

SECURITIES AND EXCHANGE COMMISSION  
 WASHINGTON, D.C. 20549

FORM S-3  
 REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

AMERICAN INTERNATIONAL GROUP, INC.  
 (Exact name of Registrant as specified in its charter)

DELAWARE 13-2592361  
 (State or other jurisdiction of (I.R.S. Employer  
 incorporation or organization) Identification No.)

70 PINE STREET  
 NEW YORK, NEW YORK 10270  
 (212) 770-7000  
 (Address, including zip code, and telephone number, including  
 area code, of Registrant's principal executive offices)

KATHLEEN E. SHANNON, ESQ.  
 VICE PRESIDENT AND SECRETARY  
 AMERICAN INTERNATIONAL GROUP, INC.  
 70 PINE STREET  
 NEW YORK, NEW YORK 10270  
 (212) 770-7000  
 (Name, address, including zip code, and telephone number, including  
 area code, of agent for service)

Approximate date of commencement of proposed sale to the public:  
 From time to time after the effective date of this Registration Statement.

If the only securities being registered on this Form are being offered  
 pursuant to dividend or interest reinvestment plans, please check the following  
 box. [ ]

If any of the securities being registered on this Form are to be offered on  
 a delayed or continuous basis pursuant to Rule 415 under the Securities Act of  
 1933, other than securities offered only in connection with dividend or interest  
 reinvestment plans, check the following box. [X]

If this Form is filed to register additional securities for an offering  
 pursuant to Rule 462(b) under the Securities Act, please check the following box  
 and list the Securities Act registration statement number of the earlier  
 effective registration statement for the same offering. [ ]

If this Form is a post-effective amendment filed pursuant to Rule 462(c)  
 under the Securities Act, check the following box and list the Securities Act  
 registration statement number of the earlier effective registration statement  
 for the same offering. [ ]

If delivery of the prospectus is expected to be made pursuant to Rule 434,  
 please check the following box. [ ]

CALCULATION OF REGISTRATION FEE

TITLE OF EACH CLASS OF SECURITIES TO BE REGISTERED	AMOUNT TO BE REGISTERED(1)	PROPOSED MAXIMUM OFFERING PRICE PER UNIT(2)	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE(2)	AMOUNT OF REGISTRATION FEE(3)
Debt securities.....	\$658,177,000	100%	\$658,177,000	\$173,759

- (1) Or, if any debt securities (a) are denominated or payable in a foreign or composite currency or currencies, such principal amount as shall result in an aggregate initial offering price equivalent to \$658,177,000 at the time of the initial offering, (b) are issued at an original issue discount, such greater principal amount as shall result in an aggregate initial offering price of \$658,177,000, or (c) are issued with their principal amount payable at maturity to be determined with reference to a currency exchange rate or other index, such principal amount as shall result in an aggregate initial offering price of \$658,177,000.
- (2) Estimated in accordance with Rule 457 solely for the purpose of calculating the registration fee.
- (3) Pursuant to Rule 429 under the Securities Act of 1933, this Registration Statement also relates to an additional \$341,823,000 of debt securities previously registered by the Issuer on Registration Statement No. 33-60827, as to which a \$172,414 fee has previously been paid.

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(a) OF THE SECURITIES ACT OF 1933 OR UNTIL THIS REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(a), MAY DETERMINE.

Pursuant to Rule 429 under the Securities Act of 1933, the Registration Statement also relates to the prospectus included in Registration Statement No. 33-60827.

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

PROSPECTUS

SUBJECT TO COMPLETION, DATED FEBRUARY 24, 2000

\$1,000,000,000

AMERICAN INTERNATIONAL GROUP, INC.

DEBT SECURITIES

-----

American International Group, Inc. may offer its debt securities from time to time and in one or more series. These debt securities will have an initial public offering price or purchase price of up to \$1,000,000,000 or will have the foreign currency or composite currency equivalent of this amount.

AIG may issue all or a portion of these debt securities in the form of one or more permanent global certificates.

At the time of sale, an accompanying prospectus supplement will describe the terms of the debt securities, and will include for each series of debt securities the initial public offering price, designation, aggregate principal amount (including whether determined by reference to an index), currency, denomination, premium, maturity, interest rate (whether fixed or floating), time of payment of any interest and any terms for mandatory or optional redemption.

-----

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE DEBT SECURITIES OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

-----

AIG may sell these debt securities to or through underwriters or dealers, and also to other purchasers or through agents. The names of any underwriters, dealers or agents will be set forth in an accompanying prospectus supplement.

The date of this prospectus is       , 2000.

## TABLE OF CONTENTS

PAGE	
- - - - -	
	ABOUT THIS PROSPECTUS.....1
	AMERICAN INTERNATIONAL GROUP, INC.....1
	USE OF PROCEEDS.....1
	CONSOLIDATED RATIOS OF EARNINGS TO FIXED CHARGES.....1
	DESCRIPTION OF DEBT SECURITIES AIG MAY OFFER.....2
	PLAN OF DISTRIBUTION.....10
	VALIDITY OF THE DEBT SECURITIES.....11
	EXPERTS.....11
	WHERE YOU CAN FIND MORE INFORMATION.....11

-----

You should rely only on the information contained in this prospectus or any prospectus supplement or information contained in documents which you are referred to by this prospectus or any prospectus supplement. AIG has not authorized anyone to provide you with information different from that contained in this prospectus or any prospectus supplement. AIG is offering to sell the debt securities only in jurisdictions where offers and sales are permitted. The information contained in this prospectus or any prospectus supplement is accurate only as of the date on the front of those documents, regardless of the time of delivery of the documents or any sale of the debt securities.

-----

## ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that AIG filed with the SEC utilizing a shelf registration process. Under this shelf process, AIG may sell the securities described in this prospectus in one or more offerings up to a total dollar amount of \$1,000,000,000. This prospectus provides you with a general description of the debt securities AIG may offer.

Each time AIG sells debt securities, AIG will provide a prospectus supplement that will contain specific information about the terms of that offering. The prospectus supplement may also add, update or change information contained in this prospectus. You should read both this prospectus and any prospectus supplement together with additional information described in the section entitled "Where You Can Find More Information".

To see more detail, you should read our registration statement and the exhibits filed with our registration statement.

## AMERICAN INTERNATIONAL GROUP, INC.

AIG, a Delaware corporation, 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 principal executive offices are located at 70 Pine Street, New York, New York 10270, and its telephone number is 212-770-7000.

## USE OF PROCEEDS

Unless otherwise indicated in any prospectus supplement, AIG intends to add the net proceeds from the sale of the debt securities to AIG's general funds. The funds will be used by AIG and its subsidiaries for general corporate purposes.

## CONSOLIDATED RATIOS OF EARNINGS TO FIXED CHARGES

The following table sets forth the historical ratios of earnings to fixed charges of AIG and its consolidated subsidiaries for the periods indicated:

NINE MONTHS ENDED SEPTEMBER 30,		YEARS ENDED DECEMBER 31,				
1999	1998	1998	1997	1996	1995	1994
4.28	3.87	3.82	3.64	3.53	3.35	3.13

## Earnings represent

- Income from operations before income taxes and adjustments for minority interest
- plus
- Fixed charges other than capitalized interest
- Amortization of capitalized interest
- The distributed income of equity investees
- less
- The minority interest in pre-tax income of subsidiaries that do not have fixed charges.

## Fixed charges include

- Interest, whether expensed or capitalized
- Amortization of debt issuance costs
- One third of rental expense. Management of AIG believes this is representative of the interest factor.

## DESCRIPTION OF DEBT SECURITIES AIG MAY OFFER

As required by federal law for all bonds and notes of companies that are publicly offered, the debt securities are governed by a document called the indenture. The indenture is a contract, dated as of July 15, 1989, between AIG and The Bank of New York, which acts as trustee.

The trustee has two main roles:

1. The trustee can enforce your rights against AIG if AIG defaults on its obligations under the terms of the indenture or the debt securities. There are some limitations on the extent to which the trustee acts on your behalf, described later on page 9 under "Remedies If an Event of Default Occurs".
2. The trustee performs administrative duties for AIG, such as sending you interest payments, transferring your debt securities to a new buyer if you sell and sending you notices.

The indenture and its associated documents contain the full legal text of the matters described in this section. The indenture and the debt securities are governed by New York law. A copy of the indenture is an exhibit to AIG's registration statement. See "Where You Can Find More Information" on page 11 for information on how to obtain a copy.

AIG may issue as many distinct series of debt securities under the indenture as it wishes.

This section summarizes the material terms of the debt securities that are common to all series, although the prospectus supplement which describes the terms of each series of debt securities may also describe differences with the material terms summarized here.

Because this section is a summary, it does not describe every aspect of the debt securities. This summary is subject to and qualified in its entirety by reference to all the provisions of the indenture, including definitions of certain terms used in the indenture. In this summary, AIG describes the meaning for only some of the more important terms. For your convenience, AIG also includes references in parentheses to certain sections of the indenture. Whenever AIG refers to particular sections or defined terms of the indenture in this prospectus or in the prospectus supplement, such sections or defined terms are incorporated by reference here or in the prospectus supplement. You must look to the indenture for the most complete description of what AIG describes in summary form in this prospectus.

This summary also is subject to and qualified by reference to the description of the particular terms of your series described in the prospectus supplement. Those terms may vary from the terms described in this prospectus. The prospectus supplement relating to each series of debt securities will be attached to the front of this prospectus. There will also be a further prospectus supplement, known as a pricing supplement, which contains the precise terms of debt securities you are offered.

AIG may issue the debt securities as original issue discount securities, which will be offered and sold at a substantial discount below their stated principal amount. (Section 101) The prospectus supplement relating to the original issue discount securities will describe federal income tax consequences and other special considerations applicable to them. The debt securities may also be issued as indexed securities or securities denominated in foreign currencies or currency units, as described in more detail in the prospectus supplement relating to any of the particular debt securities. The prospectus supplement relating to specific debt securities will also describe any special considerations and certain additional tax considerations applicable to such debt securities.

In addition, the specific financial, legal and other terms particular to a series of debt securities are described in the prospectus supplement and the pricing supplement relating to the series. The prospectus supplement relating to a series of debt securities will describe the following terms of the series:

- - the title of the series of debt securities;
- - any limit on the aggregate principal amount of the series of debt securities;
- - the person to whom interest on a debt security is payable, if other than the holder on the regular record date;
- - the date or dates on which the series of debt securities will mature;
- - the rate or rates, which may be fixed or variable

per annum at which the series of debt securities will bear interest, if any, and the date or dates from which that interest, if any, will accrue;

- - the place or places where the principal of (and premium, if any) and interest on the debt securities is payable;
- - the dates on which interest, if any, on the series of debt securities will be payable and the regular record dates for the interest payment dates;
- - any mandatory or optional sinking funds or similar provisions or provisions for redemption at the option of the issuer;
- - the date, if any, after which and the price or prices at which the series of debt securities may, in accordance with any optional or mandatory redemption provisions, be redeemed and the other detailed terms and provisions of those optional or mandatory redemption provisions, if any;
- - if other than denominations of \$1,000 and any of its integral multiples, the denominations in which the series of debt securities will be issuable;
- - the currency of payment of principal, premium, if any, and interest on the series of debt securities;
- - if the currency of payment for principal, premium, if any, and interest on the series of debt securities is subject to the election of AIG or a holder, the currency or currencies in which payment can be made and the period within which, and the terms and conditions upon which, the election can be made;
- - any index used to determine the amount of payment of principal or premium, if any, and interest on the series of debt securities;
- - the applicability of the provisions described under "Defeasance" on page 8;
- - any event of default under the series of debt securities if different from those described under "What is an Event of Default" on page 9;
- - if the series of debt securities will be issuable only in the form of global security, the depository or its nominee with respect to the series of debt securities and the circumstances under which the global security may be registered for transfer or exchange in the name of a person other than the depository or the nominee; and
- - any other special feature of the series of debt securities.

