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AIG Receives Delayed Deposit from Buyer Group for Plane Unit

American International Group Inc. (AIG) received a delayed deposit today required under the agreement to sell its International Lease Finance Corp. unit to Chinese investors. The insurer posted the second-biggest gain the Standard & Poor's 500 Index.

The announcement was made in a regulatory filing by New York-based AIG, which said last week that the payment hadn't been made on schedule. A group led by New China Trust Co. Chairman Weng Xianding agreed in December to buy 80 percent of Los Angeles-based ILFC for about \$4.2 billion in a deal that required a 10 percent deposit.

AIG had the right to terminate the agreement after the group missed the payment, Robert Benmosche, the chief executive officer of the insurer, said at a conference yesterday. He is getting rid of ILFC to

reduce debt and simplify AIG. The transaction needs approval from U.S. and Chinese regulators.

"It's a very complicated situation," Benmosche said yesterday. "You're dealing with a complicated property between two complicated governments."

AIG jumped 2.5 percent to \$45.22 at 9:32 a.m. in New York.

To contact the reporter on this story: Noah Buhayar in New York at nbuhayar@bloomberg.net

To contact the editor responsible for this story: Dan Kraut at dkraut2@bloomberg.net

By Noah Buhayar