

| OMB APPROVAL                                 |           |
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| OMB Number:                                  | 3235-0287 |
| Estimated average burden hours per response: | 0.5       |

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

|  |  |  |
|--|--|--|
| 1. Name and Address of Reporting Person*<br><u>CASTELLI MICHAEL J</u><br><br>(Last) (First) (Middle)<br><u>AMERICAN INTERNATIONAL GROUP, INC.</u><br><u>70 PINE STREET</u><br><br>(Street)<br><u>NEW YORK NY 10270</u><br><br>(City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol<br><u>AMERICAN INTERNATIONAL GROUP INC [ AIG ]</u> | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable)<br><br>Director 10% Owner<br><input checked="" type="checkbox"/> Officer (give title below) Other (specify below)<br><u>Vice President &amp; Comptroller</u> |
|  | 3. Date of Earliest Transaction (Month/Day/Year)<br><u>12/15/2004</u>                          |  |
| 4. If Amendment, Date of Original Filed (Month/Day/Year)   |  |  |

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) |   | 4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5) |            |           | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|------------|-----------|---|--|---|
|                                 |                                      |  | Code                           | V | Amount  | (A) or (D) | Price     |   |  |   |
| Common Stock                    | 12/15/2004                           |  | J <sup>(1)</sup>               |   | 1,890   | A          | \$64.72   | 16,553  | D  |   |
| Common Stock                    | 12/15/2004                           |  | J <sup>(1)</sup>               |   | 1,890   | D          | \$64.72   | 14,663  | D  |   |
| Common Stock                    | 12/15/2004                           |  | M                              |   | 965 <sup>(2)</sup>  | A          | \$15.3087 | 15,628  | D  |   |

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) |   | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) |       | 6. Date Exercisable and Expiration Date (Month/Day/Year) |                 | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |       |
|--|--|--------------------------------------|--|--------------------------------|---|--|-------|--|-----------------|---|--|--|---|--|-------|
|  |  |                                      |  | Code                           | V | (A)  | (D)   | Date Exercisable   | Expiration Date |   |  |  |   |  | Title |
| Employee Stock Option (Right to Buy)       | \$15.3087  | 12/15/2004                           |  | M                              |   |  | 1,265 | 12/15/1998   | 12/15/2004      | Common Stock  | 1,265                                      | (3)  | 0.00  | D  |       |

**Explanation of Responses:**

- Distribution pursuant to Starr International Company, Inc. Deferred Compensation Profit Participation Plan. The distribution was paid in cash based on an AIG common stock price of \$64.72 per share. Includes 584.11 shares that were withheld to satisfy certain tax liabilities.
- On December 15, 2004, Mr. Castelli exercised options for 1,265 shares using previously owned shares to pay for options granted pursuant to the 1991 Employee Stock Option Plan. This acquisition reflects the number of options exercised less the 300 shares surrendered to purchase the option.
- These options were granted under AIG's 1991 Employee Stock Option Plan. Pursuant to the terms of the plan, 25% of the option becomes exercisable on the anniversary date of the grant in each of the four years following the grant.

**Remarks:**

By: /s/ Kathleen E. Shannon, 12/16/2004  
by power of attorney for

\*\* Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.