

MINUTES OF A MEETING OF DIRECTORS  
AMERICAN INTERNATIONAL GROUP, INC.

Held May 14, 2008

A meeting of the Board of Directors of AMERICAN INTERNATIONAL GROUP, INC., was held at 70 Pine Street, New York, New York on May 14, 2008 at 9:00 A.M., pursuant to notice duly given to each of the Directors in accordance with the By-Laws.

Present:       Messrs.       Stephen F. Bollenbach  
                                      Martin S. Feldstein  
                                      Stephen L. Hammerman  
                                      Richard C. Holbrooke  
                                      Fred H. Langhammer  
                                      George L. Miles, Jr.  
                                      Morris W. Offit  
                                      James F. Orr, III  
                                      Martin J. Sullivan  
                                      Michael H. Sutton  
                                      Edmund S.W. Tse  
                                      Robert B. Willumstad  
                                      Frank G. Zarb

                      Mesdames   Ellen V. Futter  
                                      Virginia M. Rometty

Absent:        Mr.        Marshall A. Cohen

Also present were Mr. James G. Gamble of Simpson Thacher & Bartlett LLP, Steven J. Bensinger, Executive Vice President and Chief Financial Officer, Anastasia D. Kelly, Executive Vice President and General Counsel, Kathleen E. Shannon, Senior Vice President, Secretary and Deputy General Counsel and Eric N. Litzky, Vice President - Corporate Governance.

A majority of the Directors being present, a quorum existed and the meeting proceeded.

The Chairman, Mr. Robert B. Willumstad, presided and the Secretary, Ms. Kathleen E. Shannon, recorded the minutes of the meeting.

Mr. Willumstad proposed approval of the minutes of prior meetings. Upon motion duly made, seconded and unanimously carried, the minutes of the following meetings were approved.

Board of Directors  
October 10, 2007  
February 26, 2008  
March 12, 2008

Audit Committee  
January 15, 2008  
February 7, 2008  
February 26, 2008  
March 11, 2008  
April 16, 2008

Finance Committee  
December 13, 2007  
February 12, 2008  
March 11, 2008  
April 17, 2008

Nominating and Corporate  
Governance Committee  
January 15, 2008

Public Policy and Social  
Responsibility Committee  
January 15, 2008

Regulatory, Compliance and  
Legal Committee  
January 16, 2008

Mr. Willumstad advised the Board that the quorum vote for the Shareholders Meeting was almost 80 percent, but none of the large Starr entity shares have been voted yet. Mr. Litzky reported that the vote on the shareholder proposal on a human right to water had received approximately 16 percent in favor, slightly better than expected, and the shareholder proposal on political contributions had received approximately 18 percent, slightly worse than expected. He added that Fidelity had voted against all the directors as a result of a technical issue involving the employment agreements for Mr. Sullivan and Mr. Bensinger, and the other votes against directors were largely against members of the Audit Committee.

Mr. Sullivan described the marketing for the capital raising, which included four full days of marketing and 50 one-on-one meetings with potential investors. He said that both the common stock, to be priced at \$38 per share, and mandatory convertible equity units, priced at \$46.40, were oversubscribed with the overallotments exercised in full. Mr. Bensinger added that the expense of the equity units will be 6.5 percent after tax until they convert in three years, if the common stock price is over \$46.40. Mr. Sullivan reported that \$4 billion of hybrids were priced the previous day at an after-tax rate of 5.3 percent. He added that additional hybrid offerings in Euros and Sterling had

not yet been priced, but the expectation is that the total proceeds of the capital raising plan will be \$19 to \$21 million. Mr. Sullivan and Mr. Bensinger provided further descriptions of the marketing meetings and the strong demand, even among shareholders who are somewhat agitated, and explained that, unlike in Europe, rights offerings are not normal in the United States. Mr. Bensinger described the net dilution as follows: for the balance of 2008, 4.2 percent; for 2009, close to 7.5 percent; for 2011, an increase to 10 percent, and in 2012, net dilution reaches a final amount of 11.5 percent.

Mr. Bensinger began the first quarter financial review by pointing out the effect of the realized capital losses and unrealized market valuation losses on the income statement, and noting that realized losses from permanent credit impairment totaled only \$171 million, with the rest of these losses attributable to the severe stress environment. Mr. Bensinger reviewed a summary of the effect of market disruption, a \$27.5 billion change in value over the three recent quarters, from \$49.026 billion in pre-tax charges, \$31.868 billion after tax.

Mr. Sullivan described the first quarter results from the core businesses, explaining the effects of losses from United Guaranty operations and excess claims from MTBE gasoline additives of approximately \$200 million in the commercial insurance operations. He said that Foreign General did well, up 10 percent in original currencies, and he described highlights for Foreign Life, International Lease Finance Corporation and Retirement Services. Mr. Sullivan reported that a key element in the

performance of the core businesses is the significant decline in partnership income from the record results in the first quarter of 2007. He said that partnership income will remain challenged in the second quarter, and the build up of cash will dampen net investment income. Mr. Sullivan also noted that \$700 million had been added to the tax reserves for the quarter, and a discussion followed on the issues involved in the Notice of Tax Deficiency.