#### LEGAL OWNERSHIP

##### STREET NAME AND OTHER INDIRECT HOLDERS

Investors who hold debt securities in accounts at banks or brokers will generally not be recognized by AIG as legal holders of debt securities. This is called holding in street name. Instead, AIG would recognize only the bank or broker, or the financial institution the bank or broker uses to hold its debt securities. These intermediary banks, brokers and other financial institutions pass along principal, interest and other payments on the debt securities, either because they agree to do so in their customer agreements or because they are legally required to. If you hold debt securities in street name, you should check with your own institution to find out:

- - How it handles securities payments and notices.
- - Whether it imposes fees or charges.
- - How it would handle voting if ever required.
- - Whether and how you can instruct it to send you debt securities registered in your own name so you can be a direct holder as described below.
- - How it would pursue rights under the debt securities if there were a default or other event triggering the need for holders to act to protect their interests.

##### DIRECT HOLDERS

AIG's obligations, as well as the obligations of the trustee and those of any third parties employed by AIG or the trustee, run only to persons who are registered as holders of debt securities. As noted above, AIG does not have obligations to you if you hold in street name or other indirect means, either because you choose to hold debt securities in that manner or because the debt securities are issued in the form of global securities as described below. For example, once AIG makes payment to the registered holder, AIG has no further responsibility for the payment even if that holder is legally required to pass the payment along to you as a street name customer but does not do so.

## GLOBAL SECURITIES

What is a Global Security? A global security is a special type of indirectly held security, as described above under "Street Name and Other Indirect Holders". If AIG chooses to issue debt securities in the form of global securities, the ultimate beneficial owners can only be indirect holders. AIG does this by requiring that the global security be registered in the name of a financial institution it selects and by requiring that the debt securities included in the global security not be transferred to the name of any other direct holder unless the special circumstances described below occur. The financial institution that acts as the sole direct holder of the global security is called the depository. Any person wishing to own a debt security must do so indirectly by virtue of an account with a broker, bank or other financial institution that in turn has an account with the depository. The prospectus supplement indicates whether your series of securities will be issued only in the form of global securities.

Special Investor Considerations for Global Securities. As an indirect holder, an investor's rights relating to a global security will be governed by the account rules of the investor's financial institution and of the depository, as well as general laws relating to securities transfers. AIG does not recognize this type of investor as a holder of debt securities and instead deals only with the depository that holds the global security.

If you are an investor, you should be aware that if debt securities are issued only in the form of global securities:

- - You cannot get debt securities registered in your own name.
- - You cannot receive physical certificates for your interest in the debt securities.
- - You will be a street name holder and must look to your own bank or broker for payments on the debt securities and protection of your legal rights relating to the debt securities. See "Street Name and Other Indirect Holders" on page 3.
- - You may not be able to sell interests in the debt securities to some insurance companies and other institutions that are required by law to own their securities in the form of physical certificates.
- - The depository's policies will govern payments, transfers, exchange and other matters relating to your interest in the global security. AIG and the trustee have no responsibility for any aspect of the depository's actions or for its records of ownership interests in the global security. AIG and the trustee also do not supervise the depository in any way.

Special Situations When Global Security Will Be Terminated. In a few special situations described later, the global security will terminate and interests in it will be exchanged for physical certificates representing debt securities. After that exchange, the choice of whether to hold debt securities directly or in street name will be up to you. You must consult your own bank or brokers to find out how to have your interests in debt securities transferred to your own name, so that you will be a direct holder. The rights of street name investors and direct holders in the debt securities have been previously described in the subsections entitled "Street Name and Other Indirect Holders" on page 3 and "Direct Holders" on page 3.

The special situations for termination of a global security are:

- - When the depository notifies AIG that it is unwilling, unable or no longer qualified to continue as depository.
- - When AIG notifies the trustee that it wishes to terminate the global security.
- - When an event of default on the securities has occurred and has not been cured. (Defaults are discussed later under "Events of Default" on page 9.)

The prospectus supplement may also list additional situations for terminating a global security that would apply only to the particular series of debt securities covered by the prospectus supplement. When a global security terminates, the depository (and not AIG or the trustee) is responsible for deciding the names of the institutions that will be the initial direct holders. (Sections 204 and 305)

-----  
 IN THE REMAINDER OF THIS DESCRIPTION "YOU" MEANS DIRECT HOLDERS AND NOT STREET NAME OR OTHER INDIRECT HOLDERS OF DEBT SECURITIES. INDIRECT HOLDERS SHOULD READ THE PREVIOUS SUBSECTION ON PAGE 3 ENTITLED "STREET NAME AND OTHER INDIRECT HOLDERS".  
 -----

## OVERVIEW OF REMAINDER OF THIS DESCRIPTION

The remainder of this description summarizes:

- - ADDITIONAL MECHANICS relevant to the debt securities under normal circumstances, such as how you transfer ownership and where AIG makes payments;
- - Your rights in several SPECIAL SITUATIONS, such as if AIG merges with another company or if AIG wants to change a term of the debt securities;
- - Promises AIG makes to you about how it will run its business, or a business action AIG promises not to take known as a RESTRICTIVE COVENANT; and
- - Your rights if AIG DEFAULTS or experiences other financial difficulties.

## ADDITIONAL MECHANICS

## FORM, EXCHANGE AND TRANSFER

The debt securities will be issued:

- - only in fully registered form
- - without interest coupons
- - in denominations that are even multiples of \$1,000. (Section 302)

You may have your debt securities broken into more debt securities of smaller denominations of not less than \$1,000 or combined into fewer debt securities of larger denominations, as long as the total principal amount is not changed. (Section 305) This is called an exchange.

You may exchange or transfer debt securities at the office of the trustee. The trustee acts as AIG's agent for registering debt securities in the names of holders and transferring debt securities. AIG may change this appointment to another entity or perform it itself. The entity performing the role of maintaining the list of registered holders is called the security registrar. It will also perform transfers. (Section 305)

You will not be required to pay a service charge to transfer or exchange debt securities, but you may be required to pay for any tax or other governmental charge associated with the exchange or transfer. The transfer or exchange will only be made if the security registrar is satisfied with your proof of ownership.

If AIG designates additional transfer agents, they will be named in the prospectus supplement. AIG may cancel the designation of any particular transfer agent. AIG may also approve a change in the office through which any transfer agent acts. (Section 1002)

If the debt securities are redeemable and AIG redeems less than all of the debt securities of a particular series, AIG may block the transfer or exchange of debt securities during the period beginning 15 days before the day AIG mails the notice of redemption and ending on the day of that mailing, in order to freeze the list of holders to prepare the mailing. AIG may also refuse to register transfers or exchanges of debt securities selected for redemption, except that AIG will continue to permit transfers and exchanges of the unredeemed portion of any debt security being partially redeemed. (Section 305)

## PAYMENT AND PAYING AGENTS

AIG will pay interest to you if you are a direct holder listed in the trustee's records at the close of business on a particular day in advance of each due date for interest, even if you no longer own the debt security on the interest due date. That particular day, usually about two weeks in advance of the interest due date, is called the regular record date and is stated in the prospectus supplement. (Section 307) Holders buying and selling debt securities must work out between them how to compensate for the fact that AIG will pay all the interest for an interest period to the one who is the registered holder on the regular record date. The most common manner is to adjust the sales price of the securities to pro rate interest fairly between buyer and seller. This pro rated interest amount is called accrued interest.

AIG will pay interest, principal and any other money due on the debt securities at the corporate trust office of the Trustee in New York City. That office is currently located at 101 Barclay Street, Floor 21W, New York, New York 10286. You must make arrangements to have your payments picked up at or wired from that office. AIG may also choose to pay interest by mailing checks.

-----  
 STREET NAME AND OTHER INDIRECT HOLDERS SHOULD CONSULT THEIR BANKS OR BROKERS  
 FOR INFORMATION ON HOW THEY WILL RECEIVE PAYMENTS.  
 -----

AIG may also arrange for additional payment offices, and may cancel or change these offices, including its use of the trustee's corporate trust office. These offices are called paying agents. AIG may also choose to act as its own paying agent. AIG must notify you of changes in the paying agents for any particular series of debt securities. (Section 1002)

#### NOTICES

AIG and the trustee will send notices regarding the debt securities only to direct holders, using their addresses as listed in the trustee's records. (Sections 101 and 106)

Regardless of who acts as paying agent, all money paid by AIG to a paying agent that remains unclaimed at the end of three years after the amount is due to direct holders will be repaid to AIG. After that three-year period, you may look to AIG for payment and not to the trustee or any other paying agent. (Section 1003)

#### SPECIAL SITUATIONS

##### MERGERS AND SIMILAR EVENTS

AIG is generally permitted to consolidate or merge with another company or firm. AIG is also permitted to sell or lease substantially all of its assets to another firm, or to buy or lease substantially all of the assets of another firm. However, AIG may not take any of these actions unless all the following conditions are met:

- - Where AIG merges out of existence or sells or leases its assets, the other firm may not be organized under a foreign country's laws, that is, it must be a corporation, partnership or trust organized under the laws of a state of the United States or the District of Columbia or under federal law, and it must agree to be legally responsible for the debt securities.
- - The merger, sale of assets or other transaction must not cause a default on the debt securities, and AIG must not already be in default (unless the merger or other transaction would cure the default). For purposes of this no-default test, a default would include an event of default that has occurred and not been cured. A default for this purpose would also include any event that would be an event of default if the requirements for giving AIG default notice or AIG's default having to exist for a specific period of time were disregarded.

It is possible that the merger, sale of assets or other transaction would cause some of the voting stock of AIG's designated subsidiaries to become subject to a mortgage or other legal mechanism giving lenders preferential rights in that voting stock over the holders of the debt securities if they are not paid back. AIG and its designated subsidiaries have promised to limit these preferential rights on the voting stock of AIG's designated subsidiaries, called liens, as discussed later on page 7 under "Restriction on Liens". If a merger or other transaction would create any liens on the voting stock of our designated subsidiaries, AIG and its designated subsidiaries must comply with that restrictive covenant. AIG and its designated subsidiaries would do this by following the requirements of the restrictive covenant to grant an equivalent or higher-ranking lien on the voting stock of AIG's designated subsidiaries to you and the other direct holders of the debt securities. (Section 801)

#### MODIFICATION AND WAIVER

There are three types of changes AIG can make to the indenture and the debt securities.

