

AMERICAN INTERNATIONAL GROUP INC  
Form 424B3  
August 27, 2012  
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Filed Pursuant to Rule 424(b)(3)  
Registration No. 333-183034

## American International Group, Inc.

### Offer to Exchange up to

\$256,161,000 Registered 6.820% Dollar Notes due November 15, 2037 For Any and All

Outstanding 6.820% Dollar Notes due November 15, 2037

247,599,000 Registered 6.797% Euro Notes due November 15, 2017 For Any and All

Outstanding 6.797% Euro Notes due November 15, 2017

£662,222,000 Registered 6.765% Sterling Notes due November 15, 2017 For Any and

All Outstanding 6.765% Sterling Notes due November 15, 2017

**THIS EXCHANGE OFFER WILL EXPIRE AT 11:59 P.M., NEW YORK CITY TIME, ON SEPTEMBER 25, 2012, UNLESS EXTENDED BY US**

We are offering to exchange (the "exchange offer") up to \$256,161,000 aggregate principal amount of our registered 6.820% Dollar Notes due November 15, 2037 (the "New Dollar Notes") for an equivalent principal amount of our outstanding, unregistered 6.820% Dollar Notes due November 15, 2037 (the "Old Dollar Notes") that you now hold, 247,599,000 aggregate principal amount of our registered 6.797% Euro Notes due November 15, 2017 (the "New Euro Notes") for an equivalent principal amount of our outstanding, unregistered 6.797% Euro Notes due November 15, 2017 (the "Old Euro Notes") that you now hold, and £662,222,000 aggregate principal amount of our registered 6.765% Sterling Notes due November 15, 2017 (the "New Sterling Notes") for an equivalent principal amount of our outstanding, unregistered 6.765% Sterling Notes due November 15, 2017 (the "Old Sterling Notes") that you now hold. We refer to the New Dollar Notes, New Euro Notes and New Sterling Notes collectively as the "New Notes" and refer to the Old Dollar Notes, Old Euro Notes and Old Sterling Notes collectively as the "Old Notes."

The terms of the New Dollar Notes, New Euro Notes and New Sterling Notes are substantially identical to the terms of the Old Dollar Notes, Old Euro Notes and Old Sterling Notes, respectively, except that the New Notes have been registered under the Securities Act of 1933 (the "Securities Act"), and the transfer restrictions, registration rights and additional interest provisions currently applicable to the Old Notes do not apply to the New Notes. For a more detailed description of the New Notes, see "Description of the Notes" beginning on page 24.

## Edgar Filing: AMERICAN INTERNATIONAL GROUP INC - Form 424B3

AIG intends to apply to the Irish Stock Exchange Limited (the ISE ) for the New Euro Notes and the New Sterling Notes to be admitted to the Official List and traded on its regulated market, as the Old Euro Notes and Old Sterling Notes are. We do not intend to list the New Dollar Notes on any securities exchange or automated quotation system.

**Investing in the New Notes involves certain risks. See Risk Factors referred to on page 8 of this prospectus, 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 (as amended) for the fiscal year ended December 31, 2011 to read about certain factors you should consider before acquiring any New Notes.**

**NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES, OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.**

The date of this prospectus is August 27, 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.

We are incorporating by reference into this document important business and financial information that is not included in or delivered with this document. This information is available without charge to you upon written or oral request. Requests should be directed to AIG's Investor Relations Department, 180 Maiden Lane, New York, New York 10038, telephone 212-770-6293. In order to obtain timely delivery, requests must be made no later than five business days before the expiration date. See Where You Can Find More Information for further information.