Mr. Sullivan next presented the proposed slate of officers, noting the promotions of Messrs. DaSilva and Mucerino and the appointments of Messrs. Gold, Iglesias, Kelly, Sparro, Williamson, Chang, Watson, Wilson and Thompson reflected therein. Upon nominations duly made and seconded, the following named individuals were elected to the offices set forth opposite their names:

Martin J. Sullivan	President & Chief Executive Officer
Edmund S.W. Tse	Senior Vice Chairman - Life Insurance
Steven J. Bensinger	Vice Chairman - Financial Services & Chief Financial Officer
Jacob A. Frenkel	Vice Chairman - Global Economic Strategies
Frank G. Wisner	Vice Chairman - External Affairs
Anastasia D. Kelly	Executive Vice President, General Counsel & Senior Regulatory and Compliance Officer
Win J. Neuger	Executive Vice President & Chief Investment Officer
Ronald J. Anderson	Senior Vice President
Nicholas J. Ashooh	Senior Vice President - Communications
Robert W. Clyde	Senior Vice President & Chairman, President & CEO of AIG Companies in Japan & Korea
Jerry M. de St. Paer	Senior Vice President - Finance
William N. Dooley	Senior Vice President - Financial Services
Frank H. Douglas	Senior Vice President & Casualty Actuary

David L. Herzog	Senior Vice President & Comptroller
L. Oakley Johnson	Senior Vice President - Corporate Affairs
Andrew J. Kaslow	Senior Vice President & Chief Human Resources Officer
Robert E. Lewis	Senior Vice President & Chief Risk Officer
Michael E. Roemer	Senior Vice President & Director of Internal Audit
Charles R. Schader	Senior Vice President - Claims
Brian T. Schreiber	Senior Vice President - Strategic Planning
Kathleen E. Shannon	Senior Vice President, Secretary & Deputy General Counsel
Stephen West	Senior Vice President - Operations & Systems
Richard H. Booth	Vice President
Kathleen Chagnon	Vice President, Deputy General Counsel & Chief Compliance Officer
Edward T. Cloonan	Vice President - Corporate Affairs
Stephen P. Collesano	Vice President - Research & Development
Charles H. Dangelo	Vice President & Senior Reinsurance Officer
Keith L. Duckett	Vice President - Administration
Robert A. Gender	Vice President & Treasurer
Charlene M. Hamrah	Vice President & Director of Investor Relations
Philip M. Jacobs	Vice President & Director of Taxes
Robert P. Jacobson	Vice President - Strategic Planning
Eric N. Litzky	Vice President - Corporate Governance & Special Counsel and Secretary to the Board of Directors
Kevin B. McGinn	Vice President & Chief Credit Officer
Richard P. Merski	Vice President - Corporate Affairs
Teri L. Watson	Vice President - Rating Agency Relations
Christopher D. Winans	Vice President - Media Relations
John T. Wooster, Jr.	Special Advisor - Communications

#### AIG PROPERTY CASUALTY GROUP

Kristian P. Moor	Executive Vice President
John Q. Doyle	Senior Vice President
Kevin H. Kelley	Senior Vice President
Mark T. Willis	Senior Vice President
Joseph L. Boren	Vice President
Stephen A. Gold	Vice President
David M. Hupp	Vice President
Louis P. Iglesias	Vice President
Shaun E. Kelly	Vice President
Robert S. Schimek	Vice President
Christopher L. Sparro	Vice President

Charles E. Williamson Vice President

FOREIGN GENERAL INSURANCE

Nicholas C. Walsh Executive Vice President

Hamilton C. Da Silva Senior Vice President  
Ralph W. Mucerino Senior Vice President - Global Energy  
Julio A. Portalatin Senior Vice President

Alexander R. Baugh Vice President  
Jeffrey L. Hayman Vice President  
Raymond E. Lee Vice President  
Michael L. Sherman Vice President  
Robert J. Thomas Vice President  
Nicholas S. Tyler Vice President

LIFE INSURANCE & RETIREMENT SERVICES

Rodney O. Martin, Jr. Executive Vice President - Life Insurance  
Jay S. Wintrob Executive Vice President - Retirement Services

Bruce R. Abrams Senior Vice President - Retirement Services  
Frank Chan Senior Vice President - Life Insurance  
Matthew E. Winter Senior Vice President - Life Insurance

T.C. Cheng Vice President - Life Insurance  
Jose L. Cuisia, Jr. Vice President - Life Insurance  
Kevin T. Hogan Vice President - Life Insurance  
Joyce A. Phillips Vice President - Life Insurance  
Christopher J. Swift Vice President - Life Insurance & Retirement Services  
Seiki Tokuni Vice President - Life Insurance  
Andreas Vassiliou Vice President - Life Insurance  
Gordon Watson Vice President - Life Insurance  
Mark Wilson Vice President - Life Insurance  
Gerald W. Wyndorf Vice President - Life Insurance

ASSET MANAGEMENT

Hans K. Danielsson Senior Vice President - Investments  
Richard W. Scott Senior Vice President - Investments

Kevin P. Fitzpatrick Vice President - Real Estate Investments  
Steven Guterman Vice President - Asset Management  
Robert T. Thompson Vice President - Alternative Investments

