

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D
Under the Securities Exchange Act of 1934

AMERICAN BANKERS INSURANCE GROUP, INC.
(Name of Issuer)

Common Stock, \$1.00 par value
(Title of Class of Securities)

024456 10 5
(CUSIP Number)

Kathleen E. Shannon
Vice President and Secretary
American International Group, Inc.
70 Pine Street
New York, NY 10270
(212) 770-5123

(Name, Address and Telephone Number
of Person Authorized to Receive
Notices and Communications)

December 21, 1997
(Date of Event which Requires Filing of this Statement)

If a filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(b)(3) or (4), check the following box [].

NOTE: Six copies of this statement, including all exhibits, should be filed with the Commission. See Rule 13d-1(a) for other parties to whom copies are to be sent.

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1. NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
American International Group, Inc.
I.R.S. Identification No. 13-2592361

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP
(a) []
(b) [X]

3. SEC USE ONLY

4. SOURCE OF FUNDS*
OO

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS
REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) []

6. CITIZENSHIP OR PLACE OF ORGANIZATION
Organized under the laws of the State of Delaware

7. SOLE VOTING POWER
NUMBER OF 0

SHARES	-----
BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8. SHARED VOTING POWER 3,389,300

	9. SOLE DISPOSITIVE POWER 0

	10. SHARED DISPOSITIVE POWER 3,389,300

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
3,389,300

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES
[]

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
8.2%

14. TYPE OF REPORTING PERSON
CO, HC

ITEM 1. SECURITY AND ISSUER

This Statement on Schedule 13D relates to the shares of Common Stock, par value \$1.00 per share (the "Shares"), of American Bankers Insurance Group, Inc. (the "Issuer"). The address of the principal executive offices of the Issuer is 11222 Quail Roost Drive, Miami, Florida 33157-6596.

ITEM 2. IDENTITY AND BACKGROUND

(a)-(c) and (f). This Statement is being filed by American International Group, Inc. ("AIG"). AIG is organized as a corporation under the laws of the State of Delaware, and its principal business address is 70 Pine Street, New York, NY 10270. AIG is a holding company which through its subsidiaries is primarily engaged in a broad range of insurance and insurance-related activities and financial services in the United States and abroad. AIG's primary activities include both general and life insurance operations.

Starr International Company, Inc., a private holding company incorporated in Panama ("SICO"), The Starr Foundation, a New York not-for-profit corporation ("The Starr Foundation"), and C.V. Starr & Co., Inc., a Delaware corporation ("Starr"), have the right to vote approximately 16.1%, 3.6% and 2.4%, respectively, of the outstanding common stock of AIG. The principal executive offices of SICO are located at 29 Richmond Road, Pembroke, Bermuda. The principal executive offices of The Starr Foundation and Starr are located at 70 Pine Street, New York, New York 10270. The names of the directors and executive officers ("Covered Persons") of AIG, SICO, The Starr Foundation and Starr, their business addresses and principal occupations are set forth in Annex A attached hereto, which is incorporated herein by reference in its entirety. The business address indicated for each Covered Person is also the address of the principal employer for such Covered Person. Each of the Covered Persons is a citizen of the United States, except for Messrs. Johnson, Manton, Sullivan, and Tse who are British subjects, and Mr. Cohen, who is a Canadian subject.

(d) and (e). During the last five years, none of AIG, SICO, The Starr Foundation or Starr, or any of the Covered Persons, has (i) been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (ii) been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations

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of, or prohibiting or mandating activities subject to, Federal or State securities laws or finding any violations with respect to such laws.

ITEM 3. SOURCES AND AMOUNT OF FUNDS

As described in the response to Item 4 (which response is incorporated herein by reference), the Shares to which this Statement on Schedule 13D relates have not been purchased by AIG. In connection with, and as a condition to, AIG and the Issuer entering into the Merger Agreement (as defined in the response to Item 4), certain shareholders of the Issuer holding approximately 8.2% of the outstanding Shares have entered into the Voting Agreement (as defined in the response to Item 4) pursuant to which such shareholders have agreed to vote their Shares in favor of adoption of the Merger Agreement and approval of the Merger (as defined in the response to Item 4), if requested by AIG, to grant to AIG an irrevocable proxy with respect to such Shares and not to dispose of such Shares, subject to certain exceptions.

ITEM 4. PURPOSE OF TRANSACTION

On December 21, 1997, the Issuer, AIG and AIGF, Inc., a wholly owned subsidiary of AIG ("AIGF"), entered into an Agreement and Plan of Merger which provides, among other things, that, subject to the satisfaction of the terms and conditions therein, the Issuer will merge (the "Merger") with and into AIGF. The separate existence of the Issuer will cease upon consummation of the Merger. AIGF will be the surviving corporation in the Merger and will be renamed "American Bankers Insurance Group, Inc." following the Merger. The Merger Agreement was amended and restated as of January 7, 1998 (as so amended and restated, hereinafter the "Merger Agreement").

