

AMERICAN INTERNATIONAL GROUP INC

Form 424B2

March 18, 2016

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CALCULATION OF REGISTRATION FEE

Title of each class of securities offered	Maximum aggregate offering price	Amount of registration fee (1)(2)
3.900% Notes due 2026	\$1,500,000,000	\$151,050

(1) Calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended (the Securities Act).

(2) A registration fee of \$151,050 has been paid with respect to this offering.

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Filed Pursuant to Rule 424(b)(2)
Registration No. 333-204165

Prospectus Supplement
(To Prospectus dated May 14, 2015)

\$1,500,000,000

American International Group, Inc.

3.900% Notes Due 2026

We are offering \$1,500,000,000 principal amount of our 3.900% Notes due 2026 (the Notes).

The Notes will bear interest at the rate of 3.900% per annum, accruing from March 22, 2016 and payable semi-annually in arrears on each April 1 and October 1, beginning on October 1, 2016. The Notes will mature on April 1, 2026. The Notes will be sold in denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.

We may redeem some or all of the Notes at any time at the redemption price described under Description of the Notes Optional Redemption.

The Notes will be our unsecured obligations and will rank equally with all of our other existing and future unsecured indebtedness. The Notes will be structurally subordinated to secured and unsecured debt of our subsidiaries, which is significant. The Notes are a new issue of securities with no established trading market. We do not intend to apply for listing of the Notes on any securities exchange or for inclusion of the Notes in any automated quotation system.

Investing in the Notes involves risks. Before investing in any Notes offered hereby, you should consider carefully each of the risk factors set forth in Risk Factors beginning on page S-4 of this prospectus supplement and Part I, Item 1A. of American International Group, Inc. s (AIG) Annual Report on Form 10-K for the year ended December 31, 2015.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of the Notes or passed upon the accuracy or adequacy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

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We are responsible only for the information contained in this prospectus supplement, the accompanying prospectus, any related free writing prospectus issued or authorized by us and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not, and the underwriters have not, authorized anyone to provide you with any other information, and neither we nor the underwriters take responsibility for any other information that others may give you. We and the underwriters are offering to sell the Notes only in jurisdictions where offers and sales are permitted. The offer and sale of the Notes in certain jurisdictions is subject to the restrictions described herein under **Underwriting Selling Restrictions**. The information contained in this prospectus supplement, the accompanying prospectus and the documents incorporated herein and therein by reference is accurate only as of the date on the front of those documents, regardless of the time of delivery of those documents or any sale of the Notes.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document consists of two parts. The first part is this prospectus supplement, which describes the specific terms of this offering. The second part is the accompanying prospectus, which describes more general information regarding AIG's securities, some of which does not apply to this offering. This prospectus supplement and the accompanying prospectus are part of a registration statement that we filed with the Securities and Exchange Commission (the "SEC") using the SEC's shelf registration rules. You should read both this prospectus supplement and the accompanying prospectus, together with additional information incorporated by reference herein and therein as described under the heading "Where You Can Find More Information" in this prospectus supplement and the accompanying prospectus.

Unless otherwise mentioned or unless the context requires otherwise, all references in this prospectus supplement to AIG, we, us, our or similar references mean American International Group, Inc. and not its subsidiaries.

If the information set forth in this prospectus supplement differs in any way from the information set forth in the accompanying prospectus, you should rely on the information set forth in this prospectus supplement. The information contained in this prospectus supplement or the accompanying prospectus or in the documents incorporated by reference herein and therein is only accurate as of their respective dates.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This prospectus supplement and the accompanying prospectus and other publicly available documents, including the documents incorporated herein and therein by reference, may include, and officers and representatives of AIG 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 will, believe, anticipate, expect, intend, plan, focused on achieving, view, target, goal or estimate. These projections, 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;

exposure to European governments and European financial institutions;

strategy for risk management;

sales of businesses;

restructuring of business operations;

generation of deployable capital;

strategies to increase return on equity and earnings per share;

strategies to grow net investment income, efficiently manage capital, grow book value per common share, and reduce expenses;

anticipated restructuring charges and annual cost savings;

anticipated business or asset divestitures or monetizations;

anticipated organizational and business changes;

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strategies for customer retention, growth, product development, market position, financial results and reserves;
and

subsidiaries' revenues and combined ratios.

