or in part. The Series F Warrant is not subject to any contractual restrictions on transfer other than such as are necessary to ensure compliance with U.S. federal and state securities laws. Treasury has agreed that it will not exercise any voting rights with respect to the common stock issued upon exercise of the Series F Warrant.

### ***Warrants to Common Stock Holders as Dividend***

As part of the Recapitalization, on January 19, 2011, we issued to the holders of record of our common stock on January 13, 2011, by means of a dividend, 10-year warrants (the Dividend Warrants ) to purchase a total of up to 74,997,777.598 shares of our common stock at an initial exercise price of \$45.00 per share, subject to anti-dilution adjustment for certain events specified in the Warrant Agreement, dated January 6, 2011, between Wells Fargo Bank, N.A., as Warrant Agent, and us. We retained 67,650.196 Dividend Warrants to satisfy tax withholding. The exercise of the Dividend Warrants will be subject to the restrictions set forth in the Protective Amendment.

### ***Junior Subordinated Debentures***

We have previously issued junior subordinated debentures that contain provisions that restrict our activities with respect to our common stock. Specifically, the issued debentures provide that if an event of default has occurred and is continuing with respect to the issued debentures or we have given notice of our election to defer interest payments on the issued debentures but the related deferral period has not yet commenced or a deferral period is continuing, then, subject to certain exceptions, we will not, and will not permit any of our subsidiaries 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 our capital stock, (b) 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 issued debentures or (c) make any guarantee payments with respect to any of our guarantees of the securities of any subsidiary if such guarantee ranks *pari passu* with, or junior in interest to, the issued debentures. In addition, if any deferral period for certain of the issued debentures 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 common stock, certain qualifying warrants and certain qualifying non-cumulative preferred stock, the proceeds of which were used to settle deferred interest during the

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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 percent of the surviving or resulting entity's voting stock is owned by the shareholders of the other party to the business combination or directors of AIG who were directors at the time of the initial approval of the definitive agreement relating to the business combination 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.

As of September 30, 2012, we had \$9.378 billion aggregate principal amount of such junior subordinated debentures outstanding in various series, and we have not deferred any interest payment under such junior subordinated debentures.

**Table of Contents****THE SELLING SHAREHOLDER**

On January 14, 2011, upon the closing of the Recapitalization, we issued 1,655,037,962 shares of our common stock to Treasury, in exchange for shares of various classes of our preferred stock held by Treasury and the Trust prior to the completion of the Recapitalization as more fully described below. On May 27, 2011, Treasury sold 200,000,000 shares of our common stock in a registered offering. On March 13, 2012, Treasury sold 206,896,552 shares of our common stock in a registered offering, including 103,448,276 shares we purchased in the offering. On May 10, 2012, Treasury sold 188,524,589 shares of our common stock in a registered offering, including 65,573,770 shares we purchased in the offering. On August 8, 2012, Treasury sold 188,524,590 shares of our common stock in a registered offering, including 98,360,656 shares we purchased in the offering. On September 14, 2012, Treasury sold 636,923,075 shares of our common stock in a registered offering, including 153,846,153 shares we purchased in the offering. The shares of our common stock held by Treasury represented approximately 15.9 percent of our outstanding common stock as of November 30, 2012.

The following description of the selling shareholder was provided by Treasury and derived from the website of Treasury. Treasury is the executive agency of the United States government responsible for promoting economic prosperity and ensuring the financial security of the United States. Treasury is responsible for a wide range of activities, such as advising the President of the United States on economic and financial issues, encouraging sustainable economic growth and fostering improved governance in financial institutions. Treasury operates and maintains systems that are critical to the nation's financial infrastructure, such as the production of coin and currency, the disbursement of payments to the American public, revenue collection and the borrowing of funds necessary to run the federal government. Treasury works with other federal agencies, foreign governments, and international financial institutions to encourage global economic growth, raise standards of living and, to the extent possible, predict and prevent economic and financial crises. Treasury also performs a critical and far-reaching role in enhancing national security by implementing economic sanctions against foreign threats to the United States, identifying and targeting the financial support networks of national security threats and improving the safeguards of our financial systems. In addition, under the Emergency Economic Stabilization Act of 2008, as amended, Treasury was given certain authority and facilities to restore the liquidity and stability of the financial system.

The table below sets forth information with respect to the number of shares of our common stock beneficially owned by the selling shareholder as of December 10, 2012, the number of shares of our common stock being offered by the selling shareholder in this offering, and the number of shares of our common stock to be beneficially owned by the selling shareholder assuming all the shares of our common stock offered by the selling shareholder in this offering are sold.

<b>Selling Shareholder</b>	<b>Number of Shares of Common Stock Beneficially Owned Prior to the Offering (1)</b>	<b>Number of Shares of Common Stock Being Offered</b>	<b>Number of Shares of Common Stock Beneficially Owned After the Offering</b>
United States Department of the Treasury	234,169,156	234,169,156	0

(1) Represents approximately 15.9 percent of our common stock outstanding as of November 30, 2012.

In addition to the shares of our common stock, Treasury currently holds the Series D Warrant to purchase up to 2,689,938 shares of our common stock and the Series F Warrant to purchase up to 150 shares of our common stock, each subject to certain customary anti-dilution adjustments. See "Description of Common Stock" in this prospectus supplement for more information about such other securities held by Treasury. Treasury and AIG are also parties to certain agreements, including the Master Transaction Agreement, dated as of December 8, 2010, among AIG, AM Holdings LLC (formerly known as ALICO Holdings LLC) (the "ALICO SPV"), AIA Aurora LLC (the "AIA SPV"), the FRBNY, Treasury and the Trust, as amended by an amendment dated as of March 7, 2012, the Registration Rights Agreement and the Agreement to Terminate Intercompany Loan, dated as of March 21, 2012, among AIG, the AIA SPV, the ALICO SPV and Treasury. Under the Registration Rights

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Agreement, we have agreed to pay the underwriting discounts and commissions payable with respect to the shares of our common stock sold by Treasury in this offering and the fees and expenses of counsel for Treasury, and to indemnify Treasury for certain liabilities in connection with this offering, including any liabilities under the Securities Act. Such agreement also grants Treasury the right to demand no more than twice in any 12-month period that we effect a registered fully marketed offering of its shares.

Before the completion of the Recapitalization, Treasury also held (i) 400,000 shares of our Series E Preferred Stock, which were issued in exchange for our Series D Fixed Rate Cumulative Perpetual Preferred Stock, par value \$5.00 per share, then held by Treasury, and (ii) 300,000 shares of our Series F Preferred Stock. In addition, the Trust, a trust established for the sole benefit of the Treasury, held 100,000 shares of our Series C Perpetual, Convertible, Participating Preferred Stock, par value \$5.00 per share (the Series C Preferred Stock). Upon the closing of the Recapitalization, the Series C Preferred Stock, Series E Preferred Stock and Series F Preferred Stock were exchanged for, among other things, an aggregate of 1,655,037,962 shares of our common stock and 20,000 shares of our Series G Cumulative Mandatory Convertible Preferred Stock, par value \$5.00 per share (Series G Preferred Stock). The Series C Preferred Stock, Series E Preferred Stock and Series F Preferred Stock were all cancelled upon the closing of the Recapitalization. The Series G Preferred Stock was cancelled in connection with our public offering of common stock in May 2011.

In connection with the Recapitalization, Treasury also obtained certain preferred interests in the AIA SPV and the ALICO SPV, which were previously held by the FRBNY. As of the end of March 2012, all of Treasury's preferred interests in the AIA SPV and the ALICO SPV had been paid down in full.

## **Governmental Immunity**

The doctrine of sovereign immunity, as limited by the FTCA, provides that claims may not be brought against the United States of America or any agency or instrumentality thereof unless specifically permitted by an act of Congress. The FTCA bars claims for fraud or misrepresentation. At least one federal court, in cases involving a federal agency, has held that the United States may assert its sovereign immunity to claims brought under the federal securities laws. In addition, Section 3(c) of the Exchange Act provides that Treasury and its officers, agents, and employees are exempt from liability for any violation or alleged violation of any provision of the Exchange Act, including the anti-fraud provisions of Section 10(b). Accordingly, any attempt to assert such a claim against the officers, agents or employees of Treasury for a violation of the Securities Act or the Exchange Act resulting from an alleged material misstatement in or material omission from this prospectus supplement, the accompanying prospectus, the documents incorporated by reference herein and therein or the registration statement of which the accompanying prospectus is a part, or resulting from any other act or omission in connection with the offering by Treasury, would likely be barred.

**Table of Contents****UNDERWRITING**

AIG, the selling shareholder and the underwriters named below have entered into an underwriting agreement with respect to the shares of AIG common stock being offered. Subject to certain conditions, each underwriter has severally agreed to purchase the number of shares of common stock indicated in the following table. Merrill Lynch, Pierce, Fenner & Smith Incorporated, Citigroup Global Markets Inc., Deutsche Bank Securities Inc., Goldman, Sachs & Co. and J.P. Morgan Securities LLC are acting as joint book-runners of the offering and are the representatives of the underwriters (the representatives).

<u>Underwriters</u>	<b>Number of Shares of Common Stock Sold by the Selling Shareholder</b>
Merrill Lynch, Pierce, Fenner & Smith Incorporated	
Citigroup Global Markets Inc.	
Deutsche Bank Securities Inc.	
Goldman, Sachs & Co.	
J.P. Morgan Securities LLC	
Total	234,169,156

The underwriters are committed to take and pay for all of the shares being offered, if any are taken.

AIG has agreed to pay the underwriting discount with respect to the shares sold by the selling shareholder. Such amounts are shown in the following table. AIG has also agreed to reimburse the selling shareholder for the fees and expenses of counsel for the selling shareholder.

Paid by AIG in Respect of the Shares Sold by the Selling Shareholder

Per Share	\$	
Total	\$	(a)

(a) Reflecting 234,169,156 shares sold to investors in this offering.

Shares sold by the underwriters to the public will initially be offered at the initial price to public set forth on the cover of this prospectus supplement. Any shares sold by the underwriters to securities dealers may be sold at a discount of up to \$ \_\_\_\_\_ per share from the initial price to public. The underwriters may allow, and such dealers may reallow, a concession not in excess of \$ \_\_\_\_\_ per share to brokers and dealers. If all the shares are not sold at the initial price to public, the representatives may change the offering price and the other selling terms. The offering of the shares by the underwriters is subject to receipt and acceptance and subject to the underwriters' right to reject any order in whole or in part.