Changes Requiring Your Approval. First, there are changes that cannot be made to your debt securities without your specific approval. Following is a list of those types of changes:

- - change the stated maturity of the principal or interest on a debt security
- - reduce any amounts due on a debt security
- - reduce the amount of principal payable upon acceleration of the maturity of a debt security (including the amount payable on an original issue discount security) following a default
- - change the place or currency of payment on a debt security
- - impair your right to sue for payment

- - reduce the percentage of holders of debt securities whose consent is needed to modify or amend the indenture
- - reduce the percentage of holders of debt securities whose consent is needed to waive compliance with certain provisions of the indenture or to waive certain defaults
- - modify any other aspect of the provisions dealing with modification and waiver of the indenture (Section 902)

Changes Requiring a Super-Majority Vote or Majority Vote. The second type of change to the indenture and the debt securities is the kind that requires a vote in favor by holders of debt securities owning 66 2/3% of the principal amount of the particular series affected. Most changes fall into this category, except for clarifying changes and certain other changes that would not adversely affect holders of the debt securities. (Section 902) The same vote would be required for AIG to obtain a waiver of all or part of the restrictive covenant described later on page 7. (Section 1008) AIG may obtain a waiver of a past default from the holders of debt securities owning a majority of the principal amount of the particular series affected. However, AIG cannot obtain a waiver of a payment default or any other aspect of the indenture or the debt securities listed in the first category described previously on page 6 under "Changes Requiring Your Approval" unless AIG obtains your individual consent to the waiver. (Section 513)

Changes Not Requiring Approval. The third type of change does not require any vote by holders of debt securities. This type is limited to clarifications and certain other changes that would not adversely affect holders of the debt securities. (Section 901)

Further Details Concerning Voting. When taking a vote, AIG will use the following rules to decide how much principal amount to attribute to a debt security:

- - For original issue discount securities, AIG will use the principal amount that would be due and payable on the voting date if the maturity of the debt securities were accelerated to that date because of a default.
- - For debt securities whose principal amount is not known (for example, because it is based on an index), AIG will use a special rule for that debt security described in the prospectus supplement.
- - For debt securities denominated in one or more foreign currencies or currency units, AIG will use the U.S. dollar equivalent.

Debt securities will not be considered outstanding, and therefore not eligible to vote, if AIG has deposited or set aside in trust for you money for their payment or redemption. Debt securities will also not be eligible to vote if they have been fully defeased as described later on page 8 under "Full Defeasance". (Section 101)

AIG will generally be entitled to set any day as a record date for the purpose of determining the holders of outstanding debt securities that are entitled to vote or take other action under the indenture. In certain limited circumstances, the trustee will be entitled to set a record date for action by holders. If AIG or the trustee set a record date for a vote or other action to be taken by holders of a particular series, that vote or action may be taken only by persons who are holders of outstanding securities of that series on the record date and must be taken within 90 days following the record date. (Sections 501, 512, 902 and 1008)

-----  
 STREET NAME AND OTHER INDIRECT HOLDERS SHOULD CONSULT THEIR BANKS OR BROKERS FOR INFORMATION ON HOW APPROVAL MAY BE GRANTED OR DENIED IF AIG SEEKS TO CHANGE THE INDENTURE OR THE DEBT SECURITIES OR REQUEST A WAIVER.  
 -----

#### RESTRICTIVE COVENANT

#### COVENANT

Restriction on Liens. Some of the voting stock of certain of AIG's designated subsidiaries may be subject to a mortgage or other legal mechanism that gives lenders preferential rights in that voting stock of AIG's designated subsidiaries over the holders of the debt securities if they are not paid back. These preferential rights are called LIENS. Except as otherwise specified in any prospectus supplement, AIG promises that neither it nor its designated subsidiaries will become obligated on any new debt that is secured by a lien on any shares of voting stock of any of AIG's designated subsidiaries, unless you and the other direct holders of the securities (and, if

AIG elects, any other holders of debt issued by AIG) are granted an equivalent or higher-ranking lien on the same property. (Section 1006)

Certain Definitions Relating to our Restrictive Covenant. Following are the meanings of the terms that are important in understanding the restrictive covenant previously described.

Designated subsidiary means American Home Assurance Company, National Union Fire Insurance Company of Pittsburgh, Pa., and any subsidiary the assets of which, determined as of the last day of the most recent calendar quarter ended at least 30 days prior to the date of determination and in accordance with generally accepted accounting principles as in effect on the last day of that calendar quarter, exceed 20% of the consolidated assets of AIG. As of September 30, 1999, there were no subsidiaries of AIG with assets, determined in accordance with generally accepted accounting principle as in effect on that date, in excess of 20% of the consolidated assets of AIG. (Section 101)

Subsidiary means a corporation, partnership or trust in which AIG and/or one or more of its other subsidiaries owns a least 50% of the voting stock, which is a kind of stock that ordinarily permits its owners to vote for election of directors. (Section 101)

Consolidated assets of AIG means the assets of AIG and its consolidated subsidiaries, to be determined as of the last day of the most recent calendar quarter ended at least 30 days prior to the date of the determination and in accordance with generally accepted accounting principles as in effect on the last day of that calendar quarter. (Section 101)

#### DEFEASANCE

The following discussion of full defeasance and covenant defeasance will be applicable to your series of debt securities only if AIG chooses to have them apply to that series. If AIG does so choose, it will state that in the prospectus supplement. (Section 1301)

Full Defeasance. If there is a change in federal tax law, as described below, AIG can legally release itself from any payment or other obligations on the debt securities, called full defeasance, if AIG puts in place the following other arrangements for you to be repaid:

- - AIG must deposit in trust for your benefit and the benefit of all other direct holders of the debt securities a combination of money and U.S. government or U.S. government agency notes or bonds that will generate enough cash to make interest, principal and any other payments on the debt securities on their various due dates.
- - There must be a change in current federal tax law or an IRS ruling that lets AIG make the above deposit without causing you to be taxed on the debt securities any differently than if AIG did not make the deposit and just repaid the debt securities itself. (Under current federal tax law, the deposit and AIG's legal release from the debt securities would be treated as though it took back your debt securities and gave you your share of the cash and notes or bonds deposited in trust. In that event, you could recognize gain or loss on the debt securities you give back to AIG.)
- - AIG must deliver to the trustee a legal opinion of AIG's counsel confirming the tax law change described above. (Sections 1302 and 1304)

If AIG ever did accomplish full defeasance, as described above, you would have to rely solely on the trust deposit for repayment on the debt securities. You could not look to AIG for repayment in the unlikely event of any shortfall.

Covenant Defeasance. Under current federal tax law, AIG can make the same type of deposit described above and be released from the restrictive covenant in the debt securities. This is called covenant defeasance. In that event, you would lose the protection of that restrictive covenant but would gain the protection of having money and securities set aside in trust to repay the debt securities. In order to achieve covenant defeasance, AIG must do the following:

- - AIG must deposit in trust for your benefit and the benefit of all other direct holders of the debt securities a combination of money and U.S. government or U.S. government agency notes or bonds that will generate enough cash to make interest, principal and any other payments on the debt securities on their various due dates.
- - AIG must deliver to the trustee a legal opinion of its counsel confirming that under current federal income tax law AIG may make the above deposit without causing you to be taxed on the debt securities any differently than if AIG did

not make the deposit and just repaid the debt securities itself.

If AIG accomplishes covenant defeasance, the following provisions of the indenture and the debt securities would no longer apply:

- - AIG's promises regarding conduct of its business previously described on page 7 under "Covenant," and any other covenants applicable to the series of debt securities and described in the prospectus supplement.
- - The condition regarding the treatment of liens when AIG merges or engages in similar transactions, as previously described on page 6 under "Mergers and Similar Events".
- - The events of default relating to breach of covenants and acceleration of the maturity of other debt, described later on page 9 under "What Is an Event of Default?".

If AIG accomplishes covenant defeasance, you can still look to AIG for repayment of the debt securities if there were a shortfall in the trust deposit. In fact, if one of the remaining events of default occurred (such as a bankruptcy of AIG) and the debt securities become immediately due and payable, there may be such a shortfall. (Sections 1303 and 1304)

#### DEFAULT AND RELATED MATTERS

##### RANKING

The debt securities are not secured by any of AIG's property or assets. Accordingly, your ownership of debt securities means you are one of AIG's unsecured creditors. The debt securities are not subordinated to any of AIG's other debt obligations and therefore they rank equally with all of AIG's other unsecured and unsubordinated indebtedness.

##### EVENTS OF DEFAULT

You will have special rights if an event of default occurs and is not cured, as described later in this subsection.

What Is An Event of Default? The term "Event of Default" means any of the following:

- - AIG does not pay the principal or any premium on a debt security on its due date.
- - AIG does not pay interest on a debt security within 30 days of its due date.
- - AIG does not deposit money in a separate account, known as a sinking fund, when a deposit is due.
- - AIG remains in breach of the restrictive covenant described on page 7 or any other term of the indenture for 60 days after it receives a notice of default stating it is in breach. The notice must be sent by either the trustee or holders of 25% of the principal amount of debt securities of the affected series.
- - If an event of default occurs with respect to a different series of debt securities issued under the indenture and AIG's obligation to repay such other series of debt securities is accelerated, and this repayment obligation remains accelerated for 30 days after AIG receives a notice of default by the trustee or holders of 10% of the principal amount of the affected debt securities.
- - AIG files for bankruptcy or certain other events of bankruptcy, insolvency or reorganization occur.
- - Any other event of default described in the prospectus supplement occurs. (Section 501)

Remedies If an Event of Default Occurs. If an event of default has occurred and has not been cured, the trustee or the holders of at least 25% in principal amount of the debt securities of the affected series may declare the entire principal amount (or, in the case of original issue discount securities, the portion of the principal amount that is specified in the terms of the affected debt security) of all the debt securities of that series to be due and immediately payable. This is called a declaration of acceleration of maturity. However, a declaration of acceleration of maturity may be cancelled, but only before a judgment or decree based on the acceleration has been obtained, by the holders of at least a majority in principal amount of the debt securities of the affected series. (Section 502)

Reference is made to the prospectus supplement relating to any series of debt securities which are original issue discount securities for the particular provisions relating to acceleration of the maturity of a portion of the principal amount of

original issue discount securities upon the occurrence of an event of default and its continuation.

Except in cases of default, where the trustee has some special duties, the trustee is not required to take any action under the indenture at the request of any holders unless the holders offer the trustee reasonable protection from expenses and liability called an indemnity. (Section 603) If reasonable indemnity is provided, the holders of a majority in principal amount of the outstanding securities of the relevant series may direct the time, method and place of conducting any lawsuit or other formal legal action seeking any remedy available to the trustee. These majority holders may also direct the trustee in performing any other action under the indenture. (Section 512)

Before you bypass the trustee and bring your own lawsuit or other formal legal action or take other steps to enforce your rights or protect your interests relating to the debt securities, the following must occur:

- - You must give the trustee written notice that an event of default has occurred and remains uncured.
- - The holders of 25% in principal amount of all outstanding securities of the relevant series must make a written request that the trustee take action because of the default, and must offer reasonable indemnity to the trustee against the cost and other liabilities of taking that action.

The trustee must have not taken action for 60 days after receipt of the above notice and offer of indemnity. (Section 507)

However, you are entitled at any time to bring a lawsuit for the payment of money due on your debt security on or after its due date. (Section 508)

-----  
 STREET NAME AND OTHER INDIRECT HOLDERS SHOULD CONSULT THEIR BANKS OR BROKERS FOR INFORMATION ON HOW TO GIVE NOTICE OR DIRECTION TO OR MAKE A REQUEST OF THE TRUSTEE AND TO MAKE OR CANCEL A DECLARATION OF ACCELERATION.  
 -----

AIG will furnish to the trustee every year a written statement of certain of its officers certifying that to their knowledge AIG is in compliance with the indenture and the debt securities, or else specifying any default. (Section 1007)

#### OUR RELATIONSHIP TO THE TRUSTEE

The Bank of New York from time to time provides normal banking services to AIG and its subsidiaries.

#### PLAN OF DISTRIBUTION

AIG may sell debt securities:

- - to or through underwriting syndicates represented by managing underwriters;
- - through one or more underwriters without a syndicate for them to offer and sell to the public;
- - through dealers or agents; and
- - to investors directly in negotiated sales or in competitively bid transactions.

Any underwriter or agent involved in the offer and sale of any series of the debt securities will be named in the prospectus supplement.

The prospectus supplement for each series of debt securities will describe:

- - the terms of the offering of these debt securities, including the name of the agent or the name or names of any underwriters;
- - the public offering or purchase price;
- - any discounts and commissions to be allowed or paid to the agent or underwriters and all other items constituting underwriting compensation;
- - any discounts and commissions to be allowed or paid to dealers; and
- - other specific terms of the particular debt securities.