Thomas Belthoff Assistant Vice President & Director of Financial  
Accounts

Edmund Lee	Assistant Vice President - Corporate Affairs
Kevin C. Mulvey	Assistant Vice President - Corporate Affairs
G. Michael Tebbs	Assistant Vice President & Deputy Comptroller
Brad G. Welling	Assistant Vice President - Corporate Affairs
George Coheleach	Assistant Treasurer
Joseph McCarthy	Assistant Treasurer
Suzanne Rich Folsom	Deputy General Counsel & Chief Regulatory Officer
Paolo S. Grassi	Deputy General Counsel
Kenneth V. Harkins	Deputy General Counsel
Jeffrey J. Hurd	Deputy General Counsel
Nicholas Kourides	Deputy General Counsel
Patricia S. Skigen	Deputy General Counsel
Marc E. Bernstein	Associate General Counsel
Paul S. Brown	Associate General Counsel
John M. Cafiero	Associate General Counsel
Wendy Schick Dougall	Associate General Counsel
Jenevra Georgini	Associate General Counsel
Timothy A. Greensfelder	Associate General Counsel
Robert Jinnett	Associate General Counsel
Eric S. Kobrick	Associate General Counsel
Michael W. Leahy	Associate General Counsel
Yun G. Lee	Associate General Counsel
Michelle A. Levitt	Associate General Counsel
Cecilia E. Norat	Associate General Counsel
David H. Saks	Associate General Counsel
Kathryn Jones Troy	Associate General Counsel
Patrick M. Burke	Assistant Secretary
Patricia Q. Murnane	Assistant Secretary
Elizabeth M. Tuck	Assistant Secretary

Mr. Sullivan next requested that the Board appoint employees to serve as trustees of the AIG Retirement Plan and as members of the AIG Retirement Board and the Stock Purchase Plan Committee. Upon motion duly made, seconded and unanimously carried, it was



RESOLVED, that Kristian P. Moor, William N. Dooley, Win J. Neuger and Kathleen E. Shannon be, and hereby are, appointed Trustees of the AIG Retirement Plan.

RESOLVED, that the following named individuals shall constitute the Retirement Board of the Corporation until their successors are designated:

Joseph S. Cella  
Robert A. Cole  
Georgia Feigel  
David Fields  
Anthony J. Galioto  
Howard Greene, Chairman  
Richard A. Grosiak, Secretary  
Gary D. Reddick  
Charles R. Schader  
Kathleen E. Shannon  
Robert Thomas

RESOLVED, that the following named individuals are appointed to serve on the Stock Purchase Plan Committee of the Corporation until their successors are designated:

Robert A. Gender  
Howard Greene  
David L. Herzog

Mr. Miles presented the report of the Nominating and Corporate Governance Committee, describing the proposed amendments to the Corporate Governance Guidelines and the Charters of the various committees. After discussion, upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that the Corporate Governance Guidelines of the Corporation be, and hereby are, amended to read in their entirety as attached as Exhibit A to the minutes of this meeting.

RESOLVED that the Audit Committee Charter be, and hereby is, amended to read in its entirety as attached as Exhibit B to the minutes of this meeting.

RESOLVED that the Finance Committee Charter be, and hereby is, amended to read in its entirety as attached as Exhibit C to the minutes of this meeting.

RESOLVED that the Nominating and Corporate Governance Committee Charter be, and hereby is, amended to read in its entirety as attached as Exhibit D to the minutes of this meeting.

RESOLVED that the Public Policy and Social Responsibility Committee Charter be, and hereby is, amended to read in its entirety as attached as Exhibit E to the minutes of this meeting.

RESOLVED that the Regulatory, Compliance and Legal Committee Charter be, and hereby is, amended to read in its entirety as attached as Exhibit F to the minutes of this meeting.

Mr. Miles next proposed that Mr. Willumstad continue as Chairman after the Shareholders Meeting and he suggested the Committee assignments to be effective following the election of directors at the Annual Meeting. After discussion, upon motion duly made, seconded and unanimously carried, it was

RESOLVED that Robert B. Willumstad be, and hereby is, elected Chairman and Lead Director effective upon his election at the 2008 Annual Meeting of Shareholders.

RESOLVED, that the following named Directors shall constitute the Audit Committee of the Board of Directors of the Corporation effective upon their election at the 2008 Annual Meeting of Shareholders and until their successors are designated:

Michael H. Sutton, Chairman  
Stephen F. Bollenbach  
George L. Miles, Jr.  
Morris W. Offit  
Robert B. Willumstad, *ex-officio*

and be it further

RESOLVED, that the following named Directors shall constitute the Compensation and Management Resources Committee of the Board of Directors of the Corporation effective upon their election at the 2008 Annual Meeting of Shareholders and until their successors are designated:

James F. Orr III, Chairman  
Fred H. Langhammer  
Virginia M. Rometty  
Robert B. Willumstad, *ex-officio*

and be it further

RESOLVED, that the following named Directors shall constitute the Finance Committee of the Board of Directors of the Corporation effective upon their election at the 2008 Annual Meeting of Shareholders and until their successors are designated:

Morris W. Offit, Chairman  
Martin S. Feldstein  
Fred H. Langhammer  
Martin J. Sullivan  
Robert B. Willumstad, *ex-officio*

and be it further

RESOLVED, that the following named Directors shall constitute the Nominating and Corporate Governance Committee of the Board of Directors of the Corporation effective upon their election at the 2008 Annual Meeting of Shareholders and until their successors are designated:

George L. Miles, Jr., Chairman  
Ellen V. Futter  
James F. Orr III  
Robert B. Willumstad, *ex-officio*

and be it further

RESOLVED, that the following named Directors shall constitute the Public Policy and Social Responsibility Committee of the Board of Directors of the Corporation effective upon their election at the 2008 Annual Meeting of Shareholders and until their successors are designated:

Richard C. Holbrooke, Chairman  
George L. Miles, Jr.  
Morris W. Offit  
Robert B. Willumstad, *ex-officio*

and be it further

RESOLVED, that the following named Directors shall constitute the Regulatory, Compliance and Legal Committee of the Board of Directors of the Corporation effective upon their election at the 2008 Annual Meeting of Shareholders and until their successors are designated:

Stephen F. Bollenbach, Chairman  
Martin S. Feldstein  
Ellen V. Futter  
Michael H. Sutton  
Robert B. Willumstad, *ex-officio*

Mr. Miles next proposed that the AIG Related-Party Transactions Approval Policy be amended to address certain recommendations made by the Independent Consultant. After discussion, upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that the Related-Party Transaction Approval Policy of the Corporation be, and hereby is, amended to read in its entirety as attached as Exhibit G to the minutes of this meeting.

