2/6 comptrollers?

PLAINTIFF'S EXHIBIT 175

MEMORANDUM

Date: February 6, 2002

To: M.R. Greenberg

From: Howard I. Smith

Re: **Special Purpose Entities (SPE's)**

Enclosed is our summary of the AIG SPE's. The first section of the presentation deals with highlight points of interest which we will significantly scale down for our presentation to the AIG Board in March. The second section is the detailed inventory of the SPE's, and shows the AIG Company that is involved with the particular transaction.

HIS:jak
Enclosure

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Overview of SPEs at AIG

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EXECUTIVE FILES
MAR 04 2002

February, 2002

Howard I. Smith

AIG-F 00104159

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What is an SPE

- ✓ Trust, LLC or other legal entity
- ✓ Usually controlled / majority-owned by 3rd parties
- ✓ Limited activities / defined life
- ✓ For our purposes only, excludes investments in non-AIG-sponsored CMOs, CDOs, ABS…

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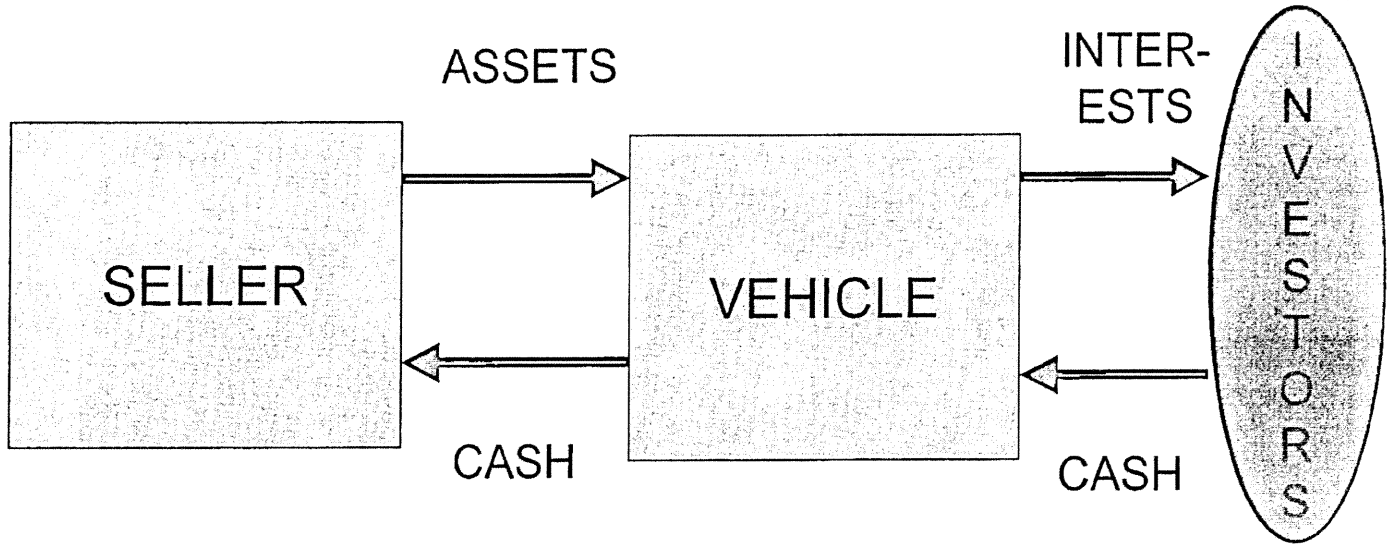
Typical SPE Structure



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Primary Uses at AIG

- ✓ GIC-MTN Business
- ✓ Asset Securitizations
- ✓ Expand Investment Alternatives
- ✓ Product Delivery
- ✓ Financing Vehicle

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GIC-MTN Businesses

- ✓ Business Model
- ✓ Size of Program - $28 billion
- ✓ Affiliates
  - SunAmerica ($26 billion)
  - AIRCO (under $2 billion)
  - AIG Life Co's (under $0.5 billion)

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Asset Securitizations

- ✓ CDO/CBOs
  - AGC (7), SAI (4), AIGGIC (3)
  - Approx. $0.5 billion of retained interest on-balance sheet and $0.5 billion of consolidated assets & debt for one AGC CDO
  - Approx. $5 billion of off-balance sheet debt
- ✓ Receivable Securitizations (AI Credit)
  - Approx. $2 billion of off-balance sheet debt

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Expand Investment Alternatives

- ✓ Muni-TOPs Programs ($2b in retained interests, $2b billion in off-balance sheet debt)
- ✓ Structured Notes ($1b on-balance sheet assets)
- ✓ Real Estate ($0.5b on-balance sheet, with $1.5b in off-balance sheet debt)
- ✓ SunAmerica's Affordable Housing Program ($0.5b on-balance sheet, with $2b in off-balance sheet debt)

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Product Delivery

- ✓ Risk Finance – insurance / reinsurance product solutions using non-consolidating entities
- ✓ AIG-Financial Products – financial product solutions, full consolidation of trusts / LLCs
- ✓ AIG Structured Products – credit-enhancement insurance to SPEs sponsored / owned by 3rd parties

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Financing Vehicle

- ✓ ILFC Sale-Lease-back ($1.2 billion in off-balance sheet debt)
- ✓ AIG Star Life acquisition ($240 million of off-balance sheet debt)
- ✓ AGC warehouse facility of CDOs (not currently in use)

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Overview of Current Accounting

- ✓ Securitization - FAS 140
- ✓ Non-Securitization -
  - SPE - various Emerging Issue Task Force rulings ("EITFs")
  - Non-SPEs - FAS 94
- ✓ Ongoing FASB projects