Only the agents or underwriters named in a

prospectus supplement are agents or underwriters in connection with the debt securities being offered by that prospectus supplement.

Underwriters, agents and dealers may be entitled, under agreements with AIG, to indemnification against certain civil liabilities, including liabilities under the Securities Act of 1933.

Underwriters to whom debt securities are sold by AIG for public offering and sale are obliged to purchase all of those particular debt securities if any are purchased. This obligation is subject to certain conditions and may be modified in the applicable prospectus supplement.

Underwriters, dealers or agents may engage in transactions with, or perform services for, AIG or its subsidiaries or affiliates in the ordinary course of business.

#### VALIDITY OF THE DEBT SECURITIES

Unless otherwise specified in any prospectus supplement, the validity of the debt securities will be passed upon for AIG by Sullivan & Cromwell, New York, New York. M. Bernard Aidinoff, a member of the Board of Directors of AIG, is Senior Counsel to Sullivan & Cromwell and beneficially owns 26,789 shares of AIG common stock and options to purchase 36,156 shares of AIG common stock. Partners of Sullivan & Cromwell involved in the representation of AIG beneficially own approximately 4,547 shares of AIG common stock.

#### EXPERTS

The consolidated financial statements and financial statement schedules of AIG and its subsidiaries incorporated in this prospectus by reference to AIG's Annual Report on Form 10-K for the year ended December 31, 1998 and AIG's Current Report on Form 8-K dated June 3, 1999, as amended, have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, independent accountants, given on the authority of that firm as experts in auditing and accounting.

#### WHERE YOU CAN FIND MORE INFORMATION

AIG files annual, quarterly and special reports, proxy statements and other information with the Securities and Exchange Commission. You may read and copy any documents that AIG files at:

- - SEC Public Reference Room  
450 Fifth Street, N.W.  
Washington, D.C. 20549

Please call the SEC at 1-800-SEC-0330 for further information.

AIG's filings are also available to the public through:

- - The SEC web site at <http://www.sec.gov>
- - The New York Stock Exchange  
20 Broad Street  
New York, New York 10005

AIG's common stock is listed on the NYSE.

The SEC allows AIG to "incorporate by reference" the information AIG files with the SEC, which means that AIG can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus, and later information that AIG files with the SEC will automatically update and supersede that information as well as the information included in this prospectus. AIG incorporates by reference the documents listed in the accompanying box and any future filings made with the SEC under Sections 13(a), 13(c), 14, or 15(d) of the Securities Exchange Act of 1934 until all the debt securities are sold. This prospectus is part of a registration statement AIG filed with the SEC.

-----  
Annual Report on Form 10-K for the year ended December 31, 1998.

Quarterly Reports on Form 10-Q for the quarters ended March 31, 1999, June 30, 1999 and September 30, 1999.

Current Report on Form 8-K dated June 3, 1999, as amended.  
-----

AIG will provide without charge a copy of these filings, other than any exhibits unless the exhibits are specifically incorporated by reference into this prospectus. You may request your copy by writing or telephoning AIG at the following address:

American International Group, Inc.  
 Director of Investor Relations  
 70 Pine Street  
 New York, New York 10270  
 (212) 770-7074.

PART II  
 INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION

The following table sets forth the expenses in connection with the issuance and distribution of the securities being registered, other than underwriting discounts and commissions. All of the amounts shown are estimates, except the SEC registration fee.

SEC registration fee .....	\$173,759
Photocopying and printing .....	\$ 30,000
Legal fees and expenses .....	\$ 60,000
Fees of accountants.....	\$ 6,000
Miscellaneous.....	\$ 10,241
	-----
Total.....	\$280,000
	=====

ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS

The Restated Certificate of Incorporation of AIG (the "Certificate") provides that AIG shall indemnify to the full extent permitted by law any person made, or threatened to be made, a party to an action, suit or proceeding (whether civil, criminal, administrative or investigative) by reason of the fact that he, his testator or intestate is or was a director, officer or employee of AIG or serves or served any other enterprise at the request of AIG. Section 6.4 of AIG's By-laws contains a similar provision.

The Certificate also provides that a director will not be personally liable to AIG or its stockholders for monetary damages for breach of fiduciary duty as a director, except to the extent that such an exemption from liability or limitation thereof is not permitted by the Delaware General Corporation Law (the "GCL").

Section 145 of the GCL permits indemnification against expenses, fines, judgments and settlements incurred by any director, officer or employee of AIG in the event of pending or threatened civil, criminal, administrative or investigative proceedings, if such person was, or was threatened to be made, a party by reason of the fact that he is or was a director, officer or employee of AIG. Section 145 also provides that the indemnification provided for therein shall not be deemed exclusive of any other rights to which those seeking indemnification may otherwise be entitled.

In addition, AIG maintains a directors' and officers' liability insurance policy.

## ITEM 16. LIST OF EXHIBITS

## Exhibit

- 1.1 Form of Underwriting Agreement
- 1.2 Form of Distribution Agreement (incorporated by reference from Exhibit 1(b) to Registration Statement No. 33-60827)
- 4.1 Indenture, dated as of July 15, 1989, from American International Group, Inc. to The Bank of New York, as Trustee, including the Form of Debt Security in Article Two thereof (incorporated by reference from Exhibit 4 to Registration Statement No. 33-25291)
- 5.1 Opinion of Sullivan & Cromwell
- 12.1 Statement re: Computation of ratio of earnings to fixed charges (incorporated by reference from Exhibit 12 to AIG's Quarterly Report on Form 10-Q for the quarter ended September 30, 1999)
- 23.1 Consent of PricewaterhouseCoopers LLP
- 23.2 Consent of Sullivan & Cromwell (included with Exhibit 5.1)
- 24.1 Powers of Attorney (included on signature pages)
- 25.1 Form T-1 Statement of Eligibility under the Trust Indenture Act of 1939 of The Bank of New York

## ITEM 17. UNDERTAKINGS

The undersigned registrant hereby undertakes:

(a) (1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of this registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) under the Securities Act of 1933 if the change in volume represents no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement.

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by AIG pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for purposes of determining any liability under the Securities Act of 1933, each filing of AIG's annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in this registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions referred to in Item 15 of this registration statement, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrants of expenses incurred or paid by a director, officer or controlling person of the registrants in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

## SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of New York, State of New York, on the 24th day of February, 2000.

AMERICAN INTERNATIONAL GROUP, INC.

By: /s/ M.R. GREENBERG

-----  
M.R. Greenberg  
Chairman

## POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints M.R. Greenberg, Edward E. Matthews and Howard I. Smith his or her true and lawful attorneys-in-fact and agents, each acting alone, with full powers of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any or all amendments to this Registration Statement, including pre-effective and post-effective amendments, as well as any related registration statement (or amendment thereto) filed pursuant to Rule 462 promulgated under the Securities Act of 1933, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, and hereby ratifies and confirms all his or her said attorneys-in-fact and agents or any of them or his or her substitute or substitutes may lawfully do or cause to be done by virtue thereof.

This Power of Attorney may be executed in multiple counterparts, each of which shall be deemed an original, but which, when taken together shall constitute one instrument.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed below by the following persons in the capacities and on the date indicated.

Signature	Title	Date
/s/ M.R. GREENBERG ----- (M.R. Greenberg)	Chairman, Chief Executive Officer, and Director (Principal Executive Officer)	February 24 , 2000
/s/ HOWARD I. SMITH ----- (Howard I. Smith)	Executive Vice President Director (Principal Financial and Accounting Officer)	February 24, 2000
/s/ M. BERNARD AIDINOFF ----- (M. Bernard Aidinoff)	Director	February 24, 2000

/s/ ELI BROAD ----- (Eli Broad)	Director	February 24, 2000
/s/ PEI-YUAN CHIA ----- (Pei-yuan Chia)	Director	February 24, 2000
----- (Marshall A. Cohen)	Director	
/s/ BARBER B. CONABLE, JR. ----- (Barber B. Conable, Jr.)	Director	February 24, 2000
/s/ MARTIN S. FELDSTEIN ----- (Martin S. Feldstein)	Director	February 24, 2000
----- (Ellen V. Futter)	Director	
----- (Leslie L. Gonda)	Director	
/s/ EVAN G. GREENBERG ----- (Evan G. Greenberg)	Director	February 24, 2000
----- (Carla A. Hills)	Director	
----- (Frank J. Hoenemeyer)	Director	
/s/ EDWARD E. MATTHEWS ----- (Edward E. Matthews)	Director	February 24, 2000
----- (Dean P. Phypers)	Director	
/s/ THOMAS R. TIZZIO ----- (Thomas R. Tizzio)	Director	February 24, 2000

Director

-----  
(Edmund S.W. Tse)

Director

-----  
(Jay S. Wintrob)

/s/ FRANK G. WISNER

Director

February 24, 2000

-----  
(Frank G. Wisner)

## EXHIBIT INDEX

## Exhibit

- 1.1 Form of Underwriting Agreement
- 1.2 Form of Distribution Agreement (incorporated by reference from Exhibit 1(b) to Registration Statement No. 33-60827)
- 4.1 Indenture, dated as of July 15, 1989, from American International Group, Inc. to the Bank of New York, as Trustee, including the Form of Debt Security in Article Two thereof (incorporated by reference from Exhibit 4 to Registration Statement No. 33-25291)
- 5.1 Opinion of Sullivan & Cromwell
- 12.1 Statement re: Computation of ratio of earnings to fixed charges (incorporated by reference from Exhibit 12 to AIG's Quarterly Report on Form 10-Q for the quarter ended September 30, 1999)
- 23.1 Consent of PricewaterhouseCoopers LLP
- 23.2 Consent of Sullivan & Cromwell (included with Exhibit 5.1)
- 24.1 Powers of Attorney (included on signature pages)
- 25.1 Form T-1 Statement of Eligibility under the Trust Indenture Act of 1939 of The Bank of New York

## AMERICAN INTERNATIONAL GROUP, INC.

## DEBT SECURITIES

## UNDERWRITING AGREEMENT

TO THE REPRESENTATIVES NAMED  
IN SCHEDULE I HERETO OF THE  
UNDERWRITERS NAMED IN SCHEDULE II HERETO

Dear Sirs:

1. Introductory. American International Group, Inc., a Delaware corporation (the "Company"), proposes to issue and sell from time to time, to the underwriters named in Schedule II hereto (the "Underwriters"), for whom you are acting as representatives (the "Representatives"), certain of its debt securities (the "Offered Debt Securities") identified in Schedule I hereto, to be issued under the indenture specified in Schedule I hereto (the "Indenture") between the Company and the Trustee identified in such Schedule (the "Trustee"). In the absence of Representatives, any reference herein to the "Representatives" shall be deemed to be a reference to the "Underwriters".