Mr. Offit proposed that the capital raising plan, up to a maximum of \$21.5 billion, be ratified and confirmed. He described the liquidity in the marketplace which had allowed participation by AIG's current institutional holders and was the most efficient form of capital raising for AIG, although it was fairly expensive money. Mr. Bensinger reported that Moody's and A.M. Best have not yet announced their conclusions on possible ratings actions, and there is some concern with the statutory capital of the insurance company subsidiaries. He said that it is likely that AIG will need to inject capital into these companies. After further discussion on various aspects of the capital raising plan, upon motion duly made, seconded and unanimously carried, it was resolved as follows:

*The Offerings*

WHEREAS, the Finance Committee of the Board of Directors (the "Board") of American International Group, Inc. (the "Corporation") has considered the Corporation's raising of up to \$21.5 billion in capital through the issuance and sale (the "Offerings") of a combination of: (i) shares of common stock, par value \$2.50 per share, of the Corporation (the "Common Stock"), (ii) equity units, initially consisting of purchase contracts for Common Stock and junior subordinated notes (the "Equity Units"); and (iii) one or more series of junior subordinated debentures (the "Debentures");

WHEREAS, after due consideration the Finance Committee has determined to recommend to the Board that the Corporation undertake the Offerings;

WHEREAS, the Board has been presented, in writing and orally, with financial and other information with respect to the Offerings, and has considered such information; and

WHEREAS, the Board deems it advisable and in the best interests of the Corporation for the Corporation to raise up to \$21.5 billion in capital through the Offerings.

NOW THEREFORE, IT IS HEREBY RESOLVED, that this Board confirms its approval and authorization of the Offerings and amends and restates its prior resolutions of May 8, 2008 in connection with the Offerings to read in their entirety as follows:

#### **A. AUTHORIZED OFFICERS**

RESOLVED, that, for purposes of these Resolutions, "Authorized Officers" shall mean each or any of the following persons: any employee of the Corporation with the title of President, Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Executive Vice President, Chief Investment Officer, Chief Risk Officer, General Counsel, Senior Vice President—Strategic Planning, Secretary, Treasurer or Comptroller of the Corporation, acting alone or together, in each case for so long as such Authorized Officer is an employee of the Corporation and holding such title;

#### **B. THE OFFERINGS**

RESOLVED, that the Corporation be, and hereby is, authorized to issue and sell, in public or private offerings, in one or more tranches, in or outside of the United States of America and with such terms and conditions, and in all other respects, as may be approved hereby or determined by any Authorized Officer pursuant to the authorization under these Resolutions, (i) up to \$7.5 billion of Common Stock (the "Common Stock Offering"); (ii) up to \$6.0 billion aggregate principal amount of Equity Units, and in connection with such equity units, contracts to purchase up to 154,738,080 shares of Common Stock, which may be exercisable for the Common Stock, and up to \$6.0 billion aggregate principal amount of junior subordinated notes, in one or more series (the "Equity Units Offering"); and (iii) up to \$.8.0 billion aggregate principal amount, in one or more series of junior subordinated debentures (the "Debentures Offerings") (the Common Stock, Equity Units, and the Debentures, collectively, hereinafter referred to as "Securities"), *provided* that only the Pricing Committee (as constituted below) can determine the price at which the Common Stock and Equity Units will be sold;

RESOLVED, that, the Board hereby reserves for issuance up to 196,710,525 shares of Common Stock in connection with the Common Stock Offering and up to 154,738,080 shares of Common Stock pursuant to the purchase contracts contained in the Equity Units, as being increased or decreased from time to time with no further action of the Board pursuant to anti-dilution provisions to be contained in any Constituent Document (as defined below);

***Pricing Committee to Determine Pricing Terms of the Common Stock and Equity Units***

RESOLVED, that, the Board hereby creates a pricing committee of the Board (the "Pricing Committee") consisting of Morris W. Offit, Martin J. Sullivan and Robert B. Willumstad, for the purpose of approving the pricing terms of the Common Stock and the Equity Units;

RESOLVED, that, the Pricing Committee is hereby delegated the full power and authority of the Board with respect to the Common Stock Offering and the Equity Units Offering, and without limiting the generality of the foregoing, the Pricing Committee is hereby authorized to determine the price or prices to be received by the Corporation in any offering for sale of any Common Stock or Equity Units, any offering price or prices for the resale thereof and any discounts to be allowed or commissions to be paid to any underwriter, agent, dealer or initial purchasers;

RESOLVED, that notice of each meeting of the Pricing Committee shall be given by any member causing to be delivered, not less than two hours prior to the meeting, to the office of each member shown on the records of the Corporation, written, telecopy, telephonic, telegraphic or oral notice of the location, date, time and general purpose of the meeting; that a written waiver of notice signed by a member, whether executed before or after the meeting, shall be deemed equivalent to notice; that attendance at a meeting shall be deemed equivalent to notice; and that any action required or permitted to be taken at any meeting of the Pricing Committee may be taken without a meeting if all members of the Pricing Committee consent thereto in writing, and the writing or writings are filed with the minutes of the proceedings of the Pricing Committee;

