

**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

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

1. Name and Address of Reporting Person* <u>GRAF JOHN A</u>  (Last) (First) (Middle) <u>AMERICAN INTERNATIONAL GROUP, INC.</u> <u>70 PINE STREET</u>  (Street) <u>NEW YORK NY 10270</u>  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>AMERICAN INTERNATIONAL GROUP INC [ (AIG) ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner Officer (give title below) <input checked="" type="checkbox"/> Other (specify below) <u>Former Exec. Vice President</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>09/15/2004</u>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	
		6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person

**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	09/15/2004		M		5,000	A	\$47	5,000	D	
Common Stock	09/15/2004		M		5,000	A	\$61.3	10,000	D	
Common Stock	09/15/2004		M		289,499	A	\$65.77	299,499	D	
Common Stock	09/15/2004		S		80,999	D	\$71.12	218,500	D	
Common Stock	09/15/2004		S		13,400	D	\$71.13	205,100	D	
Common Stock	09/15/2004		S		20,400	D	\$71.14	184,700	D	
Common Stock	09/15/2004		S		21,500	D	\$71.15	163,200	D	
Common Stock	09/15/2004		S		23,200	D	\$71.16	140,000	D	
Common Stock	09/15/2004		S		7,600	D	\$71.17	132,400	D	
Common Stock	09/15/2004		S		7,800	D	\$71.18	124,600	D	
Common Stock	09/15/2004		S		100	D	\$71.19	124,500	D	
Common Stock	09/15/2004		S		8,000	D	\$71.2	116,500	D	
Common Stock	09/15/2004		S		600	D	\$71.22	115,900	D	
Common Stock	09/15/2004		S		1,300	D	\$71.23	114,600	D	
Common Stock	09/15/2004		S		2,100	D	\$71.24	112,500	D	
Common Stock	09/15/2004		S		44,000	D	\$71.25	68,500	D	
Common Stock	09/15/2004		S		7,200	D	\$71.26	61,300	D	
Common Stock	09/15/2004		S		7,800	D	\$71.27	53,500	D	
Common Stock	09/15/2004		S		12,700	D	\$71.28	40,800	D	
Common Stock	09/15/2004		S		1,900	D	\$71.29	38,900	D	
Common Stock	09/15/2004		S		18,500	D	\$71.3	20,400	D	
Common Stock	09/15/2004		S		6,300	D	\$71.31	14,100	D	
Common Stock	09/15/2004		S		7,900	D	\$71.32	6,200	D	
Common Stock	09/15/2004		S		6,200	D	\$71.35	0.00	D	
Common Stock								4,245.01	I	By 401(k)

**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	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
--------------------------------------------	--------------------------------------------------------	--------------------------------------	----------------------------------------------------	--------------------------------	----------------------------------------------------------------------------------------	----------------------------------------------------------	-----------------------------------------------------------------------------------	--------------------------------------------	--------------------------------------------------------------------------	-----------------------------------------------------------	--------------------------------------------------------

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)											Transaction(s) (Instr. 4)				
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)	\$65.77	09/15/2004		M			289,499	08/29/2001	01/17/2011	Common Stock	289,499	(1)	0.00	D	
Employee Stock Option (Right to Buy)	\$61.3	09/15/2004		M			5,000	12/16/2006	12/16/2012	Common Stock	5,000	(2)	15,000	D	
Employee Stock Option (Right to Buy)	\$47	09/15/2004		M			5,000	02/10/2007	02/10/2013	Common Stock	5,000	(2)	15,000	D	

**Explanation of Responses:**

- These options were granted under American General Corporation's 1999 Stock and Incentive Plan. Upon the acquisition of American General Corporation by American International Group, Inc. on August 29, 2001, all options granted under American General Corporation's 1999 Stock and Incentive Plan became vested and exercisable.
- These options were granted under AIG's 1999 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, by 09/17/2004  
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.