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;

negative impacts on customers, business partners and other stakeholders;

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 underwriting and insurance liabilities;

AIG's ability to successfully manage run-off insurance portfolios;

AIG's ability to successfully reduce costs and expenses and make business and organizational changes without negatively impacting client relationships or AIG's competitive position;

AIG's ability to successfully dispose of, or monetize, businesses or assets;

judgments concerning the recognition of deferred tax assets;

judgments concerning estimated restructuring charges and estimated cost savings; and

such other factors discussed throughout the Risk Factors section of this prospectus supplement and throughout Part I, Item 1A. Risk Factors and Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations in AIG's Annual Report on Form 10-K for the year ended December 31, 2015. 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.

Unless the context otherwise requires, the term AIG in this Cautionary Statement Regarding Forward-Looking Information section means American International Group, Inc. and its consolidated subsidiaries.

WHERE YOU CAN FIND MORE INFORMATION

AIG is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the Exchange Act), and files with the SEC proxy statements, Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, as required of a U.S. publicly listed company. You may read and copy any document AIG files at the SEC's public reference room in Washington, D.C. at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. AIG's SEC filings are also available to the public through:

the SEC's website at www.sec.gov; and

the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

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AIG's common stock is listed on the New York Stock Exchange and trades under the symbol AIG.

AIG has filed with the SEC a registration statement on Form S-3 relating to the Notes. This prospectus supplement is part of the registration statement and does not contain all the information in the registration statement. Whenever a reference is made in this prospectus supplement to a contract or other document, please be aware that the reference is not necessarily complete and that you should refer to the exhibits that are part of the registration statement for a copy of the contract or other document. You may review a copy of the registration statement at the SEC's public reference room in Washington, D.C. as well as through the SEC's internet site noted above.

The SEC allows AIG to incorporate by reference the information AIG files with the SEC (other than information that is deemed furnished to the SEC), which means that AIG can disclose important information to you by referring to those documents, and later information that AIG files with the SEC will automatically update and supersede that information as well as the information contained in this prospectus supplement. AIG incorporates by reference the documents listed below and any filings made with the SEC under Section 13(a), 13(c), 14, or 15(d) of the Exchange Act until all the Notes to which this prospectus supplement relates are sold or the offering is otherwise terminated (except for information in these documents or filings that is deemed furnished to the SEC):

- (1) Annual Report on Form 10-K for the year ended December 31, 2015 filed on February 19, 2016.
- (2) The definitive proxy statement on Schedule 14A filed on March 30, 2015, and the definitive additional materials on Schedule 14A filed on April 16, 2015.
- (3) Current Reports on Form 8-K filed on April 16, 2015, May 13, 2015, July 15, 2015, December 10, 2015, January 4, 2016, January 26, 2016, February 2, 2016, February 11, 2016, February 11, 2016, February 19, 2016, February 23, 2016, February 26, 2016, March 8, 2016 and March 16, 2016.

AIG will provide without charge to each person, including any beneficial owner, to whom this prospectus supplement is delivered, upon his or her written or oral request, a copy of any or all of the reports or documents referred to above that have been incorporated by reference into this prospectus supplement excluding exhibits to those documents unless they are specifically incorporated by reference into those documents. You can request those documents from AIG's Investor Relations Department, 175 Water Street, New York, New York 10038, telephone 212-770-6293, or you may obtain them from AIG's corporate website at www.aig.com. Except for the documents specifically incorporated by reference into this prospectus supplement, information contained on AIG's website or that can be accessed through its website is not incorporated into and does not constitute a part of this prospectus supplement. AIG has included its website address only as an inactive textual reference and does not intend it to be an active link to its website.