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Securitization Accounting

- ✓ FASB 140 (issued 9/00, effective 4/01)
- ✓ Demonstrate 'true sale' (Seller: assets legally isolated, relinquishes control; Investor: not constrained)
- ✓ QSPE (Trust or other legal entity, limited activities / holdings / life, "brain-dead", 10% of the FV of the issuance are held by 3rd parties)
- ✓ Disclosures

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Non-Securitization Accounting

- ✓ SPEs:
  - Various EITFs issued in 1990s (90-15, D-14, 96-21)
  - Transferor or sponsor of an SPE should consolidate <u>unless</u>:
    1) 3rd party(ies) has a majority of legal-form equity
    2) …which is at risk during term of SPV
    3) …and is at least 3% of the FV of assets

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Non-Securitization Accounting

- ✓ Non-SPEs (operating co's / partnerships):
  - FAS 94 (issued in 1987)
  - Consolidation of all majority-owned subsidiaries (ie, over 50% of outstanding voting shares, whether owned directly or indirectly)
  - …Unless control is "temporary"
  - …Unless controlled by others (eg, government)

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AIG SPV Inventory

As of December 31, 2001

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AIG SPECIAL PURPOSE VEHICLES INVENTORY 12/31/01

REF#	SPV NAME	DESCRIPTION	CURRENT GAAP ACCOUNTING	CURRENT F/S DISCLOSURE ^	ASST(LIAB) $ ON B/S	ASST(LIAB) $ OFF B/S
(A) AIG-Parent / AIG-Treasury (N. Friedman, S. Young)						
A1	Maranello Finance, LLC	AIG, via a wholly-owned sub, establishes an SPV with G.S. (50/50%) in 4/01. SPV secures $240m of financing from Chase, then executes an installment sale of US Treasuries with AIG Star Life to facilitate purchase of Choyota.	Installment sale recorded as a true sale under FAS 140. No debt recorded by AIG.	AIG Inc.: none	none	$240m debt
(B) AIGGIC [w/DBG, AIG Life Co's or SAI] (A. Djang, C.W. Yuen, T. Betthoff, M. Murbito/G. Cornell for TOBs, Castano for CDOs)						
B1	Various SPV-Trusts connected to Muni TOBs Programs (non-AIG-sponsored; Trusts set-up for AIG)	3 Sets of Trusts est'd by either ML, MSDW or SSB in 2000/early 2001 under pre-existing Muni TOBs programs where AIGGIC/ DBG "sold" appreciated munis to AIG-only Trusts in exchange for cash (to-date cash=$4,371m). The SPV issues 2 classes of securities: 50% for floating certificates issued via private placement to non-affiliated money-market funds; 50% residual certificates purchased by AIG. The 50% remainder in cash is used by AIG to by other investments.	Trust certificates accounted for as AFS under FAS 115. True sale under FAS 125. No consolidation of SPV under EITF90-15/D-14 (3% 3rd party partc., etc.).	AIG Inc.: none DBG Co's (Stat): none.	$2,186m bonds@A.C.* [certificates issued by SPV]	$4,371m bonds [Munis] ($2,185m) debt [non-AIG]
B2	Millstone Trust	10 Year Trust est'd by AIGGIC and FP to provide DBG S&P500-indexed returns with a principal protection and in the form of a highly-rated bond. Matures in 2009.	Trust bond accounted for as AFS under FAS 115. No consolidation of SPV under EITF90-15/D-14 (3% 3rd pty partic., etc.). No bifurcation required under FAS 133.	AIG Inc.: none DBG Co's (Stat): none.	$160m bonds @ market	$160m equities @ market; ($160) debt

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AIG SPECIAL PURPOSE VEHICLES INVENTORY 12/31/01

REF#	SPV NAME	DESCRIPTION	CURRENT GAAP ACCOUNTING	CURRENT F/S DISCLOSURE ^	ASST(LIAB) $ ON B/S	ASST(LIAB) $ OFF B/S
B3	Northeastern Funding Trusts	Two 5 year Trust est'd by AIGGIC in 12/98 exclusively for DBG, whereby appreciated equities were moved to the Trusts in order to monitize URA as NII over time. Within the Trusts, options were used to lock-in gains, and Treasuries were purchased upon scheduled sales of equities (until distributions back to AIG are made). At present, only Treasuries remain in the Trusts. Matures in 2002.	Trust bond accounted for as AFS under FAS 115. No consolidation of SPV. Currently, given that Trust holding only consistent of Treasuries, consolidation issue is moot.	AIG Inc.: none DBG Co's (Stat): none.	$80m bonds @ market	$80m bonds @ market
B4	ML CBO Series 1997-AIG-1	High-yield (primarily) AIG/ML-co-sponsored bond CBO closed in 1997 (original par of all beneficial interests = $299m). 4 classes of securities issued. Cayman Island SPV has nominal 3rd party common equity. AIG-retained interest is class "B" and "D" debt ("D" is equity in substance). No contingent liability for AIG.	No consolidation of SPV under EITF90-15/D-14 (3% 3rd party partic., etc.). Retained equity accounted for under EITF99-20.	AIG Inc.: none	$35m bonds@par*	$269m invested assets@par*; ($234m) 3rd party debt
B5	ML CBO Series 1998-AIG-2	High-yield AIG/ML-co-sponsored bond CBO closed in 1998 (original par of all beneficial interests = $402m). 6 classes of securities issued. Cayman Island SPV has nominal 3rd party common equity. AIG-retained interest is class "B2", "C" and "D" debt ("D" is equity in substance). No contingent liability for AIG.	No consolidation of SPV under EITF90-15/D-14 (3% 3rd party partic., etc.). Retained equity accounted for under EITF99-20.	AIG Inc.: none	$42m bonds@par*	$365m invested assets@par*; ($323m) 3rd party debt