**AIG is responsible only for the information contained in this prospectus, any related free writing prospectus issued or authorized by AIG and the documents incorporated by reference in this prospectus. AIG has not authorized anyone to provide you with any other information, and AIG takes no responsibility for any other information that others may give you. AIG is offering to exchange only the 6.820% Dollar Notes due November 15, 2037, 6.797% Euro Notes due November 15, 2017 and 6.765% Sterling Notes due November 15, 2017 and only under the circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus and in the documents incorporated herein by reference is accurate only as of the date on the front cover of those documents, regardless of the time of those documents or any sale of the securities.**

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**CAUTIONARY STATEMENT REGARDING PROJECTIONS AND OTHER INFORMATION ABOUT FUTURE EVENTS**

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 regarding financial information and statements concerning future economic performance and events, plans and objectives relating to asset dispositions, liquidity, collateral posting requirements, management, operations, products and services, and assumptions underlying these projections and statements. 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 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;

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;

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the timing of, and the applicable requirements of, any new regulatory framework to which AIG becomes subject;

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;

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 ( MD&A ) and 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. MD&A 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, MD&A of AIG's Current Report on Form 8-K dated 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.

**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-4 relating to the exchange of Old Notes for New Notes. 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



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and supersede that information as well as the information contained in this prospectus. AIG incorporates by reference the documents listed below and any filings made with the SEC under Section 13(a), 13(c), 14, or 15(d) of the Exchange Act after the time of initial filing of the registration statement (or post-effective amendment) and before effectiveness of the registration statement (or post-effective amendment), and after the date of this prospectus and until the exchange offer is completed (except for information in these documents or filings that is deemed furnished to the SEC):

- (1) Annual Report on Form 10-K for the year ended December 31, 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 and the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2012, filed on August 2, 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, June 29, 2012, July 11, 2012, August 2, 2012, August 8, 2012, August 20, 2012 and August 23, 2012.

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.

**In order to ensure timely delivery of the requested documents, requests should be made no later than September 18, 2012.** In the event that we extend the exchange offer, you must submit your request at least five business days before the expiration date, as extended.



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**PROSPECTUS SUMMARY**

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

**American International Group, Inc.**

AIG, a Delaware corporation, is a 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 which are specifically incorporated by reference into this 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. AIG has included its website address only as an inactive textual reference and does not intend it to be an active link to its website.

**The Exchange Offer**

The Exchange Offer

AIG is offering to exchange up to \$256,161,000 aggregate principal amount of its registered New Dollar Notes for an equivalent principal amount of its outstanding, unregistered Old Dollar Notes, 247,599,000 aggregate principal amount of its registered New Euro Notes for an equivalent principal amount of its outstanding, unregistered Old Euro Notes and £662,222,000 aggregate principal amount of its registered New Sterling Notes for an equivalent principal amount of its outstanding, unregistered Old Sterling Notes. The New Notes have been registered under the Securities Act.

You may tender the Old Dollar Notes only in minimum denominations of \$150,000 and integral multiples of \$1,000 in excess thereof, the Old Euro Notes only in minimum denominations of 100,000 and integral multiples of 1,000 in excess thereof and the Old Sterling Notes in minimum denominations of £100,000 and integral multiples of £1,000 in excess thereof (collectively, "Authorized Denominations").

AIG will exchange all Old Notes validly offered for exchange and not validly withdrawn. The Old Notes were issued on November 15, 2011 in a private offering. As of the date of this prospectus, there are \$256,161,000 aggregate principal amount of Old Dollar Notes, 247,599,000 aggregate principal amount of Old Euro Notes and £662,222,000 aggregate principal amount of Old Sterling Notes outstanding.

You should read the discussion under the heading "The Exchange Offer" below for further information about the exchange offer and resale of the New Notes.

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AIG has filed a registration statement to register the New Notes under the Securities Act. AIG will not accept for exchange any Old Notes until the registration statement has become effective under the Securities Act.

Expiration Date

11:59 p.m., New York City time, on September 25, 2012, unless AIG extends the exchange offer.