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SUMMARY

This summary highlights information contained elsewhere in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein. As a result, it does not contain all of the information that may be important to you or that you should consider before investing in the Notes. You should read carefully this entire prospectus supplement and the accompanying prospectus, including the Risk Factors section of this prospectus supplement, Part I, Item 1A. Risk Factors of our Annual Report on Form 10-K for the year ended December 31, 2015, and the documents incorporated by reference into this prospectus supplement and the accompanying prospectus, which are described under Where You Can Find More Information in this prospectus supplement and the accompanying prospectus.

American International Group, Inc.

AIG, a Delaware corporation, is a leading global insurance organization. Founded in 1919, today it provides a wide range of property casualty insurance, life insurance, retirement products, mortgage insurance and other financial services to customers in more than 100 countries and jurisdictions. Its diverse offerings include products and services that help businesses and individuals protect their assets, manage risks and provide for retirement security. AIG's principal executive offices are located at 175 Water Street, New York, New York 10038, and its main telephone number is (212) 770-7000. AIG's internet address for its corporate website is www.aig.com. Except for the documents referred to under Where You Can Find More Information in this prospectus supplement and the accompanying prospectus that are specifically incorporated by reference into this prospectus supplement and the accompanying prospectus, information contained on AIG's website or that can be accessed through its website is not incorporated into and does not constitute a part of this prospectus supplement or the accompanying prospectus. AIG has included its website address only as an inactive textual reference and does not intend it to be an active link to its website.

Recent Developments

On February 23, 2016, AIG commenced a cash tender offer (the Tender Offer) for up to \$1 billion principal amount (U.S. Dollar equivalent) of 11 series of notes and debentures of AIG and its subsidiaries maturing on various dates between 2018 and 2097 and bearing interest at various rates between 5.60% and 8.625%. The Tender Offer is expected to expire on March 21, 2016. The securities purchased in the Tender Offer will be retired and cancelled by the relevant issuer. See AIG's Current Reports on Form 8-K filed on February 23, 2016 and March 8, 2016 for further information regarding the Tender Offer.

On February 26, 2016, AIG issued \$1.5 billion principal amount of 3.300% Notes due 2021. AIG intends to use a portion of the net proceeds from the issuance of the 3.300% Notes to finance the Tender Offer and the remainder of the net proceeds for general corporate purposes. See AIG's Current Report on Form 8-K filed on February 26, 2016 for further information regarding such offering.

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Summary of the Offering

The following summary contains basic information about the Notes and is not intended to be complete. It does not contain all of the information that may be important to you. For a more detailed description of the Notes, please refer to the section entitled "Description of the Notes" in this prospectus supplement and the section entitled "Description of Debt Securities AIG May Offer" in the accompanying prospectus.

Issuer	American International Group, Inc.
Notes Offered	\$1,500,000,000 principal amount of 3.900% Notes due 2026 (the "Notes")
Maturity Date	The Notes will mature on April 1, 2026.
Interest Rate and Payment Dates	The Notes will bear interest at the rate of 3.900% per annum payable semi-annually in arrears on each April 1 and October 1, beginning on October 1, 2016.
Form and Denomination	The Notes will be issued in fully registered form in denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.
Ranking	<p>The Notes will be unsecured obligations of American International Group, Inc. and will rank equally with all of our other existing and future unsecured indebtedness. See "Risk Factors." The Notes are unsecured debt and will be effectively subordinated to any secured obligations we may incur for a further discussion of those obligations.</p> <p>In addition, the Notes will be structurally subordinated to the secured and unsecured debt of our subsidiaries, which is significant. See "Risk Factors." We and our subsidiaries have significant leverage and debt obligations. Payments on the Notes will depend on receipt of dividends and distributions from our subsidiaries, and the Notes will be structurally subordinated to the existing and future indebtedness of our subsidiaries.</p>
Optional Redemption	At any time prior to January 1, 2026, we may redeem the Notes, in whole or in part, at any time at our option at a price equal to the greater of (i) the principal amount thereof and (ii) the sum of the present values of the remaining scheduled payments of principal and interest in respect of the Notes to be redeemed discounted to the date of redemption as described under "Description of the Notes—Optional Redemption," plus, in

each case, accrued and unpaid interest to but excluding the date of the redemption.