RESOLVED, that, upon the completion of the Common Stock Offering and the Equity Units Offering, the Pricing Committee will be dissolved with no further action of the Board;

***Authorized Officers to Determine Terms and Manner of Sale of Securities***

RESOLVED, that, subject to the limitations and other requirements established in or pursuant to these Resolutions, each Authorized Officer be, and each of them hereby is, authorized, at any time and from time to time, in the name and on behalf of the Corporation, to issue Securities (where applicable, as one or more series of Securities) and in connection therewith to establish any and all terms (other than the pricing terms of the Common Stock and the Equity Units), or, if all Securities of a series may not be originally issued at one time, to prescribe the manner of determining, within any limitations established by any Authorized Officer,

any and all such terms, of such Securities, in each case as any Authorized Officer may determine;

RESOLVED, that each Authorized Officer be, and each of them hereby is, authorized to prepare or cause to be prepared, in the name and on behalf of the Corporation, one or more underwriting agreements or purchase agreements, registration rights agreements and any other agreements or instruments, relating to the offering or sale of any Securities (it being understood that such agreements may provide for sale of Securities to or through agents, initial purchasers or underwriters, may provide for representations, warranties, closing conditions, indemnification, contribution and expense reimbursement in favor of, underwriters, agents or initial purchasers and may require the Corporation to file one or more registration statements under the Securities Act of 1933 (the "Securities Act")) (each such document, a "Purchase Agreement"), and to execute and deliver, or cause to be executed and delivered, in the name and on behalf of the Corporation, each Purchase Agreement (and any subsequent amendments or waivers thereto), in each case as any Authorized Officer may determine; and that each Purchase Agreement shall be in such form and contain such terms and provisions as any Authorized Officer may approve, such approval to be conclusively evidenced by the execution thereof;

RESOLVED, that each Authorized Officer be, and each of them hereby is, authorized to execute, acknowledge and deliver, in the name and on behalf of the Corporation, one or more indentures and supplemental indentures, purchase contract agreements, unit agreements, pledge agreements, remarketing agreements, replacement capital covenants, term sheets, and any and all other similar or related agreements, instruments or other documents and any amendments or supplements thereto (each such document, as it may be amended or supplemented, a "Constituent Document") in connection with the offering, issuance or sale of any Security, at any time or from time to time, in each case as any Authorized Officer may determine (it being understood that the term "Constituent Document" shall include, without limitation, (a) one or more supplemental indentures pursuant to which the Debentures and the junior subordinated notes contained in the Equity Units will be issued and (b) one or more remarketing agreements providing for the remarketing of the junior subordinated notes contained in the Equity Units); and that each Constituent Document shall be in such form and contain such terms and provisions as any Authorized Officer shall approve, such approval to be conclusively evidenced by the execution thereof;

RESOLVED, that, in connection with the issuance of Securities and any series thereof, each Authorized Officer and any other officer of the Corporation (if required by the applicable Constituent Document or



Purchase Agreement) be, and each of them hereby is, authorized to execute and deliver one or more certificates or other documents required or permitted by any Constituent Document or by any applicable Purchase Agreement, including, without limitation, for the purpose of establishing the terms or, if all Securities of such series may not be originally issued at one time, prescribing the manner of determining the terms, of such Securities,

RESOLVED, that, subject to the limitations and other requirements established in or pursuant to these Resolutions, in connection with the issuance and offering of Securities and any series thereof, each Authorized Officer be, and each of them hereby is, authorized, at any time or from time to time, to select, or to terminate any such selection of, in the name and on behalf of the Corporation, or cause to be selected or terminated, the selling or placement agents, purchasing agents, initial purchasers, underwriters and/or direct investors, if any, in respect of any Securities and any series thereof (which may include one or more subsidiaries of the Corporation), to determine the price or prices to be received by the Corporation in any offering for sale of any Securities of any series, any offering price or prices for the resale thereof, any discounts to be allowed or commissions to be paid to any underwriter, agent, dealer or initial purchasers and any other terms of offering or sale of Securities and any series thereof, and to sell any and all Securities and any series thereof under the applicable Purchase Agreement;

RESOLVED, that each Authorized Officer be, and each of them hereby is, authorized, in the name and on behalf of the Corporation, at any time or from time to time to appoint or designate, on behalf of the Corporation, and to terminate any such appointment or designation of, one or more trustees, designated under any Constituent Document and one or more paying agents, fiscal agents, listing agents, registrars, transfer agents, authenticating agents, depositories, calculation agents, exchange rate agents, pledge agents, unit agents, and other agents (any of which may be the same entity as the other, the Corporation or a subsidiary) (each, an "Agent" and, collectively, the "Agents") for any Securities, and to execute and deliver, or cause to be executed and delivered, any agreement or other document (each, an "Agent Agreement") providing for such appointment, designation or termination (which may provide for representations, warranties, indemnification, contribution and expense reimbursement in favor of any Agent), in each case, as any Authorized Officer may approve, such approval to be conclusively evidenced by the execution thereof;

RESOLVED, that each Authorized Officer be, and each of them hereby is, authorized to, in the name and on behalf of the Corporation, negotiate, approve, execute, and deliver, or cause to be negotiated, approved, executed and delivered, one or more engagement letters, confidentiality

agreements, non-disclosure agreements, or other similar agreements or instruments with any person or entity with respect to the Offerings, in such form and with such terms and conditions as any Authorized Officer shall designate and such other terms and conditions as any Authorized Officer shall approve, such approval to be conclusively evidenced by the execution thereof;