Resale of New Notes

Based on interpretive no-action letters of the SEC staff to third parties, AIG believes that you may offer for resale, resell and otherwise transfer the New Notes issued pursuant to the exchange offer in exchange for the Old Notes without compliance with the registration and prospectus delivery provisions of the Securities Act, if you:

are not a broker-dealer that acquired the Old Notes directly from AIG or in market-making transactions or other trading activities;

acquire the New Notes in the ordinary course of your business;

are not participating, have no intention to participate and do not have an arrangement or understanding with any person to participate in the distribution of the New Notes; and

are not AIG's affiliate as defined in Rule 405 under the Securities Act.

By tendering your Old Notes as described in the *The Exchange Offer Procedures for Tendering Old Notes Held through DTC* and *The Exchange Offer Procedures for Tendering Old Notes Held through Euroclear or Clearstream*, you will be making a representation to this effect. If you fail to satisfy any of these conditions, you cannot rely on the position of the SEC set forth in the no-action letters referred to above and you must comply with all applicable registration and prospectus delivery requirements of the Securities Act in connection with a resale of the New Notes.

Restrictions on Sale of New Notes by Broker-Dealers

Broker-dealers that acquired the Old Notes directly from AIG, but not as a result of market-making activities or other trading activities, must comply with all applicable registration and prospectus delivery requirements of the Securities Act in connection with a resale of the New Notes.

Each broker-dealer that receives New Notes for its own account pursuant to the exchange offer in exchange for Old Notes that it acquired as a result of market-making or other trading activities must comply with all applicable prospectus delivery obligations in connection with any resale of the New Notes and provide AIG with a signed acknowledgment of compliance. By so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act.



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This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with a resale of New Notes received in exchange for the outstanding Old Notes where such outstanding Old Notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. We have agreed, in the exchange offer and registration rights agreement dated November 15, 2011 and entered into in connection with the initial issuance of the Old Notes (the Registration Rights Agreement), to promptly provide such number of copies of the prospectus to each such broker-dealer as such broker-dealer reasonably may request in the letter of transmittal accompanying this prospectus for a period of up to 30 days after the completion of the exchange offer.

Registration Rights

Pursuant to Registration Rights Agreement, you have the right to exchange outstanding Old Notes that you now hold for New Notes. We intend to satisfy this registration right by this exchange offer. The New Notes will have substantially identical terms to the outstanding Old Notes, except the New Notes will be registered under the Securities Act and will not have registration rights or the related additional interest provisions. After the exchange offer is completed, you will no longer be entitled to any exchange or registration rights with respect to your outstanding Old Notes.

Consequences If You Do Not Exchange Your Old Notes

Old Notes that are not tendered in the exchange offer or are not accepted for exchange will remain outstanding and continue to bear legends restricting their transfer. You will not be able to offer or sell the Old Notes unless:

an exemption from the requirements of the Securities Act is available to you; or

you sell the Old Notes outside the United States to non-U.S. persons in accordance with Regulation S under the Securities Act.

In addition, as described above in Registration Rights, you will no longer be entitled to any exchange or registration rights with respect to your outstanding Old Notes.

Conditions to the Exchange Offer

The exchange offer is subject to certain conditions, which AIG may waive, as described below under The Exchange Offer Conditions to the Exchange Offer. These conditions include, among others, that there has not been any change or development that in AIG's reasonable judgment materially reduces the anticipated benefits to AIG of the exchange offer or that has had, or could reasonably be expected to have, a material adverse effect on AIG, AIG's businesses, condition (financial or otherwise) or prospects.

Procedures for Tendering Old Notes

The procedures for tendering Old Notes are as described below under The Exchange Offer Procedures for Tendering Old Notes Held through DTC and The Exchange Offer Procedures for Tendering Old Notes Held through Euroclear or Clearstream.