AIG and the selling shareholder have agreed with the underwriters, subject to certain exceptions, not to dispose of, hedge or announce the sale of any of their common stock or any securities of AIG that are substantially similar to the common stock, such as securities convertible into or exchangeable for shares of common stock, during the period from the date of this prospectus supplement continuing through the date 45 days after the date of this prospectus supplement, except with the prior written consent of the representatives. These restrictions will not prevent AIG from issuing shares of common stock (or other stock-based awards) or securities convertible into or exchangeable for common stock (i) under its current employee benefit plans and related plans, (ii) in connection with its obligations with respect to awards previously made by Starr International Company, Inc., (iii) pursuant to certain acquisitions of other companies or businesses for common stock so long as the total number of shares of common stock issued or issuable does not exceed 3 percent of AIG's then outstanding common stock, or (iv) under its outstanding convertible or exchangeable securities or securities exercisable for our common stock.



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In connection with the offering, the underwriters may purchase and sell shares of common stock in the open market. These transactions may include short sales, stabilizing transactions and purchases to cover positions created by short sales. Short sales involve the sale by the underwriters of a greater number of shares than they are required to purchase in the offering. Stabilizing transactions consist of various bids for or purchases of shares of common stock made by the underwriters in the open market prior to the completion of the offering.

The underwriters may also impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased shares sold by or for the account of such underwriter in stabilizing or short covering transactions.

Purchases to cover a short position and stabilizing transactions, as well as other purchases by the underwriters for their own accounts, may have the effect of preventing or retarding a decline in the market price of AIG's common stock, and together with the imposition of the penalty bid, may stabilize, maintain or otherwise affect the market price of the common stock. As a result, the price of the common stock may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued at any time. These transactions may be effected on the NYSE, in the over-the-counter market or otherwise.

AIG estimates that its share of the total expenses of the offering, excluding the underwriting discount in respect of the shares being sold by the selling shareholder, will be approximately \$ \_\_\_\_\_, which includes estimated fees and expenses of counsel for the selling shareholder.

AIG has agreed to indemnify the several underwriters against certain liabilities, including liabilities under the Securities Act, and to contribute to payments that the underwriters may be required to make for these liabilities.

Certain of the underwriters and their respective affiliates have rendered and may in the future render various investment banking, lending and commercial banking services and other advisory services to AIG and its subsidiaries. Certain of these relationships involve transactions that were material to AIG and for which the underwriters received significant fees. Merrill Lynch, Pierce, Fenner & Smith Incorporated and Citigroup Global Markets Inc. also acted as financial advisors to us in connection with the Recapitalization. Certain of the underwriters have received, and may in the future receive, customary compensation from AIG and its subsidiaries for such services.

In the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of AIG. The underwriters and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

As previously announced, AIG has been conducting a review of its dealings with certain counterparties with which it did securities and related business before and during the recent financial crisis to determine what legal claims AIG may have to recover from counterparties that harmed AIG by their conduct. These counterparties include a number of financial institutions, including the underwriters and various of their affiliates. In connection with this review, AIG has entered into agreements with a number of such counterparties, including certain of the underwriters, tolling the statute of limitations in respect of claims AIG may have against those counterparties and, in some cases, that the counterparties, including certain underwriters, may have against AIG. In addition, AIG has formally commenced litigation against one of the underwriters with respect to related matters.

## **Selling Restrictions**

No action has been or will be taken by AIG, the selling shareholder or any underwriter that would permit a public offering of shares of common stock, or possession or distribution of this prospectus supplement or the

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accompanying prospectus or any other offering or publicity material relating to shares of common stock, in any country or jurisdiction outside the United States where, or in any circumstances in which, action for that purpose is required. Accordingly, shares of common stock offered hereby may not be offered or sold, directly or indirectly, and this prospectus supplement, the accompanying prospectus and any other offering or publicity material relating to the shares of common stock may not be distributed or published, in or from any country or jurisdiction outside the United States except under circumstances that will result in compliance with applicable laws and regulations.

### ***Argentina***

The issuer has not made, and will not make, any application to obtain an authorization from the Comisión Nacional de Valores ( CNV ) for the public offering of the shares of common stock in Argentina. The CNV has not approved the shares of common stock, the offering nor any document relating to the offering of the shares of common stock. The shares of common stock will not be offered or sold in Argentina, except in transactions that will not constitute a public offering of securities within the meaning of Section 16 of the Argentine Public Offering Law N° 17,811, as amended. Argentine insurance companies may not purchase the shares of common stock.

### ***Australia***

This document has not been lodged with the Australian Securities & Investments Commission and does not constitute an offer except to the following categories of exempt persons:

- (i) sophisticated investors under section 708(8)(a) or (b) of the Corporations Act 2001 (Cth) of Australia ( Corporations Act );
- (ii) sophisticated investors under section 708(8)(c) or (d) of the Corporations Act who have provided an accountant's certificate to AIG which complies with the requirements of section 708(8)(c)(i) or (ii) of the Corporations Act and related regulations before any offer has been made; and
- (iii) professional investors within the meaning of section 708(11)(a) or (b) of the Corporations Act.

By purchasing shares of common stock, you warrant and agree that:

- (i) you are an exempt investor under one of the above categories; and
- (ii) you will not offer any shares of common stock issued or sold to you pursuant to this document for sale in Australia within 12 months of those shares being issued or sold unless any such sale offer is exempt from the requirement to issue a disclosure document under sections 708 or 708A of the Corporations Act.

### ***Bahamas***

The offer is not open to the public. The offering of each share of common stock directly or indirectly in or from within The Bahamas may only be made by an entity or person who is licensed as a Broker Dealer or securities investment advisor by the Securities Commission of The Bahamas. Persons deemed resident of The Bahamas pursuant to the Exchange Control Regulations, 1956 of The Bahamas must receive the prior approval of The Central Bank of The Bahamas before accepting an offer to purchase or purchasing the common shares.

### ***Bahrain***

This offer is a private placement. It is not subject to regulations of the Central Bank of Bahrain that apply to public offerings of securities, and the extensive disclosure requirements and other protections that such regulations contain. This prospectus supplement and the accompanying prospectus are therefore intended only for accredited investors.

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The shares of common stock of AIG offered by way of this private placement may only be offered in minimum subscriptions of US\$100,000 (or the equivalent in other currencies).

The Central Bank of Bahrain assumes no responsibility for the accuracy and completeness of the statements and information contained in this prospectus supplement and the accompanying prospectus and expressly disclaims any liability whatsoever for any loss or damage howsoever arising from reliance upon the whole or any part of the contents of this prospectus supplement and the accompanying prospectus.

The Board of Directors and the management of AIG accept responsibility for the information contained in this prospectus supplement and the accompanying prospectus. To the best of the knowledge and belief of the Board of Directors and the management, who have taken all reasonable care to ensure that such is the case, the information contained in this prospectus supplement and the accompanying prospectus is in accordance with the facts and does not omit anything likely to affect the reliability of such information.

### ***Brazil***

For purposes of Brazilian law, this offer of shares of common stock is addressed to you personally, upon your request and for your sole benefit, and is not to be transmitted to anyone else, to be relied upon elsewhere or for any other purpose either quoted or referred to in any other public or private document or to be filed with anyone without our prior express and written consent.

Therefore, as this prospectus supplement and the accompanying prospectus do not constitute or form part of any public offering to sell or solicitation of a public offering to buy any shares or assets, **THE SHARES OF COMMON STOCK OFFERED HEREBY HAVE NOT BEEN, AND WILL NOT BE, AND MAY NOT BE OFFERED FOR SALE OR SOLD IN BRAZIL EXCEPT IN CIRCUMSTANCES WHICH DO NOT CONSTITUTE A PUBLIC OFFERING OR DISTRIBUTION UNDER BRAZILIAN LAWS AND REGULATIONS. DOCUMENTS RELATING TO THE SHARES OF COMMON STOCK, AS WELL AS THE INFORMATION CONTAINED THEREIN, MAY NOT BE SUPPLIED TO THE PUBLIC IN BRAZIL OR USED IN CONNECTION WITH ANY OFFER FOR SUBSCRIPTION OR SALE OF SHARES OF COMMON STOCK TO THE PUBLIC IN BRAZIL.**

### ***British Virgin Islands***

This prospectus supplement, the accompanying prospectus and the shares of common stock offered herein have not been, and will not be, recognized or registered under the laws and regulations of the British Virgin Islands ( BVI ). The shares of common stock may not be offered or sold in the BVI except in circumstances in which AIG, this prospectus supplement, the accompanying prospectus and the shares of common stock do not require recognition by or registration with the authorities of the BVI. This prospectus supplement and the accompanying prospectus are not a solicitation or offer of interests to members of the public in the BVI.

### ***Brunei***

#### **NOTICE TO RESIDENTS OF BRUNEI DARUSSALAM**

This document and the shares of common stock described herein are not an offer to sell or a solicitation of an offer to buy and/or to subscribe for any shares to the public or any member of the public in Brunei Darussalam but for information purposes only and directed solely to such persons as the law in Brunei Darussalam would regard as a person whose ordinary business or part thereof is to buy or sell shares or debentures, whether as principal or agent. As such, this document and any other document, circular, notice or other material issued in connection therewith may not be distributed or redistributed to and may not be relied upon or used by the public or any member of the public in Brunei Darussalam. All offers, acceptances, subscriptions, sales, and allotments

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of the shares of common stock or any part thereof shall be made outside Brunei Darussalam. This document has not been registered as a prospectus with the Registrar of Companies under the Companies Act, Cap. 39 of Brunei Darussalam and the shares of common stock have not been approved by the Registrar of Companies or by any other government agency in Brunei Darussalam.

### ***Cayman Islands***

This is not an offer to the members of the public in the Cayman Islands to subscribe for shares, and applications originating from the Cayman Islands will only be accepted from sophisticated persons or high net worth persons, in each case within the meaning of the Cayman Islands Securities Investment Business Law (as amended).

### ***Chile***

Neither AIG nor the shares of common stock are registered in the Securities Registry (*Registro de Valores*) or the Foreign Securities Registry (*Registro de Valores Extranjeros*) of the Chilean Securities and Insurance Commission (*Superintendencia de Valores y Seguros de Chile*) ( SVS ), or subject to the control and supervision of the SVS. This prospectus supplement, the accompanying prospectus and other offering materials relating to the offer of the shares of common stock do not constitute a public offer of, or an invitation to subscribe for or purchase, the shares of common stock in the Republic of Chile, other than to individually identified purchasers pursuant to a private offering within the meaning of Article 4 of the Chilean Securities Market Act (*Ley de Mercado de Valores*) (an offer that is not addressed to the public at large or to a certain sector or specific group of the public ).

