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American International Group, Inc. (AIG)

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MINUTES OF A MEETING
OF THE
BOARD OF DIRECTORS
OF
AMERICAN INTERNATIONAL GROUP, INC.

Held June 15, 2008

A meeting of the Board of Directors of AMERICAN INTERNATIONAL GROUP, INC. (the Corporation) was held on June 15, 2008 at 12:00 P.M. at the offices of Simpson Thacher & Bartlett LLP, 425 Lexington Avenue, New York, New York 10017 pursuant to notice duly given to each of the Directors in accordance with the By-Laws.

Present:	Messrs.	Robert B. Willumstad, Chairman Stephen F. Bollenbach Martin S. Feldstein (via telephone) Richard C. Holbrooke Fred H. Langhammer (via telephone) George L. Miles, Jr. Morris W. Offit James F. Orr III Michael H. Sutton
	Mesdames	Ellen V. Futter Virginia M. Rometty
Absent:	Messrs.	Martin J. Sullivan Edmund S.W. Tse

Also present were Eric N. Litzky, Vice President – Corporate Governance and Special Counsel and Secretary to the Board of Directors, Richard I. Beattie, Esq. and

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James G. Gamble, Esq. of Simpson Thacher & Bartlett LLP, outside counsel to the non-management directors, and Frank G. Zarb, a consultant advisor to the Board.

A majority of the Directors being present, a quorum existed and the meeting proceeded.

The Chairman of the Board presided and Mr. Gamble recorded the minutes of the meeting.

The meeting proceeded in an executive session of the non-management directors of the Board.

The Chairman explained that the purpose of the meeting was to consider the continuing employment of Martin J. Sullivan as President and Chief Executive Officer of the Corporation.

The Chairman explained that he had several conversations with Mr. Sullivan during the week and had informed him that this meeting would occur. The Chairman described those discussions, including Mr. Sullivan's views as to a number of issues facing the Corporation and his own evaluation of his tenure.

A lengthy discussion followed during which each director spoke regarding his or her views regarding whether or not a change in Chief Executive Officer was in the best

interests of shareholders. The Board unanimously determined that such a change was in the best interests of shareholders.

Mr. Willumstad then left the meeting. Mr. Miles, Chairman of the Nominating and Corporate Governance Committee of the Board, chaired the portion of the meeting at which Mr. Willumstad was not present.

Mr. Miles explained that Mr. Willumstad had left the meeting to permit the remaining Board members to discuss the appropriate successor to Mr. Sullivan. Each board member spoke on the subject, and the Board unanimously agreed that Mr. Willumstad should succeed Mr. Sullivan as Chief Executive Officer of the Corporation.

Mr. Miles then raised a number of governance questions that the Board considered. First, the Board considered the issue of whether Mr. Willumstad should be appointed on an interim basis to allow the Board to conduct a search for other possible successors to Mr. Sullivan. After a discussion, the Board unanimously determined that it would be in the best interests of shareholders to appoint Mr. Willumstad as Chief Executive Officer on a permanent rather than an interim basis.

Second, the Board considered the issue of whether Mr. Willumstad should remain Chairman while serving as Chief Executive Officer. The Board was advised that to do so would require a change in the Corporation's By-laws. After discussion, the Board unanimously determined that Mr. Willumstad should remain Chairman in addition

to serving as Chief Executive Officer. The Board further agreed that the Nominating and Corporate Governance Committee would review the separation of the roles of Chairman and Chief Executive Officer prior to the next annual meeting of shareholders and make a recommendation to the full Board as to whether it is in the best interests of shareholders to keep the roles separate. The Board also determined that, in light of the separation of the roles, it would appoint a lead independent director. After a discussion, the Board unanimously appointed Mr. Bollenbach to that role.

Third, the Board discussed compensation and severance issues relating to Mr. Sullivan. After a discussion, the Board agreed that the Compensation and Management Resources Committee and its advisors should work out an appropriate compensation and severance arrangement with Mr. Sullivan and present that arrangement to the Board for its consideration at the earliest reasonable time.

After the discussions concluded, upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that, effective immediately, Robert B. Willumstad be, and hereby is, elected Chief Executive Officer of American International Group, Inc., in addition to his current title of Chairman of the Board, to serve until such time as his successor is duly elected and qualified.

RESOLVED, that Mr. Willumstad is hereby elected a member of the Finance Committee of the Board of Directors; and that Mr. Willumstad shall cease to be an *ex-officio* member of each Committee of the Board of Directors.

RESOLVED, that the Board of Directors hereby authorizes the Chairman of the Board to accept the resignation of Martin J. Sullivan as a member of

the Board of Directors and from all director positions at any affiliate or subsidiary of the Corporation.

RESOLVED, that in accepting Mr. Sullivan's resignation, the Board requests that the Chairman of the Board convey to Mr. Sullivan the Board's gratitude for the service that Mr. Sullivan has rendered to the Corporation over the last three years as its Chief Executive Officer and over the course of a long and exceptional career.

RESOLVED, that consistent with the preceding resolutions, Martin J. Sullivan shall no longer serve as Chief Executive Officer and President of American International Group, Inc., effective immediately.

RESOLVED, that upon the resignation of Mr. Sullivan from the Corporation's Board of Directors the number of members of the Board of Directors shall be, and hereby will, be set at twelve (12).

RESOLVED, that Stephen F. Bollenbach be, and hereby is, effective immediately, selected as Lead Independent Director, to serve until such time as his successor is selected.

RESOLVED, that the Corporation's By-laws be, and hereby are, amended to read, in their entirety, in the form attached hereto as Exhibit A.

RESOLVED, that the Corporation's Corporate Governance Guidelines be, and hereby are, amended to read, in their entirety, in the form attached hereto as Exhibit B.

The Chairman, Mr. Willumstad, then rejoined the meeting.

The Board then asked George Sard of Sard Verbinnen & Co. to join the meeting and describe the plans for communicating the Board's decisions to employees, investors and the public.