

AMERICAN INTERNATIONAL GROUP INC  
Form DEF 14A  
March 30, 2015  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**  
**SCHEDULE 14A INFORMATION**

Proxy Statement Pursuant to Section 14(a) of the Securities  
Exchange Act of 1934 (Amendment No.     )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

**Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

**American International Group, Inc.**

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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AMERICAN INTERNATIONAL GROUP, INC.

175 Water Street, New York, N.Y. 10038

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

**TO BE HELD MAY 13, 2015**

March 30, 2015

*To the Shareholders of*

AMERICAN INTERNATIONAL GROUP, INC.:

The Annual Meeting of Shareholders of AMERICAN INTERNATIONAL GROUP, INC. (AIG) will be held at 175 Water Street, New York, New York, on May 13, 2015, at 11:00 a.m., for the following purposes:

1. To elect the thirteen nominees specified under Proposal 1 Election of Directors as directors of AIG to hold office until the next annual election and until their successors are duly elected and qualified;
  2. To vote, on a non-binding advisory basis, to approve executive compensation;
  3. To act upon a proposal to ratify the selection of PricewaterhouseCoopers LLP as AIG's independent registered public accounting firm for 2015; and
  4. To transact any other business that may properly come before the meeting.
- Shareholders of record at the close of business on March 18, 2015 will be entitled to vote at the meeting.

**Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Shareholders to be held on May 13, 2015. The Proxy Statement and 2014 Annual Report to Shareholders and other Soliciting Material are available in the Investors section of AIG's corporate website at [www.aig.com](http://www.aig.com).**

By Order of the Board of Directors

JEFFREY A. WELIKSON

*Secretary*

**If you plan on attending the meeting, please remember to bring photo identification with you. In addition, if you hold shares in street name and would like to attend the meeting, you must bring an account statement or other acceptable evidence of ownership of AIG Common Stock as of the close of business on March 18, 2015. If you cannot be present at the meeting, please sign and date your proxy and return it at once or vote your shares by telephone or through the internet.**

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**AMERICAN INTERNATIONAL GROUP, INC.**

175 Water Street, New York, N.Y. 10038

**PROXY STATEMENT**

March 30, 2015

TIME AND DATE	11:00 a.m. on Wednesday, May 13, 2015.
PLACE	175 Water Street, New York, New York 10038.
MAILING DATE	This Proxy Statement, 2014 Annual Report and proxy card or voting instructions were either made available to you over the internet or mailed to you on or about March 30, 2015.
ITEMS OF BUSINESS	<p>To elect the thirteen nominees specified under Proposal 1 Election of Directors as directors of AIG to hold office until the next annual election and until their successors are duly elected and qualified;</p> <p>To vote, on a non-binding advisory basis, to approve executive compensation;</p> <p>To act upon a proposal to ratify the selection of PricewaterhouseCoopers LLP as AIG's independent registered public accounting firm for 2015; and</p> <p>To transact any other business that may properly come before the meeting.</p>
RECORD DATE	You can vote if you were a shareholder of record at the close of business on March 18, 2015.
INSPECTION OF LIST OF SHAREHOLDERS OF RECORD	A list of the shareholders of record as of March 18, 2015 will be available for inspection during ordinary business hours during the ten days prior to the meeting at AIG's offices, 175 Water Street, New York, New York 10038.
ADDITIONAL INFORMATION	Additional information regarding the matters to be acted on at the meeting is included in this proxy statement.
PROXY VOTING	YOU CAN VOTE YOUR SHARES OVER THE INTERNET OR BY TELEPHONE. IF YOU RECEIVED A PAPER PROXY CARD BY MAIL, YOU MAY ALSO VOTE BY SIGNING, DATING AND RETURNING THE PROXY CARD IN THE ENVELOPE PROVIDED.

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This summary highlights information contained elsewhere in this Proxy Statement. We hope this summary will be helpful to our shareholders in reviewing the proposals. This summary does not contain all of the information you should consider in making a voting decision, and you should read the entire Proxy Statement carefully before voting. These proxy materials are first being sent to shareholders of AIG commencing on or about March 30, 2015. For information on the details of the voting process and how to attend the Annual Meeting, please see [Voting Instructions and Information](#) on page 7.

**Voting Matters and Vote Recommendation**

<b>Proposal</b>	<b>Board Vote Recommendation</b>	<b>For More Information, see:</b>
<b>1.</b> Election of 13 Directors	FOR EACH DIRECTOR NOMINEE	Proposal 1 Election of Directors, page 12
<b>2.</b> Advisory vote on executive compensation	FOR	Proposal 2 Non-Binding Advisory Vote to Approve Executive Compensation, page 67
<b>3.</b> Ratification of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2015	FOR	Proposal 3 Ratification of Selection of PricewaterhouseCoopers LLP, page 70

**Table of Contents****PROPOSAL 1 ELECTION OF DIRECTORS**

The following table provides summary information about each of our thirteen director nominees. Each director is elected annually by a majority of votes cast.

<b>Name</b>	<b>Age</b>	<b>Director Since</b>	<b>Occupation/Background</b>	<b>Independent</b>	<b>Other Public Boards</b>	<b>Current Committee Memberships</b>
W. Don Cornwell	67	2011	Former Chairman and CEO of Granite Broadcasting Corporation	ü	Avon Products, Inc.; Pfizer Inc.	Compensation and Management Resources Committee;  Nominating and Corporate Governance Committee
Peter R. Fisher	58	2014	Senior Fellow at the Center for Global Business and Government, and Senior Lecturer, at the Tuck School of Business at Dartmouth College; Former Head of Fixed Income Portfolio Management of BlackRock, Inc.	ü		Regulatory, Compliance and Public Policy Committee; Risk and Capital Committee
John H. Fitzpatrick	58	2011	Former Secretary General of The Geneva Association; Former Chief Financial Officer, Head of the Life and Health Reinsurance Business Group and Head of Financial Services of Swiss Re	ü		Audit Committee;  Risk and Capital Committee (Chair)
Peter D. Hancock	56	2014	President and CEO, AIG			
William G. Jurgensen	63	2013	Former CEO of Nationwide Insurance	ü	ConAgra Foods, Inc.	Audit Committee;  Regulatory, Compliance and Public Policy Committee
Christopher S. Lynch	57	2009	Independent consultant and former National Partner in Charge of Financial Services of KPMG LLP	ü	Federal Home Loan Mortgage Corporation	Audit Committee (Chair);  Risk and Capital Committee
George L. Miles, Jr.	73	2005	Chairman Emeritus of The Chester Group, Inc.; Former President and CEO of WQED Multimedia	ü	EQT Corporation; Harley-Davidson, Inc.; HFF, Inc.	Audit Committee;  Nominating and Corporate Governance Committee;  Technology Committee
Henry S. Miller	69	2010	Chairman of Marblegate Asset Management, LLC; Former Chairman and Managing Director of Miller Buckfire & Co., LLC	ü	The Interpublic Group of Companies, Inc.	Risk and Capital Committee;  Regulatory, Compliance and Public Policy Committee
Robert S. Miller	73	2009	Former CEO of Hawker Beechcraft, Inc.; Former Executive Chairman of Delphi Corporation	ü	Symantec Corporation; The Dow Chemical Company; WL Ross Holding Corp.	*
Suzanne Nora Johnson	57	2008	Former Vice Chairman of The Goldman Sachs Group, Inc.	ü	Intuit Inc.; Pfizer Inc.; Visa Inc.	Compensation and Management Resources Committee;  Nominating and Corporate Governance Committee (Chair)
Ronald A. Rittenmeyer	67	2010	Former Chairman, President and CEO of Expert Global Solutions, Inc.; Former Chairman, CEO and President of Electronic Data Systems Corporation	ü	IMS Health Holdings, Inc.; Tenet Healthcare Corporation	Audit Committee;  Compensation and Management Resources Committee;  Technology Committee (Chair)
Douglas M. Steenland	63	2009		ü		Risk and Capital Committee;

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Theresa M. Stone	70	2013	<p>Former President and CEO of Northwest Airlines Corporation</p> <p>Former Executive Vice President and Treasurer of the Massachusetts Institute of Technology; Former Executive Vice President and Chief Financial Officer of Jefferson-Pilot Corporation; Former President of Chubb Life Insurance Company</p>	ü	<p>Hilton Worldwide Holdings Inc.; Travelport Limited</p>	<p>Regulatory, Compliance and Public Policy Committee (Chair)</p> <p>Audit Committee;</p> <p>Risk and Capital Committee</p>
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\* Mr. Robert S. Miller, as Chairman of the Board, is an *ex-officio*, non-voting member of each of the Committees.