At any time on or after January 1, 2026, we may redeem the Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the Notes being redeemed, plus accrued and unpaid interest to but excluding the date of redemption.

Covenants

The terms of the Notes and the indenture governing the Notes limit our ability and the ability of certain of our subsidiaries to incur certain

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liens without equally and ratably securing the Notes. See Description of the Notes Limitation on Liens Covenant for a further discussion. Other than this covenant, the terms of the Notes will contain limited protections for holders of the Notes. In particular, the Notes will not place any restrictions on our or our subsidiaries ability to:

engage in a change of control transaction;

subject to the covenant discussed under Description of the Notes Limitation on Liens Covenant, issue secured debt or secure existing unsecured debt;

issue debt securities or otherwise incur additional unsecured indebtedness or other obligations;

purchase or redeem or make any payments in respect of capital stock or other securities ranking junior in right of payment to the Notes;

pay dividends;

sell assets; or

enter into transactions with related parties.

Use of Proceeds

Net proceeds to us will be approximately \$1,491,900,000 after deducting the underwriting discounts and commissions and estimated offering expenses payable by us. We intend to use the net proceeds of this offering for general corporate purposes. See Use of Proceeds.

Further Issuances

We may create and issue further notes ranking equally and ratably with the Notes in all respects, on the same terms and conditions (except that the public offering price and issue date may vary), so that such further notes will constitute and form a single series with the Notes being offered by this prospectus supplement.

Listing

We are not applying to list the Notes on any securities exchange or to include the Notes in any automated quotation system.

Trustee and Paying Agent	The trustee and paying agent for the Notes is The Bank of New York Mellon.
Governing Law	The indenture and the supplemental indentures under which the Notes are being issued and the Notes will be governed by the laws of the State of New York.
Risk Factors	Investing in the Notes involves risks. You should consider carefully all of the information in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein. In particular, you should consider carefully the specific risk factors described under Risk Factors in this prospectus supplement and Part I, Item 1A. of AIG's Annual Report on Form 10-K for the year ended December 31, 2015, before purchasing any Notes.

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RISK FACTORS

An investment in the Notes involves certain risks. You should carefully consider the risks described below and in Part I, Item 1A. of AIG's Annual Report on Form 10-K for the year ended December 31, 2015, as well as other information included, or incorporated by reference, in this prospectus supplement and the accompanying prospectus, before purchasing any Notes. Events relating to any of the following risks, or other risks and uncertainties, could seriously harm our business, financial condition and results of operations. In such a case, the trading value of the Notes could decline, or we may be unable to meet our obligations under the Notes, which in turn could cause you to lose all or part of your investment.

The Notes are unsecured debt and will be effectively subordinated to any secured obligations we may incur.

The Notes will be our unsecured obligations and will rank effectively junior to any secured obligations we may incur, to the extent of the collateral securing those obligations. For example, if we were unable to repay indebtedness or meet other obligations under our secured debt, the holders of that secured debt may have the right to foreclose upon and sell the assets that secure that debt. In such an event, it is possible that we would not have sufficient funds to pay amounts due on the Notes.

In addition, if we are declared bankrupt, become insolvent or are liquidated or reorganized, holders of our secured debt will be entitled to exercise the remedies available to a secured lender under applicable law and pursuant to the instruments governing such debt, and any of our secured indebtedness will be entitled to be paid in part or in full, to the extent of our pledged assets or the pledged assets of the guarantors securing that indebtedness before any payment may be made with respect to the Notes from such pledged assets. Secured lenders not paid in full from pledged assets may be entitled to an unsecured claim for the balance of their debt (or such lesser amount as any applicable limited recourse may provide). Holders of the Notes will participate ratably in our remaining assets with all holders of any unsecured indebtedness that does not rank junior to the Notes, based upon the respective amounts owed to each holder or creditor. In any of the foregoing events, there may not be sufficient assets to pay amounts due on the Notes. As a result, holders of the Notes would likely receive less, ratably, than holders of our secured indebtedness.

The indenture relating to the Notes and the terms of the Notes contain limited protection for holders of the Notes.