### ***People's Republic of China***

This prospectus supplement and the accompanying prospectus may not be circulated or distributed in the People's Republic of China ( China ) and the shares of common stock may not be offered or sold, and will not be offered or sold, to any person for re-offering or resale directly or indirectly to any resident of China except pursuant to applicable laws and regulations of China. For the purpose of this paragraph, China does not include Taiwan or the special administrative regions of Hong Kong and Macau.

### ***Colombia***

The shares of common stock of AIG have not been and will not be registered on the Colombian National Registry of Securities and Issuers or in the Colombian Stock Exchange. Therefore, this prospectus supplement and the accompanying prospectus are not a public offering of securities, as these shares of common stock will not be publicly offered in Colombia. If you are interested in obtaining further information, please contact the underwriters. This material is for your sole and exclusive use as a specific person, including any of your shareholders, administrators or employees, as applicable. You acknowledge that Colombian laws and regulations (specifically foreign exchange and tax regulations) are applicable to any transaction or investment consummated pursuant hereto and represent that you are the sole liable party for full compliance with any such laws and regulations.

### ***Denmark***

This prospectus supplement and the accompanying prospectus do not constitute a prospectus under any Danish law and have not been filed with or been approved by the Danish Financial Supervisory Authority (*Finanstilsynet*) as this prospectus supplement and the accompanying prospectus have not been prepared in the context of either (i) a public offering of securities in Denmark within the meaning of the Danish Securities Trading Act or any Executive Orders issued pursuant thereto or (ii) an offering of a collective investment scheme comprised by the Danish Investment Associations etc. Act or any Executive Orders issued pursuant thereto. The

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offering of the shares of common stock will only be directed to investors in Denmark in accordance with the exemptions from the prospectus requirement set forth in Executive Order No. 222 of March 10, 2010 or in Executive Order No. 223 of March 10, 2010. This prospectus supplement and the accompanying prospectus may not be made available nor may the shares of common stock be marketed and/or offered for sale in Denmark other than in circumstances which are exempt from the prospectus requirement in Denmark.

### ***Egypt***

The shares of common stock may not be offered or sold in any form of general solicitation or general advertising or in a public offering in Egypt, unless the pre-approval of the Egyptian Financial Supervisory Authority ( EFSA ) has been obtained. Shares of common stock offered and sold in the offering may only be offered or sold in Egypt through a private placement to Egyptian QIBs or Professional High Net Worth Investors (each as defined below) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments for the purposes of their business and only in accordance with applicable Egyptian law and regulations including the applicable provisions of the Capital Market Law ( CMA ) and the provisions of the CMA s Directives No. 31 for the year 2002 concerning private placements.

Each purchaser of the shares of common stock offered in the private placement in Egypt will be deemed to have represented that it is either an Egyptian QIB or a Professional High Net Worth Investor within the meaning of the CMA and the CMA s Directives No. 31 of the year 2002 concerning private placements.

An Egyptian QIB is an institutional investor having (i) a minimum asset book value of 20.0 million Egyptian Pounds ( EGP ); (ii) a minimum equity book value of EGP 10.0 million; (iii) a minimum investment in securities (excluding securities related to the offering) of EGP 5.0 million as of date of the placement; or (iv) a license to operate in the field of securities and permitted to acquire securities within its objects. In addition, an Egyptian QIB should also have at least five years experience in capital markets and stock exchanges locally and internationally.

A Professional High Net Worth Investor is an individual investor: (i) who owns assets with a minimum value of EGP 2.0 million; (ii) with a minimum annual income of EGP 500,000; (iii) with a minimum bank savings account balance of EGP 500,000; (iv) who, as of the placement date, holds securities in two joint stock companies (excluding the offering) with a minimum value of EGP 2.0 million; or (v) who has at least five years experience in capital markets and stock exchanges locally or internationally.

### ***European Economic Area***

In relation to each Member State of the European Economic Area ( EEA ) which has implemented the Prospectus Directive (each, a Relevant Member State ), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the Relevant Implementation Date ), an offer to the public of any shares of common stock which are the subject of the offering contemplated by this prospectus supplement and the accompanying prospectus (the Securities ) may not be made in that Relevant Member State, except that an offer to the public in that Relevant Member State of any Securities may be made at any time with effect from and including the Relevant Implementation Date under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

(a) to legal entities which are qualified investors as defined in the Prospectus Directive;

(b) to fewer than 100, or, if the Relevant Member State has implemented the relevant provisions of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the representatives of the underwriters for any such offer; or

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(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive; provided that no such offer of Securities shall require AIG or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an offer to the public in relation to any Securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Securities to be offered so as to enable an investor to decide to purchase any Securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State; the expression Prospectus Directive means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in each Relevant Member State; and the expression 2010 PD Amending Directive means Directive 2010/73/EU.

This EEA selling restriction is in addition to any other selling restrictions set out in this prospectus supplement and the accompanying prospectus.

### ***France***

This prospectus supplement and the accompanying prospectus have not been prepared in a context of a public offering of securities in France (*offre au public*) within the meaning of Article L. 411-1 of the French *Code monétaire et financier* and Articles 211-1 *et seq.* of the regulations of the French *Autorité des marchés financiers* ( AMF ) and have therefore not been filed for prior approval or submitted for clearance to the AMF.

The shares of common stock have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France and neither this prospectus supplement and the accompanying prospectus nor any other offering material relating to the shares of common stock has been distributed or caused to be distributed nor may be distributed or caused to be distributed to the public in France, except only (i) to persons licensed to provide the investment service of portfolio management for the account of third parties and/or (ii) to qualified investors (as defined in Article L.411-2, D.411-1 to D.411-3 of the French *Code monétaire et financier*) acting for their own account and/or (iii) to a restricted circle of investors (as defined in Article L.411-2, D.411-4 of the French *Code monétaire et financier*) acting for their own account.

Such qualified investors are notified that they must act for their own account in accordance with the terms set out by Article L.411-2 of the French *Code monétaire et financier* and by Article 211-3 of the AMF regulations. The shares of common stock may not be re-transferred, directly or indirectly, in France, other than in compliance with applicable laws and regulations and in particular those relating to a public offering (i.e., Articles L.411-1, L.411-2, L.412-1 and L.621-8 *et seq.* of the French *Code monétaire et financier*).

### ***Guernsey***

The shares of common stock may only be offered or sold in or from within the Bailiwick of Guernsey either (i) by persons licensed to do so under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended) (the POI Law ); or (ii) to persons licensed under the POI Law, the Insurance Business (Bailiwick of Guernsey) Law, 2002, the Banking Supervision (Bailiwick of Guernsey) Law, 1994, or the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2000.

### ***Hong Kong***

The common stock may not be offered or sold by means of any document other than (i) to professional investors within the meaning of the Securities and Futures Ordinance (Cap. 571 of Hong Kong) and any rules made thereunder; or (ii) in other circumstances which do not result in the document being a prospectus within the meaning of the Companies Ordinance (Cap. 32 of Hong Kong) or which do not constitute an offer to the public within the meaning of the Ordinance; and no advertisement, invitation or document relating to the common stock may be issued or may be in the possession of any person for the purpose of issue (in each case

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whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to the shares of common stock which are, or are intended to be, disposed of only to persons outside Hong Kong or only to professional investors within the meaning of the Securities and Futures Ordinance and any rules made thereunder.

### **WARNING**

*The contents of this prospectus supplement and the accompanying prospectus have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this prospectus supplement and the accompanying prospectus, you should obtain independent professional advice.*

### **Hungary**

Pursuant to Section 19 of Act CXX of 2001 on the capital markets, this document was prepared in connection with a private placement in Hungary.

### **India**

This document is for information purposes only and does not constitute an offer or invitation for any investment or subscription for shares of common stock in India. Any person who is in possession of this document is hereby notified that no action has been or will be taken that would allow an offering of the shares of common stock in India and neither this document nor any offering material relating to the shares of common stock has been and/or will be registered as a prospectus or a statement in lieu of prospectus with any registrar of companies in India or the Securities and Exchange Board of India for prior review or approval. This document has not been and will not be reviewed or approved by any regulatory authority in India, including the Securities and Exchange Board of India, any registrar of companies in India or any stock exchange in India. Other than in compliance with the private placement exemptions under applicable laws and regulations in India, including the Companies Act, 1956, as amended, the shares of common stock have not been, and will not be, offered or sold to the public or any member of the public in India. This document is strictly personal to the recipient and neither this document nor the offering of the shares is calculated to result, directly or indirectly, in the shares of common stock becoming available for subscription or purchase by persons other than those receiving the invitation or offer. Accordingly, the shares of common stock may not be offered, sold, transferred or delivered and neither this document nor any offering material relating to the shares of common stock may be distributed or made available (in whole or in part) in India, directly or indirectly in connection with any offer or invitation for any investment or subscription for the shares of common stock in India.

### **Ireland**

The shares of common stock may not be issued, placed, offered or sold in Ireland, and no other action may be taken in relation to the shares of common stock, except, to the extent applicable, in compliance with:

- (i) the EU Directive 2003/6/EC on insider dealing and market manipulation;
- (ii) the provisions of (A) the Investor Compensation Act, 1998 including, without limitation, Section 21 thereof; (B) the Irish Investment Intermediaries Act, 1995 (as amended) and any codes of conduct, other requirements and guidance issued in connection therewith; and (C) the European Communities (Markets in Financial Instruments) Regulations, 2007 (S.I. 60 of 2007) (as amended) including, without limitation, Parts 6, 7 and 12 thereof and any codes of conduct, other requirements and guidance issued in connection therewith (as each of the foregoing may be amended, supplemented, varied and/or replaced from time to time); and
- (iii) the provisions of the Central Bank Acts 1942-2010 and any codes of conduct made under Section 117(1) of the Central Bank Act, 1989 (as amended).

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NOTICE TO INVESTORS IN IRELAND

This prospectus supplement and the accompanying prospectus do not comprise a prospectus for the purposes of Article 5(4) of Directive 2003/71/EC, the Investment Funds, Companies and Miscellaneous Provisions Act 2005 of Ireland, the Prospectus (Directive 2003/71/EC) Regulations 2005 of Ireland or the Prospectus Handbook issued by the Central Bank of Ireland (in each case as amended, supplemented, varied and/or replaced from time to time). Neither this document nor any other offering or marketing material relating to the offering of the shares of common stock have been prepared in accordance with Directive 2003/71/EC on prospectuses or any measures made under that directive or the laws of Ireland implementing that directive or of any EU Member State or EEA treaty adherent state that implements that directive or those measures.