**Table of Contents****PROPOSAL 2 NON-BINDING ADVISORY VOTE TO APPROVE EXECUTIVE COMPENSATION****2014 Pay-for-Performance Highlights**

Consistent with our One AIG strategy, to evaluate Company performance for our annual short-term incentive awards, in 2014 we moved from goals applicable to the performance of an individual's business unit or function to a single set of performance goals that applies to all participants and is designed to drive profitability and growth. Our employees delivered, as we out-performed in the aggregate across the five objective goals<sup>(a)</sup> that together drove our 2014 Company-wide annual short-term incentive determination:

<b>PROFITABILITY</b>	<ul style="list-style-type: none"> <li>↓ Achieved <b>Normalized Insurance Company Pre-Tax Operating Income</b> (Normalized Insurance Company PTOI) of \$9.74 billion, exceeding target of \$9.72 billion (weighted 35%)</li> <li>↓ Achieved <b>Normalized Return on Equity (excluding deferred tax assets)</b> (Normalized AIG ROE) of 8.8%, exceeding target of 7.7% (weighted 35%)</li> <li>↓ Achieved <b>Normalized Gross General Operating Expenses</b> (Normalized AIG GOE) of \$11.6 billion, outperforming target of \$12.0 billion (weighted 10%)</li> </ul>
<b>GROWTH</b>	<ul style="list-style-type: none"> <li>↓ Achieved <b>Normalized Production Risk-Adjusted Profitability for Property Casualty and Personal Insurance operating segments</b> (Normalized Production RAP) of \$2.7 billion, below target of \$2.9 billion (weighted 10%)</li> <li>↓ Achieved <b>Normalized Value of New Business for Retirement, Life, Institutional Markets and Mortgage Guaranty operating segments</b> (Normalized VoNB) of \$1.2 billion, exceeding target of \$1.1 billion (weighted 10%)</li> </ul>

(a) Each of these goals represents a non-GAAP measure. For how these measures are calculated, see Appendix B. These 2014 achievements resulted in a Company performance score of 11% above target, or 111%.

**Paying Our CEO for Performance**

In connection with Mr. Hancock's promotion to President and Chief Executive Officer, the Compensation and Management Resources Committee of the Board approved, and the Board ratified, an increase in Mr. Hancock's 2014 target direct compensation effective as of September 1, 2014, which resulted in a blended salary of approximately \$1.4 million, a blended target short-term incentive of approximately \$2.9 million and a target long-term incentive of \$7 million.

Similar to our other senior executives, Mr. Hancock's compensation was designed to provide an appropriate balance of fixed and variable pay, drive achievement of AIG's short- and long-term business strategies and align his economic interests with the long-term interests of AIG and our shareholders. As illustrated on the right, the majority of Mr. Hancock's pay is based on performance over a three-year period and paid over a five-year period, and both short-term and long-term incentives are subject to deferral.

For 2015, the Committee used a formulaic approach based solely on the objective Company performance score to determine short-term incentive awards for Mr. Hancock and other key senior executives. Accordingly, in early 2015, Mr. Hancock received an earned award equal to 122% of his target amount. Payment of 50% of this amount is deferred until 2016.

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**PROPOSAL 3 RATIFICATION OF SELECTION OF PRICEWATERHOUSECOOPERS LLP**

We are asking shareholders to ratify the selection of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2015.

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**VOTING INSTRUCTIONS AND INFORMATION**

The enclosed proxy is solicited on behalf of the Board of Directors (Board of Directors or Board) of American International Group, Inc., a Delaware corporation (AIG), for use at the AIG Annual Meeting of Shareholders to be held on May 13, 2015, or at any adjournment thereof (Annual Meeting or 2015 Annual Meeting of Shareholders).

**When and where is our Annual Meeting?**

We will hold our Annual Meeting on Wednesday, May 13, 2015 at 11:00 a.m., Eastern Daylight Time, at our offices at 175 Water Street, New York, New York 10038.

**How are we distributing our proxy materials?**

We are using the rule of the United States Securities and Exchange Commission (SEC) that allows companies to furnish proxy materials to their shareholders over the internet. In accordance with this rule, on or about March 30, 2015, we sent shareholders of record at the close of business on March 18, 2015, a Notice Regarding the Availability of Proxy Materials (Notice) or a full set of proxy materials. The Notice contains instructions on how to access our Proxy Statement and Annual Report for the year ended December 31, 2014 (2014 Annual Report) via the internet and how to vote. If you receive a Notice, you will not receive a printed copy of the proxy materials in the mail. Instead, the Notice instructs you on how to access and review all of the important information contained in the proxy materials. The Notice also instructs you on how you may submit your proxy via the internet. If you received a Notice and would like to receive a copy of our proxy materials, follow the instructions contained in the Notice to request a copy electronically or in paper form on a one-time or ongoing basis. Shareholders who do not receive the Notice will receive either a paper or electronic copy of our Proxy Statement and 2014 Annual Report, which will be sent on or about March 30, 2015.

**Who can vote at the Annual Meeting?**

You are entitled to vote or direct the voting of your shares of AIG's common stock, par value \$2.50 per share (AIG Common Stock), if you were a shareholder of record or if you held AIG Common Stock in street name at the close of business on March 18, 2015. On that date, 1,353,969,615 shares of AIG Common Stock (exclusive of shares held by AIG and certain subsidiaries) were outstanding, held by 30,226 shareholders of record. Each share of AIG Common Stock held by you on the record date is entitled to one vote.

**Who is a shareholder of record?**

During the ten days prior to the Annual Meeting, a list of the shareholders will be available for inspection at the offices of AIG at 175 Water Street, New York, New York 10038.

If you hold AIG Common Stock that is registered in your name on the records of AIG maintained by AIG's transfer agent, Wells Fargo Shareowner Services, you are a shareholder of record.

If you hold AIG Common Stock indirectly through a broker, bank or similar institution, you are not a shareholder of record, but instead hold shares in street name.

**What do I need to attend, and vote at, the Annual Meeting?**

If you plan on attending the Annual Meeting, please remember to bring photo identification with you, such as a driver's license. In addition, if you hold shares in street name and would like to attend the Annual Meeting, you must bring an account statement or other acceptable evidence of ownership of AIG Common Stock as of the close of business on March 18, 2015, the record date for voting. In order to vote at the Annual Meeting if you hold shares in street name, you will also need a valid legal proxy, which you can obtain by contacting your account representative at the broker, bank or similar institution through which you hold your shares. See "How do I vote?" for four ways to cast your vote.

**What proposals will be voted on at the Annual Meeting?**

Three proposals from AIG will be considered and voted on at the Annual Meeting:

1. To elect the thirteen nominees specified under Proposal 1 Election of Directors as directors of AIG to hold office until the next annual election and until their successors are duly elected and qualified;
2. To vote, on a non-binding advisory basis, to approve executive compensation; and
3. To act upon a proposal to ratify the selection of PricewaterhouseCoopers LLP as AIG's independent registered public accounting firm for 2015.



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You may also vote on any other business that properly comes before the Annual Meeting.

### **How does the Board of Directors recommend I vote?**

AIG's Board of Directors unanimously recommends that you vote:

1. **FOR** each of the nominees specified under Proposal 1 Election of Directors to the Board of Directors.
2. **FOR** the proposal to approve, on a non-binding advisory basis, executive compensation.
3. **FOR** the proposal to ratify the selection of PricewaterhouseCoopers LLP as AIG's independent registered public accounting firm for 2015.

### **How do I vote?**

You may cast your vote in one of four ways:

**By Submitting a Proxy by Internet.** Go to the following website: [www.proxyvote.com](http://www.proxyvote.com). You may submit a proxy by internet 24 hours a day. To be valid, your proxy by internet must be received by 11:59 p.m., Eastern Daylight Time, on May 12, 2015. Please have your Notice or your proxy card in hand when you access the website and follow the instructions to create an electronic voting instruction form.