Subject to certain limitations described in the Merger Agreement, holders of Shares that elect to receive cash will receive \$47.00 in cash in exchange for each Share. Subject to certain elections of AIG set forth in the Merger Agreement, holders of Shares that elect to receive common stock, par value \$2.50 per share, of AIG (the "AIG Common Stock") or that make no election will receive a portion of a share of AIG Common Stock with a value equal to \$47.00 (as determined based on the average of the closing prices per share of AIG Common Stock on the New York Stock Exchange for the ten trading days ending on the third trading day prior to the date that the Merger is consummated) in exchange for each Share. Each share of \$3.125 Series B Cumulative Convertible Preferred Stock of the Issuer (the "Preferred Shares") will be canceled in the Merger in exchange for one share of AIG Series C Preferred Stock, par value \$5.00 (the

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"AIG Series C Preferred Stock"), to be issued on terms substantially similar to the Preferred Shares. The AIG Series C Preferred Stock will be convertible into AIG Common Stock.

In connection with the Merger, AIG and the Issuer have entered into a stock option agreement (the "Stock Option Agreement") under which the Issuer has granted AIG an option to purchase a number of newly issued Shares

equal to approximately 19.9% of the outstanding number of Shares if certain events occur.

In addition, certain shareholders of the Issuer holding approximately 8.2% of the outstanding Shares have entered into a voting agreement with AIG (the "Voting Agreement") pursuant to which such shareholders have agreed to vote their Shares in favor of adoption of the Merger Agreement and approval of the Merger, if requested by AIG, to grant to AIG an irrevocable proxy with respect to such Shares and not to dispose of such Shares, subject to certain exceptions.

The Merger Agreement requires the approval of the holders of a majority of the outstanding Preferred Shares and a majority of the outstanding Shares, each voting as a separate class.

The purpose of the transactions under the Stock Option Agreement and the Voting Agreement is to enable AIG to consummate the transactions contemplated under the Merger Agreement. The Stock Option Agreement and Voting Agreement also may make it more difficult and expensive for the Issuer to consummate a business combination with a party other than AIG.

Upon consummation of the Merger, the Shares and Preferred Shares would cease to be listed on the New York Stock Exchange and would become eligible for termination of registration pursuant to Section 12(g)(4) of the Securities Exchange Act of 1934, as amended.

Except as contemplated by the Merger Agreement, the Stock Option Agreement and the Voting Agreement or as otherwise set forth in this Item 4, AIG has no present plans or proposals which relate to or would result in (i) the acquisition by any person of additional securities of the Issuer, or the disposition of securities of the Issuer; (ii) an extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving the Issuer or any of its subsidiaries; (iii) a sale or transfer of a material amount of assets of the Issuer or any of its subsidiaries; (iv) any change in the present Board of Directors or management of the Issuer; (v) any material change in the

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present capitalization or dividend policy of the Issuer; (vi) any other material change in the Issuer's business or corporate structure; (vii) any change in the Issuer's charter, by-laws or instruments corresponding thereto or other actions which may impede the acquisition of control of the Issuer by any person; (viii) causing the Shares or Preferred Shares to cease to be listed on the New York Stock Exchange; (ix) the Shares or Preferred Shares becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Exchange Act; or (x) any action similar to any of those actions set forth in this Paragraph involving the Shares or Preferred Shares.

ITEM 5. INTERESTS IN SECURITIES OF THE ISSUER

(a) and (b). 3,389,300 Shares, representing approximately 8.2% of the outstanding Shares, are subject to the Voting Agreement and therefore may be deemed to be beneficially owned both by the respective shareholders of the Issuer party to the Voting Agreement and by AIG. Inasmuch as the Voting Agreement is limited to the vote of the Shares with respect to the Merger Agreement and the Merger and certain related matters, the respective shareholders of the Issuer party to the Voting Agreement and AIG have shared power to vote or to direct the vote with respect to the Shares subject to the Voting Agreement. The Voting Agreement provides, subject to certain exceptions, that the shareholders party thereto may not dispose of their respective Shares without AIG's consent. Such shareholders and AIG therefore have shared power to dispose or direct the disposition of the Shares subject to the Voting Agreement.