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AIG SPECIAL PURPOSE VEHICLES INVENTORY 12/31/01

REF#	SPV NAME	DESCRIPTION	CURRENT GAAP ACCOUNTING	CURRENT F/S DISCLOSURE ^	ASST(LIAB) $ ON B/S	ASST(LIAB) $ OFF B/S
B6	AIG Global Investment Corp CBO-3 Ltd	AIG-sponsored bond CBO closed in '90s (original par of all beneficial interests = $298m). 4 classes of securities issued. Cayman Island SPV has nominal 3rd party common equity. AIG-retained interest is class "B" and "C"debt ("C" is equity in substance). No contingent liability for AIG.	No consolidation of SPV under EITF90-15/D-14 (3% 3rd party partic., etc.). Retained equity accounted for under EITF99-20.	AIG Inc.: none	$13m bonds@par*	$298m invested assets@par*; ($285m) 3rd party debt
B7	Various SPV-Trusts connected to Volitility Bond Programs (non-AIG-sponsored; Trusts set-up for AIG)	2 Sets of Trusts est'd by either MSDW or Aegon (coordinated by AIG-FP) in late 2001 under Volatility Bond programs, with SAI and DBG, respectively, as investors (both via AIGGIC). SPV/ Trusts buy Euro bonds and enter into derivative transactions with a designated counterparty (MSDW and AIG-FP, respectively). The SPV/Trust issues 10-12 year USD structured notes with a "volatility kicker" predicated on the underlying Euro bond. The notes are highly rated and backed by MSDW and Aegon, respectively.	Trust certificates accounted for as AFS under FAS 115. No consolidation of SPV under EITF90-15/D-14 (3% 3rd party partc., etc.). No bifurcation required under FAS 133. [SAS50 letter from MSDW obtained].	AIG Inc.: none SAI or DBG Co's (Stat): none.	$125m bonds@A.C.* [$100m=SAI; $25m=DBG]	$125m bonds@A.C. + $ Derivative asset or liability @ market

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AIG SPECIAL PURPOSE VEHICLES INVENTORY 12/31/01

REF#	SPV NAME	DESCRIPTION	CURRENT GAAP ACCOUNTING	CURRENT F/S DISCLOSURE ^	ASST(LIAB) $ ON B/S	ASST(LIAB) $ OFF B/S
B8	Various SPV-Trusts connected to Convertible Asset Swap programs (non-AIG-sponsored; Trusts set-up for AIG)	6 Sets of trusts est'd by either: MSDW ('SETS') (4), Lehman ('RACERS') (1) or SSB (1) over the past few years under convertible asset swap programs with SAI and AIG Life Co's/AIGGIC. The SPV / Trust buys a specified convertible bond and synthetically bifurcates it. 3rd party hedge funds essentially buy the embeded call option and SAI/AIG essentially buy the remainder ("notes"). If / when the hedge fund exercises the call, SAI/AIG must redeem the notes at par. The notes are highly rated and backed by their respective sponsors.	Notes accounted for as AFS under FAS 115. No consolidation of SPV under EITF90-15/D-14 (3% 3rd party partc., etc.). No bifurcation required under FAS 133. Call option is clearly & closely related to debt host.	AIG Inc.: none SAI or AIG Life Co's: none.	$117m bonds@A.C.* [$82m=SAI; $35m=AIG Life Co's]	$117m bonds@A.C. + value of embedded call @ market
[C] AIG LIFE CO'S (J. Cella)						
C1	AIG-SunAmerica Instit'l Funding 2000-C	GIC-MTN Managed by SAI: 5 year GIC issued to SPV for $200m USD-Fixed. Matures in 2006.	GIC accounted for under FAS 97-investment product. No consolidation of SPV under EITF90-15/D-14 (3% 3rd party partic., etc.).	AIG Inc.: none AIG Life Co's: none. AIG Life Co's (Stat): none.	$200m bonds@A.C.* ($200m) GIC	$200m GIC ($200m) debt
C2	AIG-SunAmerica Instit'l Funding 2000-A	GIC-MTN Managed by SAI: 5 year GIC issued to SPV for $51m-equiv. Euro-Fixed. SPV debt issued to qualified institutional buyers. Matures in 2006.	GIC accounted for under FAS 97-investment product. No consolidation of SPV under EITF90-15/D-14 (3% 3rd party partic., etc.). All derivatives associated with this program qualify for hedge accounting, or have offsetting positions.	AIG Inc.: none AIG Life Co's: none. AIG Life Co's (Stat): none.	$51m bonds @ A.C.* ($51m) GIC	$51m GIC ($51m) debt

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AIG SPECIAL PURPOSE VEHICLES INVENTORY 12/31/01