**By Submitting a Proxy by Telephone.** To submit a proxy using the telephone, call 1-800-690-6903 any time on a touch-tone telephone. There is NO CHARGE to you for the call in the United States or Canada. International calling charges apply outside the United States and Canada. You may submit a proxy by telephone 24 hours a day, 7 days a week. Follow the simple instructions provided by the recorded message. To be valid, your proxy by telephone must be received by 11:59 p.m., Eastern Daylight Time, on May 12, 2015.

**By Submitting a Proxy by Mail.** Mark your proxy card, sign and date it, and return it in the prepaid envelope that has been provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717. To be valid, your proxy by mail must be received by 10:00 a.m., Eastern Daylight Time, on May 13, 2015.

**At the Annual Meeting.** You can vote your shares in person at the Annual Meeting (see What do I need to attend, and vote at, the Annual Meeting? ). If you are a shareholder of record, in order to vote at the Annual Meeting, you must present an acceptable form of photo identification, such as a driver's license. If you hold your shares in street name, you must obtain a legal proxy, as described above under What do I need to attend, and vote at, the Annual Meeting? , and bring that proxy to the Annual Meeting.

### **How can I revoke my proxy or substitute a new proxy or change my vote?**

You can revoke your proxy or substitute a new proxy by:

#### ***For a Proxy Submitted by Internet or Telephone***

Subsequently submitting in a timely manner a new proxy through the internet or by telephone that is received by 11:59 p.m., Eastern Daylight Time, on May 12, 2015; or

Executing and mailing a later-dated proxy card that is received prior to 10:00 a.m., Eastern Daylight Time, on May 13, 2015; or

Voting in person at the Annual Meeting.

***For a Proxy Submitted by Mail***

Subsequently executing and mailing another proxy card bearing a later date that is received prior to 10:00 a.m., Eastern Daylight Time, on May 13, 2015; or

Giving written notice of revocation to AIG's Secretary at 175 Water Street, New York, New York 10038 that is received by AIG prior to 10:00 a.m., Eastern Daylight Time, on May 13, 2015; or

Voting in person at the Annual Meeting.

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**If I submit a proxy by internet, telephone or mail, how will my shares be voted?**

If you properly submit your proxy by one of these methods, and you do not subsequently revoke your proxy, your shares will be voted in accordance with your instructions.

If you sign, date and return your proxy card but do not give voting instructions, your shares will be voted as follows: FOR the election of AIG's director nominees specified under Proposal 1 Election of Directors; FOR the proposal to approve on a non-binding advisory basis, executive compensation; FOR the ratification of the appointment of PricewaterhouseCoopers LLP as AIG's independent registered public accounting firm for 2015; and otherwise in accordance with the judgment of the persons voting the proxy on any other matter properly brought before the Annual Meeting.

**If I hold my shares in street name and do not provide voting instructions, can my broker still vote my shares?**

Under the rules of the New York Stock Exchange (NYSE), brokers that have not received voting instructions from their customers ten days prior to the Annual Meeting date may vote their customers' shares in the brokers' discretion on the proposal regarding the ratification of the appointment of independent auditors because this is considered discretionary under NYSE rules. If your broker is an affiliate of AIG, NYSE policy specifies that, in the absence of your specific voting instructions, your shares may only be voted in the same proportion as all other shares are voted with respect to that proposal.

Under NYSE rules, each of the election of directors and the non-binding advisory vote on executive compensation is a non-discretionary item, which means that member brokers who have not received instructions from the beneficial owners of AIG Common Stock do not have discretion to vote the shares of AIG Common Stock held by those beneficial owners on either of those proposals.

**How are votes counted?**

**Proposal 1 Election of Directors.** AIG's By-laws provide that in uncontested elections, directors must receive a majority of the votes cast by the holders of AIG Common Stock. In other words, directors in an uncontested election must receive more votes for their election than against their election. Pursuant to AIG's By-laws and Corporate Governance Guidelines, each nominee has submitted to the Board an irrevocable resignation from the Board that would become effective upon (1) the failure of such nominee to receive the required vote at the Annual Meeting and (2) Board acceptance of such resignation. In the event that a nominee fails to receive the required vote at the Annual Meeting, AIG's Nominating and Corporate Governance Committee will then make a recommendation to the Board on the action to be taken with respect to the resignation. The Board will accept such resignation unless the Committee recommends and the Board determines that the best interests of AIG and its shareholders would not be served by doing so.

**Proposal 2 Non-binding Advisory Vote to Approve Executive Compensation.** Adoption of the resolution on the non-binding advisory vote to approve executive compensation requires a for vote of a majority of the votes cast by the holders of AIG Common Stock, which votes cast are either for or against the resolution.

**Proposal 3 Ratification of the Selection of PricewaterhouseCoopers LLP.** Ratification of the selection of accountants requires a for vote of a majority of the votes cast by the holders of AIG Common Stock, which votes cast are either for or against the ratification. Neither AIG's Restated Certificate of Incorporation nor AIG's By-laws require that the shareholders ratify the selection of PricewaterhouseCoopers LLP as its independent registered public accounting firm. AIG's Board is requesting shareholder ratification as a matter of good corporate practice. If the shareholders do not ratify the selection, the Audit Committee will reconsider whether or not to retain PricewaterhouseCoopers LLP, but may still retain PricewaterhouseCoopers LLP. Even if the selection is ratified, the Audit Committee in its discretion may change the appointment at any time during the year if it determines that such change would be in the best interests of AIG and its shareholders.

**Broker Non-Votes and Abstentions.** Because directors are elected by a majority of the votes cast, an abstention will have no effect on the election, although a director who receives more votes against than for his or her election will be required to resign, subject to the process described above under Proposal 1 Election of Directors. In the case of the non-binding advisory vote to approve executive compensation and the ratification of the appointment of PricewaterhouseCoopers LLP, only votes cast for or against the proposal will be considered; abstentions, broker non-votes and withheld votes will not be treated as a vote for or against these proposals and therefore will have no effect on the vote.

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### **How many votes are required to transact business at the Annual Meeting?**

A quorum is required to transact business at the Annual Meeting. The holders of a majority of the outstanding shares of AIG Common Stock entitled to vote will constitute a quorum.

Proxies marked as abstaining, and any proxies returned by brokers as non-votes on behalf of shares held in street name because beneficial owners' discretion has been withheld as to one or more matters on the agenda for the Annual Meeting, will be treated as present for purposes of determining a quorum for the Annual Meeting.

### **How do I obtain more information about AIG?**

A copy of AIG's 2014 Annual Report, which includes AIG's Annual Report on Form 10-K for the year ended December 31, 2014 (AIG's 2014 Annual Report on Form 10-K) filed with the SEC, has been delivered or made available to shareholders. **You also may obtain, free of charge, a copy of the 2014 Annual Report and AIG's 2014 Annual Report on Form 10-K by writing to American International Group, Inc., 175 Water Street, New York, New York 10038, Attention: Investor Relations.** These documents also are available in the Investors section of AIG's corporate website at [www.aig.com](http://www.aig.com).

### **Who pays for the expenses of this proxy solicitation?**

AIG will bear the cost of this solicitation of proxies. Proxies may be solicited by mail, email, personal interview, telephone and facsimile transmission by directors, their associates, and certain officers and regular employees of AIG and its subsidiaries. In addition to the foregoing, AIG has retained D.F. King & Co., Inc. to assist in the solicitation of proxies for a fee of approximately \$20,000 plus reasonable out-of-pocket expenses and disbursements of that firm. AIG will reimburse brokers and others holding AIG Common Stock in their names, or in the names of nominees, for forwarding proxy materials to their principals.

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**CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS**

This Proxy Statement and other publicly available documents may include, and AIG's officers and representatives 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 estimate. These projections, goals, assumptions and statements may address, among other things:

AIG's exposures to subprime mortgages, monoline insurers, the residential and commercial real estate markets, state and municipal bond issuers, sovereign bond issuers, the energy sector and currency exchange rates;

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;

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:

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 nonbank systemically important financial institution and as a global systemically important insurer;

concentrations in AIG's investment portfolios;

actions by credit rating agencies;  
judgments concerning casualty insurance under-writing and insurance liabilities;

judgments concerning the recognition of deferred tax assets; and

such other factors discussed in:

Part I, Item 1A. Risk Factors in AIG's 2014 Annual Report on Form 10-K; and

Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations in AIG's 2014 Annual Report on Form 10-K.