(c). Other than the Merger Agreement, the Stock Option Agreement and the Voting Agreement described in the response to Item 4 (which response is incorporated herein by reference) and the transactions contemplated

thereby, there have been no transactions in Shares by AIG, or, to the best knowledge of AIG, by any of the Covered Persons, during the past 60 days.

(d). To the best knowledge of AIG, the right to receive and the power to direct the receipt of dividends from, and the proceeds from the sale of, the Shares subject to the Voting Agreement are held by the respective shareholders party to the Voting Agreement.

(e). Not applicable.

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ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR
RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE
ISSUER

Other than the Merger Agreement, Stock Option Agreement and Voting Agreement described in the response to Item 4 (which response is incorporated herein by reference) and the transactions contemplated thereby, there are no contracts, arrangements, understandings or relationships between AIG and any other person, or, to the best knowledge of AIG, among any of SICO, The Starr Foundation Starr or any of the Covered Persons and any other person, with respect to the Shares.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS

- | | |
|-----------|---|
| Exhibit 1 | Agreement and Plan of Merger, dated as of December 21, 1997, as amended and restated as of January 7, 1998, among the Issuer, AIG and AIGF (incorporated by reference to Exhibit 2.1 to the Issuer's Current Report on Form 8-K, filed January 13, 1998). |
| Exhibit 2 | Stock Option Agreement, dated as of December 21, 1997, between the Issuer and AIG (incorporated by reference to Exhibit 10.1 to the Issuer's Current Report on Form 8-K, filed January 13, 1998). |
| Exhibit 3 | Voting Agreement, dated as of December 21, 1997, between AIG and the shareholders of the Issuer named therein (incorporated by |

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reference to Exhibit 10.2 to the Issuer's Current Report on Form 8-K, filed January 13, 1998).

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: January 16, 1998

American International Group, Inc.

By: /s/ Kathleen E. Shannon

Name: Kathleen E. Shannon

ANNEX A

AMERICAN INTERNATIONAL GROUP, INC.

DIRECTORS

M. Bernard Aidinoff	Sullivan & Cromwell 125 Broad Street New York, New York 10004
Lloyd M. Bentsen	Verner, Liipfert, Bernhard, McPherson & Hand 2600 Texas Commerce Tower 600 Travis Street Suite 2600 Houston, Texas 77002
Pei-yuan Chia	298 Bedford - Banksville Road Bedford, New York 10506
Marshall A. Cohen	Cassels, Brock & Blackwell 40 King Street West 20th Fl. Toronto, Ontario M5H 3C2
Barber B. Conable, Jr.	P.O. Box 218 Alexander, New York 14005
Martin S. Feldstein	National Bureau of Economic Research, Inc. 1050 Massachusetts Avenue Cambridge, Massachusetts 02138
Leslie L. Gonda	International Lease Finance Corporation 1999 Avenue of the Stars Los Angeles, California 90067
Evan G. Greenberg	American International Group, Inc. 70 Pine Street New York, New York 10270
M. R. Greenberg	American International Group, Inc. 70 Pine Street New York, New York 10270

Carla A. Hills	Hills & Company 1200 19th Street, N.W. 5th Fl. Washington, DC 20036
Frank J. Hoenemeyer	7 Harwood Drive

Madison, New Jersey 07940

Edward E. Matthews

American International Group,
Inc.
70 Pine Street
New York, New York 10270

Dean P. Phypers

220 Rosebrook Road
New Canaan, Connecticut 06840

Howard I. Smith

American International Group,
Inc.
70 Pine Street
New York, New York 10270

Thomas R. Tizzio

American International Group,
Inc.
70 Pine Street
New York, New York 10270

Edmund S.W. Tse

American International
Assurance Co., Ltd.
1 Stubbs Road
Hong Kong

Frank G. Wisner

American International Group,
Inc.
70 Pine Street
New York, New York 10270

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AMERICAN INTERNATIONAL GROUP, INC.

EXECUTIVE OFFICERS

M.R. Greenberg
70 Pine Street
New York, New York 10270

Chairman & Chief
Executive Officer

Thomas R. Tizzio
70 Pine Street
New York, New York 10270

Senior Vice Chairman -
General Insurance

Edward E. Matthews
70 Pine Street
New York, New York 10270

Vice Chairman
Investments & Financial
Services

Edmund S.W. Tse
American International
Assurance Co., Ltd.
1 Stubbs Road
Hong Kong