REF#	SPV NAME	DESCRIPTION	CURRENT GAAP ACCOUNTING	CURRENT F/S DISCLOSURE ^	ASST(LIAB) $ ON B/S	ASST(LIAB) $ OFF B/S
(D) AI CREDIT (M. Vogen)						
D1	AIG Credit Premium Mater Trust (est'd 1999)	Securitization/sale of $1.6b in P&C premium finance receivables to off-balance sheet Trust. This Trust, in turn, issues notes to 4 SPV conduits (sponsored / owned by 4 commercial banks). The 4 SPVs then issue CP. In a few instances, the Trust will issue notes to Nyala (see below...currently represents approx. $0.3b of the $1.6b).	True sale under FAS 125. No consolidation of SPV under EITF99-20/D-14 (3% 3rd party partic., etc.). Post 3/31/00 later transfers governed by FAS 140.	AIG Inc.: none AI Credit (annual audited GAAP F/Ss): All requisite FAS 140 disclosures	none	$1,600m receivables ($1,600m) debt
D2	Nyala Funding (est'd 2001)	Securitization of $0.4b of life insurance premium finance receivables using AIG-FP's Nyala Funding lending facility (and involving 3rd party equity participation from Lehman), plus an additional $0.3b from AI Credit's P&C securitization facility (see above). Nyala issues CP of varying durations to fund these asset	True sale / No consolidation of SPV under FASB 140 (QSPE-designation, including 10% 3rd party partic., etc.).	AIG Inc.: none AI Credit (annual audited GAAP F/Ss): All requisite FAS 140 disclosures	none	$407m receivables ($407m) debt
(E) AIRCO (G. Cubbon, R. Krupp)						
E1	AIG-SunAmerica Instit'l Funding (5 sub-SPEs)	GIC-MTN Managed by SAI: 5 GICs issued to SPV for a total of $1,540m, with maturities ranging from 2002-2005. 2 GICs issued in FC (AUD & GBP), swapped back into USD. SPV debt issued to qualified institutional buyers.	GIC accounted for under FAS 97-investment product. No consolidation of SPV under EITF90-15/D-14 (3% 3rd party partic., etc.). All derivatives associated with this program qualify for hedge accounting, or have offsetting positions.	AIG Inc.: none	$1,540m bonds @ A.C.* ($1,540m) GIC	$1,540m GIC ($1,540m) debt

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AIG SPECIAL PURPOSE VEHICLES INVENTORY 12/31/01

REF#	SPV NAME	DESCRIPTION	CURRENT GAAP ACCOUNTING	CURRENT F/S DISCLOSURE ^	ASST(LIAB) $ ON B/S	ASST(LIAB) $ OFF B/S
(F) AMERICAN GENERAL (P. Penny, D. Castano, P. Slaughter)						
F1	American General CBO 1998-1	High-yield AGC-sponsored CBO closed in 1998 (original par of all beneficial interests = $403m). 7 classes of securities issued. Cayman Island SPV has nominal 3rd party common equity. AGC-retained interest is debt in form, equity in substance. No contingent liability for AGC.	SPEs not consolidated due to materiality (fails to qualify under FAS 140, due to the fact that AGC may trade collateral under certain circumstances and fails to meet EITF90-15/D-14's 3% 3rd party equity partic.). Retained equity accounted for under EITF99-20.	AIG Inc.: none AGC: 2000 10-K MD&A: mention program & $ 3rd party money managed.	$30m stock @ MV (BV=$35m)	$398m invested assets@par*; ($363m) 3rd party debt
F2	American General CBO 2000-1	High-yield AGC-sponsored CBO closed in 2000 (original par of all beneficial interests = $251m). 7 classes of securities issued. Cayman Island SPV has nominal 3rd party common equity. AGC-retained interest is preferred stock. No contingent liability for AGC.	No consolidation of SPV under EITF90-15/D-14 (3% 3rd party partic., etc.), and AGC holds less than 50% of SPV equity. Retained equity accounted for under EITF99-20.	AIG Inc.: none AGC: 2000 10-K MD&A: mention program & $ of 3rd party money managed.	$20m stock@mk (BV=$35m)	$365m invested assets@par; ($325m) 3rd party debt; ($20m) 3rd party preferred equity
F3	Emerald Investment Grade CBO I *[fully consolidated by AGC]*	Investment grade AGC-sponsored CBO closed in 1999 (original par of all beneficial interests = $513m). 5 classes of securities issued. Cayman Island SPV has nominal 3rd party common equity. $23m of AGC-retained interest is sub debt in legal form (equity in substance). No contingent liability for AGC.	Full AGC consolidation of SPV; Fails EITF90-15/D-14 (3% 3rd party partic., etc.).	AIG Inc.: none AGC: 2000 10-K MD&A: mention program & $3rd party money managed.	$513m bonds@par*; ($513m) debt	n/a- fully consolidated

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AIG SPECIAL PURPOSE VEHICLES INVENTORY 12/31/01

REF#	SPV NAME	DESCRIPTION	CURRENT GAAP ACCOUNTING	CURRENT F/S DISCLOSURE ^	ASST(LIAB) $ ON B/S	ASST(LIAB) $ OFF B/S
F4	Emerald Investment Grade CBO II	Investment grade AGC-sponsored CBO closed in 2000 (original par of all beneficial interests = $492m). 6 classes of securities issued. Cayman Island SPV has nominal 3rd party common equity. AGC-retained interest is preferred stock. No contingent liability for AGC.	No consolidation of SPV under EITF90-15/D-14 (3% 3rd party partic., etc.), and AGC holds less than 50% of SPV equity. Retained equity accounted for under EITF99-20.	AIG Inc.: none AGC: 2000 10-K MD&A: mention program & $3rd party money managed.	$6m stock	$394m invested assets@par*; ($471m) 3rd party debt; ($15m) 3rd party preferred equity
F5	Diamond Investment Grade CDO I	Investment grade AGC-sponsored CBO closed in 2000 (original par of all beneficial interests = $500m). 4 classes of securities issued. Cayman Island SPV has nominal 3rd party common equity. AGC-retained interest is preferred stock. No contingent liability for AGC.	No consolidation of SPV under EITF90-15/D-14 (3% 3rd party partic., etc.), and AGC holds less than 50% of SPV equity. Retained equity accounted for under EITF99-20.	AIG Inc.: none AGC: 2000 10-K MD&A: mention program & $ of 3rd party money managed.	$5m stock	$500m invested assets@par*; ($480m) 3rd party debt; ($15m) 3rd party preferred equity
F6	Diamond Investment Grade CDO II	Investment grade AGC-sponsored CBO closed in 2000 (original par of all beneficial interests = $481m). 5 classes of securities issued. Cayman Island SPV has nominal 3rd party common equity. AGC-retained interest is preferred stock. No contingent liability for AGC.	No consolidation of SPV under EITF90-15/D-14 (3% 3rd party partic., etc.), and AGC holds less than 50% of SPV equity. Retained equity accounted for under EITF99-20.	AIG Inc.: none AGC: 2000 10-K MD&A: mention program & $3rd party money managed.	$5m stock	$481m invested assets@par*; ($462m) 3rd party debt; ($14m) 3rd party preferred equity