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Withdrawal Rights	You may withdraw your tender of Old Notes any time before the exchange offer expires. You may also withdraw tenders of any Old Notes that have not yet been accepted for exchange after the expiration of 40 business days from the commencement of the exchange offer.
Tax Consequences	The exchange pursuant to the exchange offer generally will not be a taxable event for U.S. federal income tax purposes. See Material United States Federal Income Tax Considerations.
Use of Proceeds	AIG will not receive any proceeds from the exchange or the issuance of New Notes in connection with the exchange offer.
Exchange Agent	Global Bondholder Services Corporation is serving as exchange agent in connection with the exchange offer for the Old Dollar Notes, Old Euro Notes and Old Sterling Notes. The address and telephone number of the exchange agent is set forth under The Exchange Offer Exchange Agent. <b>The New Notes</b>
Issuer	AIG
The New Notes Offered	<p>\$256,161,000 aggregate principal amount of 6.820% Dollar Notes due November 15, 2037</p> <p>247,599,000 aggregate principal amount of 6.797% Euro Notes due November 15, 2017</p> <p>£662,222,000 aggregate principal amount of 6.765% Sterling Notes due November 15, 2017</p> <p>The form and terms of the New Notes of each series are identical in all material respects to the form and terms of the Old Notes of the same series, except that:</p> <p>the New Notes will be registered under the Securities Act and therefore will not be subject to the restrictions on transfer that apply to the Old Notes, and the global securities representing the New Notes will not bear transfer restriction legends;</p> <p>the New Notes will not be subject to the registration rights relating to the Old Notes and will not contain provisions for payment of additional interest in case of non-registration; and</p> <p>the New Notes will bear different CUSIP and ISIN numbers than the Old Notes of the same series.</p>

Both the Old Dollar Notes and New Dollar Notes are governed by the Indenture, dated as of October 12, 2006, between AIG and The Bank of New York Mellon, as trustee (the Trustee ), as supplemented by

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the Fourth Supplemental Indenture, dated as of April 18, 2007, and the Eighth Supplemental Indenture, dated as of December 3, 2010 (as so supplemented, the Base Indenture ), and the Thirteenth Supplemental Indenture, dated as of November 15, 2011 (the Base Indenture so supplemented by the Thirteenth Supplemental Indenture, the Dollar Notes Indenture ).

Both the Old Euro Notes and the New Euro Notes are governed by the Base Indenture as supplemented by the Fourteenth Supplemental Indenture, dated November 15, 2011 (as so supplemented, the Euro Notes Indenture ).

Both the Old Sterling Notes and the New Sterling Notes are governed by the Base Indenture as supplemented by the Fifteenth Supplemental Indenture, dated November 15, 2011 (as so supplemented, the Sterling Notes Indenture ).

We refer to the Dollar Notes Indenture, the Euro Notes Indenture and the Sterling Notes Indenture collectively as the Indenture.

**Maturity Date** The New Dollar Notes will mature on November 15, 2037.  
The New Euro Notes will mature on November 15, 2017.

The New Sterling Notes will mature on November 15, 2017.

**Interest Rate** The interest rate of the New Dollar Notes is 6.820% per annum, the interest rate of the New Euro Notes is 6.797% per annum and the interest rate of the New Sterling Notes is 6.765% per annum.

**Interest Payment Dates and Interest Accrual** Interest on the New Dollar Notes and New Sterling Notes will be payable semiannually in arrears on May 15 and November 15 of each year, commencing on November 15, 2012. The New Dollar Notes and New Sterling Notes will accrue interest from May 15, 2012, the last interest payment date on which interest was paid on the Old Dollar Notes and the Old Sterling Notes.

Interest on the New Euro Notes will be payable annually in arrears on November 15 of each year, commencing on November 15, 2012. The New Euro Notes will accrue interest from November 15, 2011, the original issue date of the Old Euro Notes since no interest has been paid on the Old Euro Notes.

**Form and Denomination** We will issue the New Dollar Notes in minimum denominations of \$150,000 and integral multiples of \$1,000 in excess thereof, the New Euro Notes in minimum denominations of 100,000 and integral multiples of 1,000 in excess thereof and the New Sterling Notes in minimum denominations of £100,000 and integral multiples of £1,000 in excess thereof.





