

**EXHIBIT 4**

AMERICAN INTERNATIONAL GROUP, INC.  
180 MAIDEN LANE, 41<sup>ST</sup> FLOOR  
NEW YORK, N.Y. 10038

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November 10, 2011

Thomas C. Baxter, Jr.  
General Counsel and Executive Vice President  
Federal Reserve Bank of New York  
33 Liberty Street  
New York, NY 10045-0001

Re: American International Group, Inc., et al. v. Bank of America Corp., et al.

Dear Tom:

Thank you for your letter of October 11, 2011. I want to respond to the three points you raise in response to my letters of October 3.

First, you request that the representation concerning contract-based claims be expanded to include not just contractual mortgage repurchase claims, but also any contract-based claims relating to the Related Instruments. AIG will agree to the following:

For those RMBS that AIG sold to Maiden Lane II LLC, AIG will not assert any cause of action for breach of a provision of a Related Instrument (as defined in the Asset Purchase Agreement).

Second, I appreciate that you acknowledge AIG's right to pursue damages under Section 12(a)(2) of the Securities Act for RMBS sold to Maiden Lane II ("ML II"). As you know, and as we believe the complaint makes clear, AIG seeks rescission on its Section 12(a)(2) and common-law fraud claims with respect to only those RMBS that it continues to own and rescissory damages for RMBS that it has sold, including those RMBS sold to ML II. AIG is required to make an offer to tender those RMBS it owns as part of its demand for rescission. Thus, the complaint states in paragraph 501 that "AIG hereby demands rescission and offers to tender *its* Section 12(a)(2) Certificates." (Emphasis added.) In other words, by making this offer, AIG is not offering (nor could it offer) to tender RMBS certificates that it no longer owns, including ML II's RMBS certificates.

While we do not see any need to amend our complaint to clarify our position, we will take your request to amend under advisement and consider clarifying our position at such time as

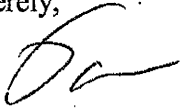
we may be amending our complaint for other reasons. We note that under New York and federal rules, AIG may only amend its complaint once as of right. *See* Fed. R. Civ. P. 15(a); N.Y. CPLR R. 3025(a). In addition, any amendment at this time would likely re-set defendants' time to respond to the complaint. Thus, any determination to amend the complaint must be made judiciously in an effort to best protect the interests of AIG and its shareholders.

Finally, with respect to your request that AIG withdraw its intervention in the Bank of New York Mellon Article 77 proceeding, we respect your view, as the Managing Member of ML II and ML III, that you believe the settlement will benefit these vehicles. But, as I am sure you can appreciate, AIG – which continues to have an interest in both ML II and ML III and, in addition, owns directly RMBS in 97, or 18%, of the Countrywide trusts at issue – has an obligation to come to its own fully-informed view on whether the settlement is fair and reasonable. We cannot reach a view without being given access to more information about the settlement, including how it came about, Bank of America's ("BoFA") true exposure and how much consideration AIG would receive. We do not have access to this information because AIG, unlike those who were involved in negotiating the settlement, was not part of the process and was not privy to the months of discussions and information exchanges that preceded the deal. AIG has intervened for the proper purpose of gaining access to this information, and to assure that the proposed settlement receives the proper judicial scrutiny it deserves, particularly given that the trustee, which filed the Article 77 proceeding and is seeking court approval, has conceded that it suffers from serious conflicts of interest. As you know, multiple other certificate holders and regulators have also intervened and lodged objections, including the New York Attorney General, the Delaware Attorney General, the Federal Home Loan Banks of Boston, Chicago, Indianapolis, and Pittsburg, the Policeman's Annuity and Benefit Fund of Chicago, the Knights of Columbus and others. These parties are also advocating for greater transparency into the settlement process and settlement amount. To the extent AIG and the other intervenors are successful in uncovering information that leads the Court to determine that the settlement is unfair, or results in an increase in the settlement amount, such an outcome will benefit – not harm – the trusts and their beneficiaries.

That AIG has stated it would agree not to pursue its objection in the Article 77 proceeding if there is an agreement to resolve its fraud and other claims against BofA does not, as you suggest, indicate that AIG has intervened in the Article 77 proceeding solely "as leverage to advance settlement discussions with Bank of America" over its fraud claims. Rather, AIG is seeking to recover from BofA for the billions of dollars in losses it suffered in connection with BofA-related RMBS investments. To do this, AIG is pursuing all avenues of recovery against BofA, including through AIG's RMBS-fraud litigation, as well as seeking to maximize its recovery in the Article 77 proceeding where it is a significant trust beneficiary. If, however, AIG was able to reach a negotiated resolution with BofA that AIG believes is fair recompense for its RMBS losses, or was well on its way to resolving its issues with BofA in serious settlement discussions occurring within written parameters that were acceptable to AIG, then AIG would consider withdrawing from the Article 77 proceeding and releasing its rights therein. The written parameters of the settlement discussions would need to be such that AIG was assured BofA was not engaging in discussions as a ploy to have AIG withdraw its intervention in the Article 77 proceeding.

Despite several efforts by AIG to try to resolve the litigation, BofA, in our view, has shown little interest in engaging in serious settlement discussions. Nevertheless, we remain willing to proceed on a path toward a resolution with BofA of all issues. If, for example, we were to have a written agreement which clarifies the parameters of any settlement process, I would expect that as part of that written agreement, we would consider withdrawing from the Article 77 proceeding in consideration of other aspects of the terms of such agreement. As we have made clear from the start, we want to settle this lawsuit.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tom Russo', written in a cursive style.

Tom Russo