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.

**Table of Contents****PROPOSAL 1 ELECTION OF DIRECTORS**

AIG's Board of Directors currently consists of fourteen directors. All directors serve a one-year term. We are asking our shareholders to elect thirteen directors at the Annual Meeting, to hold office until the next annual election and until their successors are duly elected and qualified. It is the intention of the persons named in the accompanying form of proxy to vote for the election of the nominees listed below. All of the nominees are currently members of AIG's Board of Directors. It is not expected that any of the nominees will become unavailable for election as a director, but if any should become unavailable prior to the Annual Meeting, proxies will be voted for such persons as the persons named in the accompanying form of proxy may determine in their discretion. Directors will be elected by a majority of the votes cast by the shareholders of the AIG Common Stock, which votes are cast for or against election. Pursuant to AIG's By-laws and Corporate Governance Guidelines, each nominee has submitted to the Board an irrevocable resignation from the Board that would become effective upon (1) the failure of such nominee to receive the required vote at the shareholder meeting and (2) Board acceptance of such resignation. In the event that a nominee fails to receive the required vote, AIG's Nominating and Corporate Governance Committee will then make a recommendation to the Board on the action to be taken with respect to the resignation. The Board will accept such resignation unless the Board determines (after consideration of the Nominating and Corporate Governance Committee's recommendation) that the best interests of AIG and its shareholders would not be served by doing so.

The Board believes that, if elected, the nominees will continue to provide effective oversight of AIG's business and continue to advance our shareholders' interests by drawing upon their collective qualifications, skills and experiences. The following table highlights certain key attributes of our director nominees:

<b><u>Professional experience in:</u></b>	
ü Experience managing large, complex, international institutions	ü insurance and reinsurance
ü High level of financial and accounting literacy	ü the financial services industry
ü Risk oversight/management expertise	ü operations and technology
ü Corporate governance and strategic oversight experience	ü regulation, academia and research
ü Experience with global consumer, commercial and industrial customers	

Mr. Arthur C. Martinez is retiring from the Board this year after reaching the age of 75, which is the general director retirement age guideline under our Corporate Governance Guidelines. The Board wishes to thank Mr. Martinez for his many contributions and, in particular, his service as Chairman of the Compensation and Management Resources Committee during an unprecedented time in AIG's history. The Board will miss Mr. Martinez's wise counsel.

Effective September 1, 2014, Mr. Hancock was appointed President and Chief Executive Officer and a member of the Board of Directors and Mr. Robert Benmosche retired from these positions.

**Remembering our Colleague and Friend, Robert H. Benmosche**

With great sorrow, we mourned the passing in February 2015 of Mr. Benmosche, our former President, Chief Executive Officer and Director. Mr. Benmosche poured his energy and focus into enabling AIG's people to live up to their potential and his leadership was the foundation for the many milestones and successes achieved during perhaps the most challenging period in AIG's history. Mr. Benmosche had tremendous energy, passion, and tenacity as AIG's leader, and we will honor his legacy by continuing to focus on integrity and performance.

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Below are biographies of each of the nominees for director, including the principal occupation or affiliation and directorships held by each nominee during the past five years.

**W. DON CORNWELL**

**Former Chairman of the Board and Chief Executive Officer of Granite Broadcasting Corporation**

Director since 2011

Age 67

Mr. Cornwell is the former Chairman of the Board and Chief Executive Officer of Granite Broadcasting Corporation, serving from 1988 until his retirement in August 2009, and Vice Chairman until December 2009. Mr. Cornwell spent 17 years at Goldman, Sachs & Co. where he served as Chief Operating Officer of the Corporate Finance Department from 1980 to 1988 and Vice President of the Investment Banking Division from 1976 to 1988. Mr. Cornwell is currently a director of Avon Products, Inc., where he is Chairman of the Finance Committee and a member of the Audit Committee, and Pfizer Inc., where he is Chairman of the Audit Committee and a member of the Compensation, Regulatory and Compliance, and Science and Technology Committees. Mr. Cornwell was Chairman of the Board and Chief Executive Officer of Granite Broadcasting when it filed for voluntary reorganization under Chapter 11 of the U.S. Bankruptcy Code in December 2006 and emerged from its restructuring in June 2007. In light of Mr. Cornwell's experience in finance and strategic business transformations, as well as his professional experience across the financial services industry, AIG's Board has concluded that Mr. Cornwell should be re-elected to the Board.

**PETER R. FISHER**

**Senior Fellow at the Center for Global Business and Government, and Senior Lecturer, at the Tuck School of Business at Dartmouth College; Former Head of Fixed Income Portfolio Management of BlackRock, Inc.**

Director since 2014

Age 58

Mr. Fisher is a Senior Fellow at the Center for Global Business and Government, and also a Senior Lecturer, at the Tuck School of Business at Dartmouth College, positions he has held since July 2013. Mr. Fisher previously served as an officer of BlackRock, Inc. and certain of its subsidiaries (BlackRock) from 2004 through 2013, as a Senior Managing Director (2010 to 2013) and a Managing Director (2004 to 2009). While at BlackRock, Mr. Fisher served as Head (2010 to 2013) and as Co-Head (2008 to 2009) of BlackRock's Fixed Income Portfolio Management Group, overseeing portfolio managers responsible for more than \$1 trillion of fixed income client accounts and funds, and as Chairman of BlackRock Asia (2005 to 2007). Mr. Fisher has been a Senior Director of the BlackRock Investment Institute since March 2013, and has served in such capacity as an independent consultant since January 2014. Prior to joining BlackRock in 2004, Mr. Fisher served as Under Secretary of the U.S. Department of the Treasury for Domestic Finance from 2001 to 2003, and, in that capacity, served on the board of the Securities Investor Protection Corporation, as a member of the Airline Transportation Stabilization Board and as the U.S. Treasury representative to the Pension Benefit Guaranty Corporation. From 2007 to 2013, Mr. Fisher was a non-executive director of the Financial Services Authority of the United Kingdom, where he was a member of the Risk Committee. Mr. Fisher also worked at the Federal Reserve Bank of New York from 1985 to 2001, ending his service there as an Executive Vice President and Manager of the System Open Market Account. In light of Mr. Fisher's broad experience in asset management and government and his knowledge of the regulation of financial services companies, AIG's Board has concluded that Mr. Fisher should be re-elected to the Board.



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**JOHN H. FITZPATRICK**

**Former Secretary General of The Geneva Association;**

**Former Chief Financial Officer, Head of the Life and Health Reinsurance Business Group and Head of Financial Services of Swiss Re**

Director since 2011

Age 58

Mr. Fitzpatrick has been Chairman of Oak Street Management Co., LLC, a management consulting and real estate investment firm, and Oak Family Advisors, LLC, a private wealth management firm since 2010. In May 2014, he completed a two-year term as Secretary General of The Geneva Association. From 2006 to 2010, Mr. Fitzpatrick was a partner at Pension Corporation and a director of Pension Insurance Corporation Ltd. From 1998 to 2006, he was a member of Swiss Re's Executive Board Committee and served at Swiss Re as Chief Financial Officer, Head of the Life and Health Reinsurance Business Group and Head of Financial Services. From 1996 to 1998, Mr. Fitzpatrick was a partner in insurance private equity firms sponsored by Zurich Financial Services, Credit Suisse and Swiss Re. From 1990 to 1996, Mr. Fitzpatrick served as the Chief Financial Officer and a Director of Kemper Corporation, a NYSE-listed insurance and financial services organization where he started his career in corporate finance in 1978. From February 2010 until March 2011, Mr. Fitzpatrick was a director of Validus Holdings, Ltd., where he served on the Audit and Finance Committees. Mr. Fitzpatrick is a Certified Public Accountant and a Chartered Financial Analyst. In light of Mr. Fitzpatrick's broad experience in the insurance and reinsurance industry, as well as his professional experience in insurance policy and regulation, AIG's Board has concluded that Mr. Fitzpatrick should be re-elected to the Board.