This prospectus supplement and the accompanying prospectus are only being made available to certain prospective investors in Ireland ( Prospective Irish Investors ) on the understanding that any written or oral information contained herein or otherwise made available to them will be kept strictly confidential. The opportunity described in this prospectus supplement and the accompanying prospectus is personal to the addressees in Ireland. This prospectus supplement and the accompanying prospectus must not be copied, reproduced, redistributed or passed by any Prospective Irish Investor to any other person or published in whole or in part for any purpose without the consent of the underwriters. By accepting this prospectus supplement and the accompanying prospectus, Prospective Irish Investors are deemed to undertake and warrant to the underwriters and AIG that they will keep this prospectus supplement and the accompanying prospectus confidential.

Prospective Irish Investors are recommended to seek their own independent financial advice in relation to the opportunity described in this document from their own suitably qualified stockbroker, bank manager, solicitor, accountant or other independent financial adviser who is duly authorized or exempted under the Investments Intermediaries Act 1995 of Ireland (as amended) and/or the European Communities (Markets in Financial Instruments) Regulations 2007 of Ireland as appropriate.

Nothing herein shall constitute, or is intended to constitute, or shall be treated as constituting or shall be deemed to constitute, any offer or sale of the shares of common stock or other securities to the public in Ireland or the marketing of a collective investment scheme or any other form of offer, sale, marketing, advertising or provision of facilities for the participation by the public, as beneficiaries, in profits or income arising from the acquisition, holding, management or disposal of securities or any other property whatsoever, otherwise than in accordance with Irish Prospectus Law (as defined in the Investment Funds, Companies and Miscellaneous Provisions Act, 2005 of Ireland), the Central Bank Acts, 1942-2010, the Unit Trusts Act, 1990 (as amended), the European Communities (Markets in Financial Instruments) Regulations, 2007 (S.I. No. 60 of 2007) (as amended), the Investment Intermediaries Act, 1995 (as amended) and any regulations made thereunder and any codes of conduct, guidance and any other requirements issued in connection therewith (as each of the foregoing may be amended, supplemented, varied and/or replaced from time to time) ( Irish Securities Laws ).

**Neither this document nor any other offering or marketing material relating to the offering of the shares of common stock have been approved by the Central Bank of Ireland or any other authority or exchange in Ireland and therefore may not contain all the information required where a document is prepared pursuant to Irish Securities Laws. An investment in the shares of common stock may not provide a level of investor protection equivalent to schemes authorized under Irish Securities Laws and subject to Irish regulations and conditions.**

An investment in any shares of common stock does not have the status of a bank deposit and is not within the scope of the Deposit Protection Scheme operated by the Central Bank of Ireland nor any other Irish government guarantee scheme and AIG would not be regulated by the Central Bank of Ireland arising from the issue of any shares of common stock.

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### ***Israel***

This document does not constitute a prospectus under the Israeli Securities Law, 5728-1968, and has not been filed with or approved by the Israel Securities Authority. In Israel, this prospectus supplement and the accompanying prospectus are being distributed only to, and are directed only at, investors listed in the first addendum (the Addendum) to the Israeli Securities Law, consisting primarily of joint investment in trust funds, provident funds, insurance companies, banks, portfolio managers, investment advisors, members of the Tel Aviv Stock Exchange, underwriters purchasing for their own account, venture capital funds, and entities with shareholders' equity in excess of 250 million Israeli new sheqels, each as defined in the Addendum (as it may be amended from time to time, collectively referred to as institutional investors). Institutional investors may be required to submit written confirmation that they fall within the scope of the Addendum. In addition, we may distribute and direct this prospectus supplement and the accompanying prospectus in Israel, at our sole discretion, to certain other exempt investors or to investors who do not qualify as institutional or exempt investors, provided that the number of such non-qualified investors in Israel shall be no greater than 35 in any 12-month period.

### ***Italy***

The offering of the shares of common stock has not been registered with the *Commissione Nazionale per le Società e la Borsa* ( CONSOB ), in accordance with Italian securities legislation. Accordingly, the shares of common stock may not be offered, and copies of this prospectus supplement, the accompanying prospectus or any other document relating to the shares of common stock may not be distributed in the Republic of Italy ( Italy ) except to qualified investors , as defined in Article 34-ter, subsection 1, paragraph b) of CONSOB Regulation No. 11971 of May 14, 1999, as amended (the Issuers Regulation ), or in any other circumstance where an express exemption to comply with public offering restrictions provided by Legislative Decree No. 58 of February 24, 1998, as amended (the Consolidated Financial Act ) or Issuers Regulation applies, including those provided for under Article 100 of the Consolidated Financial Act and Article 34-ter of the Issuers Regulation, and provided, however, that any such offer or sale of the shares of common stock or distribution of copies of this prospectus supplement, the accompanying prospectus or any other document relating to the shares in Italy must (i) be made in accordance with all applicable Italian laws and regulations, (ii) be conducted in accordance with any relevant limitations or procedural requirements that CONSOB, the Bank of Italy or other Italian authorities may impose upon the offer or sale of the shares of common stock, and (iii) be made only by (a) banks, investment firms or financial intermediaries allowed to engage in the placement and/or underwriting of financial instruments in Italy in accordance with Legislative Decree No. 385 of September 1, 1993, as amended (the Italian Banking Act ), the Consolidated Financial Act and the relevant implementing regulations; or (b) foreign banks or financial institutions (the controlling shareholding of which is owned by one or more banks located in the same EU Member State) authorized to place and distribute securities in Italy pursuant to Articles 15, 16 and 18 of the Italian Banking Act, in each case acting in compliance with all applicable laws and regulations.

Article 100-bis of the Consolidated Financial Act affects the transferability of the shares of common stock in Italy to the extent that any placement of the shares of common stock is made solely with qualified investors and such shares are then systematically resold to non-qualified investors on the secondary market at any time in the 12 months following such placement. Should this occur without a prospectus, and outside of the application of one of the exemptions referred to above, retail purchasers of shares may have their purchase declared void and claim damages from any intermediary which sold them the shares.

### ***Japan***

The shares of common stock to be offered in this offering have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (the Financial Instruments and Exchange Act ), and each underwriter has agreed that it will not offer or sell any of the shares of common stock to be offered in this offering, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of

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Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws, regulations and ministerial guidelines of Japan.

### ***Jersey***

Nothing in this prospectus supplement and the accompanying prospectus, nor anything communicated to holders or potential holders of shares of common stock by AIG or the underwriters is intended to constitute or should be construed as advice on the merits of the purchase of or subscription for the shares of common stock or the exercise of any rights attached thereto for the purposes of the Financial Services (Jersey) Law 1998, as amended.

### ***Jordan***

The shares of common stock have not been presented to, or approved by, the Jordanian Securities Commission or the Board for Regulating Transactions in Foreign Exchanges. The underwriters have confirmed that they will not offer the shares of common stock to potential investors in Jordan (i) except pursuant to a prospectus that is filed and approved by the Jordanian Securities Commission and (ii) by persons licensed to do so pursuant to the Jordanian Securities Law and the Law Regulating Trading in Foreign Exchanges, or exemptions from such filing and licenses apply or have been obtained.

### ***Kuwait***

The shares of common stock have not been licensed for offering in Kuwait by the Ministry of Commerce and Industry or the Central Bank of Kuwait or any other relevant Kuwaiti government agency. The offering of the shares of common stock in Kuwait on any basis is, therefore, subject to restrictions in accordance with Decree Law No. 31 of 1990, as amended, and Ministerial Order No. 113 of 1992, as amended.

### ***Mexico***

The shares of common stock described in this prospectus supplement and the accompanying prospectus are not being offered, sold or traded in Mexico pursuant to, and do not constitute, an *oferta pública* (public offering) in accordance with the *Ley del Mercado de Valores*, as amended (Mexican Securities Market Law, or LMV), or *Disposiciones de carácter general aplicables a las emisoras de valores y a otros participantes del mercado de valores* (the general rules, regulations and other general provisions issued by the *Comisión Nacional Bancaria y de Valores* (Mexican Banking and Securities Commission, or CNBV), or General Issuer's Rules), nor is the offering contemplated hereby being authorized by the CNBV; therefore, any such shares of common stock may not be offered or sold publicly, or otherwise be the subject of brokerage activities, in Mexico, except pursuant to a private placement exemption or other exemptions set forth in the Mexican Securities Market Law. As such, this offering can be made to any person in Mexico so long as the offering is conducted on a direct and personal basis and it complies, among other requirements as set forth under the LMV and the General Issuer's Rules, with the following:

(i) it is made to persons who are *inversionistas institucionales* (institutional investors) within the meaning of Article 2, Roman numeral XVII, of the LMV and regarded as such pursuant to the laws of Mexico, or *inversionistas calificados* (qualified investors) within the meaning of Article 2, Roman numeral XVI, of the LMV, and have the income, assets or qualitative characteristics provided for under Article 1, Roman numeral XIII of the General Issuer's Rules, which require maintenance, in average over the past year, of investments in securities (within the meaning of the LMV) for an amount equal or greater than 1,500,000 *Unidades de Inversión* (Investment Units or UDIs), or in each of the last 2 years had a gross annual income equal to or greater than 500,000 UDIs; or

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(ii) it is made to persons who are stockholders of companies which fulfill their corporate purpose exclusively or substantially with such securities (*e.g.*, investment companies authorized to invest in such securities); or

(iii) it is made pursuant to a plan or applicable program for employees or groups of employees of AIG or affiliates of AIG; or

(iv) it is made to less than 100 persons, to the extent such persons do not qualify under (i), (ii) or (iii) above.

In identifying proposed purchasers for the shares of common stock in Mexico, the underwriters will only contact persons or entities whom they reasonably believe are within one of the four categories described in the immediately preceding paragraph in items (i) through (iv). The underwriters may further require you to expressly reiterate that you fall into one of the above mentioned categories, that you further understand that the private offering of shares of common stock has less documentary and information requirements than public offerings do, and to waive the right to claim on any lacking thereof.

This prospectus supplement and the accompanying prospectus may not be publicly distributed in Mexico, whether through mass media to indeterminate subjects or otherwise, and they are not intended to serve as an application for the registration of the shares of common stock before the CNBV or listing of the shares of common stock before the *Bolsa Mexicana de Valores, S.A.B. de C.V.* (Mexican Stock Exchange, or BMV), nor as a prospectus in connection with a public offering in Mexico. This prospectus supplement and the accompanying prospectus are solely our responsibility and have not been reviewed or authorized by the CNBV. The CNBV has not assessed or passed on the investment quality of the shares of common stock, our solvency, liquidity or credit quality or the accuracy or completeness of the information provided in this prospectus supplement or the accompanying prospectus. In making an investment decision, all investors, including any Mexican investors who may acquire shares of common stock from time to time, must rely on their own review and examination of our company. The acquisition of the shares of common stock by an investor who is a resident of Mexico will be made under its own responsibility.

