

October 26, 2016

Jeffrey A. Welikson
American International Group, Inc.
175 Water Street
New York, NY 10038

Re: Shareholder proposal

Dear Mr. Welikson:

The Unitarian Universalist Association (“UUA”), a holder of 670 shares of American International Group, Inc., is hereby submitting the enclosed resolution for consideration at the upcoming annual meeting. The resolution requests that the Board authorize the preparation of a report, to be updated annually, disclosing the company’s lobbying expenditures, policies and procedures.



Timothy Brennan
Treasurer and
Chief Financial Officer

The Unitarian Universalist Association is a faith community of more than 1000 self-governing congregations that brings to the world a vision of religious freedom, tolerance and social justice. With roots in the Jewish and Christian traditions, Unitarianism and Universalism have been forces in American spirituality from the time of the first Pilgrim and Puritan settlers. The UUA is also an investor with an endowment valued at approximately \$175 million, the earnings from which are an important source of revenue supporting our work in the world. The UUA takes its responsibility as an investor and shareowner very seriously. We view the shareholder resolution process as an opportunity to bear witness to our values at the same time that we enhance the long-term value of our investments.

We submit the enclosed resolution for inclusion in the proxy statement in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities and Exchange Act of 1934 for consideration and action by the shareowners at the upcoming annual meeting. We have held at least \$2,000 in market value of the company’s common stock for more than one year as of the filing date and will continue to hold at least the requisite number of shares for filing proxy resolutions through the stockholders’ meeting.

Verification that we are beneficial owners of the requisite shares of American International Group, Inc. is enclosed. If you have questions or wish to discuss the proposal, please contact me at 617-948-4305 or by email at tbrennan@uua.org.

Yours very truly,

A handwritten signature in blue ink, appearing to read "Timothy Brennan", with a large, stylized flourish at the end.

Timothy Brennan

Enclosure: Shareholder resolution on lobbying
Verification of ownership

Resolved, shareholders of **American International Group Inc.** (the "Company") hereby request the Company to prepare and semiannually update a report, which shall be presented to the pertinent board of directors committee and posted on the Company's website, that discloses the Company's –

(a) Policies and procedures for making political contributions and expenditures (both direct and indirect) with corporate funds, including the board's role (if any) in that process, and

(b) Monetary and non-monetary political contributions or expenditures that could not be deducted as an "ordinary and necessary" business expense under section 162(e) of the Internal Revenue Code; this would include (but not be limited to) contributions to or expenditures on behalf of political candidates, political parties, political committees and other entities organized and operating under sections 501(c)(4) of the Internal Revenue Code, as well as the portion of any dues or payments that are made to any tax-exempt organization (such as a trade association) and that are used for an expenditure or contribution that, if made directly by the Company, would not be deductible under section 162(e) of the Internal Revenue Code.

The report shall be made available within 12 months of the annual meeting and identify all recipients and the amount paid to each recipient from Company funds.

Supporting Statement

As long-term AIG shareholders, we support transparency and accountability in corporate spending on political activities. Disclosure is in the best interest of the Company and its shareholders. The Supreme Court's 2010 *Citizens United* recognized the importance of disclosure when it said: "[D]isclosure permits citizens and shareholders to react to the speech of corporate entities in a proper way. This transparency enables the electorate to make informed decisions and give proper weight to different speakers and messages."

AIG has contributed over \$1.3 million in corporate funds since the 2004 election cycle. (CQ: <http://moneyline.cq.com> and National Institute on Money in State Politics: <http://www.followthemoney.org>)

We acknowledge that our Company suspended most direct corporate political contributions in 2008. We also acknowledge that the Company discloses a policy on corporate political spending as well as its contributions to governors associations. However, we believe this is deficient because the Company does not disclose the following expenditures that may be used for political purposes:

- A list of trade associations to which it belongs and how much it gave to each; and
- Payments to any other third-party organizations, including those organized under section 501(c)(4) of the Internal Revenue Service code.

Information on indirect political engagement through trade associations and 501(c)(4) groups cannot be obtained by shareholders unless the Company discloses it. This proposal asks the Company to disclose all of its political spending, both direct and indirect. This would bring our Company in line with a growing number of leading companies, including **Goldman Sachs Group, Inc.**, **State Street Corp.**, **Capital One Financial Corp.** and **JPMorgan Chase & Co.**, which present this information on their websites.

The Company's Board and its shareholders need comprehensive disclosure to be able to fully evaluate the political use of corporate assets. We urge your support for this critical governance reform.