The indenture (described further in Description of the Notes below and Description of Debt Securities AIG May Offer The Senior Debt Indenture in the accompanying prospectus) under which the Notes will be issued and the terms of the Notes offer limited protection to holders of the Notes. In particular, the terms of the indenture and the terms of the Notes will not place any restrictions on our or our subsidiaries ability to:

engage in a change of control transaction;

subject to the covenant discussed under Description of the Notes Limitation on Liens Covenant, issue secured debt or secure existing unsecured debt;

issue debt securities or otherwise incur additional unsecured indebtedness or other obligations;

purchase or redeem or make any payments in respect of capital stock or other securities ranking junior in right of payment to the Notes;

pay dividends;

sell assets;

enter into transactions with related parties; or

conduct other similar transactions that may adversely affect the holders of the Notes.

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Furthermore, the terms of the indenture and the terms of the Notes will not protect holders of the Notes in the event that we experience changes (including significant adverse changes) in our financial condition or results of operations, as they will not require that we or our subsidiaries adhere to any financial tests or ratios or specified levels of net worth, revenues, income, cash flow or liquidity. In addition, the Notes do not provide for a step-up in interest on, or any other protection against, a decline in our credit ratings.

Our ability to incur additional debt and take a number of other actions that are not limited by the terms of the indenture or the Notes could negatively affect the value of the Notes.

In addition, our existing credit facilities include more protections for the lenders thereunder than are available to holders of the Notes under the indenture and the terms of the Notes. For example, subject to certain exceptions, our existing credit facilities restrict our ability and the ability of certain of our subsidiaries to, among other things, incur certain types of liens, merge, consolidate, sell all or substantially all of our assets and engage in transactions with affiliates. Our existing credit facilities also require us to maintain a specified total consolidated net worth and consolidated total debt to consolidated total capitalization. If we fail to comply with those covenants and are unable to obtain a waiver or amendment, an event of default would result under our existing credit facilities, and the lenders thereunder could, among other things, declare any outstanding borrowings under our existing credit facilities immediately due and payable. However, because the Notes do not contain similar covenants, such events may not constitute an event of default under the Notes and the holders of the Notes would not be able to accelerate the payment under the Notes. As a result, holders of the Notes may be effectively subordinated to the lenders of our existing credit facilities, and to new lenders or note holders, to the extent the instruments they hold include similar protections.

We and our subsidiaries have significant leverage and debt obligations. Payments on the Notes will depend on receipt of dividends and distributions from our subsidiaries, and the Notes will be structurally subordinated to the existing and future indebtedness of our subsidiaries.

We are a holding company and we conduct substantially all of our operations through subsidiaries. We are also permitted, subject to certain limitations under our existing indebtedness and limits that may be imposed by regulatory agencies, to obtain additional long-term debt and working capital lines of credit to meet future financing needs. This would have the effect of increasing our total leverage. Furthermore, subject to the covenant discussed under

Description of the Notes Limitation on Liens Covenant, the indenture relating to the Notes does not prohibit us or our subsidiaries from incurring additional secured or unsecured indebtedness. As of December 31, 2015, we had approximately \$29.4 billion of consolidated debt (including approximately \$5.0 billion of subsidiary debt obligations not guaranteed by us). See Capitalization below for our outstanding debt as adjusted to give effect to this offering.

We depend on dividends, distributions and other payments from our subsidiaries to fund payments on the Notes. Further, the majority of our investments are held by our regulated subsidiaries. Our subsidiaries may be limited in their ability to make dividend payments or advance funds to us in the future because of the need to support their own capital levels or because of regulatory limits.

Our right to participate in any distribution of assets from any subsidiary upon the subsidiary's liquidation or otherwise is subject to the prior claims of any preferred equity interest holders and creditors of that subsidiary, except to the extent that we are recognized as a creditor of that subsidiary. To the extent that we are a creditor of a subsidiary, our claims would be subordinated to any security interest in the assets of that subsidiary and/or any indebtedness of that subsidiary senior to that held by us. As a result, the Notes will be structurally subordinated to all existing and future liabilities of our subsidiaries. You should look only to the assets of American International Group, Inc. as the source of payment for the Notes, and not those of our subsidiaries.

