FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

	f Reporting Person*			2 19	CLIAT	Nomo	1 = 1																
	1. Name and Address of Reporting Person* MATTHEWS EDWARDS E								2. Issuer Name and Ticker or Trading Symbol AMERICAN INTERNATIONAL GROUP									5. Relationship of Reporting Person(s) to Issuer (Check all applicable)					
IL VV U L	MALI TEWS EDWAKUS E								INC [AIG]									Owner					
(Last) (First) (Middle)																!	Other below	(specify					
K AVENU	IE.		1 ' ' '																				
	-	08/	U8/14/2006																				
	4. If	4. If Amendment, Date of Original Filed (Month/Day/Year)									6. Individual or Joint/Group Filing (Check Applicable												
(Street)											l '												
ORK N	ΙΥ	10022												l ' ' '									
															Form filed by More than One Reporting Person								
(City) (State) (Zip)																							
	Tab	le I - No	n-Deriv	ative	Sec	curitie	s Ac	quired	, Dis	posed o	f, or E	Benefic	ially	Owne	ed								
Date						Execution Date,			3. Transaction Code (Instr. 8)		Disposed Of (D) (Instr. 3, 4			and Securities Beneficially Owned Following		6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)		7. Nature of Indirect Beneficial Ownership					
							Code	v	Amount	(A) (D)	or Price	Transaction(c)		tion(s)			(Instr. 4)						
Common Stock 08/14/2							2006			26,000	D	\$6	1.8	8 302,820		D							
Stock											29	,900			See Footnote ⁽¹⁾								
Stock											18,6	44,278			See Footnote ⁽²⁾								
	Ta	able II -					•						•	wned									
ecurity or Exercise (Month/Day/Year) if any			n Date,	Transaction Code (Instr.		of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		Expiration Dat (Month/Day/Ye		e Amour Securi Under! Derivat Securi and 4)		Amount of Securities S. Underlying Derivative Security (Instr. 3 and 4) Amount or Number of		ivative urity	derivative Securities Beneficiall Owned Following Reported	y [C	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	Beneficial Ownership (Instr. 4)					
	Stock Stock Conversion or Exercise Price of Derivative	Conversion or Exercise Price of Derivative (Month/Day/Year)	Stock Conversion or Exercise Price of Derivative Stock Conversion or Exercise Price of Derivative Stock Conversion or Exercise Price of Derivative Conversion of Exercise (Month/Day/Year) Conversion of Exercise (Month/Day/Year) Conversion of Exercise (Month/Day/Year) Conversion of Exercise (Month/Day/Year)	Stock Table I - Non-Derive (Month/Day/Year) Table II - Derivate (e.g., pi fany (Month/Day/Year) Stock Table II - Derivate (e.g., pi fany (Month/Day/Year)	Stock Table II - Derivative (Month/Day/Year) Table II - Derivative (Month/Day/Year) Table II - Derivative (Month/Day/Year) 3. Does describe (Month/Day/Year) 3. Does describe (Month/Day/Year) 3. Does describe (Month/Day/Year) 3. Does describe (Month/Day/Year) 4. Transaction Date (Month/Day/Year) (Month/Day/Year) 4. Transaction Date (Month/Day/Year) 7. 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Explanation of Responses:

- 1. Mr. Matthews' wife holds 29,900 shares of AIG common stock. Mr. Matthews may be deemed to be the beneficial owner of, and to have a pecuniary interest in, the shares of AIG common stock held by his wife. Mr. Matthews disclaims beneficial ownership of, and any pecuniary interest in, the shares of AIG common stock held by his wife.
- 2. Mr. Matthews may be deemed to be the beneficial owner of, and to have a pecuniary interest in, the shares of AIG common stock held by the C.V. Starr & Co., Inc. Trust (the "CV Starr Trust"). Mr. Matthews disclaims beneficial ownership of, and any pecuniary interest in, the shares of AIG common stock held by the CV Starr Trust.

Remarks:

/s/ Bertil P-H Lundqvist, Attorney-in-Fact; /s/ Leif B. King, Attorney-in-Fact for

08/16/2006

Edward E. Matthews

** 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.