**PETER D. HANCOCK**

**President and Chief Executive Officer, AIG**

Director since 2014

Age 56

Mr. Hancock has been AIG's President and Chief Executive Officer since September 2014, when he also joined the Board of Directors. Previously, he served as AIG's Executive Vice President Property and Casualty Insurance and joined AIG in February 2010 as Executive Vice President, Finance, Risk and Investments. From December 2008 to February 2010, Mr. Hancock served as Vice Chairman of KeyCorp, where he was responsible for Key National Banking. Previously, Mr. Hancock co-founded and served as President of Integrated Finance Limited, an advisory firm specializing in strategic risk management, asset management, and innovative pension solutions. Mr. Hancock also spent 20 years at J.P. Morgan, beginning in 1980, where he established the Global Derivatives Group, ran the Global Fixed Income business and Global Credit portfolio, and served as the firm's Chief Financial Officer and Chief Risk Officer. In light of Mr. Hancock's experience managing large, complex, international institutions and his professional experience across industries including insurance, banking and financial services, AIG's Board has concluded that Mr. Hancock should be elected to the Board.

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**WILLIAM G. JURGENSEN      Former Chief Executive Officer of Nationwide Insurance**

Director since 2013      Age 63

Mr. Jurgensen is the former Chief Executive Officer of Nationwide Mutual Insurance Company and Nationwide Financial Services, Inc., serving from May 2000 to February 2009. During this time, he also served as director and Chief Executive Officer of several other companies within the Nationwide enterprise. Prior to his time in the insurance industry, he spent 27 years in the commercial banking industry. Before joining Nationwide, Mr. Jurgensen was an Executive Vice President with BankOne Corporation (now a part of JPMorgan Chase & Co.) where he was responsible for corporate banking products, including capital markets, international banking and cash management. He managed the merger integration between First Chicago Corporation and NBD Bancorp, Inc. and later was Chief Executive Officer for First Card, First Chicago's credit card subsidiary. At First Chicago, he was responsible for retail banking and began his career there as Chief Financial Officer in 1990. Mr. Jurgensen started his banking career at Norwest Corporation (now a part of Wells Fargo & Company) in 1973. The majority of Mr. Jurgensen's career has involved capital markets, securities trading and investment activities, with the balance in corporate banking. Mr. Jurgensen has been a director of ConAgra Foods, Inc. since 2002, where he has served on the Audit Committee and currently serves on the Human Resources and the Nominating, Governance and Public Affairs Committees. He was also a director of The Scotts Miracle-Gro Company from 2009 to 2013, where he served on the Audit, Finance, and Governance and Nominating Committees. In light of Mr. Jurgensen's experience in insurance, financial services and risk management, AIG's Board has concluded that Mr. Jurgensen should be re-elected to the Board.

**CHRISTOPHER S. LYNCH      Former National Partner in Charge of Financial Services, KPMG LLP**

Director since 2009      Age 57

Mr. Lynch has been an independent consultant since 2007, providing a variety of services to public and privately held financial intermediaries, including corporate restructuring, risk management, strategy, governance, financial accounting and regulatory reporting, and troubled-asset management. Mr. Lynch is the former National Partner in Charge of KPMG LLP's Financial Services Line of Business. He held a variety of positions with KPMG from 1979 to 2007, including chairing KPMG's Americas Financial Services Leadership team and being a member of the Global Financial Services Leadership and the U.S. Industries Leadership teams. Mr. Lynch has experience as an audit signing partner under Sarbanes Oxley for some of KPMG's largest financial services clients. He also served as a Partner in KPMG's National Department of Professional Practice and as a Practice Fellow at the Financial Accounting Standards Board. Mr. Lynch is a member of the Advisory Board of the Stanford Institute for Economic Policy Research and a member of the National Audit Committee Chair Advisory Council of the National Association of Corporate Directors. Mr. Lynch is currently Non-Executive Chairman of the Federal Home Loan Mortgage Corporation, where he is Chairman of the Executive Committee and is also a member of the Audit and Compensation Committees. In light of Mr. Lynch's experience in finance, accounting and risk management and strategic business transformations, as well as his professional experience across the financial services industry, AIG's Board has concluded that Mr. Lynch should be re-elected to the Board.

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**GEORGE L. MILES, JR.**

**Chairman Emeritus, The Chester Group, Inc.; Former President and Chief Executive Officer, WQED Multimedia**

Director since 2005

Age 73

Mr. Miles has been Chairman Emeritus since April 2012 and is the former Executive Chairman of The Chester Group, Inc. (formerly known as Chester Engineers, Inc.) serving from October 2010 to April 2012 and the former President and Chief Executive Officer of WQED Multimedia, serving from 1994 to 2010. Mr. Miles served as an Executive Vice President and Chief Operating Officer of WNET/Thirteen from 1984 to 1994. Prior to WNET/Thirteen, he was Business Manager and Controller of KDKA-TV and KDKA Radio in Pittsburgh; Controller and Station Manager of WPCQ in Charlotte; Vice President and Controller of Westinghouse Broadcasting Television Group in New York; and Station Manager of WBZ-TV in Boston. Mr. Miles is currently a director of HFF, Inc., where he is Chairman of the Audit Committee and serves on the Compensation Committee, Harley-Davidson, Inc., where he serves on the Audit and Nominating and Corporate Governance Committees and EQT Corporation, where he serves on the Executive Committee and as Chairman of the Corporate Governance Committee. Mr. Miles formerly served as a director of WESCO International, Inc., where he served on the Compensation Committee. Mr. Miles is a Certified Public Accountant. In light of Mr. Miles' experience in accounting as well as his professional experience across the operations and technology industry, AIG's Board has concluded that Mr. Miles should be re-elected to the Board.

**HENRY S. MILLER**

**Chairman, Marblegate Asset Management, LLC; Former Chairman and Managing Director, Miller Buckfire & Co., LLC**

Director since 2010

Age 69

Mr. Miller co-founded and has been Chairman of Marblegate Asset Management, LLC since 2009. Mr. Miller was co-founder, Chairman and a Managing Director of Miller Buckfire & Co., LLC, an investment bank, from 2002 to 2011 and Chief Executive Officer from 2002 to 2009. Prior to founding Miller Buckfire & Co., LLC, Mr. Miller was Vice Chairman and a Managing Director at Dresdner Kleinwort Wasserstein and its predecessor company Wasserstein Perella & Co., where he served as the global head of the firm's financial restructuring group. Prior to that, Mr. Miller was a Managing Director and Head of both the Restructuring Group and Transportation Industry Group of Salomon Brothers Inc. From 1989 to 1992, Mr. Miller was a managing director and, from 1990 to 1992, co-head of investment banking at Prudential Securities. Mr. Miller is currently a director of The Interpublic Group of Companies, Inc., where he serves on the Corporate Governance Committee and the Finance Committee. Mr. Miller formerly served as a director of Ally Financial Inc., where he served on the Risk and Compliance Committee. In light of Mr. Miller's experience in strategic business transformations as well as his professional experience across the financial services industry, AIG's Board has concluded that Mr. Miller should be re-elected to the Board.

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**ROBERT S. MILLER**

**Former Chief Executive Officer, Hawker Beechcraft, Inc.; Former Executive Chairman, Delphi Corporation**

Director since 2009

Age 73

Mr. Miller is the former Chief Executive Officer of Hawker Beechcraft, Inc., a manufacturer of aircraft, serving from February 2012 to February 2013. Mr. Miller has also been Chairman of MidOcean Partners, a leading middle market private equity firm, since December 2009. Mr. Miller also served as the Executive Chairman of the Delphi Corporation from 2007 to 2009. He was previously Chairman and Chief Executive Officer of Delphi Corporation from 2005 to 2007. Prior to joining Delphi Corporation, Mr. Miller served in a number of corporate restructuring situations, including as Chairman and Chief Executive Officer of Bethlehem Steel Corporation, Chairman and Chief Executive Officer of Federal Mogul Corporation, Chairman and Chief Executive Officer of Waste Management, Inc., and Executive Chairman of Morrison Knudsen Corporation. He has also served as Vice Chairman and Chief Financial Officer of Chrysler Corporation. Mr. Miller is a director of The Dow Chemical Company, where he is a member of the Governance and the Environment, Health, Safety and Technology Committees, Symantec Corporation, where he is a member of the Audit and Nominating and Governance Committees, and WL Ross Holding Corp., where he is a Chairman of the Compensation Committee and serves on the Audit Committee. In the past five years, Mr. Miller has also served as a director of Sbarro, Inc. and UAL Corporation (United Airlines). Mr. Miller was Chief Executive Officer of Hawker Beechcraft, Inc. and Chairman and Chief Executive Officer of Delphi Corporation when those companies filed for voluntary reorganization under Chapter 11 of the U.S. Bankruptcy Code in May 2012 and October 2005, respectively. In light of Mr. Miller's experience in managing large, complex, international institutions, his experience in finance, accounting and risk management and strategic business transformations, as well as his professional experience across the financial services industry, AIG's Board has concluded that Mr. Miller should be re-elected to the Board.

