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October 15, 2008

American International Group Board of Directors  
c/o Secretary of the Board  
American International Group, Inc.  
70 Pine Street  
New York, NY, 10270

Re: Fraudulent Conveyance Investigation at AIG

Dear Members of the Board:

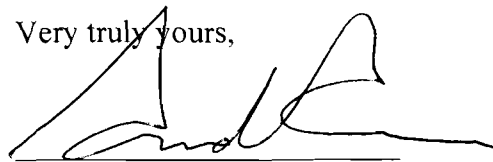
Over the past several months, this Office has become aware of unwarranted and outrageous expenditures by American International Group, Inc. ("AIG") even as the company slipped towards insolvency. As you of course know, the taxpayers of this country are now supporting AIG through rescue financing, which makes such expenditures even more irresponsible and damaging. As described below, we demand that the Board of Directors (the "Board") cease and desist any such further expenditures, and review, rescind, and recover all past unreasonable expenditures. The Board must also immediately institute new protections to prevent future abuses, and provide this Office with an accounting of executive compensation and benefits. We hereby place AIG and its Board on notice that this Office will seek appropriate sanctions and remedies if the Board does not comply.

In the last several months, as AIG was teetering toward bankruptcy, and operating with unreasonably small capital, AIG nevertheless made numerous extraordinary expenditures in the form of executive compensation payments, junkets, and perks for its executives. For example, in March 2008, ignoring the massive losses AIG was experiencing, the Board awarded its Chief Executive Officer a cash bonus of over \$5 million and a golden parachute worth \$15 million. Similarly, in February 2008, a top-ranking executive who was largely responsible for AIG's collapse was terminated, but still permitted by the Board to keep \$34 million in bonuses. This same individual apparently continued to receive \$1 million a month from the company until recently. Moreover, even after the taxpayer-funded bailout of AIG, the company paid hundreds of thousands of dollars for luxurious retreats for its executives, including an overseas hunting party and a golf outing. We believe these expenditures and payments, made in the absence of fair consideration, violated New York law, specifically, N.Y. Debtor & Creditor Law § 274, which deems such payments to be fraudulent conveyances.

Accordingly, the Board should immediately cease and desist these improper and extravagant expenditures which exploit the taxpayers of this Nation. The Board must also immediately institute policies, procedures, and protections that will ensure Board review of all such company expenditures going forward. In addition, the Board must review, rescind, and recover all improper payments where appropriate, and provide this Office with an accounting of all executive compensation, including but not limited to bonuses, stock options, severance payments, gratuities, benefits, junkets, and any and all other perks from January 1, 2007, to date, If the Board fails to take these actions, we will do so pursuant to the fraudulent conveyance laws of New York.

The Board's immediate cooperation is expected in this matter or we will commence legal action.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Andrew M. Cuomo', written over a horizontal line.

Andrew M. Cuomo  
Attorney General of the  
State of New York

cc: Edward M. Liddy, Chairman & CEO  
Stephen F. Bollenbach  
Martin S. Feldstein  
Fred Langhammer  
George L. Miles, Jr.  
Suzanne Nora Johnson  
Morris W. Offit  
James F. Orr III  
Virginia M. Rometty  
Michael H. Sutton  
Edmund S.W. Tse