Vice Chairman - Life
Insurance

Frank G. Wisner
70 Pine Street
New York, New York 10270

Vice Chairman - External
Affairs

Evan G. Greenberg
70 Pine Street
New York, New York 10270

President & Chief
Operating Officer

Edwin A.G. Manton
70 Pine Street
New York, New York 12070

Senior Advisor

John J. Roberts

Senior Advisor

70 Pine Street
New York, New York 10270

Ernest E. Stempel
70 Pine Street
New York, New York 10270

Senior Advisor

Robert B. Sandler
70 Pine Street
New York, New York 10270

Executive Vice President
- Senior Casualty Actuary
& Senior Claims Officer

Howard I. Smith
70 Pine Street
New York, New York 10270

Executive Vice President,
Chief Financial Officer &
Comptroller

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Lawrence W. English
70 Pine Street
New York, New York 10270

Senior Vice President -
Administration

Axel I. Freudmann
72 Wall Street
New York, New York 10270

Senior Vice President -
Human Resources

Win J. Neuger
70 Pine Street
New York, New York 10270

Senior Vice President &
Chief Investment Officer

Martin J. Sullivan
70 Pine Street
New York, New York 10270

Senior Vice President -
Foreign General Insurance

Florence A. Davis
70 Pine Street
New York, New York 10270

Vice President & General
Counsel

William N. Dooley
70 Pine Street
New York, New York 10270

Vice President &
Treasurer

Robert E. Lewis
70 Pine Street
New York, New York 10270

Vice President & Chief
Credit Officer

Frank Petralito II
70 Pine Street
New York, New York 10270

Vice President & Director
of Taxes

Kathleen E. Shannon
70 Pine Street
New York, New York 10270

Vice President, Secretary
& Associate General
Counsel

John T. Wooster, Jr.
72 Wall Street
New York, New York 10270

Vice President -
Communications

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STARR INTERNATIONAL COMPANY, INC.

EXECUTIVE OFFICERS & DIRECTORS

Houghton Freeman Director	1880 Mountain Road, #14 Stowe, Vermont 05672
Evan G. Greenberg Director	70 Pine Street New York, New York 10270
Maurice R. Greenberg Director & Chairman of the Board	70 Pine Street New York, New York 10270
Joseph C.H. Johnson Director, President & Treasurer	American International Building Richmond Road Pembroke 543 Bermuda
Edwin A.G. Manton Director	70 Pine Street New York, New York 10270
Edward E. Matthews Director	70 Pine Street New York, New York 10270
L. Michael Murphy Director, Vice President & Secretary	American International Building Richmond Road Pembroke 543 Bermuda
John J. Roberts Director	70 Pine Street New York, New York 10270
Robert M. Sandler Director	70 Pine Street New York, New York 10270
Howard I. Smith Director	70 Pine Street New York, New York 10270
Ernest E. Stempel Director	70 Pine Street New York, New York 10270
Thomas R. Tizzio Director	70 Pine Street New York, New York 10270
Edmund S.W. Tse Director	1, Stubbs Road Hong Kong

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THE STARR FOUNDATION
EXECUTIVE OFFICERS & DIRECTORS

M.R. Greenberg Director and Chairman	70 Pine Street New York, New York 10270
T.C. Hsu Director and President	70 Pine Street New York, New York 10270
Marion Breen Director and Vice President	70 Pine Street New York, New York 10270
John J. Roberts Director	70 Pine Street New York, New York 10270
Ernest E. Stempel Director	70 Pine Street New York, New York 10270

Houghton Freeman Director	1880 Mountain Road, #14 Stowe, Vermont 05672
Edwin A.G. Manton Director	70 Pine Street New York, New York 10270
Gladys Thomas Vice President	70 Pine Street New York, New York 10270
Frank Teng Treasurer	70 Pine Street New York, New York 10270
Ida Galler Secretary	70 Pine Street New York, New York 10270

C.V. STARR & CO., INC.

EXECUTIVE OFFICERS & DIRECTORS

Houghton Freeman Director	1880 Mountain Road, #14 Stowe, Vermont 05672
E.G. Greenberg Director & Executive Vice President	70 Pine Street New York, New York 10270
Maurice R. Greenberg Director, President & Chief Executive Officer	70 Pine Street New York, New York 10270
Edwin A.G. Manton Director	70 Pine Street New York, New York 10270
Edward E. Matthews Director, Senior Vice President & Secretary	70 Pine Street New York, New York 10270
John J. Roberts Director	70 Pine Street New York, New York 10270
Robert M. Sandler Director & Vice President	70 Pine Street New York, New York 10270
Howard I. Smith Director & Senior Vice President	70 Pine Street New York, New York 10270
Ernest E. Stempel Director	70 Pine Street New York, New York 10270
Thomas R. Tizzio Director & Senior Vice President	70 Pine Street New York, New York 10270
Edmund S.W. Tse Director & Senior Vice President	1, Stubbs Road Hong Kong
Gary Nitzsche Treasurer	70 Pine Street New York, New York 10270