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REF#	SPV NAME	DESCRIPTION	CURRENT GAAP ACCOUNTING	CURRENT F/S DISCLOSURE ^	ASST(LIAB) $ ON B/S	ASST(LIAB) $ OFF B/S
F7	ELC (Cayman) Ltd. 1999-II	Bond CBO closed in 1999 (orig par of all beneficial interests = $562m). Sponsored by First Union, with AGC acting as subadvisor for high-yield portion. 5 classes of securities issued. AGC-interest is "income notes" in legal form (equity in substance). No cont. liability for AGC.	No consolidation of SPV under EITF90-15/D-14 (3% 3rd party partic., etc.), and AGC holds less than 50% of SPV equity. Retained equity accounted for under EITF99-20.	AIG Inc.: none AGC: 2000 10-K MD&A: mention program & $3rd party money managed.	$6m bonds@par*	$562m invested assets@par*; ($556m) 3rd party debt
(G) ILFC (K. Schwarz)						
G1	Dover SPE, Cabrera SPE, Volare SPE	Off-balance sheet financing secured in '95, '96 & '97 through 3 SPVs. A total of 21 aircraft was sold to the SPVs. ILFC operating-leases them back for 7 years (1 year increments).	21 Aircraft accounted for as an operating lease under FAS 13, and SPVs are not consolidated under sale-lease back rules (E&Y auditors signed-off in '95-'97).	AIG Inc.: none ILFC: brief summary in F/N#8.	none	$1,165m aircraft owned; ($1,165m) debt
(H) SAI (S. Gillis, E. Texeria, A. Stewart, Castano for CDOs only)						
H1	AIG-SunAmerica Instit'l Funding ("ASIF") #1-3; AIG SunAmerica Global Funding ("ASGF") #1-8	GIC-MTN Programs on the books of SALIC: many GICs issued to SPV for a total of $26,000m, with maturities ranging from 2002-2010. Most GICs issued in FC, mostly Euro, swapped back into USD. SPV debt issued to qualified institutional buyers (small amount of retail buyers in Europe). SALIC guarantees SPV debt.	GIC accounted for under FAS 97-investment product. No consolidation of SPV under EITF90-15/D-14 (3% 3rd party partic., etc.). Generally speaking, all derivatives associated with this program qualify for hedge accounting, or have offsetting positions.	AIG Inc.: none [n/a to SAI's life co's)	$26,000m bonds @ A.C.* ($26,000m) GIC	$26,000m GIC ($26,000m) debt

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AIG SPECIAL PURPOSE VEHICLES INVENTORY 12/31/01

REF#	SPV NAME	DESCRIPTION	CURRENT GAAP ACCOUNTING	CURRENT F/S DISCLOSURE ^	ASST(LIAB) $ ON B/S	ASST(LIAB) $ OFF B/S
H2	SunAmerica CBO Limited	High-yield SAI-sponsored bond CBO issued in 1996 (original par of all beneficial interests = $500m). 5 classes of securities issued (maturing in '04 & '08). Cayman Island SPV has nominal 3rd party common equity. SAI-retained interest is "2nd Priority Sr Notes" and "Jr Sub Notes" in legal form (latter is equity in substance). No contingent liability for SAI.	No consolidation of SPV under EITF90-15/D-14 (3% 3rd party partic., etc.). Retained equity accounted for under EITF99-20.	AIG Inc.: none	$45m bonds@par*	$266m invested assets@par*; ($221m) 3rd party debt
H3	Solstar Loan Trust 1996-A	Solstar is a loan trust co-sponsored by SAI. It essentially is a total-return swap with JP Morgan Chase (JPM) as counterparty. JPM holds the assets and pays Solstar the coupon amounts plus any change in price on assets and Solstar pays JPM LIBOR plus 85 BP. Solstar issued Notes and Certificates (treated as equity) in the amount of $121m. The proceeds from this issuance were used by JPM to purchase reference assets (at the direction of SunAmerica Investment Adviser, the Portfolio Manager) of up to 5x the amount of the Notes and up to 8x the amount of the Certificates. It was structured in 1996 and matures in 2006. The Notes are held by SAI, AGC and two 3rd party insurers. Elmrock, an investment company owned by the Rockefeller family, owns all of the Certificates. SAI+AGC hold about 3/4th of the total capital. No contingent liability for SAI or AGC.	No consolidation of SPV under EITF90-15/D-14 (3% 3rd party partic., etc.). Retained equity accounted for under EITF99-20.	AIG Inc.: none	SAI: $60m equity@cost AGC: $25m equity@cost [substantially written-down under EITF 99-20 in 2001]	$121m bonds@ A.C.* ($25m) swap liability [balance is equity]

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AIG SPECIAL PURPOSE VEHICLES INVENTORY 12/31/01

