

AMERICAN INTERNATIONAL GROUP INC (AIG)

180 MAIDEN LANE
NEW YORK, NY 10038
212. 770.7000

8-K

FORM 8-K
Filed on 08/20/2012 – Period: 08/20/2012
File Number 001-08787



**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of The
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 20, 2012

AMERICAN INTERNATIONAL GROUP, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-8787
(Commission
File Number)

13-2592361
(IRS Employer
Identification No.)

180 Maiden Lane
New York, New York 10038
(Address of principal executive offices)

Registrant's telephone number, including area code: (212) 770-7000

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Section 8 — Other Events

Item 8.01. Other Events.

On August 20, 2012, American International Group, Inc. (“AIG”) intends to launch an offering of its Subordinated Notes due 2015 (the “Notes”).

Pursuant to the terms of AIG’s outstanding replacement capital covenants (the “RCCs”) and subject to compliance therewith, the Notes will become the “covered debt” under each RCC upon the issuance of the Notes. Each RCC was originally entered into in connection with the issuance of one of the eight series of AIG’s Junior Subordinated Debentures (collectively, the “Junior Subordinated Debentures”) listed in the table below. Each RCC runs in favor of and is for the benefit of the holders (or beneficial owners holding through a participant in a clearing agency) of the “covered debt.”

<u>Title of Securities</u>	<u>Scheduled Expiration Date</u>
6.25% Series A–1 Junior Subordinated Debentures	March 15, 2067
5.75% Series A–2 Junior Subordinated Debentures	March 15, 2047
4.875% Series A–3 Junior Subordinated Debentures	March 15, 2047
6.45% Series A–4 Junior Subordinated Debentures	June 15, 2057
7.70% Series A–5 Junior Subordinated Debentures	December 18, 2057
8.175% Series A–6 Junior Subordinated Debentures	May 15, 2068
8.000% Series A–7 Junior Subordinated Debentures	May 22, 2048
8.625% Series A–8 Junior Subordinated Debentures	May 22, 2048

At the time of the issuance of the Notes, AIG intends to amend each of the RCCs to delete all of the covenants that currently restrict AIG’s ability to repay, redeem or purchase the applicable series of the Junior Subordinated Debentures unless AIG issues certain replacement capital securities, because these provisions of the RCCs are no longer required to improve the equity credit ascribed to the Junior Subordinated Debentures by the rating agencies.

By purchasing the Notes, holders of the Notes, as holders of the “covered debt” under each of the RCCs, are irrevocably consenting to the amendments to each RCC, and represent and agree that they waive any reliance on any covenant, promise or agreement (whether express or implied) set forth in the RCCs prior to those amendments, and will not take or attempt to take any action to enforce any such covenant, promise or agreement set forth in the RCCs prior to those amendments. Each current and future holder of the Notes will be deemed to have consented to such amendments and made such representations and agreements and such consent, representations and agreements will be binding on all purchasers.

The form of the amendment to the RCCs is filed as an exhibit to this Current Report on Form 8–K and is incorporated into this Item 8.01 by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

99.1 Form of Amendment to the Replacement Capital Covenants.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AMERICAN INTERNATIONAL GROUP, INC.
(Registrant)

Date: August 20, 2012

By: /s/ James J. Killerlane III
Name: James J. Killerlane III
Title: Associate General Counsel and Assistant Secretary

EXHIBIT INDEX

99.1 Form of Amendment to the Replacement Capital Covenants.

AMERICAN INTERNATIONAL GROUP INC (AIG)

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EX-99.1

FORM OF AMENDMENT TO THE REPLACEMENT CAPITAL COVENANTS.
8-K Filed on 08/20/2012 - Period: 08/20/2012
File Number 001-08787



This AMENDMENT TO THE REPLACEMENT CAPITAL COVENANTS, dated as of 8/2, 2012 (this "Amendment"), is made by American International Group, Inc., a Delaware corporation (together with its successors and assigns, including any entity surviving or resulting from a merger, consolidation, binding share exchange, sale, lease or transfer of all or substantially all of the assets or other business combination, the "Corporation"), and amends each of the Replacement Capital Covenants of the Corporation set forth on Schedule I (each, a "Replacement Capital Covenant"), in favor of and for the benefit of each Covered Debtholder (as defined in such Replacement Capital Covenant).