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Ranking	The New Notes will be our senior unsecured obligations and will rank equally with all of our existing and future senior unsecured indebtedness. The New Notes will rank senior to any existing and future subordinated indebtedness that we may incur.
Optional Redemption	<p>We may redeem the New Notes of any series, in whole or in part, at any time at our option prior to maturity at a price equal to the greater of (i) the principal amount thereof and (ii) the sum of the present values of the remaining scheduled payments of principal and interest in respect of the New Notes of such series to be redeemed discounted to the date of redemption as described on page 26 under Description of the Notes Optional Redemption, plus, in each case, accrued and unpaid interest to but excluding the date of the redemption.</p> <p>In addition, we may redeem any series of New Euro Notes or New Sterling Notes, in whole but not in part, at any time if we become obligated to pay Additional Amounts (as defined herein), as described below, to non-U.S. persons, at their principal amount plus accrued and unpaid interest through the date of redemption.</p>
Limitation on Liens Covenant	<p>The terms of each series of New Notes and the Indenture governing such series of New Notes limit our ability and the ability of certain of our subsidiaries to incur certain liens without equally and ratably securing such series of New Notes. See Description of the Notes Limitation on Liens Covenant for a further discussion. Other than this covenant, the terms of the New Notes will contain limited protections for holders of the New Notes. In particular, the New Notes will not place any restrictions on our or our subsidiaries ability to:</p> <ul style="list-style-type: none"><li>engage in a change of control transaction;</li><li>subject to the covenant discussed under Description of the Notes Limitation on Liens Covenant, issue secured debt or secure existing unsecured debt;</li><li>issue debt securities or otherwise incur additional unsecured indebtedness or other obligations;</li><li>purchase or redeem or make any payments in respect of capital stock or other securities ranking junior in right of payment to the New Notes;</li><li>sell assets; or</li><li>enter into transactions with related parties.</li></ul>
Additional Amounts	Subject to the exceptions and limitations described under Description of the Notes Additional Amounts, we will pay additional amounts ( Additional Amounts ) on New Euro Notes and



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New Sterling Notes with respect to any beneficial owner that is a non-U.S. person (as defined under Description of the Notes Additional Amounts ) to ensure that each net payment to such non-U.S. person on New Euro Notes or New Sterling Notes that it beneficially owns will not be less, due to the payment of U.S. withholding tax as a result of any change in law that becomes effective after the date hereof, than the amount then otherwise due and payable. For this purpose, a net payment on a New Euro Note or New Sterling Note means a payment by us or any paying agent, including payment of principal and interest, after a deduction for any present or future tax, assessment, or other governmental charge on the Additional Amounts. Additional Amounts will constitute interest on any series of New Euro Notes or New Sterling Notes. In addition, if we become obligated to pay Additional Amounts, we may redeem such series of New Euro Notes and New Sterling Notes in whole at any time upon the terms described herein.

Further Issuances

We may create and issue further notes ranking equally and ratably with any series of New Notes in all respects, on the same terms and conditions (except that the issue price and issue date may vary), so that such further notes will constitute and form a single series with such respective series of New Notes being offered by this exchange offer.

Proposed Listing of the New Euro Notes and the New Sterling Notes; No Listing of the New Dollar Notes

As with the Old Euro Notes and Old Sterling Notes, AIG intends to apply to the ISE for the New Euro Notes and the New Sterling Notes to be admitted to the Official List and traded on its regulated market. There can be no assurance that the New Euro Notes and New Sterling Notes will be admitted for trading. We do not intend to list the New Dollar Notes on any securities exchange or automated quotation system.

Absence of a Public Market

All series of New Notes are new issues of securities and there is currently no established market for them. Accordingly, a market for the New Notes may not develop or, if a market does develop, it may not provide adequate liquidity.

Trustee

The Bank of New York Mellon

Governing Law

The Indenture under which the New Notes are being issued and the New Notes will be governed by the laws of the State of New York.