REF#	SPV NAME	DESCRIPTION	CURRENT GAAP ACCOUNTING	CURRENT F/S DISCLOSURE ^	ASST(LIAB) $ ON B/S	ASST(LIAB) $ OFF B/S
H4	Planet Capital Loan Trust 1997	Refer to H3 ("Solstar") for a description of the structure. The only substantive differences with Solstar are the total issuance and level of SAI participation ($161m & $109, resp.), the fact that there is no impairment on SAI's retained interest, and the lack of AGC participation.	No consolidation of SPV under EITF90-15/D-14 (3% 3rd party partic., etc.). Retained equity accounted for under EITF99-20.	AIG Inc.: none	SAI: $109m equity@cost [no write-downs under EITF 99-20 required]	$161m bonds@ A.C.* ($22m) swap liability [balance is equity]
H4	Galaxy CLO 1999-1, LTD	SAI-sponsored CLO issued in 1999 (original par of all beneficial interests = $1,000m). 4 classes of securities issued (maturing in 2011). Cayman Island SPV has nominal 3rd party common equity. SAI-retained interest is "Class B2 Notes" and "Class D equity". No contingent liability for SAI.	No consolidation of SPV under EITF90-15/D-14 (3% 3rd party partic., etc.). Retained equity accounted for under EITF99-20.	AIG Inc.: none	SAI: $58m bonds@A.C.* $7m equity @ cost [no write-downs under EITF 99-20 required]	$1,000m bonds@ A.C.* ($887m) 3rd party debt

^ - Includes any footnote or MD&A in any AIG audited &/or public GAAP or Stat fin'l statement. Excludes listing in Annual Stat Blanks sch's (eg, Sch D).
* - Bonds are AFS and carried at market, however carrying value or par value presented herein, as an approximation of related debt / GIC.

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AIG SPECIAL PURPOSE VEHICLES INVENTORY 12/31/01: SUPPLEMENT
[STRUCTURES THAT DO NO MEET STRICT CRITERIA OF SPV INVENTORY]

REF#	SPV NAME	DESCRIPTION	CURRENT GAAP ACCOUNTING	CURRENT F/S DISCLOSURE ^	ASST(LIAB) $ ON B/S	ASST(LIAB) $ OFF B/S
(AA) AIG STRUCTURED PRODUCTS (P. Brown)						
AA1	Various SPVs (non-AIG-sponsored)	AIG provides credit-enhancement insurance to SPVs sponsored / owned by 3rd parties.	Accounted for as insurance under FAS 60.	AIG Inc.: none (immateriality)	n/a	n/a
(BB) AIGGIC (with DBG or ALICO) (A. Djang, M. Murabito, B. Fish, J. Hammer)						
BB1	non-SPV 'limited-purpose' affiliates	AIGGIC Global Real Estate sets-up 'limited-purpose', non-consolidated partnerships for the purpose of facilitating certain owner-occupied real estate transactions with an AIG-Affiliate. In other instances, the real estate is sold for investment purposes. Although these LPs and LLCs are not technically SPVs, they are similar in nature and involve off-balance sheet financing. In at least once instance, retained partnership asset is booked by insurance-affiliate (in this case, ALICO-Jpn). Also, ALICO-Jpn involves a Cayman Islands SPV ("AMT Ventures") that is owned by an ALICO-Jpn partnership.	No consolidation of partnerships under FAS 94 (generally hold 50% or less equity or holdings are deemed to be temporary).	AIG Inc.: none DBG Co's (Stat): none.	$444m of partnership assets [includes $420m on GRE's books and $22m on ALICO-Jpn's books]	$1,380m real estate ($960m) debt [including ALICO-Jpn for $230m USD-converted]
BB2	ProEquity Trust (SPV, but not sponsored by AIG)	10 Year Trust est'd by MSDW in 12/98, which AIGGIC/DBG was one of many who participated in a private-placement offering. The Trust provides S&P500-indexed returns with a principal protection and in the form of highly-rated bond. Matures in 2008.	Trust bond accounted for as AFS under FAS 115. No consolidation of SPV under EITF90-15/D-14 (3% 3rd pty partic., etc.). No bifurcation under FAS 133.	AIG Inc.: none DBG Co's (Stat): none.	$85m bonds @ market	$85m equities @ market; ($85m) debt

AIG-F 00104183

AIG SPECIAL PURPOSE VEHICLES INVENTORY 12/31/01: SUPPLEMENT
[STRUCTURES THAT DO NO MEET STRICT CRITERIA OF SPV INVENTORY]

REF#	SPV NAME	DESCRIPTION	CURRENT GAAP ACCOUNTING	CURRENT F/S DISCLOSURE ^	ASST(LIAB) $ ON B/S	ASST(LIAB) $ OFF B/S
BB3	Distressed Debt TK Partnerships	From time to time, ALICO-Jpn invested in several "TK" partnership programs established and managed by G.S. or B.T. The TK Partnerships buys distressed debt from Japanese banks. AIG's LP interests will usually be 50%, or in one case 75%, with the other coming from the G.S. or B.T. (the GPs). No leverage is involved. Total amounts originally invested exceed $100m.	LP interests accounted for on a equity basis. No consolidation under FAS94.	AIG Inc.: none DBG Co's (Stat): none.	$19m partnership assets @ equity	$30-$40m distressed debt [remainder is GP / LP equity]
BB4	Various SPV-Trusts connected to Credit-Linked Trust Certificate programs (non-AIG-sponsored; Trusts set-up for AIG)	2 Sets of trusts ('RACERS') est'd by Lehman over the past few years under credit-linked certificate programs. AIG Life Co's and AIA(B) (both via AIGGIC) are exclusive investors in these particular SPV Trusts. The Trust buys a specified bond and enters into a first-to-default swap on a basket of specified names. AIG receives high-yielding, fixed returns, with credit risk associated with 5 names (not just one). The notes are currently rated as investment grade. There is no recourse to Lehman and no leverage involved.	Notes are essentially consolidated by AIG. Notes are accounted for as an AFS security under FAS 115. Bifurcation and mark-to-market accounting required under FAS 133 for credit default swaps.	AIG Inc.: none AIA(B) or AIG Life Co's: none.	$35m bonds@A.C.* [$25m=AIA(B); $10m=AIG Life Co's] + value of credit default swaps @ market	n/a