**SUZANNE NORA JOHNSON**

**Former Vice Chairman, The Goldman Sachs Group, Inc.**

Director since 2008

Age 57

Ms. Nora Johnson is the former Vice Chairman of The Goldman Sachs Group, Inc., serving from 2004 to 2007. During her 21 years at Goldman Sachs, she also served as the Chairman of the Global Markets Institute, Head of the Global Investment Research Division and Head of the Global Investment Banking Healthcare Business. Ms. Nora Johnson is currently a director of Intuit Inc., where she is Chairman of the Acquisitions Committee and serves on the Audit and Risk Committee, Pfizer Inc., where she serves on the Audit, Compensation and Science and Technology Committees, and Visa Inc., where she is Chairman of the Compensation Committee and serves on the Nominating and Corporate Governance Committee. In light of Ms. Nora Johnson's experience in managing large, complex, international institutions, her experience in finance as well as her professional experience across the financial services industry, AIG's Board has concluded that Ms. Nora Johnson should be re-elected to the Board.

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**RONALD A. RITTENMEYER**      **Former Chairman, President and Chief Executive Officer, Expert Global Solutions, Inc.; Former Chairman, Chief Executive Officer and President, Electronic Data Systems Corporation**

Director since 2010

Age 67

Mr. Rittenmeyer is the former Chairman, President and Chief Executive Officer of Expert Global Solutions, Inc. (formerly known as NCO Group, Inc.), a global provider of business process outsourcing services, serving from 2011 to 2014. Mr. Rittenmeyer is also the former Chairman, Chief Executive Officer and President of Electronic Data Systems Corporation, serving from 2005 to 2008. Prior to that, Mr. Rittenmeyer was a Managing Director of the Cypress Group, a private equity firm, serving from 2004 to 2005. Mr. Rittenmeyer also served as Chairman, Chief Executive Officer and President of Safety-Kleen Corp. from 2001 to 2004. Among his other leadership roles, Mr. Rittenmeyer served as President and Chief Executive Officer of AmeriServe Food Distribution Inc. from 2000 to 2001, Chairman, Chief Executive Officer and President of RailTex, Inc. from 1998 to 2000, President and Chief Operating Officer of Ryder TRS, Inc. from 1997 to 1998, President and Chief Operating Officer of Merisel, Inc. from 1995 to 1996 and Chief Operating Officer of Burlington Northern Railroad Co. from 1994 to 1995. Mr. Rittenmeyer is currently a director of IMS Health Holdings, Inc., where he is Chairman of the Audit Committee and serves on the Leadership Development and Compensation Committee, and of Tenet Healthcare Corporation, where he is Chairman of the Health Information Technology Committee and serves on the Audit, Compensation and Executive Committees. In light of Mr. Rittenmeyer's experience in managing large, complex, international institutions, his experience in finance and strategic business transformations as well as his professional experience across the financial services industry and technology industry, AIG's Board has concluded that Mr. Rittenmeyer should be re-elected to the Board.

**DOUGLAS M. STEENLAND**      **Former President and Chief Executive Officer, Northwest Airlines Corporation**

Director since 2009

Age 63

Mr. Steenland is the former Chief Executive Officer of Northwest Airlines Corporation, serving from 2004 to 2008, and President, serving from 2001 to 2004. Prior to that, he served in a number of Northwest Airlines executive positions after joining Northwest Airlines in 1991, including Executive Vice President, Chief Corporate Officer and Senior Vice President and General Counsel. Mr. Steenland retired from Northwest Airlines upon its merger with Delta Air Lines, Inc. Prior to joining Northwest Airlines, Mr. Steenland was a senior partner at a Washington, D.C. law firm that is now part of DLA Piper. Mr. Steenland is currently a director of Travelport Limited, where he serves as Chairman of the Board and Chairman of the Nominating and Corporate Governance Committee and Hilton Worldwide Holdings Inc., where he serves as Chairman of the Audit Committee and a member of the Nominating and Corporate Governance Committee. In the past five years, Mr. Steenland has also served as a director of Delta Air Lines, Inc., Chrysler Group LLC (now FCA US LLC), where he served as Chairman of the Audit Committee, International Lease Finance Corporation (ILFC), a former AIG subsidiary, now a part of AerCap Holdings N.V. (AerCap), and Digital River, Inc., where he was Chairman of the Compensation Committee and served on the Finance and Nominating and Corporate Governance Committees. Mr. Steenland also served until 2008 as a director of Northwest Airlines Corporation. Mr. Steenland was President and Chief Executive Officer of Northwest Airlines Corporation when it filed for voluntary reorganization under Chapter 11 of the U.S. Bankruptcy Code in 2005. In light of Mr. Steenland's experience in managing large, complex, international institutions and his experience in strategic business transformations as well as his professional experience in the airline industry, AIG's Board has concluded that Mr. Steenland should be re-elected to the Board.

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**THERESA M. STONE**

**Former Executive Vice President and Treasurer of the Massachusetts Institute of Technology; Former Executive Vice President and Chief Financial Officer of Jefferson-Pilot Corporation; Former President of Chubb Life Insurance Company**

Director since 2013

Age 70

Ms. Stone is the former Executive Vice President and Treasurer of the Massachusetts Institute of Technology (MIT), serving from February 2007 until October 2011. In her role as Executive Vice President and Treasurer, Ms. Stone served as MIT's Chief Financial Officer and was also responsible for MIT's operations, including capital projects, campus planning, facilities operations, information technology, environmental health and safety, human resources, medical services and police. Ms. Stone also served as the Special Assistant to the President of MIT from October 2011 to January 2012. From November 2001 to March 2006, Ms. Stone served as Executive Vice President and Chief Financial Officer of Jefferson-Pilot Corporation (now Lincoln Financial Group) and, from 1997 to 2006, she also served as President of Jefferson-Pilot Communications. Ms. Stone also served as the President of Chubb Life Insurance Company from 1994 to 1997. Ms. Stone also served as a director of the Federal Reserve Bank of Richmond from 2003 to 2007 and as Deputy Chairman from 2005 to 2007. Ms. Stone began her career as an investment banker, advising clients primarily in the insurance and financial services industries on financial and strategic matters. Ms. Stone served as a director of Progress Energy, Inc. from 2005 to 2012, where she served as Chairman of the Audit and Corporate Performance Committee and a member of the Executive, Finance and Governance Committees. She also served as a director of Duke Energy Corporation during July 2012 following the company's merger with Progress Energy Inc. In light of Ms. Stone's broad experience in both business and academia and her expertise in insurance, finance and management, AIG's Board has concluded that Ms. Stone should be re-elected to the Board.

All of the nominees have lengthy direct experience in the oversight of public companies as a result of their service on AIG's Board and/or the boards of other public companies and/or as a result of their involvement in the other organizations described above. This diverse and complementary set of skills, experience and backgrounds creates a highly qualified and independent Board of Directors.

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**CORPORATE GOVERNANCE**

**GOVERNANCE**

AIG's Board regularly reviews corporate governance developments and modifies its Corporate Governance Guidelines, charters and practices from time to time. AIG's current Corporate Governance Guidelines are included as Appendix A. AIG's Corporate Governance Guidelines and the charters of the Audit Committee, the Compensation and Management Resources Committee, the Nominating and Corporate Governance Committee, the Regulatory, Compliance and Public Policy Committee, the Risk and Capital Committee (formerly known as the Finance and Risk Management Committee), and the Technology Committee are available in the Corporate Governance section of AIG's corporate website at [www.aig.com](http://www.aig.com) or in print by writing to American International Group, Inc., 175 Water Street, New York, New York 10038, Attention: Investor Relations.

