

# Congress of the United States

Washington, DC 20515

December 18, 2008

American International Group Inc.  
Attention: Edward Liddy, Chairman of the Board and Chief Executive Officer  
70 Pine Street  
New York, NY, 10270

Dear Mr. Liddy:

On December 1, 2008, your company issued a press release which declared:

“Risk Specialists Companies, Inc. (RSC), a subsidiary of AIG Commercial Insurance, today announced it is introducing a Takaful Homeowners Policy, the first installment in Lexington Takaful Solutions, a series of Shari’ah-compliant (Takaful) product offerings in the U.S. The newly announced Takaful products are compliant with key Islamic finance tenets and based on the concept of mutual insurance.” ... “According to Ernst & Young's 2008 World Takaful Report, Takaful was estimated to be a \$5.7 billion market globally with over 130 providers in 2006. The Takaful market is estimated to be in excess of \$10 billion by 2010.”

Since Americans are now de facto stockholders in your company, we feel it our duty to inform them that your press release ignores the fact that AIG is marketing products that support a radical political ideology, Shariah law.

Shariah law is a politicized and radical doctrine created in the 1920s, by the Muslim Brotherhood (MB) founder Hassan Al-Banna, to compete against Western economics and values. Due to the radical ideas put forth by the Brotherhood, the Egyptian government banned the group, but it flourished elsewhere.

Today, Shariah law uses the same legal code championed by the Taliban and Osama bin Laden’s al Qaeda. It promotes Stone Age family laws that amount to making women property, and enshrines horrific human rights abuses.

Abdallah Kubursi, the Global Head of AIG Takaful Enaya, was quoted as saying your new products were a testament to your “commitment to offer consumers greater choice based not only on need but also social preference.”

Here are some examples of the “social preferences” he is referring to under Shariah law:

- A woman cannot leave the house without her husband’s permission
- Men can beat their “insubordinate” wives
- Women who are convicted of adultery are punished by death by stoning
- Apostasy from Islam is punished by death without trial

- Non-Muslims under Shariah Law are second class citizens
- Homosexuals and lesbians must be killed
- Slavery is permitted and legitimate

These points may sound radical and fanatic to you. They are, because Shariah law is radical and fanatic.

Radical Islamists, like Osama bin Laden, use Shariah finance as a means to gain economic power, and as a tool to silence moderate Muslims in the Middle East while they seek to replace their way of life, and laws, with Shariah law. This happened in Afghanistan under the Taliban and is taking root in nations in the Middle East, Africa, and in Indonesia.

The radical Islamists are also now venturing beyond those regions of the world and are using Shariah finance to sanitize their hate-filled ideology and spread their legal code so it slowly takes root in Europe, Canada, and now in America. Britain embraced Shariah finance and now has separate Shariah courts to rule on things like women's rights, or lack thereof, as pointed out above. It is disheartening to think that your products are helping Shariah to gain a foothold in the United States.

You may defend your decision to offer Shariah products and will probably state that they have no real ties to Shariah law, and therefore pose no threat. You are wrong.

Islamists use Shariah finance to become legitimate and mainstream, and slowly change the legal system to suit their ideology. Again, Britain's Shariah courts can attest to this fact. Like Britain, the way to America's legal code is through its wallet; and if Shariah law gains a strong footing in the United States, it will be through Shariah finance and Shariah products.

We are sure that those who tout Shariah finance say it is ethical because it doesn't charge interest and poses no risk to investors because it forbids uncertainty and speculation, such as futures trading. The truth is that Shariah finance lacks transparency and makes it easy to mask where the money goes. Shariah finance products lack the same transparency as the products that helped create the current financial crisis; subprime loans. However, we assure you that Shariah finance is far worse than the subprime market that has caused Americans great economic pain.

Under Shariah finance your company must contribute Zakat, the Third Pillar of Islam, which is a 2.5% donation to Muslim charity. While this may sound honorable, al-Qaeda was able to receive between \$300 and \$500 million from Zakat contributors who used a web of non-transparent charities and front companies to funnel money through Islamic banks. We have also seen this in the US as Zakat was sent to a front group, The Holy Land Foundation, which was recently convicted by a Federal court for sending funds to the terrorist organization, Hamas.

The Union of Good, is a global coalition of over 50 Islamic charities chaired by the spiritual leader of the worldwide radical Muslim Brotherhood Movement, Dr Yusuf Qaradawi. In July 2006, on the BBC Program *Panorama*, Dr. Qaradawi made a profound statement about Zakat when he stated, "I like to call it jihad with money, because God has ordered us to fight enemies with our lives and our money".

We hope you can verify what hands your money passes through, because we would hate to see the FBI visit you one day, look into your books, and tell you that money from AIG found its way into terrorist hands.

You may call us, and other Americans, who warn you about your new Shariah products, fear mongerers. Many who warned about the subprime market collapse were also labeled in the same manner.

In fact, your touting of Shariah finance is much like your marketing and promotion of subprime loans. Many in the financial industry believed subprime loans were a great way to make money and would cause no harm. Do not make the same mistake by supporting Shariah finance, because, as we have stated, there are far more dire consequences.

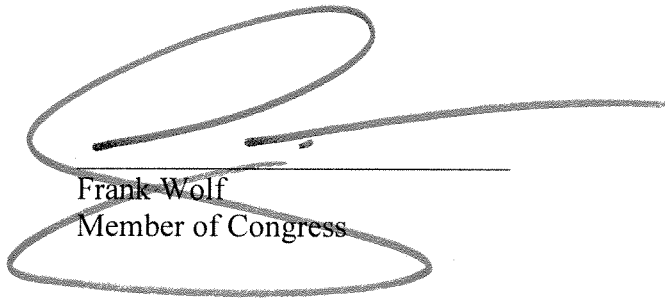
Should you wish to obtain a deeper understanding on Shariah financing, we will be happy to set up a briefing for you with qualified experts in this field.

We write this letter to inform you about Shariah law so that you are fully aware of the risk offering Shariah products will carry. Our hope is that you will look into this matter and right your ship.

Sincerely,



Sue Myrick  
Member of Congress



Frank Wolf  
Member of Congress

CC: David L. Herzog, AIG Chief Financial Officer