RESOLVED, that each Authorized Officer be, and each of them hereby is, authorized to execute, acknowledge and deliver, in the name and on behalf of the Corporation, or to cause to be executed, acknowledged and delivered, any and all financing statements, notices and other filings necessary, desirable or appropriate to create and/or perfect any security interest, lien or other encumbrance contemplated by any Constituent Document and to take any and all other actions necessary, desirable or appropriate in order to create and perfect the security interest, lien or other encumbrance, in each case, such necessity, desirability or appropriateness to be conclusively evidenced by the Authorized Officer's filing or execution thereof;

#### ***State and Other Securities Laws***

RESOLVED, that each Authorized Officer be, and each of them hereby is, authorized to determine the jurisdictions (in or outside of the United States of America) in which appropriate action shall be taken to qualify or register for sale all or such part of any Securities as any Authorized Officer may believe necessary, desirable or appropriate; that each Authorized Officer is hereby authorized to perform, in the name and on behalf of the Corporation, any and all such acts as any Authorized Officer may believe necessary, desirable or appropriate in order to comply with the applicable laws of any such jurisdictions, and in connection therewith to execute and file all requisite papers and documents, including, without limitation, applications, reports, surety bonds, irrevocable consents and appointments of attorneys for service of process; and that the execution by any Authorized Officer of any such paper or document or the doing by them of any act in connection with the foregoing matters shall conclusively establish their authority therefore from the Corporation and the approval and ratification by the Corporation of the papers and documents so executed and the action so taken;

#### ***Exchanges, Quotation Services and Other Listing Service***

RESOLVED, that each Authorized Officer be, and each of them hereby is, authorized to make, in the name and on behalf of the Corporation, application to any securities exchange or exchanges, quotation services or other similar entities (in or outside of the United States of America) (including but not limited to New York Stock Exchange, NASDAQ and

PORTAL Market of the NASDAQ Stock Market, Inc.) if and as any Authorized Officer shall believe necessary, desirable or appropriate for the listing or quotation thereon of any Securities and in connection therewith to appoint one or more listing agents and to prepare, execute and file, or cause to be prepared, executed and filed, an application or applications for such listing or quotation and any and all supplements and amendments thereto and any additional certificates, documents, letters, filings and other instruments which any Authorized Officer may believe necessary, desirable or appropriate; that each Authorized Officer or such other person as any Authorized Officer may designate in writing, be, and each of them hereby is, authorized to appear before any official or officials, or before any body of any such exchange, quotation service or other similar entity, with authority to make such changes in such applications, supplements, amendments, certificates, documents, letters, filings or other instruments and to execute and deliver such agreements relative thereto, including, without limitation, listing or quotation agreements and applications, fee agreements and indemnity agreements, as any Authorized Officer may approve in order to comply with the requirements of any such exchange or to effect or maintain such listing or quotation, such approval to be conclusively evidenced by the execution thereof;

#### ***Registration under the Exchange Act***

RESOLVED, that each Authorized Officer be, and each of them hereby is, authorized to determine that any Securities are required to be registered under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and to make, in the name and on behalf of the Corporation, application to the Securities and Exchange Commission (the "SEC") for registration of such Securities under the Exchange Act, and to prepare, execute and file, or cause to be prepared, executed and filed, with the SEC and any exchange or quotation service an application or applications for such registration and any and all supplements and amendments thereto and any additional certificates, documents, letters and other instruments as any Authorized Officer may approve, such approval to be conclusively evidenced by the execution or filing thereof;

#### ***Agent for Service of Process***

RESOLVED, that the Secretary (or any other person designated by an Authorized Officer) is designated as the agent for service of process and a person authorized to receive on behalf of the Corporation in the name of the Corporation notices and communications from the SEC with respect to the Registration Statements;

### ***Other Actions by Authorized Officers***

RESOLVED, that each Authorized Officer and each other officer of the Corporation be, and each of them hereby is, authorized to execute and deliver, or cause to be executed or delivered, in the name and on behalf of the Corporation, or cause to be executed or delivered, one or more Securities in the forms contained in the relevant Constituent Document or such other forms as may be established or prescribed by any Authorized Officer; that each Authorized Officer and each other officer of the Corporation be, and each of them hereby is, authorized to execute certificates representing Securities or coupons appertaining to any Security; that the signatures of any of the foregoing Authorized Officer or officers on any certificates representing the Securities or any coupons (including the contract adjustment payments) may be manual or facsimile; and that certificates representing any Security or coupon (including contract adjustment payments) so executed by such persons and duly authenticated and delivered shall be valid obligations notwithstanding the fact that any Authorized Officer or officer who signs or whose facsimile signature appears upon the certificates representing any Security or coupon (including the contract adjustment payments) shall have ceased to be an Authorized Officer or officer prior to the authentication and delivery of any such certificates;