AIG's Director, Executive Officer and Senior Financial Officer Code of Business Conduct and Ethics and a Code of Conduct for employees are available, without charge, in the Corporate Governance section of AIG's corporate website at [www.aig.com](http://www.aig.com) or in print by writing to American International Group, Inc., 175 Water Street, New York, New York 10038, Attention: Investor Relations. Any amendment to AIG's Director, Executive Officer and Senior Financial Officer Code of Business Conduct and Ethics and any waiver applicable to AIG's directors, executive officers or senior financial officers will be posted on AIG's website within the time period required by the SEC and the NYSE.

Using the AIG Director Independence Standards, the Board, on the recommendation of the Nominating and Corporate Governance Committee, determined that Mss. Nora Johnson and Stone and Messrs. Cornwell, Fisher, Fitzpatrick, Jurgensen, Lynch, Martinez, Miles, Henry S. Miller, Robert S. Miller, Rittenmeyer and Steenland are independent under NYSE listing standards and the AIG Director Independence Standards.

In making the independence determinations, the Nominating and Corporate Governance Committee and the Board of Directors considered relationships arising from: (1) contributions by AIG to charitable organizations with which Mss. Nora Johnson and Stone and Messrs. Cornwell, Lynch, and Henry S. Miller or members of their immediate families are affiliated; (2) in the case of certain directors, investments and insurance products provided to them by AIG in the ordinary course of business and on the same terms made available to third parties; (3) in the case of Mr. Fisher, payments made in the ordinary course of business between AIG and BlackRock, Inc.; (4) in the case of Mr. Fitzpatrick, membership fees to The Geneva Association; and (5) in the case of Mr. Lynch, the summer internships in 2013 and 2014 and the offer and acceptance of full-time employment of his son with AIG. None of these relationships exceeded the thresholds set forth in the AIG Director Independence Standards.

The Nominating and Corporate Governance Committee and the Board of Directors also considered the relationships between AIG and MidOcean, a private equity firm. Mr. Robert S. Miller is the Chairman of the investment advisor of MidOcean and several AIG affiliates are committed to invest an aggregate of \$110,000,000 in two funds advised by the investment advisor of MidOcean and made capital contributions to these funds of \$659,490 in 2014 pursuant to these commitments. No contributions have been made pursuant to these commitments in 2015. AIG's commitments to invest predate Mr. Miller becoming a director of AIG and his involvement with MidOcean. Mr. Miller has relinquished any profit interest in these funds to the extent arising from any funds contributed by AIG or affiliates of AIG.

AIG's current policy, as reflected in its By-laws, is that the role of the Chairman should be separate from that of the Chief Executive Officer and that the Chairman should be an independent director. AIG believes that this structure is optimal in AIG's current situation because it permits the Chairman to focus on the governance of the Board and to deal with AIG's various stakeholders while permitting the Chief Executive Officer to focus more on AIG's business.

The Board oversees the management of risk through the complementary functioning of the Risk and Capital Committee and the Audit Committee and interaction with other committees of the Board. The Risk and Capital Committee oversees AIG's Enterprise Risk Management (ERM) as one of its core responsibilities and reviews AIG's significant risk assessment and risk management policies. The Audit Committee also discusses the guidelines and policies governing the process by which AIG assesses and manages risk and considers AIG's major risk exposures and how they are monitored and controlled. The Chairmen of the two committees then coordinate with each other and the Chairmen of the other committees of the Board to help ensure that each committee has received the information that it needs to carry out its responsibilities with respect to risk management. Both the Risk and Capital Committee and the Audit Committee report to the Board with respect to any notable risk management issues. The Compensation and Management Resources Committee, in conjunction

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with AIG's Chief Risk Officer, is responsible for reviewing the relationship between AIG's risk management policies and practices and the incentive compensation arrangements applicable to senior executives.

There were sixteen meetings of the Board during 2014. The non-management directors meet in executive session, without any management directors present, in conjunction with each regularly scheduled Board meeting. Mr. Robert Miller, as Non-Executive Chairman of the Board, presided at the executive sessions. For 2013 and 2014, all of the directors attended at least 75 percent of the aggregate of all meetings of the Board and of the committees of the Board on which they served. Under AIG's Corporate Governance Guidelines, any director who, for two consecutive calendar years, attends fewer than 75 percent of the total regular meetings of the Board and the meetings of all committees of which such director is a voting member will not be nominated for re-election at the annual meeting in the next succeeding calendar year, absent special circumstances that may be taken into account by the Board and the Nominating and Corporate Governance Committee in making its recommendations to the Board.

Directors are expected to attend the 2015 Annual Meeting of Shareholders. All directors serving at the time of the 2014 Annual Meeting of Shareholders attended the 2014 Annual Meeting of Shareholders.

AIG has adopted procedures on reporting of concerns regarding accounting and other matters and on communicating with non-management directors. These procedures are available in the Corporate Governance section of AIG's corporate website at [www.aig.com](http://www.aig.com). Interested parties may make their concerns known to the non-management members of AIG's Board of Directors as a group or the other members of the Board of Directors by writing in care of Vice President Corporate Governance, American International Group, Inc., 175 Water Street, New York, New York 10038 or by email to: [boardofdirectors@aig.com](mailto:boardofdirectors@aig.com).

AIG maintains an active dialogue with shareholders, including through our Investor Relations department. Our Chief Executive Officer, and other members of senior management, regularly meet with shareholders and regularly participate in investor conferences in the United States and abroad. Shareholder feedback received in those meetings, conferences and dialogue is shared with our Board of Directors. In addition, the Chairman of the Board communicates directly with shareholders as appropriate. Investor presentations are made available in the Investors Webcasts and Presentations section of AIG's corporate website at [www.aig.com](http://www.aig.com).



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### **REPORT OF THE NOMINATING AND CORPORATE GOVERNANCE COMMITTEE**

#### **Overview**

The role of the Nominating and Corporate Governance Committee is to identify individuals qualified to become Board members and recommend these individuals to the Board for nomination, election or appointment as members of the Board and its committees, to advise the Board on corporate governance matters and to oversee the evaluation of the Board and its committees.

#### **Committee Organization**

**Committee Charter.** The Nominating and Corporate Governance Committee's charter is available in the Corporate Governance section of AIG's corporate website at [www.aig.com](http://www.aig.com).

**Independence.** The Board of Directors has determined that each member of the Nominating and Corporate Governance Committee is independent, as required by NYSE listing standards.

**Conduct of meetings and governance process.** During 2014, the Nominating and Corporate Governance Committee held six meetings. In discussing governance initiatives and in preparation for meetings, the Chairman of the Board, the Chairman of the Nominating and Corporate Governance Committee and the Vice President - Corporate Governance met and consulted frequently with the other Committee and Board members.

#### **Board Membership and Composition**

**Nomination and Election of Directors.** The Nominating and Corporate Governance Committee evaluated and recommended to the Board of Directors the thirteen nominees under Proposal 1 Election of Directors that are standing for election at the 2015 Annual Meeting of Shareholders, based on the criteria set forth in AIG's Corporate Governance Guidelines. A description of the nominees recommended by the Nominating and Corporate Governance Committee is set forth under Proposal 1 Election of Directors. The process for identification of director nominees when standing for election for the first time is provided below in Committees Nominating and Corporate Governance Committee.

**Independence.** The Board of Directors, on the recommendation of the Nominating and Corporate Governance Committee, determined that each of AIG's thirteen current non-management directors is independent within the meaning of the NYSE listing standards. Mr. Benmosche, who retired from the Board in September 2014, was not an independent director because he held an AIG management position during 2014. Mr. Hancock is the only director nominee who holds an AIG management position and, therefore, is not an independent director.

**Diversity Consideration.** The Nominating and Corporate Governance Committee does not have a specific diversity policy. Rather, the Nominating and Corporate Governance Committee considers diversity in terms of minority status and gender as factors in evaluating director candidates and also considers diversity in the broader sense of how a candidate's experience and skills could assist the Board in light of the Board's then composition.