The Company has prepared and filed with the Securities and Exchange Commission (the "Commission") in accordance with the provisions of the Securities Act of 1933, as amended, and the rules and regulations of the Commission thereunder (collectively, the "Securities Act"), a registration statement (the file number of which is set forth in Schedule I hereto) on Form S-3 relating to the Offered Debt Securities (the "Initial Registration Statement"). The Company also has filed with, or proposes to file with, the Commission pursuant to Rule 424 under the Securities Act (and at such time as may be required by Rule 430A(a)(3) under the Securities Act) a prospectus supplement specifically relating to the Offered Debt Securities. The various parts of the Initial Registration Statement, any post-effective amendment thereto and a registration statement, if any, increasing the size of the offering (a "Rule 462(b) Registration Statement") filed pursuant to Rule 462(b) under the Securities Act including all exhibits thereto, the documents incorporated by reference in the prospectus contained in the Initial Registration Statement and any information contained in the form of final prospectus filed with the Commission pursuant to Rule 424(b) under the Securities Act and deemed by virtue of Rule 430A under the Securities Act to be part of the registration statement at the time it was declared effective but excluding the Form T-1 (as defined below), each as amended at the time such part of the Initial Registration Statement became effective or such part of the Rule 462(b) Registration Statement, if any, became or hereafter becomes effective are hereinafter collectively referred to as the "Registration Statement". The related prospectus covering the Offered Debt Securities in the form first used to confirm sales of the Offered Debt Securities is hereinafter referred to as the "Basic Prospectus". The Basic Prospectus as supplemented by the prospectus supplement specifically relating to the Offered Debt Securities in the form first used to confirm sales of the Offered Debt Securities is hereinafter referred to as the "Prospectus". Any reference in this Agreement to the Basic Prospectus, any preliminary form of Prospectus (a "preliminary prospectus") previously filed with the Commission pursuant to Rule 424 or the Prospectus shall be deemed to refer to and include the documents incorporated by reference therein pursuant to item 12 of Form S-3 under the Securities Act which were filed under the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission thereunder (collectively, the "Exchange Act") on or before the date of this Agreement or the date of the Basic Prospectus, any preliminary prospectus or the Prospectus, as the case may be; any reference to "amend", "amendment" or "supplement" with respect to the Initial Registration Statement shall be deemed to refer to and include any annual report of the Company filed pursuant to Section 13(a) or 15(d) of the Exchange Act after the effective date of the Initial Registration Statement that is incorporated by reference in the Registration Statement; and any reference to "amend", "amendment" or "supplement" with respect to the Basic Prospectus, any preliminary prospectus or the Prospectus shall be deemed to refer to and include any documents filed under

the Exchange Act after the date of this Agreement, or the date of the Basic Prospectus, any preliminary prospectus or the Prospectus, as the case may be, which are deemed to be incorporated by reference therein.

2. Representations and Warranties of the Company. The Company represents and warrants to, and agrees with, the several Underwriters that:

(a) The Initial Registration Statement has become effective; no stop order suspending the effectiveness of the Initial Registration Statement, any post-effective amendment thereto or the Rule 462(b) Registration Statement, if any, is in effect, and no proceedings for such purpose are pending before or threatened by the Commission.

(b) The Registration Statement and the Prospectus (as amended or supplemented) conform in all material respects to the requirements of the Securities Act and the Trust Indenture Act of 1939, as amended ("Trust Indenture Act"), and did not and will not, as of the applicable effective date as to the Registration Statement and any amendment thereto and as of its date as to the Prospectus and any amendment or supplement thereto, include any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they are made, not misleading; except that the foregoing representations and warranties shall not apply to (i) that part of the Registration Statement which constitutes the Statement of Eligibility ("Form T-1") under the Trust Indenture Act of the Trustee, (ii) statements or omissions in the Registration Statement or the Prospectus made in reliance upon and in conformity with information relating to any Underwriter provided by or through the Representatives expressly for use therein and (iii) any statement which does not constitute part of the Registration Statement or Prospectus pursuant to Rule 412 under the Securities Act.

(c) The documents incorporated by reference in the Prospectus, when they were filed with the Commission, conformed in all material respects to the requirements of the Exchange Act, and none of such documents contained an untrue statement of a material fact or omitted to state a material fact necessary to make the statements therein, in the light of the circumstances under which they are made, not misleading; and any further documents so filed and incorporated by reference, when they are filed with the Commission, will conform in all material respects to the requirements of the Exchange Act and will not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they are made, not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by an Underwriter expressly for use therein or to any statement in any such document which does not constitute part of the Registration Statement or Prospectus pursuant to Rule 412 under the Securities Act.

(d) The Company has been duly incorporated and is an existing corporation in good standing under the laws of Delaware, and has full power and authority to own its properties and to conduct its business as described in the Prospectus.

(e) The Offered Debt Securities will be duly authorized and when issued and delivered pursuant to this Agreement, will have been duly executed, authenticated, issued and delivered and will constitute valid and legally binding obligations of the Company entitled to the benefits provided by the Indenture and enforceable in accordance with their terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles and any Contract Offered Debt Securities (as defined in Section 3), when executed, authenticated, issued and delivered in the manner provided in the Indenture and sold pursuant to Delayed Delivery Contracts (as defined in Section 3), will constitute valid and legally binding obligations of the Company entitled to the benefits provided by the Indenture and enforceable in accordance with their terms,

subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles.

(f) The Indenture has been duly authorized, executed and delivered, and upon effectiveness of the Registration Statement will have been duly qualified under the Trust Indenture Act and, when executed and delivered by the Company and the Trustee, will constitute a valid and legally binding instrument of the Company enforceable in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles; and the Offered Debt Securities and the Indenture will conform in all material respects to the descriptions thereof in the Prospectus.

(g) The issue and sale of the Offered Debt Securities and the compliance by the Company with all of the terms thereof and of the Indenture, this Agreement or any Delayed Delivery Contract, and the consummation of the transactions contemplated herein and therein will not result in a breach of any of the terms or provisions of, or constitute a default under, any material indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company is a party or by which the Company is bound or to which any of the property or assets of the Company is subject, nor will such action result in any violation of the provisions of the Restated Certificate of Incorporation, as amended, or the By-Laws of the Company or any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its properties, except, in each case, for such breaches, defaults and violations that would not have a material adverse effect on the business, financial position, shareholders' equity or results of operations of the Company and its subsidiaries considered as an entirety (a "Material Adverse Effect") or affect the validity of the Offered Debt Securities; and no consent, approval, authorization, order, registration or qualification of or with any court or any such regulatory authority or other governmental agency or body is required for the issue and sale of the Offered Debt Securities or the consummation of the other transactions contemplated by this Agreement or the Indenture, except such consents, approvals, authorizations, registrations or qualifications the failure to obtain or make would not have a Material Adverse Effect or affect the validity of the Offered Debt Securities and as may be required under state securities or Blue Sky or insurance securities laws in connection with the purchase and distribution of the Offered Debt Securities by the Underwriters.

(h) There is no action, suit or proceeding pending, or to the knowledge of the executive officers of the Company, threatened against the Company or any of its subsidiaries, which has, or may reasonably be expected in the future to have, a Material Adverse Effect on the current or prospective consolidated business or condition (financial or other) of the Company and its subsidiaries taken as a whole, except as set forth or contemplated in the Prospectus relating to the Offered Debt Securities as supplemented on the date hereof.

(i) Since the date of the latest audited financial statements included or incorporated by reference in the Prospectus relating to the Offered Debt Securities, as amended or supplemented on the date of this Agreement, there has not been any material change in the capital stock or any material increase in the consolidated long-term debt of the Company or any material adverse change in or affecting the financial position, shareholders' equity or results of operations of the Company and

its material consolidated subsidiaries considered in the aggregate otherwise than as set forth or contemplated in such Prospectus (a "Material Adverse Change").

3. Purchase, Offering and Delivery. The Company agrees to issue and sell the Offered Debt Securities to the several Underwriters as hereinafter provided, and each Underwriter, on the basis of the representations and warranties herein contained, but subject to the conditions hereinafter stated, agrees to purchase, severally and not jointly, from the Company the respective principal amount of Offered Debt Securities set forth opposite such Underwriter's name in Schedule II hereto at the purchase price set forth in Schedule I hereto plus accrued interest, if any, from the date specified in Schedule I hereto to the date of payment and delivery.

Payment for the Offered Debt Securities shall be made to the Company by wire transfer of immediately available funds on the date and at the time and place set forth in Schedule I hereto (or at such time and on the same or such other date, not later than the third Business Day thereafter, as the Representatives and the Company may agree in writing). Such payment will be made upon delivery to, or to the Representatives for the respective accounts of, such Underwriters of the Offered Debt Securities registered in such names and in such denominations as the Representatives shall request not less than two full Business Days prior to the date of delivery. As used herein, the term "Business Day" means any day other than a day on which banks are permitted or required to be closed in New York City. The time and date of such payment and delivery with respect to the Offered Debt Securities are referred to herein as the Closing Date. The certificates, if any, for the Offered Debt Securities will be made available for inspection and packaging by the Representatives by 1:00 P.M. on the Business Day prior to the Closing Date at such place in New York City as the Representatives and the Company shall agree.

If the Registration Statement and the Prospectus, as amended or supplemented, provide for sales of Offered Debt Securities pursuant to delayed delivery contracts, the Company authorizes the Underwriters to solicit offers to purchase Offered Debt Securities pursuant to delayed delivery contracts substantially in the form of Schedule III attached hereto ("Delayed Delivery Contracts") with such changes therein as the Company may authorize or approve. Delayed Delivery Contracts are to be with institutional investors of the types set forth in the Prospectus. On the Closing Date, the Company will pay the Representatives as compensation, for the accounts of the Underwriters, the fee set forth in Schedule II in respect of the principal amount of Offered Debt Securities covered by Delayed Delivery Contracts (the "Contract Offered Debt Securities"). The Underwriters will not have any responsibility in respect of the validity or the performance of Delayed Delivery Contracts. If the Company executes and delivers Delayed Delivery Contracts, the Contract Offered Debt Securities shall be deducted from the total Offered Debt Securities to which such Schedule II pertains and the balance shall be Underwriters' Offered Debt Securities; and the aggregate principal amount of Offered Debt Securities to be purchased by each Underwriter shall be reduced commensurately so that the principal amount of Offered Debt Securities (rounded to the nearest \$1,000 principal amount) set forth opposite each Underwriter's name in such Schedule II is in the same proportion to the total Underwriters' Offered Debt Securities as the unreduced amounts of each such Underwriter bear to the total Offered Debt Securities including Contract Offered Debt Securities. Such reductions shall be revised to the extent the Representatives determine such reductions should be otherwise and so advise the Company.

4. Offering by Underwriters. It is understood that the several Underwriters propose to offer the Offered Debt Securities for sale to the public as set forth in the Prospectus. The Underwriters represent and covenant that any offer or sale of the Offered Debt Securities through an electronic medium has been and will be made in compliance with the Securities Act.

5. Covenants of the Company. The Company covenants and agrees with the several Underwriters that:

(a) The Company will advise the Representatives promptly of any proposal to amend or supplement the Registration Statement or the Prospectus and prior to the completion of the distribution of the Offered Debt Securities provide the Representatives with a reasonable opportunity to review such proposed amendment or supplement prior to any filing thereof (other than any filing required to be made pursuant to the Exchange Act); prior to the completion of the distribution of the Offered Debt Securities, the Company will also advise the Representatives promptly of any amendment or supplementation of the Registration Statement or the Prospectus, and of the institution by the Commission or any state securities regulatory authority of any stop order proceedings or similar proceedings in respect of the Registration Statement, and will use its best efforts to prevent the issuance of any such stop order and to obtain as soon as possible its lifting, if issued.

(b) If at any time when a prospectus relating to any Offered Debt Securities is required to be delivered under the Securities Act any event occurs as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if it is necessary at any time to amend or supplement the Registration Statement or Prospectus to comply with the Securities Act, the Company promptly will prepare and file with the Commission an amendment or supplement which will correct such statement or omission or an amendment which will effect such compliance. The expense of complying with the requirements of this Section 5(b) shall be borne (i) during the period of six months after the first date of the public offering of the Offered Debt Securities by the Company, and (ii) after the expiration of such six-month period, by those Underwriters on whose behalf the Representatives may request copies of the Prospectus or of an amendment or amendments of or a supplement or supplements to the Prospectus.