### ***Monaco***

The shares of common stock may not be offered or sold, directly or indirectly, to the public in Monaco other than by a Monaco duly authorized intermediary acting as a professional institutional investor which has such knowledge and experience in financial and business matters as to be capable of evaluating the risks and merits of an investment in the shares of common stock. Consequently, this prospectus supplement and the accompanying prospectus may only be communicated to banks duly licensed by the *Autorité de Contrôle Prudentiel and by the Ministère d'Etat* and/or to portfolio management companies duly licensed by the *Commission de Contrôle des Activités Financières* by virtue of Laws n° 1.144 of July 26, 1991 and Law 1.338 of September 7, 2007.

*The investors are perfectly fluent in English and waive the possibility of receiving a French version of this document.*

*Les investisseurs reconnaissent être à même de prendre connaissance en langue anglaise de ce document et d'en comprendre le contenu, et renoncent expressément à sa traduction en langue française.*

### ***Netherlands***

In the Netherlands, the shares may not, directly or indirectly, be offered or acquired in the Netherlands and this prospectus supplement may not be circulated, as part of an initial distribution or any time thereafter, other than to individuals or (legal) entities who or that qualify as qualified investors (*gekwalficeerde beleggers*) within the meaning of Article 1:1 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) as amended from time to time.

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### ***Oman***

The information contained in this prospectus supplement and the accompanying prospectus neither constitutes a public offer of securities in the Sultanate of Oman as contemplated by the Commercial Companies Law of Oman (Royal Decree 4/74) or the Capital Market Law of Oman (Royal Decree 80/98), nor does it constitute an offer to sell, or the solicitation of any offer to buy Non-Omani securities in the Sultanate of Oman as contemplated by Article 139 of the Executive Regulations of the Capital Market Law (issued by Capital Market Authority Decision No. 1/2009).

The recipient of this prospectus supplement and the accompanying prospectus in Oman represents that it is a financial institution and is a financially solvent, experienced investor (as described in Article 139 of the Executive Regulations of the Capital Market Law) and that its officers/employees have such experience in business and financial matters that they are capable of evaluating the merits and risks of investments.

This prospectus supplement and the accompanying prospectus have been sent at the request of the investor in Oman, and by receiving this prospectus supplement and the accompanying prospectus, the person or entity to whom they have been issued and sent understands, acknowledges and agrees that this prospectus supplement and the accompanying prospectus have not been approved by the Capital Market Authority ( CMA ) or any other regulatory body or authority in Oman, nor has any authorization, license or approval been received from the CMA or any other regulatory authority in Oman, to market, offer, sell, or distribute the shares of common stock within Oman.

The distributor of this prospectus supplement and the accompanying prospectus is neither a company licensed by the CMA to provide investment advisory, brokerage, or portfolio management services in Oman, nor a bank licensed by the Central Bank of Oman to provide investment banking services in Oman. The distributor of this prospectus supplement and the accompanying prospectus does not advise persons or entities resident or based in Oman as to the appropriateness of investing in or purchasing or selling securities or other financial products.

Nothing contained in this prospectus supplement and the accompanying prospectus is intended to constitute Omani investment, legal, tax, accounting or other professional advice. This prospectus supplement and the accompanying prospectus are for your information only, and nothing herein is intended to endorse or recommend a particular course of action. You should consult with an appropriate professional for specific advice on the basis of your situation.

Any recipient of this prospectus supplement and the accompanying prospectus and any purchaser of the shares of common stock pursuant to this prospectus supplement and the accompanying prospectus shall not market, distribute, resell, or offer to resell the shares within Oman without complying with the requirements of applicable Omani law, nor copy or otherwise distribute this prospectus supplement or the accompanying prospectus to others.

### ***Portugal***

This prospectus supplement and the accompanying prospectus do not constitute an offer or an invitation by or on behalf of AIG to subscribe or purchase any shares of common stock. This prospectus supplement and the accompanying prospectus may not be used for or in connection with any offer to, or solicitation by, anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. The distribution of this prospectus supplement and the accompanying prospectus and the marketing of the shares of common stock in certain jurisdictions may be restricted by law. Persons into whose possession this prospectus supplement and accompanying prospectus comes are required to inform themselves about and to observe any such restrictions.

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No action has been taken or will be taken by AIG that would permit a public offering of shares of common stock, or the circulation or distribution of this prospectus supplement and the accompanying prospectus or any material in relation to AIG or the shares of common stock, in any country or jurisdiction where action for that purpose is required.

Prospective investors should understand the risks of investing in the shares of common stock before they make their investment decision. They should make their own independent decision to invest in the shares of common stock and as to whether an investment in such shares of common stock are appropriate or proper for them based upon their own judgment and upon advice from such advisors as they consider necessary.

This offer is addressed only to institutional investors, as so qualified pursuant to the Portuguese Securities Code (Decree-Law 486/99, dated November 13, 2000, as amended) and pre-determined investors, and does not qualify as a public offer. The offer has not been and will not be registered with the Portuguese Securities Market Commission (*Comissão do Mercado de Valores Mobiliários*).

### ***Qatar***

In the State of Qatar, the offer of the shares of common stock is made on an exclusive basis to the specifically intended recipient thereof, upon that person's request and initiative, for personal use only and will not be provided, offered, sold or delivered, at any time, directly or indirectly in the State of Qatar to any other person. This offer shall in no way be construed as a general public offer for the sale of securities to the public or an attempt to do business as a bank, an investment company or otherwise in the State of Qatar. This prospectus supplement, the accompanying prospectus and the shares of common stock have not been registered with, approved or licensed by the Qatar Central Bank or the Qatar Financial Markets Authority or any other regulator in the State of Qatar and may not be publicly distributed. The information contained in this prospectus supplement and the accompanying prospectus is for the recipient only and may not be shared with any third party in Qatar. They are not for general circulation in the State of Qatar, and any distribution or reproduction of this prospectus supplement or the accompanying prospectus by the recipient to third parties in Qatar is not permitted and shall be at the liability of such recipient.

### ***Russia***

Information contained in this prospectus supplement and the accompanying prospectus is not an offer of, or an invitation to make offers of, to sell, to purchase, to exchange or to transfer any securities in Russia or to or for the benefit of any Russian person, and does not constitute an advertisement, or offering of any securities in Russia. The shares of common stock have not been and will not be registered in Russia and are not intended for offering, placement or circulation in Russia unless and to the extent permitted under Russian law. The shares of common stock will not be offered, transferred or sold as part of their initial distribution or at any time thereafter to or for the benefit of any persons (including legal entities) resident, incorporated, established or having their usual residence in the Russian Federation or to any person located within the territory of the Russian Federation unless and to the extent otherwise permitted under Russian law.

### ***Saudi Arabia***

This document (this prospectus supplement and the accompanying prospectus) may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations issued by the Capital Market Authority.

The Capital Market Authority does not make any representation as to the accuracy or completeness of this document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this document, you should consult an authorized financial adviser.

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### ***Singapore***

This prospectus supplement and the accompanying prospectus have not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus supplement, the accompanying prospectus and any other document or material used in connection with the offer or sale, or invitation for subscription or purchase, of the shares of common stock may not be circulated or distributed, nor may the shares of common stock be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the SFA), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares of common stock are subscribed or purchased under Section 275 by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)), the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments, and each beneficiary of the trust is an individual who is an accredited investor, securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the shares of common stock pursuant to an offer made under Section 275 except: (1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA; (2) where no consideration is or will be given for the transfer; (3) where the transfer is by operation of law; or (4) as specified in Section 276(7) of the SFA.

### ***South Korea***

The shares of common stock may not be offered, sold and delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in South Korea or to any resident of South Korea except pursuant to the applicable laws and regulations of South Korea, including the Financial Investment Services and Capital Markets Act and the Foreign Exchange Transaction Law and the decrees and regulations thereunder. The shares of common stock have not been registered with the Financial Services Commission of South Korea for public offering in South Korea. Furthermore, the shares of common stock may not be re-sold to South Korean residents unless the purchaser of the shares complies with all applicable regulatory requirements (including but not limited to government approval requirements under the Foreign Exchange Transaction Law and its subordinate decrees and regulations) in connection with their purchase.

### ***Switzerland***

This prospectus supplement and the accompanying prospectus may be communicated in Switzerland to a small number of selected investors only. Each copy of this prospectus supplement and the accompanying prospectus is addressed to a specifically named recipient and may not be copied, reproduced, distributed or passed on to third parties. The shares of common stock may not be publicly offered in Switzerland and will not be listed on the Swiss Exchange ( SIX ) or on any other stock exchange or regulated trading facility in Switzerland. This prospectus supplement and the accompanying prospectus have been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this prospectus supplement and the accompanying prospectus nor any other offering or marketing material relating to the shares of common stock or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

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Neither this prospectus supplement and the accompanying prospectus nor any other offering or marketing material relating to the offering, AIG or the shares of common stock have been or will be filed with or approved by any Swiss regulatory authority. In particular, this prospectus supplement and the accompanying prospectus will not be filed with, and the offer of shares of common stock will not be supervised by, the Swiss Financial Market Supervisory Authority, and the offer of shares of common stock has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ( CISA ). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of shares of common stock.

### ***Taiwan***

Shares of common stock cannot be offered, distributed, sold or resold to the public in Taiwan unless prior approval from, or effective registration with, the Republic of China government authorities has been obtained pursuant to the applicable laws or a private placement exemption is available under the applicable securities laws.

### ***United Arab Emirates***

*UAE.* The offering contemplated hereunder has not been approved or licensed by the Central Bank of the United Arab Emirates ( UAE ), the Securities and Commodities Authority of the UAE and/or any other relevant licensing authority in the UAE including any licensing authority incorporated under the laws and regulations of any of the free zones established and operating in the territory of the UAE, in particular the Dubai Financial Services Authority ( DFSA ), a regulatory authority of the Dubai International Financial Centre ( DIFC ). This offering does not constitute a public offer of shares in the UAE, DIFC and/or any other free zone in accordance with the Commercial Companies Law, Federal Law No. 8 of 1984 (as amended), DFSA Offered Securities Rules and NASDAQ Dubai Listing Rules, or otherwise. The shares of common stock may not be offered to the public in the UAE and/or any of the free zones. The shares of common stock may be offered and issued only to a limited number of investors in the UAE or any of its free zones who qualify as sophisticated investors under the relevant laws and regulations of the UAE or the free zone concerned.