RESOLVED, that each Authorized Officer be, and each of them hereby is, authorized, in the name and on behalf of the Corporation, to (i) incur all such fees and expenses of the Corporation incurred as in their judgment shall be necessary or advisable in order to carry out fully the intent and purposes of these Resolutions, (ii) pay all necessary and reasonable fees and expenses incurred by the Corporation in connection with the issuance and sale of the Securities, the registration of such Securities under the Securities Act and the Exchange Act, and under the securities or Blue Sky or insurance securities laws of the various states and jurisdictions (in or outside of the United States), the review of the legality of such Securities for investment under the legal investment laws of the various states and jurisdictions (in or outside of the United States), and otherwise in connection with these Resolutions, including, without limitation, fees and expenses of the Corporation's legal counsel, financial advisor and other third party service providers referred to in these Resolutions, (iii) to pay all fees and expenses associated with any filing with the Financial Industry Regulatory Authority, including fees and expenses of legal counsel and (iv) make all payments that they, or any of them, shall determine to be appropriate, such payment to be conclusive evidence of such determination; and

### **C. PAST ACTION**

RESOLVED, that any actions taken by, with the authorization of, or at the direction of any Authorized Officer or the Corporation's legal counsel prior to the date hereof which action would have been authorized by the foregoing Resolutions had such action been taken after the date hereof, be and the same are hereby ratified, confirmed and approved in all respects.

#### ***Increase in Authorized Share Capital***

WHEREAS, the Corporation's management has recommended that the Board increase the share capital of the Corporation in order to permit the Corporation to issue additional non-dilutive hybrid securities, enhance the Corporation's flexibility to raise capital and permit the Corporation to take advantage of new product developments;

WHEREAS, the Board has determined it is advisable to increase the Corporation's share capital by amending the Corporation's Restated Certificate of Incorporation;

WHEREAS, the Board has determined that it is advisable to submit an amendment to the Corporation's Restated Certificate of Incorporation to the Corporation's shareholders at the 2009 Annual Meeting of Shareholders;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves an increase in the aggregate number of authorized shares of the Corporation from 5,006,000,000 shares, of which 5,000,000,000 shares are designated as Common Stock, \$2.50 par value, and 6,000,000 are designated as serial preferred stock, \$5.00 par value, to an aggregate number of 6,231,000,000 shares, of which 6,225,000,000 shares are designated as Common Stock, \$2.50 par value, and 6,000,000 are designated as preferred stock, no par value; and

FURTHER RESOLVED, that the foregoing approval of the increase in the aggregate number of authorized shares be submitted for consideration by the shareholders of the Corporation at the Annual Meeting of Shareholders of the Corporation to be held in 2009.

#### ***Ratification of actions of Pricing Committee***

WHEREAS, on May 12, 2008, the Pricing Committee determined the terms of the Common Stock Offering and the Equity Units Offering;

WHEREAS, the actions of the Pricing Committee have been discussed with the Board and the Board desires to ratify and confirm the actions of the Pricing Committee; and

NOW, THEREFORE, BE IT RESOLVED, that the actions taken by the Pricing Committee with respect to the issuance and sale of 171,052,631 shares of Common Stock (including up to 25,657,894 shares of Common Stock issuable pursuant to the underwriters' over-allotment option) and 72,000,000 Equity Units (including up to 6,400,000 Equity Units issuable pursuant to the underwriters' over-allotment option) are hereby ratified, approved and confirmed in all respects.

Mr. Offit next presented the recommendation of the Finance Committee that the Board approve a commitment by AIG to deposit into the domestic securities lending pool such amounts as are necessary to make whole the pool (for the benefit of the insurance company and other subsidiaries who participate in the pool as lenders) for losses realized by the pool in connection with sales of the collateral from the pool to insurance subsidiaries and third parties. After discussion, upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that the President, any Executive Vice President, any Senior Vice President and any Vice President of the Corporation, together with the Secretary or the Treasurer of the Corporation be, and hereby are, authorized to enter into one or more agreements providing that the Corporation will deposit into any accounts managed by the subsidiaries of the Corporation in connection with the securities lending programs of the Corporation and its subsidiaries (the "GSL Pools"), such amounts as shall equal losses realized by such GSL Pools in connection with sales of the collateral held in the GSL Pools, and be it

FURTHER RESOLVED that any officer of the Corporation be, and each of them hereby is, authorized to execute, in the name and on behalf of the Corporation, such additional documents or instruments as any such officer may

determine to be appropriate or necessary in connection with the foregoing agreements, in such form and with such terms and provisions as any such officer may approve, such approval to be conclusively evidenced by the execution thereof; and be it

FURTHER RESOLVED, that any officer of the Corporation be, and each of them hereby is, authorized, in the name and on behalf of the Corporation, to take any and all actions, and to do, or authorize to be done, all such things as such officer may determine to be necessary, desirable or appropriate to effectuate the purposes of the foregoing resolutions; and be it

FURTHER RESOLVED, that any officer of the Corporation may, at any time or from time to time, authorize any other persons designated by such officer or any attorney-in-fact to take, in the name and on behalf of the Corporation, any and all actions that such officer is authorized to take under these resolutions, in each case as any such officer may determine to be necessary, desirable or appropriate in carrying out these resolutions.

Mr. Offit next presented the recommendation of the Finance Committee that the Board approve the disposition of AIG's 59 percent ownership interest in Transatlantic Holdings, Inc. through a tax-free split off transaction. He explained that the Finance Committee had reviewed the transaction and agreed that the proposed structure was an efficient way of disposing of the assets. After discussion, upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that the Board of Directors hereby authorizes the appropriate officers of the Corporation to take the necessary steps to commence the process of a tax-free split off of the 59 percent of the common stock of Transatlantic Holdings, Inc. held by the Corporation and its subsidiaries, including by working with the management of Transatlantic

to seek a private letter ruling on the tax-free nature of the transaction from the Internal Revenue Service, and

RESOLVED, that the appropriate officers of the Corporation be, and hereby are, authorized, in the name and on behalf of the Corporation, to execute and deliver agreements, undertakings, documents or instruments or to perform such other acts as such officers may deem necessary, desirable or appropriate in order to effectuate the purpose and intent of the foregoing resolution, and that all actions heretofore taken by such officers to achieve the intent and purpose of the foregoing resolution be and hereby are ratified, confirmed and approved in all respects.