(c) The Company will make generally available to its security holders as soon as practicable, but not later than 90 days after the close of the period covered thereby, an earnings statement or statements (which need not be audited, and may be furnished in accordance with Rule 158) covering a period of at least 12 months beginning not later than the first day of the Company's fiscal quarter next following the date of any sale of the Offered Debt Securities hereunder.

(d) The Company will furnish to the Representatives copies of the Registration Statement (one of which will include all exhibits), each related preliminary prospectus, the Prospectus, and all amendments and supplements to such documents, in each case as soon as available and in such quantities as the Representatives reasonably request.

(e) The Company will arrange for the qualification of the Offered Debt Securities for sale and the determination of their eligibility for investment under the laws of such United States jurisdictions as the Representatives reasonably designate and will continue such qualifications in effect so long as required for the distribution.

(f) The Company will pay or cause to be paid the following:

(i) the fees, disbursements and expenses of the Company's counsel and accountants in connection with the registration of the Offered Debt Securities under the

Securities Act and all other expenses in connection with the preparation, printing and filing of the Registration Statement, any preliminary prospectus and the Prospectus and amendments and supplements thereto and the mailing and delivering of copies thereof to the Underwriters and dealers; (ii) the cost of printing this Agreement, the Indenture, any Delayed Delivery Contracts, any Blue Sky and Legal Investment Memoranda and any other documents in connection with the offering, purchase, sale and delivery of the Offered Debt Securities; (iii) all expenses in connection with the qualification of the Offered Debt Securities for offering and sale under state securities laws as provided in Section 5(e) hereof; (iv) any fees charged by securities rating services for rating the Offered Debt Securities; (v) the cost of preparing the Offered Debt Securities; (vi) the fees and expenses of any Trustee and any agent of any Trustee and the fees and disbursements of counsel for any Trustee in connection with the Indenture and the Offered Debt Securities; and (vii) all other costs and expenses incident to the performance of its obligations hereunder and under any Delayed Delivery Contracts which are not otherwise specifically provided for in this Section. It is understood, however, that, except as provided in this Section, Section 7 and Section 13 hereof, the Underwriters will pay all of their own costs and expenses, including the fees of their counsel, transfer taxes on resale of any of the Offered Debt Securities by them, and any advertising expenses connected with any offers they may make.

(g) During the period beginning on the date hereof and continuing to and including the Closing Date the Company will not, without the prior consent of the Representatives, offer or sell any of its United States dollar-denominated debt securities that are substantially similar to the Offered Debt Securities. The restriction imposed by this Section 5(g) shall not apply to securities offered outside the United States.

(h) The Company will advise the Representatives not later than the second business day prior to the Closing Date of the principal amount of any Contract Offered Debt Securities.

(i) If the Company elects to rely upon Rule 462(b), the Company shall file a Rule 462(b) Registration Statement with the Commission in compliance with Rule 462(b) by 10:00 P.M., Washington, D.C. time, on the date of this Agreement, and the Company shall at the time of filing either pay to the Commission the filing fee for the Rule 462(b) Registration Statement or give irrevocable instructions for the payment of such fee pursuant to Rule 111(b) under the Securities Act.

6. Conditions of the Obligations of the Underwriters. The obligations of the several Underwriters to purchase and pay for the Offered Debt Securities will be subject to the accuracy, at and as of the Closing Date, in all material respects, of the representations and warranties on the part of the Company herein, to the accuracy, in all material respects, of the statements of Company officers made pursuant to the provisions hereof, to the performance, in all material respects, by the Company of its obligations hereunder and to the following additional conditions:

(a) Prior to the Closing Date with respect to any Offered Debt Securities, no stop order suspending the effectiveness of the Registration Statement shall have been issued and no proceedings for that purpose shall have been instituted or, to the knowledge of the executive officers of the Company, shall be contemplated by the Commission.

(b) Since the respective dates as of which information is given in the Prospectus there shall not have occurred any material change

in or affecting particularly the business or properties of the Company or its material subsidiaries which, in the judgment of the Representatives, materially impairs the investment quality of the Offered Debt Securities.

(c) Subsequent to the execution and delivery of this Agreement and prior to the Closing Date, there shall not have occurred any of the following:

(i) a suspension or material limitation in trading in securities generally on the New York Stock Exchange;

(ii) a general moratorium on commercial banking activities in New York declared by either Federal or New York State authorities;

(iii) any downgrading in the rating accorded the Company's senior debt securities by any "nationally recognized statistical rating organization", as that term is defined by the Commission for purposes of Rule 436(g)(2) under the Securities Act;

(iv) the suspension in trading the common stock of the Company on the New York Stock Exchange, if the effect of such event in the reasonable judgment of the Representatives makes it impracticable or inadvisable to market the Offered Debt Securities on the terms and in the manner contemplated in the Prospectus as amended or supplemented; or

(v) the outbreak or escalation of hostilities involving the United States or the declaration by the United States of a national emergency or war, if the effect of any such event in the judgment of the Representatives makes it impracticable or inadvisable to market the Offered Debt Securities on the terms and in the manner contemplated in the Prospectus as amended or supplemented.

(d) The Representatives shall have received an opinion or opinions of Sullivan & Cromwell, counsel for the Company, dated the Closing Date, to the effect that:

(i) The Company has been duly incorporated and is an existing corporation in good standing under the laws of the State of Delaware;

(ii) The Indenture has been duly authorized, executed and delivered by the Company and constitutes a valid and legally binding instrument enforceable in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles; and the Indenture has been duly qualified under the Trust Indenture Act;

(iii) Each part of the Registration Statement, when such part became effective, and the Prospectus as supplemented by the prospectus supplement describing the Offered Debt Securities, on the date of such supplement, appeared on their face to be appropriately responsive in all material respects relevant to the Offered Debt Securities to the requirements of the Securities Act (except that no opinion need be expressed as to financial statements and financial and statistical data);

(iv) Nothing has come to the attention of such counsel in their review (as described in such opinion) that has caused them to believe that, insofar as relevant to the

Offered Debt Securities, any part of the Registration Statement, when such part became effective, contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein not misleading, or that the Prospectus as supplemented by the prospectus supplement describing the Offered Debt Securities, as of the date of such supplement contained, or on the Closing Date contains, any untrue statement of a material fact or on the date of such supplement omitted, or on the Closing Date omits, to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading (except that (A) no opinion need be expressed as to financial statements and financial and statistical data or as to the statement of the eligibility of the Trustee and (B) such counsel may state that they assume no responsibility for the accuracy or fairness of the statements contained in the Registration Statement and the Prospectus as amended or supplemented except for those made under the captions relating to the description of Offered Debt Securities in the Prospectus as amended or supplemented, insofar as they relate to provisions of documents therein described);

(v) The Offered Debt Securities have been duly authorized, executed, authenticated, issued and delivered and constitute valid and legally binding obligations of the Company enforceable in accordance with their terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles; and any Contract Offered Debt Securities, when executed, authenticated, issued and delivered in the manner provided in the Indenture and sold pursuant to the Delayed Delivery Contracts, will constitute valid and legally binding obligations of the Company enforceable in accordance with their terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles; and

(vi) This Agreement has been duly authorized, executed and delivered by the Company.

(e) The Representatives shall have received an opinion of Kathleen E. Shannon, Vice President, Secretary and Associate General Counsel of the Company, dated the Closing Date, to the effect that:

(i) To the best knowledge and information of such counsel, there are no contracts or other documents required to be summarized or disclosed or filed as exhibits to the Registration Statement other than those filed as exhibits thereto, and there are no legal or governmental proceedings pending or threatened of a character required to be disclosed in the Registration Statement and the Prospectus which are not disclosed and properly described therein;

(ii) The Company has an authorized capitalization as set forth in the Prospectus as amended or supplemented;

(iii) The issue and sale of the Offered Debt Securities, and the compliance by the Company with all of the provisions of the Offered Debt Securities, the Indenture, any Delayed Delivery Contracts and this Agreement, will not result in a breach of any of the terms or provisions of, or constitute a default under, any material indenture, mortgage, deed of trust, loan agreement, or other agreement or instrument known to such counsel, to which the Company is a party or by which the Company may be bound or to which any of the property or assets of the Company is subject, nor will such action result in any violation of the provisions of the Restated Certificate of Incorporation, as amended, or the By-Laws of the Company except for such breaches, defaults and violations that would not have a Material Adverse Effect or affect the validity of the Offered Debt Securities; and no consent, approval, authorization, order, registration or qualification of or with any court or any regulatory authority or other governmental body is required for the issue and sale of the Offered Debt Securities except the registration under the Securities Act of the Offered Debt Securities, the qualification of the Indenture under the Trust Indenture Act and such consents, approvals, authorizations, registrations or qualifications the failure to obtain or make would not have a Material Adverse Effect or affect the validity of the Offered Debt Securities and as may be required under state securities or Blue Sky or insurance securities laws in connection with the public offering of the Offered Debt Securities by the Underwriters; and

(iv) Nothing which came to the attention of such counsel has caused her to believe that insofar as relevant to the Offered Debt Securities, any part of the Registration Statement, when such part became effective, contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary in order to make the statements therein not misleading, or that the Prospectus, as supplemented by the prospectus supplement describing the Offered Debt Securities, on the date of such supplement contained, or on the Closing Date contains, or any document incorporated by reference in the Prospectus on the date of its filing with the Commission, contained, any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading (except that (A) no opinion need be expressed as to financial statements and financial and statistical data or as to the statement of the eligibility of the Trustee and (B) such counsel may state that she assumes no responsibility for the accuracy or fairness of the statements contained in the Registration Statement or the Prospectus as amended or supplemented or any document incorporated by reference in the Prospectus except for those made under the captions relating to the description of Offered Debt Securities in the Prospectus as amended or supplemented, insofar as they relate to provisions of documents therein described).

(f) The Representatives shall have received from , counsel for the Underwriters, such opinion, dated the Closing Date, with respect to the incorporation of the Company, the validity of the Offered Debt Securities, the Registration Statement, the Prospectus, and other related matters as the Representatives may require, and the Company shall have furnished to such counsel such documents as they reasonably request for the purpose of enabling them to pass upon such matters.

(g) The Representatives shall have received a certificate of the Chairman of the Board, the President, any Vice Chairman, or any Executive or Senior Vice President and a principal financial or accounting officer of the Company, dated the Closing Date, in which such officers, to the best of their knowledge after reasonable investigation, shall state that the representations and warranties of the Company in this Agreement are true and correct, in all material respects that the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied, in all material respects, at or prior to the Closing Date, that no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose have been instituted or threatened by the Commission, and that, since the respective dates as of which information is given in the Prospectus there has not been any Material Adverse Change in or affecting the financial position, shareholders' equity or results of operations of the Company and its subsidiaries considered in the aggregate, otherwise than as set forth or contemplated in the Prospectus as amended or supplemented.

(h) The Representatives shall have received a letter of PricewaterhouseCoopers LLP dated the Closing Date, to the effect set forth in Schedule IV hereto.

The Company will furnish the Representatives with such confirmed copies of such opinions, certificates, letters and documents as the Representatives reasonably request.