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The trading market for the Notes may be limited and you may be unable to sell your Notes at a price that you deem sufficient.

The Notes being offered by this prospectus supplement and the accompanying prospectus are a new issue of securities for which there is currently no active trading market. We do not intend to list the Notes on any securities exchange or include the Notes in any automated quotation system. The underwriters currently intend, but are not obligated, to make a market for the Notes and may cease doing so at any time. As a result, an active trading market may not develop for the Notes, or if one does develop, it may not be sustained. If an active trading market fails to develop or cannot be sustained, you may not be able to resell your Notes at their fair market value or at all.

Whether or not a trading market for the Notes develops, neither we nor the underwriters can provide any assurance about the market price of the Notes. Several factors, many of which are beyond our control, might influence the market value of the Notes, including:

our creditworthiness and financial condition (whether actual or perceived);

actions by credit rating agencies;

the market for similar securities;

prevailing interest rates; and

economic, financial, geopolitical, regulatory and judicial events that affect us, the industries and markets in which we are doing business, and the financial markets generally.

Financial market conditions and prevailing interest rates have fluctuated in the past and are likely to fluctuate in the future. Such fluctuations could have an adverse effect on the price of the Notes.

As a result of one or more of those factors, Notes that an investor purchases may trade at a discount to the price that the investor paid for such Notes.

There are potential conflicts of interest between investors in the Notes and the quotation agent.

AIG Markets, Inc., our subsidiary, will serve as the quotation agent in connection with any redemption of the Notes. The quotation agent will determine the redemption price of the Notes. The quotation agent will exercise discretion and judgment in performing these duties. Absent manifest error, all determinations by the quotation agent will be final and binding on investors, without any liability on our part. The exercise of this discretion by the quotation agent could adversely affect the redemption price of the Notes. Investors will not be entitled to any compensation from us for any loss suffered as a result of any determinations by the quotation agent, even though the quotation agent may have a conflict of interest at the time of such determinations.

Our credit ratings may not reflect all risks of an investment in the Notes.

Our credit ratings are an assessment of our ability to pay our obligations. Consequently, real or anticipated changes in our credit ratings will generally affect the market value of the Notes. Our credit ratings, however, may not reflect the potential impact of risks related to market or other factors discussed in this prospectus supplement and the accompanying prospectus on the value of the Notes.

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USE OF PROCEEDS

The net proceeds to us from the sale of the Notes, after deduction of underwriting discounts and commissions and estimated offering expenses payable by us, are anticipated to be approximately \$1,491,900,000. We intend to use the net proceeds of this offering for general corporate purposes.

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The following table sets forth our consolidated cash and our consolidated capitalization as of December 31, 2015:

on an actual basis; and

as adjusted to give effect to the offering of the Notes.

You should read the information in this table together with our consolidated financial statements and the related notes in our Annual Report on Form 10-K for the year ended December 31, 2015, which is incorporated by reference in this prospectus supplement and the accompanying prospectus.

	At December 31, 2015	
	Actual	As Adjusted for the Issuance of the Notes^(a)
	(In millions)	
Cash	\$ 1,629	\$ 3,121
Debt:		
Debt issued or guaranteed by AIG:		
General Borrowings		
Notes and bonds payable	17,420	18,920
Loans and mortgages payable	106	106
Junior subordinated debt	1,759	1,759
Borrowings supported by assets:		
MIP notes payable	1,372	1,372
Series AIGFP matched notes and bonds payable	34	34
Other	3,670	3,670
Debt not guaranteed by AIG	4,989	4,989
Total debt	29,350	30,850
Shareholders' equity:		
Common stock, \$2.50 par value; 5,000,000,000 shares authorized; shares issued: 1,906,671,492	4,766	4,766
Treasury stock, at cost; 712,754,875 shares of common stock	(30,098)	(30,098)
Additional paid-in capital	81,510	81,510
Retained earnings	30,943	30,943
Accumulated other comprehensive income	2,537	2,537
Total AIG shareholders' equity	89,658	89,658
Non-redeemable noncontrolling interests	552	552

