State of New Jersey
OFFICE OF THE ATTORNEY GENERAL
DEPARTMENT OF LAW AND PUBLIC SAFETY
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JON S. CORZINE
Governor

ANNE MILGRAM
Attorney General

March 19, 2009

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

Re: AIG Compensation Investigation

Dear Mr. Liddy:

The Office of the New Jersey Attorney General, supported by the undersigned Attorneys General, is presently commencing an investigation into potential fraud under the New Jersey Uniform Securities Law as well as other potential violations of New Jersey Law. The investigation relates to the compensation recently paid to members of AIG's Financial Products (AIGFP) subsidiary in light of the company's receipt of billions of dollars of taxpayers' funds. Specifically, we are investigating whether this compensation was paid to those working in the AIG subsidiary largely responsible for the financial crisis at the company. This crisis, in turn, resulted in the loss of billions of dollars in shareholder equity and necessitated a huge influx of taxpayer money. We want to ensure the investing public, as was promised, that money received by the company is being utilized to improve the financial welfare of the company, not to pad the pockets of the same individuals who led to the financial crisis in the first place.

We are now demanding that you provide the following information within five (5) business days of the date of this letter:

(1) A list of all individuals in the AIG Financial Products subsidiary who received bonus compensation between September 2008 and the present. For each individual listed, provide that individuals's title, job responsibilities, amount of compensation paid, including salary and bonuses, and any and all employees who approved the bonus compensation, including title and contact information;

(2) Identify the source of the compensation paid to individuals during the relevant time period and provide supporting documentation;

(3) Provide copies of all employment contracts of all individuals who obtain compensation/bonuses during the relevant time period;

(4) A list of all persons involved with negotiating the compensation contracts, including their titles and contact information;

(5) Copies of any agreements regarding expenditures of TARP funds;

(6) Identify whether or not TARP Funds were used as source of compensation to AIGFP executives;

(7) Copies of any correspondence to shareholders from September 2008 to present regarding the financial health of AIG;

(8) Copies of the minutes of the Board of Directors of AIGFP during the Relevant Time Period;

(9) A list of all holdings and transactions of the Executive Officers of AIGFP in any AIGFP securities during the Relevant Time Period; and

(10) All documents relating to communications with underwriters, broker-dealers, financial analysts, and other financial institutions relating to the issuance of AIGFP securities and its financial condition during the Relevant Time Period.

The above requested information should be provided to Acting Chief Investigator Rudolph Bassman, New Jersey Bureau of Securities, P.O. Box 47029, Newark, New Jersey 07101. Please direct any questions on this matter to Assistant Attorney General James Savage, 973-648-2482.

Very truly yours,

Anne Milgram
Attorney General

The undersigned Attorneys General support the request being made by the Attorney General of New Jersey in connection with the investigation of AIG's recent bonus compensation to members of the Financial Products subsidiary.

Terry Goddard
Attorney General of Arizona

Richard S. Gebelein
Acting Attorney General of Delaware

Lisa Madigan
Attorney General of Illinois

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John Kroger
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Tom Corbett
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