AMERICAN INTERNATIONAL GROUP INC
Form 424B3
December 12, 2012
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CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities Offered	Amount to be Registered(2)	Maximum Aggregate Offering Price(2)	Amount of Registration Fee(2)(3)(4)
Common Stock, par value $2.50 per share, and associated Rights(1)	234,169,156	$7,610,497,570	$1,038,072

(1) Each share of common stock, par value $2.50 per share, has one share purchase right as described under Description of Common Stock The Tax Asset Protection Plan.

(2) There is no additional filing fee with respect to the share purchase rights, because no separate consideration for the shareholder protection rights will be received.

(3) Calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended (the Securities Act).

(4) A registration fee of $1,038,072 has been paid with respect to this offering.

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Filed Pursuant to Rule 424(b)(3)
Registration No. 333-182469

Prospectus Supplement to Prospectus dated June 29, 2012

234,169,156 Shares

American International Group, Inc.

Common Stock

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

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

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

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

	Per Share	Total
Initial price to public	$ 32.50	$ 7,610,497,570.00
Underwriting discount to be paid by AIG with respect to the shares sold by the selling shareholder (1)	$ 0.1218	$ 28,521,803.20
Proceeds to the selling shareholder (1)(2)	$ 32.50	$ 7,610,497,570.00

(1) AIG has agreed to pay the underwriting discount with respect to the shares sold by the selling shareholder, totaling $28,521,803.20 with respect to 234,169,156 shares.

(2) AIG will not receive any of the proceeds from the sale of the shares offered by the selling shareholder. AIG has agreed to pay the underwriting discount with respect to any shares sold by the selling shareholder.

The underwriters expect to deliver the shares against payment in New York, New York on or about December 14, 2012.

Joint Book-Runners

BofA Merrill Lynch **Citigroup** **Deutsche Bank Securities**
Goldman, Sachs & Co. **J.P. Morgan**

Co-Lead Managers

Blaylock Robert Van, LLC	**Cabrera Capital Markets, LLC**	**CastleOak Securities, L.P.**
C.L. King & Associates	**Drexel Hamilton**	**Lebenthal & Co., LLC**
Loop Capital Markets	**MFR Securities, Inc.**	**Mischler Financial Group, Inc.**
Ramirez & Co., Inc.	**The Williams Capital Group, L.P.**	**Siebert Capital Markets**
Toussaint Capital Partners, LLC		

Prospectus Supplement dated December 10, 2012.

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

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Prospectus Supplement

Prospectus

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ABOUT THIS PROSPECTUS SUPPLEMENT

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

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

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

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This prospectus supplement and the accompanying prospectus and other publicly available documents, including the documents incorporated herein and therein by reference, may include, and officers and representatives of AIG may from time to time make, projections, goals, assumptions and statements that may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These projections, goals, assumptions and statements are not historical facts but instead represent only AIG s belief regarding future events, many of which, by their nature, are inherently uncertain and outside AIG s control. These projections, goals, assumptions and statements include statements preceded by, followed by or including words such as believe, anticipate, expect, intend, plan, view, target or estima projections, goals, assumptions and statements may address, among other things:

- the timing of the disposition of the remaining ownership position of Treasury in AIG;
- the monetization of AIG s interests in International Lease Finance Corporation (ILFC), including whether AIG s proposed sale of up to a 90 percent interest in ILFC will be completed and if completed, the timing and the final terms of such sale;
- AIG s exposures to subprime mortgages, monoline insurers, the residential and commercial real estate markets, state and municipal bond issuers and sovereign bond issuers;
- AIG s exposure to European governments and European financial institutions;
- AIG s strategy for risk management;
- AIG s generation of deployable capital;
- AIG s return on equity and earnings per share long-term aspirational goals;
- AIG s strategies to grow net investment income, efficiently manage capital and reduce expenses;

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

the revenues and combined ratios of AIG s subsidiaries.

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

- changes in market conditions;
- the occurrence of catastrophic events, both natural and man-made;
- significant legal proceedings;
- the timing and applicable requirements of any new regulatory framework to which AIG is subject as a savings and loan holding company, and if such a determination is made, as a systemically important financial institution;
- concentrations in AIG s investment portfolios, including its municipal bond portfolio;
- actions by credit rating agencies;
- judgments concerning casualty insurance underwriting and reserves;
- judgments concerning the recognition of deferred tax assets;
- judgments concerning deferred policy acquisition costs recoverability;
- judgments concerning the recoverability of aircraft values in ILFC s fleet; and
- such other factors as are discussed throughout the Risk Factors section of this prospectus supplement, discussed throughout Part I, Item 2. Management s Discussion and Analysis of Financial Condition and Results of Operations and in Part II, Item 1A. Risk Factors of AIG s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2012, discussed in Part II, Item 1A. Risk Factors of AIG s Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2012 and discussed throughout Part II, Item 7. Management s Discussion and Analysis of Financial Condition and Results of Operations and in Part I, Item 1A. Risk Factors of AIG s Annual Report on Form 10-K for the year ended December 31, 2011, as amended by Amendment No. 1 and Amendment No. 2 on Form 10-K/A filed on February 27, 2012 and March 30, 2012, respectively (collectively, the Annual Report on Form 10-K) and discussed throughout Exhibit 99.2, Management s Discussion and Analysis of Financial Condition and Results of Operations of AIG s Current Report on Form 8-K filed on May 4, 2012.