*Dubai International Financial Centre.* This document relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority. This document is intended for distribution only to Persons of a type specified in those rules. It must not be delivered to, or relied on by, any other Person. The Dubai Financial Services Authority has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The Dubai Financial Services Authority has not approved this document nor taken steps to verify the information set out in it, and has no responsibility for it. The shares of common stock to which this document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the shares of common stock offered should conduct their own due diligence on the shares. If you do not understand the contents of this document you should consult an authorized financial adviser.

### ***United Kingdom***

This communication is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the Order ) or (iii) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as relevant persons ). The shares of common stock are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such shares of common stock will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this prospectus supplement and the accompanying prospectus or any of their contents.

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Each underwriter has represented, warranted and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the FSMA )) received by it in connection with the issue or sale of shares of common stock which are the subject of the offering contemplated by this prospectus supplement and the accompanying prospectus (the Securities ) in circumstances in which Section 21(1) of the FSMA does not apply to AIG; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Securities in, from or otherwise involving the United Kingdom.

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**LEGAL MATTERS**

The validity of our common stock will be passed upon for us by Sullivan & Cromwell LLP. Certain legal matters relating to this offering will be passed upon for the underwriters by Cleary Gottlieb Steen & Hamilton LLP. Cleary Gottlieb Steen & Hamilton LLP has from time to time provided, and may in the future provide, legal services to AIG and its affiliates. Davis Polk & Wardwell LLP is acting as legal counsel to the selling shareholder.

**EXPERTS**

The consolidated financial statements and the financial statement schedules incorporated in this prospectus supplement by reference to AIG's Current Report on Form 8-K dated May 4, 2012 and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) incorporated in this prospectus supplement by reference to AIG's Annual Report on Form 10-K for the year ended December 31, 2011, 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.

The consolidated financial statements of AIA Group Limited incorporated in this prospectus supplement by reference to AIG's Amendment No. 1 on Form 10-K/A to its Annual Report on Form 10-K for the year ended December 31, 2011 have been so incorporated in reliance upon the report of PricewaterhouseCoopers, independent accountants, given on the authority of said firm as experts in auditing and accounting.

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**PROSPECTUS**

# **American International Group, Inc.**

## **Debt Securities**

## **Common Stock**

## **Preferred Stock**

## **Depository Shares**

American International Group, Inc. (AIG) may offer to sell senior debt securities, common stock or preferred stock, either separately or represented, in the case of preferred stock, by depository shares. Any series of debt securities or preferred stock may be convertible into or exercisable or exchangeable for common stock or another series of preferred stock or other securities of AIG or debt or equity securities of one or more other entities. AIG may offer and sell debt securities, common stock or preferred stock, or in the case of the preferred stock, depository shares from time to time in amounts, at prices and on terms that will be determined at the time of the applicable offering. AIG's common stock is listed on the New York Stock Exchange and trades under the symbol **AIG**.

AIG may issue all or a portion of the debt securities in the form of one or more permanent global certificates. The common stock and preferred stock will be issued in direct registration form on the books and records of AIG.

The United States Department of the Treasury, as a selling shareholder, may use this prospectus in connection with its resale of shares of common stock from time to time in amounts, at prices and on terms that will be determined at the time of the applicable offering. Information about the selling shareholder and its resale of shares of common stock, including the relationship between the selling shareholder and AIG and the amounts, prices and other terms of the applicable offering, will be included in the applicable prospectus supplement.

This prospectus describes some of the general terms that may apply to these securities and the general manner in which they may be offered. The specific terms of any securities to be offered, and the specific manner in which they may be offered, will be described in a supplement to this prospectus. This prospectus may not be used to sell securities unless accompanied by a prospectus supplement.

**Investing in the securities involves certain risks. See Risk Factors referred to on page 1 to read about certain factors you should consider before buying the securities.**

**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.**

AIG may offer and sell these securities directly to or through one or more underwriters, dealers and agents, or directly to purchasers, on an immediate, continuous or delayed basis.

**The date of this prospectus is June 29, 2012.**

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

**AIG is responsible only for the information contained in this prospectus, any prospectus supplement, any related free writing prospectus issued or authorized by AIG and the documents incorporated by reference in this prospectus or any prospectus supplement. Neither AIG nor the selling shareholder has authorized anyone to provide you with any other information, and AIG and the selling shareholder take no responsibility for any other information that others may give you. AIG is offering to sell the securities, and the selling shareholder is offering to sell shares of common stock, only under the circumstances and in jurisdictions where offers and sales are permitted. The information contained in this prospectus, any prospectus supplement and in the documents incorporated herein or therein by reference is accurate only as of the date on the front of those documents, regardless of the time of delivery of those documents or any sale of the securities.**

**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, goals, assumptions and statements that may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These projections, goals, assumptions 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, goals, assumptions and statements may address, among other things:

the timing of the disposition of the ownership position of the United States Department of the Treasury ( Treasury ) in AIG;

the cash flow projections and fair value for AIG's interest in Maiden Lane III LLC;

the monetization of AIG's interests in International Lease Finance Corporation ( ILFC );

AIG's exposures to subprime mortgages, monoline insurers, the residential and commercial real estate markets, state and municipal bond issuers and sovereign bond issuers;

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AIG's exposure to European governments and European financial institutions;

AIG's strategy for risk management;

AIG's ability to retain and motivate its employees;

AIG's generation of deployable capital;

AIG's return on equity and earnings per share long-term aspirational goals;

AIG's strategies to grow net investment income, efficiently manage capital and reduce expenses;

AIG's strategies for customer retention, growth, product development, market position, financial results and reserves; and

the revenues and combined ratios of AIG's subsidiaries.

It is possible that AIG's actual results and financial condition will differ, possibly materially, from the results and financial condition indicated in these projections, goals, assumptions and statements. Factors that could cause AIG's actual results to differ, possibly materially, from those in the specific projections, goals, assumptions and statements include:

actions by credit rating agencies;

changes in market conditions;

the occurrence of catastrophic events;

significant legal proceedings;

concentrations in AIG's investment portfolios, including its municipal bond portfolio;

judgments concerning casualty insurance underwriting and reserves;

judgments concerning the recognition of deferred tax assets;

judgments concerning deferred policy acquisition costs recoverability;

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judgments concerning the recoverability of aircraft values in ILFC's fleet; and

such other factors as are discussed throughout Part I, Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations of AIG's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2012 and in Part I, Item 1A. Risk Factors and throughout Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations of AIG's Annual Report on Form 10-K for the year ended December 31, 2011, as amended by Amendment No. 1 and Amendment No. 2 on Form 10-K/A filed on February 27, 2012 and March 30, 2012, respectively (collectively, the Annual Report on Form 10-K) and discussed throughout Exhibit 99.2, Management's Discussion and Analysis of Financial Condition and Results of Operations of AIG's Current Report on Form 8-K dated May 4, 2012.

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AIG is not under any obligation (and expressly disclaims any obligation) to update or alter any projections, goals, assumptions or other statements, 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. publicly 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 through:

The SEC's website at [www.sec.gov](http://www.sec.gov); and

The New York Stock Exchange, 20 Broad Street, New York, New York 10005.

AIG's common stock is listed on the New York Stock Exchange and trades under the symbol AIG.

AIG has filed with the SEC a registration statement on Form S-3 relating to the securities. 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 until all the securities are sold (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, 2011 filed on February 23, 2012, Amendment No. 1 on Form 10-K/A filed on February 27, 2012 and Amendment No. 2 on Form 10-K/A filed on March 30, 2012.
- (2) The Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2012 filed on May 3, 2012.
- (3) The definitive proxy statement on Schedule 14A filed on April 5, 2012 and the definitive additional materials on Schedule 14A filed on May 10, 2012.
- (4) Current Reports on Form 8-K filed on January 11, 2012, February 23, 2012, March 5, 2012, March 6, 2012, March 8, 2012, March 13, 2012, March 13, 2012, March 22, 2012, March 22, 2012, April 10, 2012, May 3, 2012, May 4, 2012, May 10, 2012, May 10, 2012, May 16, 2012, May 24, 2012, June 21, 2012 and June 29, 2012.
- (5) The description of common stock in the registration statement on Form 8-A, dated September 20, 1984, filed pursuant to Section 12(b) of the Exchange Act, and the description of the share

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purchase rights associated with the common stock in the registration statement on Form 8-A, dated March 9, 2011, filed pursuant to Section 12(b) of the Exchange Act.

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 Investor Relations Department, 180 Maiden Lane, New York, New York 10038, telephone 212-770-6293, or you may obtain them from AIG's corporate website at [www.aig.com](http://www.aig.com). 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.

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**ABOUT AMERICAN INTERNATIONAL GROUP, INC.**

AIG, a Delaware corporation, is a leading international insurance organization serving customers in more than 130 countries. AIG companies serve commercial, institutional and individual customers through one of the most extensive worldwide property-casualty networks of any insurer. In addition, AIG companies are leading providers of life insurance and retirement services in the United States. AIG's principal executive offices are located at 180 Maiden Lane, New York, New York 10038, and its main telephone number is (212) 770-7000. AIG's internet address for its corporate website is [www.aig.com](http://www.aig.com). Except for the documents referred to under "Where You Can Find More Information" in this prospectus or any accompanying prospectus supplement which are specifically incorporated by reference into this prospectus or any accompanying prospectus supplement, information contained on AIG's website or that can be accessed through its website is not incorporated into and does not constitute a part of this prospectus or any accompanying prospectus supplement. 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.

**RISK FACTORS**

Before investing in any securities offered hereby, you should consider carefully each of the risk factors set forth in Part I, Item 1A. Risk Factors of the Annual Report on Form 10-K (see "Where You Can Find More Information" in this prospectus).

**USE OF PROCEEDS**

Unless otherwise indicated in any prospectus supplement, AIG intends to use the net proceeds from the sale of any securities for general corporate purposes.

AIG will not receive any proceeds from the sale of shares of common stock by the selling shareholder.

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**DESCRIPTION OF DEBT SECURITIES AIG MAY OFFER**

References to AIG, us, we or our in this section mean American International Group, Inc. and do not include the subsidiaries of American International Group, Inc. Also, in this section, references to holders mean those who own debt securities registered in their own names, on the books that we or the applicable trustee maintain for this purpose, and not those who own beneficial interests in debt securities registered in street name or in debt securities issued in book-entry form through one or more depositories. When we refer to you in this prospectus, we mean all purchasers of the securities being offered by this prospectus, whether they are the holders or only indirect owners of those securities.

**Debt Securities Will Be Senior and Unsecured**

The senior debt securities will not be subordinated to any of our other obligations or be secured by any of our property or assets or the property or assets of our subsidiaries. Thus, by owning a debt security, you are one of our unsecured creditors.

The senior debt securities will be issued under our senior debt indenture described below and will rank equally with all of our other unsecured and unsubordinated debt.

