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PRESS RELEASE

New York Fed Ends AIG Assistance with Full Repayment

January 14, 2011

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NEW YORK – The Federal Reserve Bank of New York today announced the termination of its assistance to American International Group, Inc. (AIG) and the full repayment of its loans to AIG as a result of the closing of the recapitalization that was announced on September 30, 2010. As of today, AIG will no longer have any outstanding obligations to the New York Fed.

Today's closing represents a substantial step toward achieving the Federal Reserve's dual goals of stabilizing AIG and ensuring its repayment of government assistance. It reflects the significant progress AIG has made in reducing the scope, risk and complexity of its operations and stabilizing its operating results. The accelerated repayment of the New York Fed frees up collateral that will enable the company to access private debt markets, an essential step toward facilitating the U.S. Department of the Treasury's future sale of the common stock it owns.

"This concludes an important effort by the Federal Reserve to stabilize the financial system in order to protect the U.S. economy" said William C. Dudley, president of the New York Fed.

With today's closing of the recapitalization, the New York Fed's revolving credit facility has been fully repaid, including interest and fees, and its commitment to lend any further funds has been terminated ahead of the credit facility's scheduled expiration in September 2013.

In addition, the New York Fed has been paid in full for its preferred interests in the AIA and ALICO special purpose vehicles. A portion of those interests has been redeemed with proceeds from AIG's sale of ALICO to MetLife, Inc. The remaining interests have been purchased by AIG through a draw on the Treasury Department's Series F preferred stock commitment and transferred to the Treasury Department.

The closing of AIG's recapitalization also marks the termination of the AIG Credit Facility Trust, which was established to hold an approximately 79 percent controlling equity interest in AIG for the sole benefit of the U.S. Treasury, the general fund of the U.S. government. The Trust's equity interest in AIG is being exchanged for common stock of AIG and transferred to the Treasury.

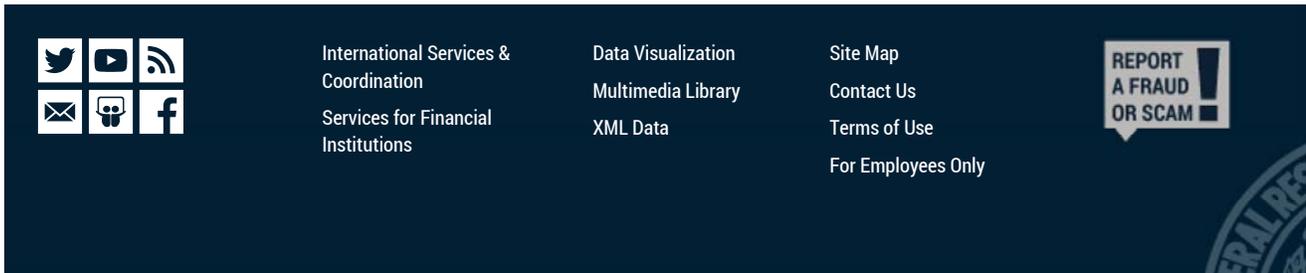
"We are grateful to Jill M. Considine, Chester B. Feldberg, Peter A. Langerman and Douglas L. Foshee for their invaluable contributions and commitment to the execution of their responsibilities as Trustees," Mr. Dudley added.

About the Federal Reserve’s actions related to AIG

In September 2008, the Board of Governors of the Federal Reserve System authorized the New York Fed to provide AIG with an emergency loan of up to \$85 billion to prevent its disorderly collapse, which could have had catastrophic consequences to the U.S. economy during the most damaging financial crisis in 70 years. The assistance provided by the Federal Reserve was restructured over time, and was supplemented in November 2008 and April 2009 by additional financial assistance from the Treasury Department under the Troubled Asset Relief Program.

As part of the November 2008 restructuring of the government’s assistance to AIG, two special purpose vehicles, Maiden Lane II LLC and Maiden Lane III LLC, were created with loans from the New York Fed to purchase various mortgage-related securities in order to address AIG’s capital and liquidity strains. The loans extended by the New York Fed to the Maiden Lane II and III facilities remain outstanding and are being repaid from the assets in those facilities. The fair values of the portfolios will exceed the balances of those loans.

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