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AIG SPECIAL PURPOSE VEHICLES INVENTORY 12/31/01: SUPPLEMENT
[STRUCTURES THAT DO NO MEET STRICT CRITERIA OF SPV INVENTORY]

REF#	SPV NAME	DESCRIPTION	CURRENT GAAP ACCOUNTING	CURRENT F/S DISCLOSURE ^	ASST(LIAB) $ ON B/S	ASST(LIAB) $ OFF B/S
(CC) RISK FINANCE (with DBG &/or AIU) (B. Forant, A. Holland, R. Topping, R. Pisano)						
CC1	non-SPV 'limited-purpose' affiliates	As a part of its normal business activities, Risk Finance uses various 'limited purpose' companies which are created and wholly-owned by Richmond Re, itself a 19% AIG-owned, non-consolidated company.	Transactions accounted for under FAS 60 / 113. Non-consolidation of subsidiaries under FAS 94.	AIG Inc.: none	n/a	n/a
CC2	Coventry Life Settlements Trust (SPV consolidated by AIG @ 12/31/01)	Risk Finance / DBG initiated a program in 4Q'01 established a Trust to begin purchasing death benefits from certain life insurance policyholders on a deeply-discounted basis. As of 12/31/01, the Trust will be fully consolidated. During 2002, it is expected that the Trust will be de-consolidated.	Trust consolidated as of 12/31/01 under FAS 94, with de-consolidation expected to occur in 2002.	AIG Inc.: none DBG Co's (Stat): none.	$15m other assets ($15m) other liabilities	n/a
(DD) AIG TAX DEPT (with AIG-Parent & AIG-FP) (S. Young, S. Michel, G. Weber)						
DD1	GasCo LLCs ('limited-purpose' LLCs consolidated by AIG)	AIG invests in tax-advantaged energy assets via "limited-purpose" LLCs that AIG sets-up. LLCs do not qualify as SPVs, but act in a similar fashion.	LLCs are fully consolidated.	AIG Inc.: none (immateriality)	$56m Other Inv Assets; $18m Dfd Tax; ($42m) Other Liabilities	t/b/d

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AIG SPECIAL PURPOSE VEHICLES INVENTORY 12/31/01: SUPPLEMENT

[STRUCTURES THAT DO NO MEET STRICT CRITERIA OF SPV INVENTORY]

REF#	SPV NAME	DESCRIPTION	CURRENT GAAP ACCOUNTING	CURRENT F/S DISCLOSURE ^	ASST(LIAB) $ ON B/S	ASST(LIAB) $ OFF B/S
(EE) AIG RE (with AIG-FP and DBG) (A. Holland, J. Umansky)						
EE1	Newbridge Trusts (SPV sponsored by AIG, but whose interests are not owned by AIG)	Multi-year Trusts est'd by AIG Re and FP exclusively for DBG, to provide a mechanism by which DBG can invest more aggressively (e.g., equities) in collateral it holds. Collateral is held in "Reg. 114 Trusts" and arises from unauthorized reinsurance.	SPV Trusts are not consolidated by AIG (SPV and collateral it holds are not owned by AIG, but rather, collateral is pledged to AIG under reinsurance agreements in lieu of LOCs)	AIG Inc.: none DBG Co's (Stat): none.	n/a - not owned by AIG	n/a
(FF) HSB (T. Kmecik)						
FF1	Trust set-up to issue debt (Trust is fully consolidated)	Trust established by HSB in 1997 to issue $110m of long-term debt (precedes the establishment of HSB's holding company). Trust is fully consolidated and debt is therefore on-balance sheet.	SPV Trust fully consolidated.	AIG Inc.: Included in debt footnote HSB (Stat): Included in debt footnote.	$110 debt	n/a
(GG) FINANCIAL PRODUCTS (K. Furlong)						
GG1	'Limited-purpose' LLCs / Partnerships (non-SPVs), fully consolidated	AIG-FP currently has many deal-specific, 'limited-purpose' LLCs / Partnerships used to facilitate ongoing business. These LLCs/partnerships are fully consolidated by AIG-FP.	LLCs/Partnerships fully consolidated under FAS 94.	AIG Inc.: Included in debt footnote, as applicable	n/a	n/a
GG2	Trust SPVs, fully consolidated	AIG-FP currently has many deal-specific Trusts, managed by AIG-FP, used to facilitate ongoing business (e.g., C-GAITS product). Trusts are fully consolidated by AIG-FP.	SPV Trust fully consolidated under FAS 94.	AIG Inc.: Included in debt footnote, as applicable	n/a	n/a

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AIG SPECIAL PURPOSE VEHICLES INVENTORY 12/31/01: SUPPLEMENT
[STRUCTURES THAT DO NO MEET STRICT CRITERIA OF SPV INVENTORY]