7. Indemnification. (a) The Company will indemnify and hold harmless each Underwriter and each person, if any, who controls any Underwriter within the meaning of the Securities Act against any losses, claims, damages or liabilities, joint or several, to which such Underwriter or such controlling person may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of

any material fact contained in the Registration Statement, the Prospectus, or any amendment or supplement thereto, or any related preliminary prospectus, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading; and will reimburse each Underwriter and each such controlling person for any legal or other expenses reasonably incurred by such Underwriter or such controlling person in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that the Company will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in any of such documents in reliance upon and in conformity with written information furnished to the Company by any Underwriter specifically for use therein; and provided, further, that with respect to any untrue statement or omission or alleged untrue statement or omission made in any preliminary prospectus, the indemnity agreement contained in this Section 7(a) shall not inure to the benefit of any Underwriter from whom the person asserting any such losses, claims, damages or liabilities purchased the Offered Debt Securities concerned (or to the benefit of any person controlling such Underwriter), to the extent that any such loss, claim, damage or liability of such Underwriter or controlling person results from the fact that a copy of the Prospectus was not sent or given to such person at or prior to the written confirmation of the sale of such Offered Debt Securities to such person. This indemnity agreement will be in addition to any liability which the Company may otherwise have.

(b) Each Underwriter will indemnify and hold harmless the Company, each of its directors, each of its officers who have signed the Registration Statement and each person, if any, who controls the Company within the meaning of the Securities Act, against any losses, claims, damages or liabilities to which the Company or any such director, officer or controlling person may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in the Registration Statement, the Prospectus or any amendment or supplement thereto, or any related preliminary prospectus, or arise out of or are based upon the omission or the alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Company by such Underwriter specifically for use therein; and will reimburse any legal or other expenses reasonably incurred by the Company or any such director, officer or controlling person in connection with investigating or defending any such loss, claim, damage, liability or action. This indemnity agreement will be in addition to any liability which such Underwriter may otherwise have.

(c) Promptly after receipt by an indemnified party under this Section of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under this Section, notify the indemnifying party of the commencement thereof; but the failure to so notify the indemnifying party will not relieve such indemnifying party from any liability which it may have to any indemnified party otherwise than under this Section. In case any such action is brought against any indemnified party, and it notifies the indemnifying party of the commencement thereof, the indemnifying party will be entitled to participate therein and, to the extent that it may wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party will not be liable to such indemnified party under this Section for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation.

(d) If the indemnification provided for in this Section 7 is unavailable to or insufficient to hold harmless an indemnified party under subsection (a) or (b) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to

the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters on the other from the offering of the Offered Debt Securities to which such loss, claim, damage or liability (or action in respect thereof) relates. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the indemnified party failed to give the notice required under subsection (c) above, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company on the one hand and the Underwriters on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Underwriters on the other shall be deemed to be in the same proportion as the total net proceeds from the sale of Offered Debt Securities (before deducting expenses) received by the Company bear to the total commissions or discounts received by the Underwriters in respect thereof. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading relates to information supplied by the Company on the one hand or by the Underwriters on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this subsection (d) were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (d), any Underwriter shall not be required to contribute any amount in excess of the amount by which the total price at which the Offered Debt Securities purchased by or through such Underwriter were sold exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

8. Defaults of Underwriters. If any Underwriter or Underwriters default in their obligations to purchase Offered Debt Securities hereunder and the aggregate principal amount of Offered Debt Securities which such defaulting Underwriter or Underwriters agreed but failed to purchase does not exceed one-tenth of the total principal amount of the Offered Debt Securities, the Representatives may make arrangements satisfactory to the Company for the purchase of such Offered Debt Securities by other persons, including any of the Underwriters, but if no such arrangements are made by the Closing Date, the non-defaulting Underwriters shall be obligated severally, in proportion to their respective commitments hereunder, to purchase the Offered Debt Securities which such defaulting Underwriters agreed but failed to purchase. If any Underwriter or Underwriters so default and the aggregate principal amount of Offered Debt Securities with respect to which such default or defaults occur is more than the above principal amount and arrangements satisfactory to the Representatives and the Company for the purchase of such Offered Debt Securities by other persons are not made within thirty-six hours after such default, this Agreement will terminate without liability on the part of any non-defaulting Underwriter or the Company, except as provided in Section 9 hereof. As used in this Agreement, the term "Underwriter" includes any person substituted for an Underwriter under this Section. Nothing herein will relieve a defaulting Underwriter from liability for its default.

The respective commitments of the several Underwriters for the purposes of this Section 8 shall be determined without regard to reduction in the respective Underwriters' obligations to purchase the principal

amounts of Offered Debt Securities set forth opposite their names in Schedule II as a result of Delayed Delivery Contracts entered into by the Company.

9. Survival of Certain Representations and Obligations. The respective indemnities, agreements, representations, warranties, and other statements of the Company or its officers and of the several Underwriters set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation, or statement as to the results thereof, made by or on behalf of any Underwriter or the Company or any of its officers or directors or any controlling person, and will survive delivery of and payment for the Offered Debt Securities.

10. Notices. All communications hereunder will be in writing, and, if sent to the Underwriters will be mailed or delivered and confirmed to the Representatives, at the address set forth in the Schedule I or, if sent to the Company, will be mailed or delivered and confirmed to it at 70 Pine Street, New York, New York 10270, Attention: Secretary; provided, however, that any notice to an Underwriter pursuant to Section 7 will be mailed or delivered to such Underwriter at its address furnished to the Company by such Underwriter.

11. Successors. This Underwriting Agreement will inure to the benefit of and be binding upon the parties hereto and their respective successors and the officers and directors and controlling persons referred to in Section 7 hereof, and no other person will have any right or obligation hereunder. No purchaser of the Offered Debt Securities from any Underwriter shall be deemed a successor or assign merely by reason of such purchase.

12. Representation. In all dealings hereunder, the Representatives shall act on behalf of each of the Underwriters, and the parties hereto shall be entitled to act and rely upon any statement, request, notice or agreement on behalf of any Underwriter made or given by the Representatives.

13. Termination. If for any reason, other than the occurrence of an event described in Section 6(c), Underwriters' Offered Debt Securities are not delivered by or on behalf of the Company as provided herein, the Company will reimburse the Underwriters through the Representatives for all out-of-pocket expenses (including reasonable fees and disbursements of counsel) approved in writing by the Representatives reasonably incurred by the Underwriters in making preparations for the purchase, sale and delivery of such Offered Debt Securities, but the Company shall then be under no further liability to any Underwriter with respect to such Offered Debt Securities except as provided in Section 5(f) and Section 7 hereof.

14. Governing Law. This Agreement shall be construed in accordance with the laws of the State of New York.

15. Counterparts. This Agreement may be executed by any one or more of the parties hereto and thereto in any number of counterparts, each of which shall be deemed to be an original, but all such respective counterparts shall together constitute one and the same instrument.

If the foregoing is in accordance with your understanding of our agreement, please sign and return to us four counterparts hereof, whereupon it will become a binding agreement between the Company and the several Underwriters in accordance with its terms.

Very truly yours,

AMERICAN INTERNATIONAL GROUP, INC.

By \_\_\_\_\_

Title \_\_\_\_\_

The foregoing Underwriting Agreement is hereby confirmed and accepted as of the date first above written.

[NAME(S)]

By \_\_\_\_\_

Title \_\_\_\_\_

## SCHEDULE I

## TITLE OF DESIGNATED SECURITIES:

[ %] [Floating Rate] [Zero Coupon] Notes]

## AGGREGATE PRINCIPAL AMOUNT:

[\$]

## REGISTRATION STATEMENT NO.:

## PRICE TO PUBLIC:

% of the principal amount of the Offered Debt Securities, plus  
 accrued interest from to [and accrued amortization, if any,  
 from to ]

## PURCHASE PRICE BY UNDERWRITERS:

% of the principal amount of the Offered Debt Securities, plus  
 accrued interest from to [and accrued amortization, if any,  
 from to ]

## SPECIFIED FUNDS FOR PAYMENT OF PURCHASE PRICE:

[New York] Clearing House funds

## INDENTURE:

Indenture dated July 15, 1989 between the Company and The Bank of  
 New York, as Trustee

## MATURITY:

## INTEREST RATE:

[ %] [Zero Coupon] [See Floating Rate Provisions]

## INTEREST PAYMENT DATES:

[months and dates]

## REDEMPTION PROVISIONS:

[No provisions for redemption]  
 [The Offered Debt Securities may be redeemed, otherwise than through  
 the sinking fund, in whole or in part at the option of the Company,  
 in the amount of [\$] or an integral multiple thereof,  
 [on or after , at the following redemption prices  
 (expressed in percentages of principal amount). If [redeemed on or  
 before , %, and [redeemed during the 12-month period  
 beginning

Year	Redemption Price
----	-----

and thereafter at 100% of their principal amount, together in each  
 case with accrued interest to the redemption date.]

[on any interest payment date falling in or after ,  
 at the election of the Company, at a redemption price equal to the  
 principal amount thereof, plus accrued interest to the date of  
 redemption.]

[Other possible redemption provisions, such as mandatory redemption upon occurrence of certain events or redemption for changes in tax law]

[Restriction on refunding]

SINKING FUND PROVISIONS:

[No sinking fund provisions]

[The Offered Debt Securities are entitled to the benefit of a sinking fund to retire [\$] principal amount of Offered Debt Securities on \_\_\_\_\_ in each of the years \_\_\_\_\_ through \_\_\_\_\_ at 100% of their principal amount plus accrued interest] [, together with [cumulative][noncumulative] redemptions at the option of the Company to retire an additional [\$] principal amount of Offered Debt Securities in the years \_\_\_\_\_ through \_\_\_\_\_ at 100% of their principal amount plus accrued interest].

[If Securities are extendable debt Securities, insert -

EXTENDABLE PROVISIONS:

The Offered Debt Securities are repayable on \_\_\_\_\_, [insert date and years], at the option of the holder, at their principal amount with accrued interest. Initial annual interest rate will be \_\_\_\_\_%, and thereafter annual interest rate will be adjusted on \_\_\_\_\_, and to a rate not less than \_\_\_\_\_% of the effective annual interest rate on U.S. Treasury obligations with \_\_\_\_\_-year maturities as of the [insert date 15 days prior to maturity date] prior to such [insert maturity date].

[If Securities are Floating Rate Debt Securities, insert -

FLOATING RATE PROVISIONS:

Initial annual interest rate will be \_\_\_\_\_% through \_\_\_\_\_ [and thereafter will be adjusted [monthly][on each \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_] [to an annual rate of \_\_\_\_\_% above the average rate for \_\_\_\_\_-year [month][securities][certificates of deposit] issued by \_\_\_\_\_ and [insert names of banks],] [and the annual interest rate [thereafter][from \_\_\_\_\_ through \_\_\_\_\_] will be the interest yield equivalent of the weekly average per annum market discount rate for \_\_\_\_\_-month Treasury bills plus \_\_\_\_\_% of Interest Differential (the excess, if any, of (i) then current weekly average per annum secondary market yield for \_\_\_\_\_-month certificates of deposit over (ii) then current interest yield equivalent of the weekly average per annum market discount rate for \_\_\_\_\_-month Treasury bills); [from \_\_\_\_\_ and thereafter the rate will be the then current interest yield equivalent plus \_\_\_\_\_% of Interest Differential].]

TIME OF DELIVERY:

CLOSING LOCATION:

NAMES AND ADDRESSES OF REPRESENTATIVES:

Designated Representatives:  
Address for Notices, etc.:

[OTHER TERMS]

SCHEDULE II

Underwriter -----	Principal Amount of Offered Debt Securities to be Purchased -----
[Name(s) of Representative(s)].....	
[Name(s) of Underwriter(s)].....	
Total.....	----- \$ -----

(Three copies of this Delayed Delivery Contract should be signed and returned to the address shown below so as to arrive not later than 9:00 A.M., New York Time, on....., 200\_ .