RECITALS

WHEREAS, the Corporation has issued the eight series of Junior Subordinated Debentures set forth in Schedule I and entered into a Replacement Capital Covenant in connection with each such series;

WHEREAS, the Corporation desires to amend certain provisions of each Replacement Capital Covenant pursuant to Section 4(b) thereof;

WHEREAS, the Corporation's 8% Subordinated Notes due 2015 (the "Subordinated Notes"), issued under the Subordinated Debt Securities Indenture, dated as of the date hereof, as supplemented by the First Supplemental Indenture, dated as of the date hereof (the "First Supplemental Indenture"), each between the Corporation and The Bank of New York Mellon, as trustee, have become the Covered Debt (as defined in each Replacement Capital Covenant) under each Replacement Capital Covenant, effective as of the date hereof; and

WHEREAS, pursuant to the terms of the First Supplemental Indenture, the Corporation has received the requisite consent of the holders of the Covered Debt under each Replacement Capital Covenant to effect this Amendment.

NOW, THEREFORE, the Corporation hereby covenants and agrees as follows:

Amendments to the Replacement Capital Covenants. Each Replacement Capital Covenant is hereby amended as follows:

Section 2 and Section 3 of such Replacement Capital Covenant are hereby deleted in their entirety.

Section 4(a) of such Replacement Capital Covenant is hereby amended by replacing clause (i) and (iii) with the following:

"(i) the date determined by the Corporation following the maturity or earlier redemption, repayment or repurchase of all the outstanding Covered Debt or"

"(iii) the date on which there is no series of Covered Debt outstanding"

and by deleting the last sentence of such Section 4(a).

Section 4(b) of such Replacement Capital Covenant is hereby amended by replacing clause (iii) with the following:

"(iii) there is no series of Covered Debt outstanding".

Section 5(b) of such Replacement Capital Covenant is hereby amended by deleting the following text:

"and, if such Person initiates a claim or proceeding to enforce its rights under this Replacement Capital Covenant after the Corporation has violated its covenants in Section 2 and before the series of long-term indebtedness for money borrowed held by such Person is no longer Covered Debt, such Person's rights under this Replacement Capital Covenant shall not terminate by reason of such series of long-term indebtedness for money borrowed no longer being Covered Debt".

Schedule I to such Replacement Capital Covenant is hereby amended by replacing the definition of "Covered Debt" with the following:

"Covered Debt" means the Corporation's 8% Subordinated Notes due 2015, which have CUSIP No. 80."

Instruments to Be Read Together. This Amendment is executed as and shall constitute an amendment to each Replacement Capital Covenant, and each such Replacement Capital Covenant and this Amendment shall henceforth be read together.

Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the State of New York.

IN WITNESS WHEREOF, the Corporation has caused this Amendment to be executed by its duly authorized officer as of the day and year first above written.

AMERICAN INTERNATIONAL GROUP, INC.

By: _____
Name:
Title:

SCHEDULE I

Replacement Capital Covenant, dated as of March 13, 2007, in connection with the Corporation's 6.25% Series A-1 Junior Subordinated Debentures.

Replacement Capital Covenant, dated as of March 15, 2007, in connection with the 5.75% Corporation's Series A-2 Junior Subordinated Debentures.

Replacement Capital Covenant, dated as of March 15, 2007, in connection with the 4.875% Corporation's Series A-3 Junior Subordinated Debentures.

Replacement Capital Covenant, dated as of June 7, 2007, in connection with the Corporation's 6.45% Series A-4 Junior Subordinated Debentures.

Replacement Capital Covenant, dated as of December 18, 2007, in connection with the Corporation's 7.70% Series A-5 Junior Subordinated Debentures.

Replacement Capital Covenant, dated as of May 20, 2008, in connection with the Corporation's 8.175% Series A-6 Junior Subordinated Debentures.

Replacement Capital Covenant, dated as of May 22, 2008, in connection with the Corporation's 8.000% Series A-7 Junior Subordinated Debentures.

Replacement Capital Covenant, dated as of May 22, 2008, in connection with the Corporation's 8.625% Series A-8 Junior Subordinated Debentures.