



March 27, 2014

**Conditional Approval #1094
April 2014**

C. Andrew Gerlach, Esq.
Sullivan & Cromwell LLP
125 Broad Street
New York, New York 10004-2498

Re: Applications by AIG Federal Savings Bank, Wilmington, Delaware, to make a distribution of capital and amend its charter (collectively the “Applications”)
OCC Control Numbers: R1-2012-0118 and 0119

Dear Mr. Gerlach:

The Office of The Comptroller of the Currency (“OCC”), hereby conditionally approves the application submitted by AIG Federal Savings Bank, Wilmington, Delaware (“Bank”), pursuant to 12 C.F.R. §163.143, to make a capital distribution to its sole shareholder and parent holding company, American International Group, Inc., (“AIG”).

The OCC also hereby conditionally approves the application submitted by the Bank, pursuant to 12 C.F.R. §152.4, to amend its charter to limit its activities to trust and fiduciary related activities.

These approvals are granted after a thorough evaluation of the Applications, other materials supplied by the Bank’s representatives, and other information available to the OCC, including commitments and representations made in the Applications and during the application process. These approvals are also subject to the requirements and conditions set out herein.

The Applications

On December 14, 2012, the Bank submitted the filings to make a distribution of capital and amend its charter pursuant to 12 C.F.R. §§ 163.143 and 152.4, respectively. These filings are related to the Bank’s plan to limit its operations to trust and fiduciary activities in connection with its change in strategic plan. The OCC has already approved the Bank’s related filing to transfer certain assets. The distribution of capital and charter amendment are the final steps in the Bank’s restructuring from a full service bank to a trust only institution.

Under 12 C.F.R. § 163.146, the OCC may approve a capital distribution if the Federal savings association will be not less than adequately capitalized after the proposed distribution and the capital distribution is consistent with safety and soundness. The OCC has reviewed the Bank’s

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application to make a capital distribution and finds approval consistent with the regulatory criteria.

In order to adopt a charter amendment, a Federal savings association must comply with certain requirements outlined in 12 C.F.R. § 152.4. The Bank has complied with these requirements and the OCC finds approval of the proposed charter amendment consistent with regulatory criteria.

Section 1818 Conditions

These approvals are subject to the following conditions:

1. No later than one (1) business day after the OCC's approval of the Applications, the Bank shall enter into a written Operating Agreement with the OCC on terms and conditions acceptable to the OCC. The Bank shall thereafter implement and adhere to the terms of the Operating Agreement.
2. No later than three (3) business days after the effective date of the Operating Agreement between the Bank and the OCC, the Bank shall enter into a written Capital and Liquidity Support Agreement ("CSA") with AIG and the OCC on terms and conditions acceptable to the OCC, setting forth AIG's obligations to provide capital and liquidity support to the Bank if and when necessary. The Bank shall thereafter implement and adhere to the terms of the CSA.
3. No later than three (3) business days after the effective date of the Operating Agreement between the Bank and the OCC, the Bank shall enter into a written Capital Assurance and Liquidity Maintenance Agreement ("CALMA") with AIG on terms and conditions acceptable to the OCC, setting forth AIG's obligation to provide capital and liquidity support to the Bank if and when necessary. The Bank shall thereafter implement and adhere to the terms of the CALMA.

These conditions of approval are conditions "imposed in writing by a Federal banking agency in connection with any action on any application, notice, or other request" within the meaning of 12 U.S.C. § 1818. As such, these conditions are enforceable under 12 U.S.C. § 1818. Failure to comply with these conditions may also result in revocation of this approval.

Consummation Requirements

The approvals set forth herein are granted based on our understanding that other required regulatory notices have been filed, or to the extent applicable, other approvals, non-objections or waivers with respect to all aspects of the proposed transaction will have been received prior to completing the transaction. Please submit copies of all such approvals to the Northeastern District Licensing Office ("NDLO") prior to payment of the capital distribution.

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If you decide not to complete the capital distribution, you must provide written notification to NDLO within 10 days of the decision.

These conditional approvals and the activities and communications by OCC employees in connection with the filing do not constitute a contract, express or implied, or any other obligation binding upon the OCC, the United States, any agency or entity of the United States, or any officer or employee of the United States, and do not affect the ability of the OCC to exercise its supervisory, regulatory and examination authorities under applicable law and regulations. Our approvals are based on the Bank's representations, submissions, and information available to the OCC as of this date. The OCC may modify, suspend or rescind these approvals if a material change in the information on which the OCC relied occurs prior to the date of the transaction to which this decision pertains. The foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

We have enclosed a letter requesting your feedback on how we handled your application. We would appreciate your response so we may improve our service.

If you have any questions, please contact Senior Licensing Analyst Sandya Reddy at (212) 790-4055 or sandya.reddy@occ.treas.gov.

Sincerely,

/s/

Stephen A. Lybarger
Deputy Comptroller for Licensing

Enclosure