**The Senior Debt Indenture**

The senior debt securities are governed by a document called an indenture the senior debt indenture. The senior debt indenture is a contract between AIG and The Bank of New York Mellon, which acts as trustee.

The trustee has two main roles:

1. The trustee can enforce the rights of holders against us if we default on our obligations under the terms of the senior debt indenture or the debt securities. There are some limitations on the extent to which the trustee acts on behalf of holders, described below under Events of Default Remedies If an Event of Default Occurs.
2. The trustee performs administrative duties for us, such as sending interest payments and notices to holders, and transferring a holder's debt securities to a new buyer if a holder sells.

The senior debt indenture and its associated documents contain the full legal text of the matters described in this section. The senior debt indenture and the debt securities are governed by New York law. A copy of the senior debt indenture is an exhibit to our registration statement. See Where You Can Find More Information above for information on how to obtain a copy.

**General**

We may issue as many distinct series of debt securities under the senior debt indenture as we wish. The provisions of the senior debt indenture allow us not only to issue debt securities with terms different from those previously issued but also to reopen a previous issue of a series of debt securities and issue additional debt securities of that series. We may issue debt securities in amounts that exceed the total amount specified on the cover of your prospectus supplement at any time without your consent and without notifying you.

This section summarizes the material terms of the debt securities that are common to all series, although the prospectus supplement which describes the terms of each series of debt securities may also describe differences from the material terms summarized here.

Because this section is a summary, it does not describe every aspect of the debt securities. This summary is subject to and qualified in its entirety by reference to all the provisions of the senior debt indenture, including

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definitions of certain terms used in the senior debt indenture. In this summary, we describe the meaning of only some of the more important terms. For your convenience, we also include references in parentheses to certain sections of the senior debt indenture. Whenever we refer to particular sections or defined terms of the senior debt indenture in this prospectus or in the prospectus supplement, such sections or defined terms are incorporated by reference here or in the prospectus supplement. You must look to the senior debt indenture for the most complete description of what we describe in summary form in this prospectus.

This summary also is subject to and qualified by reference to the description of the particular terms of your series of debt securities described in the prospectus supplement. Those terms may vary from the terms described in this prospectus. The prospectus supplement relating to each series of debt securities will be attached to the front of this prospectus. There may also be a further prospectus supplement, known as a pricing supplement, which contains the precise terms of debt securities you are offered.

We may issue the debt securities as original issue discount securities, which will be offered and sold at a substantial discount below their stated principal amount. (Section 101) The prospectus supplement relating to any specific series of debt securities, including original issue discount securities, may describe certain additional federal income tax considerations, if any, and any other special considerations applicable to such debt securities.

In addition, the specific financial, legal and other terms particular to a series of debt securities will be described in the prospectus supplement and, if applicable, a pricing supplement relating to the series. The prospectus supplement relating to a series of debt securities will describe the following terms of the series:

the title of the series of debt securities;

any limit on the aggregate principal amount of the series of debt securities;

the person to whom interest on a debt security is payable, if other than the holder on the regular record date;

the date or dates on which the series of debt securities will mature;

the rate or rates, which may be fixed or variable per annum, at which the series of debt securities will bear interest, if any, and the date or dates from which that interest, if any, will accrue;

the place or places where the principal of and any premium and interest on the debt securities is payable;

the dates on which interest, if any, on the series of debt securities will be payable and the regular record dates for the interest payment dates;

any mandatory or optional sinking funds or similar provisions or provisions for redemption at the option of AIG;

the date, if any, after which and the price or prices at which the series of debt securities may, in accordance with any optional or mandatory redemption provisions, be redeemed and the other detailed terms and provisions of those optional or mandatory redemption provisions, if any;

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if the debt securities may be converted into or exercised or exchanged for our common stock or preferred stock or other of our securities or the debt or equity securities of third parties, the terms on which conversion, exercise or exchange may occur, including whether conversion, exercise or exchange is mandatory, at the option of the holder or at our option, the period during which conversion, exercise or exchange may occur, the initial conversion, exercise or exchange price or rate

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and the circumstances or manner in which the amount of common stock or preferred stock or other securities or the debt or equity securities of third parties issuable upon conversion, exercise or exchange may be adjusted;

if other than denominations of \$1,000 and any integral multiples thereof, the denominations in which the series of debt securities will be issuable;

if other than U.S. dollars, the currency of payment of principal and any premium and interest on debt securities of the series;

if the currency of payment for principal and any premium and interest on the series of debt securities is subject to our election or that of a holder, the currency or currencies in which payment can be made and the period within which, and the terms and conditions upon which, the election can be made;

any index used to determine the amount of payment of principal or any premium or interest on the series of debt securities;

any covenants we make for the benefit of the series of debt securities;

the applicability of the provisions described under **Defeasance** below;

any event of default under the series of debt securities if different from those described under **Events of Default** below;

if the series of debt securities will be issuable in whole or in part in the form of a global security, the depositary or its nominee with respect to the series of debt securities and the circumstances under which the global security may be registered for transfer or exchange in the name of a person other than the depositary or the nominee; and

any other special feature of the series of debt securities.

An investment in debt securities linked to an index may involve special risks. The prospectus supplement or pricing supplement relating to a series of indexed debt securities will describe the risks relating to such series of debt securities.

**Overview of Remainder of this Description**

The remainder of this description summarizes:

***Additional Mechanics*** relevant to the debt securities under normal circumstances, such as how holders transfer ownership and where we make payments;

Holders' rights in several ***Special Situations***, such as if we merge with another company or if we want to change a term of the debt securities;

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Our right to release ourselves from all or some of our obligations under the debt securities and the senior debt indenture by a process called *Defeasance*; and

Holders' rights if we *Default* or experience other financial difficulties.

Any covenants that apply to any series of the debt securities will be described in an applicable prospectus supplement.

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**Additional Mechanics**

**Form, Exchange and Transfer**

Unless we specify otherwise in the prospectus supplement, the debt securities will be issued:

only in fully registered form;

without interest coupons; and

in denominations of \$1,000 or integral multiples thereof. (Section 302)

If a debt security is issued as a registered global debt security, only the depository named in your prospectus supplement will be entitled to transfer and exchange the debt security as described in this subsection, since the depository will be the sole holder of the debt security. Those who own beneficial interests in a global security do so through participants in the depository's securities clearance system, and the rights of these indirect owners will be governed solely by the applicable procedures of the depository and its participants. We describe book-entry procedures and the special provisions that apply to a registered global debt security, the depository and its participants under Legal Ownership and Book-Entry Issuance.

Holders may have their debt securities broken into more debt securities of smaller denominations of not less than \$1,000 (or such integral multiple of \$1,000 as may be specified in the applicable prospectus supplement) or combined into fewer debt securities of larger denominations, as long as the total principal amount is not changed. (Section 305) This is called an exchange.

Holders may exchange or transfer debt securities at the office of the trustee. They may also replace lost, stolen or mutilated debt securities at that office. The trustee acts as our agent for registering debt securities in the names of holders and transferring debt securities. 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. (Section 305) The trustee may require an indemnity before replacing any debt securities.

Holders will not be required to pay a service charge to transfer or exchange debt securities, 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.

If we designate additional transfer agents, they will be named in the prospectus supplement. We may cancel the designation of any particular transfer agent. We may also approve a change in the office through which any transfer agent acts. (Section 1002)

If the debt securities are redeemable and we redeem less than all of the debt securities of a particular series, we may block the transfer or exchange of debt securities during the period beginning 15 days before the day we mail the notice of redemption and ending on the day of that mailing, in order to freeze the list of holders to prepare the mailing. We may also refuse to register transfers or exchanges of debt securities selected for redemption, except that we will continue to permit transfers and exchanges of the unredeemed portion of any debt security being partially redeemed. (Section 305)

The rules for exchange described above apply to exchange of debt securities for other debt securities of the same series and kind. If a debt security is convertible, exercisable or exchangeable into or for a different kind of security, such as one that we have not issued, or for other property, the rules governing that type of conversion, exercise or exchange will be described in the prospectus supplement.

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### **Payment and Paying Agents**

We will pay interest to the person listed in the trustee's records at the close of business on a particular day in advance of each due date for interest, even if that person no longer owns the debt security on the interest due date. That particular day, usually approximately fifteen days in advance of the interest due date, is called the regular record date and will be stated in the prospectus supplement. (Section 307) Holders buying and selling debt securities should take into consideration the fact that we will pay all the interest for an interest period to the registered holder as of the regular record date. Holders commonly adjust the sale price of the securities to pro rate interest fairly between buyer and seller. This prorated interest amount is called accrued interest.

We will pay interest, principal and any other money due on the debt securities at our office or agency in The City of New York, which initially will be the corporate trust office of the trustee currently located at 101 Barclay Street, New York, New York 10286. Holders must make arrangements to have their payments picked up at or wired from that office. We may also choose to pay interest by mailing checks.

### **BOOK-ENTRY AND OTHER INDIRECT HOLDERS SHOULD CONSULT THEIR BANKS, BROKERS OR OTHER FINANCIAL INSTITUTIONS FOR INFORMATION ON HOW THEY WILL RECEIVE PAYMENTS.**

We may also arrange for additional payment offices and may cancel or change these offices, including our use of the trustee's corporate trust office. These offices are called paying agents. We may also choose to act as our own paying agent or choose one of our subsidiaries to do so. We must notify the trustee of changes in the paying agents for any particular series of debt securities. (Section 1002)

### **Notices**

We and the trustee will send notices regarding the debt securities only to holders, using their addresses as listed in the trustee's records. (Sections 101 and 106) We discuss legal ownership of debt securities held in book-entry form below under Legal Ownership and Book-Entry Issuance.

Regardless of who acts as paying agent, all money paid by us to a paying agent that remains unclaimed at the end of two years after the amount is due to holders will be repaid to us. After that two-year period, holders may look to us for payment and not to the trustee or any other paying agent. (Section 1003)

### **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 our properties and assets substantially as an entirety to another company or 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 our properties and assets substantially as an entirety, the other company or 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 debt securities.

The merger, sale of assets or other transaction must not cause a default on the debt securities, 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. (Section 801)

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If the conditions described above are satisfied with respect to any series of debt securities, we will not need to obtain the approval of the holders of those debt securities 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 properties and 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 do not sell our properties and assets substantially as an entirety. It is possible that this type of transaction may result in a reduction in our credit rating, may reduce our operating results or may impair our financial condition. Holders of our debt securities, however, will have no approval right with respect to any transaction of this type.

### **Modification and Waiver of the Debt Securities**

There are four types of changes we can make to the senior debt indenture and the debt securities.