Ms. Kelly reported that a new chief regulatory officer had been hired, and was working on deepening the relationship with the Office of Thrift Supervision. She also said that there had been significant progress with responding to the recommendations of the Independent Consultant. Ms. Kelly also updated the Board on significant litigation and progress on compliance.

Mr. Hammerman reported no new regulatory matters. He said that Mr. Cole has given AIG good marks for cooperation, but a major concern is the challenge of driving cultural change. He added that progress has been made on the legal and compliance front and advised management to maintain a steady pace on regulatory matters. With respect to the request from the OTS to confirm review of the contents of the report of examination, Mr. Hammerman referred the Board members to Mr. Gamble's memo clarifying the Board members' obligations and responsibilities with respect to the OTS and the report, and advised that the signature page be signed.



Mr. Orr reported that the company had engaged Watson Wyatt to advise it on executive compensation matters, and the Committee expects to review and consider recommended changes at meetings in June and July.

Mr. Sutton provided the report of the Audit Committee, describing the information reviewed by the Committee in connection with the closing of the first quarter and status reports on financial modernization and Project FIRE.

Mr. Holbrooke advised the Board members that the Corporate Responsibility Report had been presented to the Public Policy and Social Responsibility Committee and would be available at the Shareholders Meeting.

Mr. Willumstad suggested that it would be appropriate to express the Board's appreciation to the retiring Board members. After discussion, upon motion duly made, seconded and unanimously carried, it was resolved as follows:

WHEREAS, Marshall A. Cohen has been a director of this Corporation for the past sixteen years, and

WHEREAS, during his tenure on the Board of Directors he has served with distinction for five years as Chairman of the Compensation and Management Resources Committee, and as a member of the Executive Committee, Nominating and Corporate Governance Committee and the Regulatory, Compliance and Legal Committee, and

WHEREAS, the Corporation has benefited significantly from his business expertise, support and concern for the best interests of the Corporation and its shareholders, and

WHEREAS, in accordance with the Corporation's Corporate Governance Guidelines, Marshall A. Cohen will not stand for election as a director at the 2008 Annual Meeting of Shareholders, it is

RESOLVED, that this Board recognizes the retirement of Marshall A. Cohen as a director of the Corporation and takes this opportunity to express, on behalf of the Board and the shareholders of the Corporation, sincere gratitude for his faithful service and wise counsel to the Corporation, and the wish that his retirement years will be many and be filled with much happiness, and further

RESOLVED, that a copy of this resolution be presented to Mr. Cohen as an expression of the Corporation's appreciation of his outstanding service as a director of the Corporation.

WHEREAS, Stephen L. Hammerman has been a director of this Corporation for the past three years, and

WHEREAS, during his tenure on the Board of Directors he has served with distinction as Chairman of the Regulatory, Compliance and Legal Committee and as a member of the Public Policy and Social Responsibility Committee, and

WHEREAS, the Corporation has benefited significantly from his business expertise, support and concern for the best interests of the Corporation and its shareholders, and

WHEREAS, Stephen L. Hammerman has decided that he will not stand for election as a director at the 2008 Annual Meeting of Shareholders, it is

RESOLVED, that this Board accepts with deepest regret the decision of Stephen L. Hammerman not to stand for election as a director of the Corporation and takes this opportunity to express, on behalf of the Board and the shareholders of the Corporation, sincere gratitude for his faithful service and wise counsel to the Corporation, and the wish that his future endeavors bring much happiness and satisfaction, and further

RESOLVED, that a copy of this resolution be presented to Mr. Hammerman as an expression of the Corporation's appreciation of his outstanding service as a director of the Corporation.

WHEREAS, Frank G. Zarb has been a director of this Corporation for the past seven years and served with distinction as Interim Chairman of the Board of Directors and Lead Director from April 21, 2005 until October 31, 2006, and

WHEREAS, during his tenure on the Board of Directors he has served as Chairman of the Executive Committee and as a member of the Audit Committee, Finance Committee and Nominating and Corporate Governance Committee, and

WHEREAS, the Corporation has benefited significantly from his business expertise, support and concern for the best interests of the Corporation and its shareholders, and

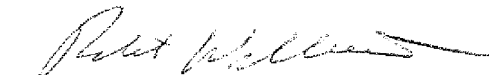
WHEREAS, in accordance with the Corporation's Corporate Governance Guidelines, Frank G. Zarb will not stand for election as a director at the 2008 Annual Meeting of Shareholders, it is

RESOLVED, that this Board recognizes the retirement of Frank G. Zarb as a director of the Corporation and takes this opportunity to express, on behalf of the Board and the shareholders of the Corporation, sincere gratitude for his extraordinary leadership, faithful service and wise counsel to the Corporation, and the wish that his retirement years will be many and be filled with much happiness, and further

RESOLVED, that a copy of this resolution be presented to Mr. Zarb as an expression of the Corporation's appreciation of his outstanding service as a director of the Corporation.

There being no further business to come before the meeting, upon motion duly made, seconded and unanimously carried, the meeting was adjourned.

  
Secretary

  
Chairman of the Board