Risk Factors

Exchanging Old Notes for New Notes involves risks. You should consider carefully all of the information in this prospectus and the documents incorporated by reference and referred to herein. In particular, you should consider carefully the specific risk factors described in Risk Factors beginning on page 8 of this prospectus, in Part II, Item 1A. of the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2012 and in Part I, Item 1A. of the Annual Report on Form 10-K before acquiring any New Notes.

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**RISK FACTORS**

*Before tendering Old Notes in the exchange offer, you should consider carefully each of the following risk factors, as well as the risk factors set forth in Part II, Item 1A. in the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2012 and in Part I, Item 1A. in the Annual Report on Form 10-K, as well as other information included, or incorporated by reference, in this prospectus (see Where You Can Find More Information in this prospectus). Events relating to any of the following risks, or other risks and uncertainties referenced in the documents incorporated by reference herein, could seriously harm our business, financial condition and results of operations. In such a case, the trading value of the New Notes could decline, or we may be unable to meet our obligations under the New Notes, which in turn could cause you to lose all or part of your investment.*

**RISKS RELATED TO THE EXCHANGE OFFER**

**If you fail to exchange the Old Notes, they will remain subject to transfer restrictions, and it may be harder for you to resell and transfer your Old Notes.**

The Old Notes were not, and will not be, registered under the Securities Act or under the securities laws of any state. Any Old Notes that remain outstanding after this exchange offer will continue to be subject to restrictions on their transfer. If you do not exchange your Old Notes for New Notes by this exchange offer, or if you do not properly tender your Old Notes in this exchange offer, you will not be able to resell, offer to resell or otherwise transfer your Old Notes unless they are registered under the Securities Act or unless you resell them, offer to resell or otherwise transfer them under an exemption from the registration requirements of, or in a transaction not subject to, the Securities Act. After this exchange offer, holders of Old Notes will not have any further rights to have their Old Notes exchanged for New Notes registered under the Securities Act and will not have any right to additional interest in the case of non-registration.

**Late deliveries of Old Notes and other required documents could prevent a holder from exchanging its Old Notes.**

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

If you hold your Old Notes through a broker, dealer, commercial bank, trust company or other nominee, you should keep in mind that such entity may require you to take action with respect to the exchange offer a number of days before the expiration date in order for such entity to tender Old Notes on your behalf at or prior to the expiration date.

**If you are a broker-dealer, your ability to transfer the New Notes may be restricted.**

Broker-dealers that acquired the Old Notes directly from AIG, but not as a result of market-making activities or other trading activities, must comply with all applicable registration and prospectus delivery requirements of the Securities Act in connection with a resale of the New Notes.

Each broker-dealer that receives New Notes for its own account pursuant to the exchange offer in exchange for Old Notes that it acquired as a result of market-making or other trading activities must comply with its prospectus delivery obligations in connection with any resale of the New Notes. Our obligation to make this prospectus available to broker-dealers is limited. Consequently, we cannot guarantee that a proper prospectus will be available to broker-dealers wishing to resell their New Notes.

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### **The consummation of the exchange offer may be delayed or may not occur.**

Consummation of the exchange offer is subject to the satisfaction of certain conditions, including that there has not been any change or development that in our reasonable judgment materially reduces the anticipated benefits to us of the exchange offer or that has had, or could reasonably be expected to have, a material adverse effect on us, our businesses, condition (financial or otherwise) or prospects. Even if the exchange offer is completed, it may not be completed on the schedule or on the terms and conditions described in this prospectus. Accordingly, holders participating in the exchange offer may have to wait longer than expected to receive their New Notes, during which time those holders of Old Notes will not be able to effect transfers of their Old Notes validly tendered and not validly withdrawn in the exchange offer.

### **Holders who fail to exchange their Old Notes may have reduced liquidity after the exchange offer.**

As the Old Notes of any series that are tendered and accepted in the exchange offer will be cancelled, the principal amount of remaining Old Notes of that series will decrease. This decrease could reduce the liquidity of the trading market for the Old Notes of that series. We cannot assure you of the liquidity, or even the continuation, of any trading market for the Old Notes following the completion of the exchange offer. In particular, the Old Euro Notes and the Old Sterling Notes are currently listed on the ISE. The exchange offer may result in the delisting of one or both of these series if the amount of each series that remains outstanding following the exchange offer does not satisfy the minimum listing standards of the ISE.

