

**Meeting Between Staff of the Federal Reserve Board and
American International Group, Inc.
December 15, 2016**

Participants: Jay Muska, Matt Walker, and Suyash Paliwal (Federal Reserve Board)

Martin Hansen, Jing Huang, Sherri Powell, and Dan Rabinowitz (American International Group, Inc.)

Summary: Staff of the Federal Reserve Board met with representatives of American International Group, Inc. (AIG) to discuss elements of the Federal Reserve's advance notice of proposed rulemaking (ANPR) on Capital Requirements for Supervised Institutions Significantly Engaged in Insurance Activities. Representatives from AIG presented comments on the ANPR as to (i) alignment of risk charges in the consolidated approach (CA) with corresponding risk reflection in the building block approach (BBA) and underlying capital constructs; (ii) interaction between a Board consolidated capital standard and other aspects of the Board's consolidated supervision, including liquidity standards, other enhanced prudential standards, and stress testing; (iii) reflecting diversification; (iv) adjustments to U.S. Generally Accepted Accounting Principles to determine qualifying capital; (v) issues affecting fungibility of capital, including fungibility of risk via intra-group reinsurance, pooling, and other internal risk transfer mechanisms; and (vi) potential future alignment with international standards.