#### **Conclusion**

During 2014, the Nominating and Corporate Governance Committee performed its duties and responsibilities under the Nominating and Corporate Governance Committee charter.

Nominating and Corporate Governance Committee

American International Group, Inc.

Suzanne Nora Johnson, Chairman

W. Don Cornwell

Arthur C. Martinez

George L. Miles, Jr.

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The following table sets forth the current membership on each standing committee of the Board and the number of committee meetings held in 2014. Mr. Hancock does not serve on any committees of the Board. Mr. Robert S. Miller serves as an *ex-officio* member of each Committee.

<b>Director</b>	<b>Audit Committee</b>	<b>Compensation and Management Resources Committee</b>	<b>Nominating and Corporate Governance Committee</b>	<b>Regulatory, Compliance and Public Policy Committee</b>	<b>Risk and Capital Committee</b>	<b>Technology Committee</b>
W. Don Cornwell		ü	ü			
Peter R. Fisher				ü	ü	
John H. Fitzpatrick	ü				ü(C)	
William G. Jurgensen	ü			ü		
Christopher S. Lynch	ü(C)				ü	
Arthur C. Martinez		ü(C)	ü			ü
George L. Miles, Jr.	ü		ü			ü
Henry S. Miller				ü	ü	
Robert S. Miller	*	*	*	*	*	*
Suzanne Nora Johnson		ü	ü(C)			
Ronald A. Rittenmeyer	ü	ü				ü(C)
Douglas M. Steenland				ü(C)	ü	
Theresa M. Stone	ü				ü	
<b>Number of meetings in 2014</b>	<b>10</b>	<b>9</b>	<b>6</b>	<b>5</b>	<b>17</b>	<b>5</b>

ü = Member

C = Chairman

\* Mr. Robert S. Miller is an *ex-officio*, non-voting member.

**Audit Committee**

The Audit Committee, which held ten meetings during 2014, assists the Board in its oversight of AIG's financial statements, including internal control over financial reporting, and compliance with legal and regulatory requirements, the qualifications, independence and performance of AIG's independent registered public accounting firm and the performance of AIG's internal audit function. As part of these oversight responsibilities, the Audit Committee discusses with senior management the guidelines and policies by which AIG assesses and manages risk. The Audit Committee is directly responsible for the appointment, compensation, retention and oversight of the work of AIG's independent registered public accounting firm. In its oversight of AIG's internal audit function, the Audit Committee also is involved in the appointment or removal, performance reviews and determining the compensation of AIG's chief internal auditor. The Audit Committee's assistance in the Board of Directors' oversight of AIG's compliance with legal and regulatory requirements primarily focuses on the effect of such matters on AIG's financial statements, financial reporting and internal control over financial reporting. In considering AIG's compliance with legal and regulatory requirements, the Audit Committee also takes into account the oversight of legal and regulatory matters by the Regulatory, Compliance and Public Policy Committee.

The Board has determined, on the recommendation of the Nominating and Corporate Governance Committee, that all members of the Audit Committee are independent under both NYSE listing standards and SEC rules. The Board has also determined, on the recommendation of the Nominating and Corporate Governance Committee, that all members of the Audit Committee are financially literate and have accounting or related financial management expertise, each as defined by NYSE listing standards, and are audit committee financial experts, as defined under SEC rules. Although designated as audit committee financial experts, no member of the Committee is an accountant for AIG or, under SEC rules, an expert for purposes of the liability provisions of the Securities Act of 1933, as amended (the Securities Act), or for any other purpose.



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### **Compensation and Management Resources Committee**

The Compensation and Management Resources Committee, which held nine meetings during 2014, is responsible for determining and approving the compensation awarded to AIG's Chief Executive Officer (subject to ratification or approval by the Board), approving the compensation awarded to the other senior executives under its purview (which includes all of the named executives in the 2014 Summary Compensation Table) and reviewing and approving the performance measures and goals relevant to such compensation. The Compensation and Management Resources Committee is also responsible for making recommendations to the Board with respect to AIG's compensation programs for senior executives and other employees, for reviewing, in conjunction with AIG's Chief Risk Officer, the relationship between AIG's risk management policies and practices and the incentive compensation arrangements applicable to senior executives, and for oversight of AIG's management development and succession planning programs. These responsibilities, which may not be delegated to persons who are not members of the Compensation and Management Resources Committee, are set forth in the Committee's charter, which is available in the Corporate Governance section of AIG's corporate website at [www.aig.com](http://www.aig.com).

Our Chief Executive Officer participates in meetings of the Compensation and Management Resources Committee and makes recommendations with respect to the annual compensation of employees under the Committee's purview other than himself. Pursuant to AIG's By-laws, the Board ratifies or approves the determination of the Compensation and Management Resources Committee as to the compensation paid or to be paid to AIG's Chief Executive Officer.

The Compensation and Management Resources Committee does not determine the compensation of the Board of Directors. The compensation of directors is recommended by the Nominating and Corporate Governance Committee and is approved by the Board.

To provide independent advice, the Compensation and Management Resources Committee engaged Frederic W. Cook & Co. (the Cook firm) as a consultant and has used the services of the Cook firm since 2005. The Compensation and Management Resources Committee directly engaged the Cook firm to provide independent, analytical and evaluative advice about AIG's compensation programs for senior executives, including comparisons to industry peers and comparisons to best practices in general. A senior consultant of the Cook firm regularly attends Committee meetings and provides information on compensation trends along with specific views on AIG's compensation programs.

The Cook firm has provided advice to the Nominating and Corporate Governance Committee on AIG director compensation and market practices with respect to director compensation. The Cook firm reports directly to the Chairman of the Compensation and Management Resources Committee. Other than services provided to the Compensation and Management Resources Committee and the Nominating and Corporate Governance Committee, neither the Cook firm nor any of its affiliates provided any other services to AIG. For services related to board and executive officer compensation, the Cook firm was paid \$127,687 in 2014.

The Board has determined, on the recommendation of the Nominating and Corporate Governance Committee, that all members of the Compensation and Management Resources Committee are independent under NYSE listing standards and SEC rules.

### **Nominating and Corporate Governance Committee**

The Nominating and Corporate Governance Committee held six meetings in 2014. The Board of Directors has determined that all members of the Nominating and Corporate Governance Committee are independent under NYSE listing standards. The primary responsibilities of the Nominating and Corporate Governance Committee are to identify individuals qualified to become Board members and recommend these individuals to the Board of Directors for nomination, election or appointment as members of the Board and its committees, to advise the Board on corporate governance matters and to oversee the evaluation of the Board and its committees. The Nominating and Corporate Governance Committee also periodically reviews and makes recommendations to the Board regarding the form and amount of director compensation.

The AIG Corporate Governance Guidelines include characteristics that the Nominating and Corporate Governance Committee considers important for nominees for director and information for shareholders with respect to director nominations. AIG's Corporate Governance Guidelines are included as Appendix A. The Nominating and Corporate Governance Committee will consider director nominees recommended by shareholders and will evaluate shareholder nominees on the same basis as all other nominees. Shareholders who wish to submit nominees for director for consideration by the Nominating and Corporate Governance Committee

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for election at the 2016 Annual Meeting of Shareholders may do so by submitting in writing such nominees' names, in compliance with the procedures described in "Other Matters - Shareholder Proposals for the 2016 Annual Meeting."

**Other Committees**

The Regulatory, Compliance and Public Policy Committee held five meetings in 2014. The Regulatory, Compliance and Public Policy Committee assists the Board in its oversight of AIG's handling of legal, regulatory and compliance matters and reviews AIG's position and policies that relate to current and emerging corporate social responsibility and political and public policy issues. The Regulatory, Compliance and Public Policy Committee's charter is available in the Corporate Governance section of AIG's corporate website at [www.aig.com](http://www.aig.com).

The Risk and Capital Committee held seventeen meetings in 2014. The Risk and Capital Committee reports to and assists the Board in overseeing and reviewing information regarding AIG's ERM, including the significant policies, procedures, and practices employed to manage liquidity risk, credit risk, market risk, operational risk and insurance risk. The Risk and Capital Committee also assists the Board in its oversight