Total equity	90,210	90,210
Total capitalization	\$ 119,560	\$ 121,060

- (a) The as-adjusted column does not reflect (i) any repurchases or proposed repurchases of shares of common stock of AIG made or to be made by AIG after December 31, 2015; (ii) the issuance by AIG of \$1,500,000,000 principal amount of 3.300% Notes due 2021 on February 26, 2016; or (iii) the proposed retirement of existing debt issued or guaranteed by AIG and repurchased since December 31, 2015 (which will be made at a premium), including AIG's expected repurchase of notes and debentures issued or guaranteed by AIG pursuant to the Tender Offer. See AIG's Current Reports on Form 8-K filed on February 23, 2016 and March 8, 2016 for further information regarding the Tender Offer and see AIG's Current Report on Form 8-K filed on February 26, 2016 for further information regarding the issuance by AIG of \$1,500,000,000 principal amount of 3.300% Notes due 2021 on February 26, 2016.

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DESCRIPTION OF THE NOTES

We have summarized below certain terms of the 3.900% Notes due 2026, which we refer to in this prospectus supplement as the Notes. This summary supplements and amends the general description of the Notes contained in the accompanying prospectus. Any information regarding the Notes contained in this prospectus supplement that is inconsistent with information in the accompanying prospectus will apply and will supersede any inconsistent information in the accompanying prospectus.

You should refer to the Indenture, dated as of October 12, 2006, between us and The Bank of New York Mellon, as trustee, as supplemented by the Fourth Supplemental Indenture, dated as of April 18, 2007, and the Eighth Supplemental Indenture, dated as of December 3, 2010, and with respect to the Notes, as further supplemented by the applicable supplemental indenture governing the Notes. The Indenture, as so supplemented, is referred to as the Indenture in this prospectus supplement. The Indenture, including these supplemental indentures, has been filed as an exhibit to the registration statement, or will be filed as an exhibit to our Current Report on Form 8-K relating to this offering. The following summary, together with the descriptions in the accompanying prospectus, of certain provisions of the Notes and the Indenture does not purport to be complete and is subject, and qualified in its entirety by reference, to all of the provisions of the Notes and the Indenture, including the definitions of terms therein. See Where You Can Find More Information in this prospectus supplement and the accompanying prospectus for details on how you may obtain a copy of the Indenture from us.

The Notes will be issued as a series of the debt securities under the Indenture, as described herein and in the accompanying prospectus.

General

The Notes will be issued in fully registered form without interest coupons in denominations of \$2,000 and integral multiples of \$1,000 in excess thereof and will be represented by global Notes (as defined below) registered in the name of The Depository Trust Company (DTC) or its nominee.

The Notes will be unsecured obligations of AIG and will rank equally with all of our other existing and future unsecured indebtedness. See Risk Factors The Notes are unsecured debt and will be effectively subordinated to any secured obligations we may incur in this prospectus supplement for additional information on this risk. In addition, the Notes will be structurally subordinated to all future and existing obligations of our subsidiaries, which is significant. See Risk Factors We and our subsidiaries have significant leverage and debt obligations. Payments on the Notes will depend on receipt of dividends and distributions from our subsidiaries, and the Notes will be structurally subordinated to the existing and future indebtedness of our subsidiaries in this prospectus supplement for additional information on this risk.

The Notes will be issued in an initial aggregate principal amount of \$1,500,000,000. We may, without the consent of the holders of the Notes, increase the principal amount of the Notes by issuing additional notes on the same terms and conditions (except that the public offering price, issue date and initial interest payment date may vary) and with the same CUSIP number, ISIN and common code as the Notes being offered by this prospectus supplement. The Notes being offered by this prospectus supplement and any additional notes of the same series would rank equally and ratably and would be treated as a single class for all purposes of the Indenture.

