



STATE OF NEW YORK  
OFFICE OF THE ATTORNEY GENERAL  
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NEW YORK, NY 10271

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Attorney General

(212) 416-8050

November 18, 2008

Edward M. Liddy  
Chairman & CEO  
American International Group, Inc.  
70 Pine Street  
New York, NY, 10270

Re: 2008 Executive Bonuses at AIG

Dear Mr. Liddy,

As part of our ongoing examination of American International Group ("AIG") and other TARP recipients, we are writing to inquire as to AIG's intentions with respect to bonuses and pay raises for executives this year. AIG has already received more than \$150 billion in rescue financing and therefore should be completely transparent with taxpayers as to what the company's compensation plans are.

AIG's demise has seriously harmed investors all over the country. On top of that, taxpayers have now sunk billions into the company to keep it afloat. It thus seems hard to imagine that AIG could pay significant bonuses or give raises to its executives after the company has quite literally been bailed out by the American taxpayer. We believe top executives should shoulder their fair share of these difficult economic times.

Goldman Sachs, a firm which has received far less in federal funds than AIG, has made a significant decision in announcing earlier this week that some of its top executives will not get bonuses this year. UBS and Barclays, neither of whom have been bailed out by taxpayers like AIG, have now followed a similar path. Please inform my Office as soon as possible what AIG plans to do with respect to executive bonuses and pay raises this year. As you know, I believe AIG's decision has significant legal ramifications.

Very truly yours,

A handwritten signature in dark ink, appearing to be "Andrew M. Cuomo", written over a horizontal line.

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