*Changes Requiring Approval of All Holders.* First, there are changes that cannot be made to the senior debt indenture or the debt securities without specific approval of each holder of a debt security affected in any material respect by the change under the indenture. Affected debt securities may be all or less than all of the debt securities issued under the senior debt indenture or all or less than all of the debt securities of a series. Following is a list of those types of changes:

change the stated maturity of the principal or interest on a debt security;

reduce any amounts due on a debt security;

reduce the amount of principal payable upon acceleration of the maturity of a debt security (including the amount payable on an original issue discount debt security) following a default;

change the place or currency of payment on a debt security;

impair a holder's right to sue for payment;

reduce the percentage of holders of debt securities whose consent is needed to modify or amend the senior debt indenture;

reduce the percentage of holders of debt securities whose consent is needed to waive compliance with certain provisions of the senior debt indenture or to waive certain defaults; or

modify any other aspect of the provisions dealing with modification and waiver of the senior debt indenture. (Section 902)

*Changes Requiring a Majority Vote.* The second type of change to the senior debt indenture and the debt securities is the kind that requires a vote in favor by holders of debt securities owning not less than a majority of the principal amount of the particular series affected or, if so provided and to the extent permitted by the Trust Indenture Act of 1939, as amended (the Trust Indenture Act), of particular debt securities affected thereby. 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 debt securities. (Section 901) We may also obtain a waiver of a past default from the holders of debt securities owning a majority of the principal amount of the particular series affected. However, we cannot obtain a waiver of a payment default or any other aspect of the senior debt indenture or the debt securities 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. (Section 513)



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*Changes Not Requiring Approval.* The third type of change to the senior debt indenture and the debt securities does not require any vote by holders of debt securities. This type is limited to clarifications and certain other changes that would not adversely affect in any material respect holders of the debt securities. (Section 901)

We may also make changes or obtain waivers that do not adversely affect in any material respect a particular debt security, even if they affect other debt securities. In those cases, we do not need to obtain the approval of the holder of that debt security; we need only obtain any required approvals from the holders of the affected debt securities.

*Further Details Concerning Voting.* When taking a vote, we will use the following rules to decide how much principal amount to attribute to a debt security:

For original issue discount securities, we will use the principal amount that would be due and payable on the voting date if the maturity of the debt securities were accelerated to that date because of a default.

For debt securities whose principal amount is not known (for example, because they are based on an index), we will use a special rule for that debt security described in the prospectus supplement.

For debt securities denominated in one or more foreign currencies or currency units, we will use the U.S. dollar equivalent.

Debt securities owned by us or any other obligor upon the debt securities or any of our affiliates or such other obligor's affiliates will be disregarded.

Debt securities will not be considered outstanding, and therefore not eligible to vote, if we have given a notice of redemption and deposited or set aside in trust for the holders money for the payment or redemption of the debt securities. Debt securities will also not be eligible to vote if they have been fully defeased as described below under **Defeasance** **Full Defeasance**. (Section 1302)

We will generally be entitled to set any day as a record date for the purpose of determining the holders of outstanding debt securities that are entitled to vote or take other action under the senior debt indenture. In certain limited circumstances, the trustee will be entitled to set a record date for action by holders. If we or the trustee set a record date for a vote or other action to be taken by holders of a particular series of debt securities that vote or action may be taken only by persons who are holders of outstanding debt securities of that series on the record date. We or the trustee, as applicable, may shorten or lengthen the period during which holders may take action. (Section 104)

**BOOK-ENTRY AND OTHER INDIRECT HOLDERS SHOULD CONSULT THEIR BANKS, BROKERS OR OTHER FINANCIAL INSTITUTIONS FOR INFORMATION ON HOW APPROVAL MAY BE GRANTED OR DENIED IF WE SEEK TO CHANGE THE SENIOR DEBT INDENTURE OR THE DEBT SECURITIES OR REQUEST A WAIVER.**

### **Defeasance**

The following discussion of full defeasance and covenant defeasance will be applicable to each series of debt securities that is denominated in U.S. dollars and has a fixed rate of interest and will apply to other series of debt securities if we so specify in the prospectus supplement. (Section 1301)

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### **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 debt securities, called full defeasance, if we put in place the following other arrangements for holders to be repaid:

We must deposit in trust for the benefit of all holders of the debt securities 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 U.S. government) that will generate enough cash to make interest, principal and any other payments on the debt securities on their various due dates.

There must be a change in current U.S. federal tax law or an IRS ruling that lets us make the above deposit without causing the holders to be taxed on the debt securities any differently than if we did not make the deposit and just repaid the debt securities ourselves. (Under current federal tax law, the deposit and our legal release from the obligations pursuant to the debt securities would be treated as though we took back your debt securities and gave you your share of the cash and notes or bonds deposited in trust. In that event, you could recognize gain or loss on the debt securities you give back to us.)

We must deliver to the trustee a legal opinion of our counsel confirming the tax law change described above. (Sections 1302 and 1304)

If we ever did accomplish full defeasance, as described above, you would have to rely solely on the trust deposit for repayment on the debt securities. You 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 the restrictive covenants under the debt securities that may be described in the prospectus supplement. This is called covenant defeasance. In that event, you 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 debt securities. In order to achieve covenant defeasance, we must do the following:

Deposit in trust for the benefit of all holders of the debt securities 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 U.S. government) that will generate enough cash to make interest, principal and any other payments on the debt securities on their various due dates.

Deliver to the 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 debt securities any differently than if we did not make the deposit and just repaid the debt securities ourselves.

If we accomplish covenant defeasance, certain provisions of the senior debt indenture and the debt securities would no longer apply:

Covenants applicable to the series of debt securities and described in the prospectus supplement.

Any events of default relating to breach of those covenants.

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If we accomplish covenant defeasance, you can still look to us for repayment of the debt securities if there were a shortfall in the trust deposit. In fact, if one of the remaining events of default occurred (such as a bankruptcy) and the debt securities become immediately due and payable, there may be such a shortfall. (Sections 1303 and 1304)

### **Events of Default**

You will have special rights if an event of default occurs and is not cured, as described later in this subsection.

*What Is An Event of Default?* The term *Event of Default* means any of the following:

We do not pay the principal of or any premium on a debt security within 5 days of its due date.

We do not pay interest on a debt security within 30 days of its due date.

We do not deposit money in a separate account, known as a sinking fund, within 5 days of its due date.

We remain in breach of any covenant or warranty of the senior debt indenture for 60 days after we receive a notice of default stating we are in breach. The notice must be sent by either the trustee or holders of 25% of the principal amount of debt securities of the affected series.

We file for bankruptcy or certain other events of bankruptcy, insolvency or reorganization occur.

Any other event of default described in the prospectus supplement occurs. (Section 501)

*Remedies If an Event of Default Occurs.* If an event of default occurs, the trustee will have special duties. In that situation, the trustee will be obligated to use those of its rights and powers under the senior 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 has occurred and has not been cured, the trustee or the holders of at least 25% in principal amount of the debt securities of the affected series may declare the entire principal amount (or, in the case of original issue discount securities, the portion of the principal amount that is specified in the terms of the affected debt security) of all the debt securities of that series to be due and immediately payable. This is called a declaration of acceleration of maturity. However, a declaration of acceleration of maturity may be cancelled, but only before a judgment or decree based on the acceleration has been obtained, by the holders of at least a majority in principal amount of the debt securities of the affected series, provided that all other defaults have been cured and all payment obligations have been made current. (Section 502)

You should read carefully the prospectus supplement relating to any series of debt securities which are original issue discount securities for the particular provisions relating to acceleration of the maturity of a portion of the principal amount of original issue discount securities upon the occurrence of an event of default and its continuation.

Except in cases of default, where the trustee has the special duties described above, the trustee is not required to take any action under the senior debt indenture at the request of any holders unless the holders offer the trustee reasonable protection from expenses and liability called an indemnity. (Section 603) If indemnity reasonably satisfactory to the trustee is provided, the holders of a majority in principal amount of the outstanding securities of the relevant series may direct the time, method and place of conducting any lawsuit or other formal legal action seeking any remedy available to the trustee. These majority holders may also direct the trustee in performing any other action under the senior debt indenture with respect to the debt securities of that series. (Section 512)

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Before you bypass the trustee and bring your own lawsuit or other formal legal action or take other steps to enforce your rights or protect your interests relating to the debt securities the following must occur:

The holder of the debt security must give the trustee written notice that an event of default has occurred and remains uncured;

The holders of 25% in principal amount of all outstanding securities of the relevant series must make a written request that the trustee take action because of the default, and they must offer reasonable indemnity to the trustee against the costs, expenses and liabilities of taking that action; and

The trustee must have not taken action for 60 days after receipt of the above notice and offer of indemnity. (Section 507)  
However, you are entitled at any time to bring a lawsuit for the payment of money due on your debt security on or after its due date. (Section 508)

**BOOK-ENTRY AND OTHER INDIRECT HOLDERS SHOULD CONSULT THEIR BANKS, BROKERS OR OTHER FINANCIAL INSTITUTIONS FOR INFORMATION ON HOW TO GIVE NOTICE OR DIRECTION TO OR MAKE A REQUEST OF THE TRUSTEE AND TO MAKE OR CANCEL A DECLARATION OF ACCELERATION.**

We will give to the trustee every year a written statement of certain of our officers certifying that to their best knowledge we are in compliance with the senior debt indenture and the debt securities, or else specifying any default. (Section 1004)

### **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 as the trustee for our debt securities and our subordinated debt securities. Consequently, if an actual or potential event of default occurs with respect to either the debt securities offered by this prospectus or any series of subordinated debt securities, the trustee may be considered to have a conflicting interest for purposes of the Trust Indenture Act. In that case, the trustee may be required to resign under one or more of the indentures 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.

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**DESCRIPTION OF COMMON STOCK**

References to **AIG**, **us**, **we** or **our** in this section mean American International Group, Inc. and do not include the subsidiaries of American International Group, Inc. Also, in this section, references to **holders** mean those who own common stock registered in their own names, on the books that we maintain for this purpose. When we refer to **you** in this section, we mean those who invest in the securities being offered by this prospectus.

**General**

AIG's authorized capital stock includes 5,000,000,000 shares of common stock (par value \$2.50 per share). As of May 31, 2012, there were 1,728,456,852 shares of common stock outstanding.

All of the outstanding shares of our common stock are fully paid and nonassessable. Subject to the prior rights of the holders of shares of preferred stock that may be issued and outstanding, the holders of common stock are entitled:

to receive dividends when, as and if declared by our board of directors out of funds legally available for the payment of dividends; and

in the event of dissolution of AIG, to share ratably in all assets remaining after payment of liabilities and satisfaction of the liquidation preferences, if any, of then outstanding shares of preferred stock, as