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

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

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WHERE YOU CAN FIND MORE INFORMATION

AIG is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the Exchange Act), and files with the SEC proxy statements, Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, as required of a U.S. publicly listed company. You may read and copy any document AIG files at the SEC s public reference room in Washington, D.C. at 100 F Street, NE, Room 1580, Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference rooms. AIG s SEC filings are also available to the public through:

The SEC s website at *www.sec.gov*; and

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

AIG s common stock is listed on the NYSE and trades under the symbol AIG.

AIG has filed with the SEC a registration statement on Form S-3 relating to the common stock. This prospectus supplement is part of the registration statement and does not contain all the information in the registration statement. Whenever a reference is made in this prospectus supplement to a contract or other document, please be aware that the reference is not necessarily complete and that you should refer to the exhibits that are part of the registration statement for a copy of the contract or other document. You may review a copy of the registration statement at the SEC s public reference room in Washington, D.C. as well as through the SEC s internet site noted above.

The SEC allows AIG to incorporate by reference the information AIG files with the SEC (other than information that is deemed furnished to the SEC) which means that AIG can disclose important information to you by referring to those documents, and later information that AIG files with the SEC will automatically update and supersede that information as well as the information contained in this prospectus supplement. AIG incorporates by reference the documents listed below and any filings made with the SEC under Section 13(a), 13(c), 14, or 15(d) of the Exchange Act until all the shares of the common stock to which this prospectus supplement relates are sold or the offering is otherwise terminated (except for information in these documents or filings that is deemed furnished to the SEC):

(1) Annual Report on Form 10-K for the year ended December 31, 2011 filed on February 23, 2012, Amendment No. 1 on Form 10-K/A filed on February 27, 2012 and Amendment No. 2 on Form 10-K/A filed on March 30, 2012.

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

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

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

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

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AIG will provide without charge to each person, including any beneficial owner, to whom this prospectus supplement is delivered, upon his or her written or oral request, a copy of any or all of the reports or documents referred to above that have been incorporated by reference into this prospectus supplement excluding exhibits to those documents unless they are specifically incorporated by reference into those documents. You can request those documents from AIG s Investor Relations Department, 180 Maiden Lane, New York, New York 10038, telephone 212-770-6293, or you may obtain them from AIG s corporate website at *www.aig.com*. Except for the documents specifically incorporated by reference into this prospectus supplement, information contained on AIG s website or that can be accessed through its website is not incorporated into and does not constitute a part of this prospectus supplement. AIG has included its website address only as an inactive textual reference and does not intend it to be an active link to its website.

SUMMARY

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

American International Group, Inc.

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

Recent Developments

Storm Sandy

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

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

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

Sale of ILFC

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

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

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

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

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

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Summary of the Offering

Common stock the selling shareholder is offering	234,169,156 Shares
Common stock outstanding as of November 30, 2012	1,476,313,967 Shares
Use of proceeds	We will not receive any of the proceeds from the sale of the shares offered by the selling shareholder. We will pay the underwriting discount with respect to the shares sold by the selling shareholder and we will pay our share of the offering expenses, including the fees and expenses of counsel for the selling shareholder.
Treasury ownership after completion of this offering	Upon completion of this offering, it is expected that Treasury will no longer own any of our common stock.
	After the consummation of this offering, Treasury will continue to hold the Series D Warrant (as defined below) to purchase up to 2,689,938 shares of our common stock and the Series F Warrant (as defined below) to purchase up to 150 shares of our common stock, each pursuant to the current terms of the Series D Warrant and Series F Warrant. See Description of Common Stock Impact of Other Securities and Contractual Obligations of AIG and The Selling Shareholder in this prospectus supplement for more information on the Series D Warrant and Series F Warrants held by Treasury.
New York Stock Exchange, or NYSE, Listing Ticker Symbol	AIG

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

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RISK FACTORS

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

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

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

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

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

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

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

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

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

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

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

- approval of mergers or other business combinations;
- a sale of all or substantially all of our assets;
- amendments to our restated certificate of incorporation; and
- other matters that might be favorable to Treasury, but not to our other shareholders.

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

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

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

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

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

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

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

- sales of common stock, including any securities that are convertible into or exchangeable for, or that represent the right to receive, our common stock, or the perception that such sales could occur, or other actions by Treasury;
- periodic variations in our operating results or the quality of our assets;
- operating results that vary from the expectations of securities analysts and investors;
- changes in expectations as to our future financial performance;
- the operating and securities price performance of other companies that investors believe are comparable to us;
- actions by credit rating agencies;
- factors as noted or referenced in this prospectus supplement under Risk Factors and Cautionary Statement Regarding Forward-Looking Information and under comparable headings in the documents incorporated by reference in this prospectus supplement and the accompanying prospectus; and
- changes in global financial markets and global economies and general market conditions, such as interest or foreign exchange rates, stock, commodity or real estate valuations or volatility, adverse European economic and financial conditions related to sovereign debt issues in certain countries, concerns regarding the European Union or geopolitical or military crises.

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

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

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

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

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

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

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

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

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

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

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

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USE OF PROCEEDS

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

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PRICE RANGE OF COMMON STOCK AND DIVIDENDS

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

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

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

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

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

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

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

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

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DESCRIPTION OF COMMON STOCK

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

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

General

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

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