REF#	SPV NAME	DESCRIPTION	CURRENT GAAP ACCOUNTING	CURRENT F/S DISCLOSURE ^	ASST(LIAB) **$ ON** B/S	ASST(LIAB) **$ OFF** B/S
(HH) AMERICAN GENERAL (P. Penny, D. Castano, P. Slaughter)						
HH1	AG Dow, Ltd	AGC-sponsored Cayman Islands SPV (with nominal 3rd common equity) was used exclusively in 2000 to accumulate bonds prior to the closing of one of the CBOs. AGC affiliates made non-recourse loans to this SPV to fund the purchase of bonds in the market. At the closing of the CBO, this SPV repaid the loans with the proceeds from the sale of bonds to the CBO. This SPV has no assets, liabilities, contingent liabilities or current operating activities.	n/a	n/a	none	none
(II) TRADING GROUP (A. Kaplan, B. Morrissey)						
II 1	STOE SPV [fully consolidated]	TG-sponsored / owned Cayman Islands SPV used to facilitate a client's investment in certain equities. SPV raises cash via an intercompany note issuance to a TG-affiliate (eliminated in consolidation). Cash used to buy equities. SPV enters into a total return swap to transfer all risks and rewards of the equities to the 3rd party client. No contingent liability to TG.	n/a - full consolidation	AIG Inc.: none	$25m equities @ market	n/a - full consolidation

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AIG SPECIAL PURPOSE VEHICLES INVENTORY 12/31/01: SUPPLEMENT
[STRUCTURES THAT DO NO MEET STRICT CRITERIA OF SPV INVENTORY]

REF#	SPV NAME	DESCRIPTION	CURRENT GAAP ACCOUNTING	CURRENT F/S DISCLOSURE ^	ASST(LIAB) $ ON B/S	ASST(LIAB) $ OFF B/S
II 2	AIG Integral Investors SPV [pertains to AIG exec's only]	TG-sponsored AIG Integral Investors SPV was set-up to facilitate the investment in a private placement offering of Integral Investors stock to certain TG executives. The offering to these execs arose from a separate but related investment made by AIG, Inc. The stock (post-IPO) is currently trading down in price substantially. No contingent liability to TG.	n/a	AIG Inc.: none	$25m equities @ market	>$1m stock@mkt
(JJ) SUNAMERICA (E. Giesler, S. Polakov)						
JJ1	'Affordable Housing 'limited-purpose' LLCs / Partnerships (non-SPVs) & 2 SPV debt conduits	SAI has affordable housing program in operation for past 10 years. SAI has a 98%-owned LP interest in a 'holdco partnership'. Currently, holdco manages approx 1,000 individual properties (each with its own partnership and GP). Generally, SAI's LP ownership interests drops from 99% to 1% as the properties are build and SAI sells-off its interests (& tax credits) to 3rd parties. Approx. 250 of the partnerships are under construction, where SAI owns 50%-99%. For additional funding, the 3rd party GPs will issue debt backed by SAI. To facilitate up to $650m of GP debt issuance, SAI offers 2 bank conduits (involving SPVs) run by 3rd party banks (BankOne & Wachovia).	Underlying partnerships are carried on the cost basis (either held less than 5% under SOP78-9). Not consolidated under FAS 94 (temporary control, not the GP). No contingent liability for SAI-guaranteed debt recognized under FAS 5, except for a $200m general reserve (note: less than $15m of actual realized losses over past 10 years)	AIG Inc.: none	$520m other invested assets (cost=C.V.)	For approx 250 partnerships with +50% LP SAI interests: ($250m) debt (est); For ALL partnerships: ($2,000m) debt (est.) ....related asset amounts are not readily available

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AIG SPECIAL PURPOSE VEHICLES INVENTORY 12/31/01: SUPPLEMENT
[STRUCTURES THAT DO NO MEET STRICT CRITERIA OF SPV INVENTORY]

REF#	SPV NAME	DESCRIPTION	CURRENT GAAP ACCOUNTING	CURRENT F/S DISCLOSURE ^	ASST(LIAB) $ ON B/S	ASST(LIAB) $ OFF B/S
JJ2	San Vicente Instit'l Partners, LP (not an SPV, but has off-B/S debt)	San Vicente is owned 98% by SAI and 2% by a 3rd party GP (MIS Century, Inc.). San Vicente is effectively a holding company for various private/public LP investments. It has an LP interest of less than 5% for each of these partnerships. A 3rd party, KKR, Inc., is the GP for these funds, and other 3rd party investors also hold LP interests. To leverage its investments in these partnership, San Vicente issues debt. The debt is backed by a capital commitment by SAI, whereby SAI pays if the GP (MIS Century, Inc.) cannot.	San Vicente is accounted for on the equity basis under SOP 78-9. No consolidation under FAS 94 given the LP status. No contingent liability required/disclosed under FAS 5.	AIG Inc.: none [n/a to SAI's life co's]	$31 m other invested assets (partnerships)	$135 m partnership assets; ($104m) debt
JJ3	Premium Asset Trust / SPV [consolidated]	SAI entered into a tax-driven structure sponsored by Deutsche Bank in 1997, whereby a synthetically-created, tax-advantaged 30 year zero coupon investment is created for SAI. Under the structure, an LLC loans $200m to the Trust, with the proceeds pledged to the Trust as collateral; SAI acts as co-obligor on the loan (backed by AIG), and SAI manages the collateral. The $324m of assets and liabilities are on-balance sheet. NII is recorded on the assets.	Fully consolidated under FAS 94.	AIG Inc.: none [n/a to SAI's life co's]	$324 bonds; ($324m) liabilities; deferred tax assets	n/a fully consolidated

^ - Includes any footnote or MD&A in any AIG audited &/or public GAAP or Stat fin'l stmt. Excludes listing in Annual Stat Blanks sch's (eg, Sch D).

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