### **We may repurchase any Old Notes that are not tendered in the exchange offer on terms that are more favorable to the holders of the Old Notes than the terms of the exchange offer.**

Although we do not currently intend to do so, we may, to the extent permitted by applicable law and terms of the Old Notes, after the expiration date of the exchange offer, purchase Old Notes in the open market, in privately negotiated transactions, through subsequent tender or exchange offers or otherwise. Any other purchases may be made on the same terms or on terms that are more or less favorable to holders than the terms of this exchange offer.

Following the exchange offer, any decisions by AIG as to whether to redeem or repurchase any remaining Old Notes will be made on an economic basis and in a manner that complies with the terms of such Old Notes.

## **RISKS RELATED TO THE NEW NOTES**

### **There has not been, and there may not be, a public market for the New Notes and you may be unable to sell your New Notes at a price that you deem sufficient.**

The New Notes are a new issuance by AIG and thus, prior to this exchange offer, there was no public market for the New Notes, and if an active trading market does not develop for the New Notes, you may not be able to resell them. We do not intend to apply to list the New Dollar Notes on any national securities exchange or any automated quotation system. The lack of a trading market could adversely affect your ability to sell the New Notes and the price at which you may be able to sell the New Notes.

Whether or not a trading market for the New Notes develops, we cannot provide any assurance about the market price of the New Notes. Several factors, many of which are beyond our control, might influence the market value of the New Notes, including:

actions by Treasury;

our creditworthiness and financial condition;

actions by credit rating agencies;

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the market for similar securities;

prevailing interest rates; and

economic, financial, geopolitical, regulatory and judicial events that affect us, the industries and markets in which we are doing business, and the financial markets generally, such as adverse European economic and financial conditions related to sovereign debt issues in certain countries, and concerns regarding the European Union or geopolitical or military crises.

Financial market conditions and prevailing interest rates have fluctuated in the past and are likely to fluctuate in the future. Such fluctuations could have an adverse effect on the price of the New Notes.

**There can be no assurance that the New Euro Notes or New Sterling Notes will be approved for listing.**

While AIG intends to make application to the ISE for the New Euro Notes and the New Sterling Notes to be admitted to the Official List and traded on its regulated market, there can be no assurance that such application will be approved or that an active trading market will develop. If the New Euro Notes or the New Sterling Notes are not admitted or an active trading market does not develop, you may not be able to resell them.

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

**RATIO OF EARNINGS TO FIXED CHARGES**

The following table sets forth the historical ratios of earnings to fixed charges of AIG and its subsidiaries for the periods indicated. For more information on our ratios of earnings to fixed charges, see the Annual Report on Form 10-K, Current Report on Form 8-K filed on May 4, 2012 and Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2012, which are incorporated by reference into this prospectus as described under [Where You Can Find More Information](#).

**Years Ended December 31,***(in millions, except ratios)*

	2011	2010	2009	2008	2007
<b>Ratio of earnings to fixed charges:</b>					
Ratio	n/a	3.23	n/a	n/a	1.35
Coverage deficiency	\$ (2,836)	n/a	\$ (14,125)	\$ (103,249)	n/a
<b>Ratio of earnings to fixed charges and preferred stock dividends:</b>					
Ratio	n/a	3.23	n/a	n/a	1.35
Coverage deficiency	\$ (2,836)	n/a	\$ (15,329)	\$ (103,649)	n/a
<b>Ratio of earnings to fixed charges, excluding interest credited to policy and contract holders:</b>					
Ratio	n/a	3.65	n/a	n/a	3.22
Coverage deficiency	\$ (1,929)	n/a	\$ (12,913)	\$ (100,757)	n/a