The Notes will mature on April 1, 2026. Principal of and interest on the Notes will be payable, and the Notes will be exchangeable and transferable, at our office or agency in The City of New York, which initially will be the corporate trust office of the trustee currently located at 101 Barclay Street, New York, New York 10286. No service charge will

be made for any registration of transfer or exchange of the Notes, except for any tax or other governmental charge that may be imposed in connection therewith.

The Notes do not provide for any sinking fund or permit holders to require us to repurchase the Notes.

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For so long as the Notes are in book-entry form, payments of principal and interest will be made in immediately available funds by wire transfer to DTC or its nominee. We may issue definitive Notes in the limited circumstances set forth in **Book-Entry System** below.

Business Day for the purposes of the Notes means each Monday, Tuesday, Wednesday, Thursday or Friday that is not a day on which banking institutions in The City of New York are authorized or obligated by law or executive order to close.

Interest

The Notes will bear interest at the rate of 3.900% per annum, payable semi-annually in arrears on each April 1 and October 1, commencing on October 1, 2016, to holders of record on the immediately preceding March 15 and September 15. Interest on the Notes will be computed on the basis of a 360-day year comprised of twelve 30-day months. On the maturity date of the Notes, holders will be entitled to receive 100% of the principal amount of the Notes plus accrued and unpaid interest, if any. If any interest payment date or the maturity date of the Notes falls on a day that is not a Business Day, we will make the required payment on the next succeeding Business Day, and no additional interest will accrue in respect of the payment made on that next succeeding Business Day.

Optional Redemption

At any time prior to January 1, 2026, we will have the right to redeem the Notes, in whole or in part, at a redemption price equal to the greater of:

100% of the principal amount of the Notes to be redeemed; and

as determined by the quotation agent, the sum of the present values of the remaining scheduled payments of principal and interest thereon (not including any portion of such payments of interest accrued as of the date of redemption) discounted to the redemption date, on a semi-annual basis assuming a 360-day year consisting of twelve 30-day months at the adjusted treasury rate, plus 30 basis points, plus, in each case, accrued and unpaid interest thereon to, but excluding, the date of redemption.

At any time on or after January 1, 2026, we may redeem the Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the Notes being redeemed, plus accrued and unpaid interest to, but excluding, the date of redemption.

The definitions of certain terms used in the paragraph above are listed below.

Adjusted treasury rate means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield to maturity of the comparable treasury issue, assuming a price for the comparable treasury issue (expressed as a percentage of its principal amount) equal to the comparable treasury price for such redemption date.

Comparable treasury issue means the U.S. Treasury security selected by the quotation agent as having a maturity comparable to the remaining term of the Notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such Notes.

Comparable treasury price means, with respect to any redemption date, the average of the reference treasury dealer quotations for such redemption date.

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Quotation agent means AIG Markets, Inc. or any other firm appointed by us, acting as quotation agent. AIG Markets, Inc. is our subsidiary.

Reference treasury dealer means:

each of Barclays Capital Inc., Deutsche Bank Securities Inc., RBC Capital Markets, LLC and one primary treasury dealer (as defined below) selected by U.S. Bancorp Investments, Inc., or the respective successor of any of the foregoing; provided, however, that if any of the foregoing shall cease to be a primary U.S. government securities dealer in the United States (a primary treasury dealer), we will substitute therefor another primary treasury dealer; and

any other primary treasury dealer selected by the quotation agent after consultation with us.

Reference treasury dealer quotations means with respect to each reference treasury dealer and any redemption date, the average, as determined by the quotation agent, of the bid and asked prices for the comparable treasury issue (expressed in each case as a percentage of its principal amount) quoted in writing to the quotation agent by such reference treasury dealer at 3:30 p.m. on the third Business Day preceding such redemption date.

All calculations made by the quotation agent for the purposes of calculating the redemption price of the Notes shall be conclusive and binding on the holders of the Notes, the trustee and us, absent manifest error. See Risk Factors There are potential conflicts of interest between investors in the Notes and the quotation agent.

If less than all of the Notes are to be redeemed at any time, selection of the Notes for redemption will be made by the trustee by such method as the trustee may deem fair and appropriate (including by lot or othe