DELAYED DELIVERY CONTRACT  
-----

, 200\_

AMERICAN INTERNATIONAL GROUP, INC.  
C/O [NAME AND ADDRESS OF REPRESENTATIVES]

Attention:

Gentlemen:

The undersigned hereby agrees to purchase from American International Group, Inc. (hereinafter called the "Company"), and the Company agrees to sell to the undersigned, [if one delayed closing, insert-as of the date hereof, for delivery on , 200\_ (the "Delivery Date")]

\$-----

principal amount of the Company's [state title of Offered Debt Securities] (hereinafter called "Debt Securities"), offered by the Company's Prospectus (which term includes the prospectus supplement dated as of ) relating thereto, receipt of a copy of which is hereby acknowledged, at % of the principal amount of the Debt Securities so purchased plus accrued interest, if any, from , 200\_, and on the further terms and conditions set forth in this Delayed Delivery Contract ("Contract").

[If two or more delayed Closings, insert the following:

The undersigned will purchase from the Company as of the date hereof, for delivery on the dates set forth below, Debt Securities in the principal amounts set forth below

Delivery Date -----	Principal Amount -----
-----	
-----	

Each of such delivery dates is hereinafter referred to as a Delivery Date.]

Payment for Debt Securities which the undersigned has agreed to purchase for delivery on [the] [each] Delivery Date shall be made to the Company by wire transfer of immediately available funds on [the] [such] Delivery Date upon delivery to the undersigned of the Debt Securities to be purchased by the undersigned - for delivery on such Delivery Date - in definitive form and in such denominations and registered in such names as the undersigned may designate by written communication addressed to the Company not less than three full business days prior to [the] [such] Delivery Date.

It is expressly agreed that the provisions for delayed delivery and payment are for the sole convenience of the undersigned; that the purchase hereunder of Debt Securities is to be regarded in all respects as a purchase as of the date of this Contract; that the obligation of the Company to make delivery of and accept payment for, and the obligation of the undersigned to take delivery of and make payment for, Debt Securities on [the] [each] Delivery Date shall be subject only to the conditions that (A) investment in the Debt Securities shall not at [the] [such] Delivery Date be prohibited under the laws of any jurisdiction in the United States to which the undersigned is subject and which governs such investment and (B) the Company shall have sold to the Underwriters the total principal amount of the Debt Securities less the principal amount thereof covered by this and other similar Contracts. The undersigned represents that its investment in the Debt Securities is not, as of the date hereof, prohibited under the laws of any jurisdiction to which the undersigned is subject and which governs such investment.

Promptly after completion of the sale to the Underwriters the Company will mail or deliver to the undersigned at its address set forth below notice to such effect.

This Contract will inure to the benefit of and be binding upon the parties hereto and their respective successors, but will not be assignable by either party hereto without the written consent of the other. This Contract shall be governed by and construed in accordance with the laws of the State of New York.

The obligation of the undersigned to take delivery of and make payment for Debt Securities shall not be affected by the failure of any purchaser to take delivery of and make payment for Debt Securities pursuant to other contracts similar to this Contract.

It is understood that the acceptance of any such Contract is in the Company's sole discretion and, without limiting the foregoing, need not be on a first-come, first-served basis. If this Contract is acceptable to the Company, it is requested that the Company sign the form of acceptance below and mail or deliver one of the counterparts hereof to the undersigned at its address set forth below. This will become a binding contract between the Company and the undersigned when such counterpart is so mailed or delivered.

Yours very truly,

-----  
(Name of Purchaser)

By -----

-----  
(Title of Signatory)

-----

-----  
(Address of Purchaser)

Accepted, as of the above date.

American International Group, Inc.

By -----

-----  
(Title of Signatory)

## SCHEDULE IV

Pursuant to Section 6(h) of the Underwriting Agreement, the accountants shall provide a comfort letter to the effect that:

(i) They are independent public accountants with respect to the Company and its subsidiaries within the meaning of the Securities Act and the applicable rules and regulations thereunder adopted by the Commission;

(ii) In their opinion, the financial statements and any supplementary financial information and schedules (and, if applicable, financial forecasts and/or pro forma financial information) audited by them and included or incorporated by reference in the Registration Statement and Prospectus comply as to form in all material respects with the applicable accounting requirements of the Securities Act or the Exchange Act, as applicable, and the related rules and regulations thereunder; and, if applicable, they have made a review in accordance with standards established by the American Institute of Certified Public Accountants of the consolidated interim financial statements, selected financial data, pro forma financial information, financial forecasts and/or condensed financial statements derived from audited financial statements of the Company for the periods specified in such letter, as indicated in their reports thereon, copies of which have been separately furnished to the representative or representatives of the Underwriters (the "Representatives"), such term to include an Underwriter or Underwriters who act without any firm being designated as its or their representatives;

(iii) They have made a review in accordance with standards established by the American Institute of Certified Public Accountants of the unaudited condensed consolidated statements of income, consolidated balance sheets and consolidated statements of cash flows included in the Prospectus and/or included in the Company's Quarterly Report on Form 10-Q incorporated by reference into the Prospectus as indicated in their reports thereon copies of which have been separately furnished to the Representatives; and on the basis of specified procedures including inquiries of officials of the Company who have responsibility for financial and accounting matters regarding whether the unaudited condensed consolidated financial statements referred to in paragraph (vi) (A) (i) below comply as to form in all material respects with the applicable accounting requirements of the Securities Act and the Exchange Act and the related rules and regulations, nothing came to their attention that caused them to believe that the unaudited condensed consolidated financial statements do not comply as to form in all material respects with the applicable accounting requirements of the Securities Act and the Exchange Act and the related rules and regulations adopted by the Commission;

(iv) The unaudited selected financial information with respect to the consolidated results of operations and financial position of the Company for the five most recent fiscal years included in the Prospectus and included or incorporated by reference in Item 6 of the Company's Annual Report on Form 10-K for the most recent fiscal year agrees with the corresponding amounts (after restatement where applicable) in the audited consolidated financial statements for such five fiscal years included or incorporated by reference in the Company's Annual Reports on Form 10-K for such fiscal years;

(v) They have compared the information in the Prospectus under selected captions with the disclosure requirements of Regulation S-K and on the basis of limited procedures specified in such letter nothing came to their attention as a result of the foregoing procedures that caused them to believe that this information does not conform in all material respects with the disclosure requirements of Items 301, 302, and 503(d), respectively, of Regulation S-K;

(vi) On the basis of limited procedures, not constituting an examination in accordance with generally accepted auditing standards, consisting of a reading of the unaudited financial statements and other information referred to below, a reading of the latest available interim financial statements of the Company and its subsidiaries, inspection of the minute books of the Company and its subsidiaries since the date of the latest audited financial statements included or incorporated by reference in the Prospectus, inquiries of officials of the Company and its subsidiaries responsible for financial and accounting matters and such other inquiries and procedures as may be specified in such letter, nothing came to their attention that caused them to believe that:

(A) (i) the unaudited condensed consolidated statements of income, consolidated balance sheets and consolidated statements of cash flows included and/or incorporated by reference in the Prospectus and included in the Company's Quarterly Reports on Form 10-Q incorporated by reference in the Prospectus do not comply as to form in all material respects with the applicable accounting requirements of the Exchange Act and the rules and regulations adopted by the Commission, or (ii) any material modifications should be made to the unaudited condensed consolidated statements of income, consolidated balance sheets and consolidated statements of cash flows included in the Prospectus or included in the Company's Quarterly Reports on Form 10-Q incorporated by reference in the Prospectus for them to be in conformity with generally accepted accounting principles;

(B) any other unaudited income statement data and balance sheet items included in the Prospectus do not agree with the corresponding items in the unaudited consolidated financial statements from which such data and items were derived, and any such unaudited data and items were not determined on a basis substantially consistent with the basis for the corresponding amounts in the audited consolidated financial statements included or incorporated by reference in the Company's Annual Report on Form 10-K for the most recent fiscal year;

(C) the unaudited financial statements which were not included in the Prospectus but from which were derived the unaudited condensed financial statements referred to in clause (A) and any unaudited income statement data and balance sheet items included in the Prospectus and referred to in clause (B) were not determined on a basis substantially consistent with the basis for the audited financial statements included or incorporated by reference in the Company's Annual Report on Form 10-K for the most recent fiscal year;

(D) any unaudited pro forma consolidated condensed financial statements included or incorporated by reference in the Prospectus do not comply as to form in all material respects with the applicable accounting requirements of the Securities Act and the rules and regulations adopted by the Commission thereunder or the pro forma adjustments have not been properly applied to the historical amounts in the compilation of those statements;

(E) as of a specified date not more than five days prior to the date of such letter, there have been any changes in the consolidated capital stock (other than issuances of capital stock upon exercise of options, upon earn-outs of performance shares and upon conversions of convertible securities, in each case which were outstanding on the date of the latest balance sheet included or incorporated by reference in the Prospectus) or any increase in the consolidated long-term debt of the Company and its subsidiaries, or as of the end of the latest period for which financial statements are available, any decreases in consolidated net assets, in each case as compared with amounts shown in

the latest balance sheet included or incorporated by reference in the Prospectus, except in each case for changes, increases or decreases which the Prospectus as amended and supplemented discloses have occurred or may occur or which are described in such letter; and

(F) for the period from the date of the latest financial statements included or incorporated by reference in the Prospectus to the end of the last period for which financial statements are available there were any decreases in net revenues or the total or per share amount of income before extraordinary items or net income in each case as compared with the comparable period of the preceding year, except in each case for increases or decreases which the Prospectus as amended and supplemented discloses have occurred or may occur or which are described in such letter; and

(vii) In addition to the audit referred to in their report(s) included or incorporated by reference in the Prospectus and the limited procedures, inspection of minute books, inquiries and other procedures referred to in paragraphs (iii) and (vi) above, they have carried out certain specified procedures, not constituting an audit in accordance with generally accepted auditing standards, with respect to certain amounts, percentages and financial information specified by the Representatives which are derived from the general accounting records of the Company and its subsidiaries, which appear in the Prospectus (excluding documents incorporated by reference), or in Part II of, or in exhibits and schedules to, the Registration Statement specified by the Representatives or in documents incorporated by reference in the Prospectus specified by the Representatives, and have compared certain of such amounts, percentages and financial information with the accounting records of the Company and its subsidiaries and have found them to be in agreement.

All references in this Schedule IV to the Prospectus shall be deemed to refer to the Prospectus (including the documents incorporated by reference therein) as defined in the Underwriting Agreement in relation to the applicable Offered Debt Securities for purposes of the letter delivered on the Closing Date for such Offered Debt Securities.

## Opinion of Sullivan &amp; Cromwell

February 24, 2000

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

Ladies and Gentlemen:

In connection with the registration under the Securities Act of 1933 (the "Act") of \$658,177,000 aggregate amount of debt securities (the "Securities") of American International Group, Inc., a Delaware corporation (the "Company"), we, as your counsel, have examined such corporate records, certificates and other documents, and such questions of law, as we have considered necessary or appropriate for the purposes of this opinion.

Upon the basis of such examination, we advise you that, in our opinion, when the Registration Statement has become effective under the Act, the terms of the Securities and of their issuance and sale have been duly established in conformity with the Indenture relating to the Securities so as not to violate any applicable law or result in a default under or breach of any agreement or instrument binding upon the Company and so as to comply with any requirement or restriction imposed by any court or governmental body having jurisdiction over the Company, and the Securities have been duly executed and authenticated in accordance with the Indenture and issued and sold as contemplated in the Registration Statement, the Securities will constitute valid and legally binding obligations of the Company, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles.

We note that, as of the date of this opinion, a judgment for money in an action based on a Security denominated in a foreign currency or currency unit in a Federal or state court in the United States ordinarily would be enforced in the United States only in United States dollars. The date used to determine the rate of conversion of the foreign currency or currency unit in which a particular Security is denominated into United States dollars will depend upon various factors, including which court renders the judgment. In the case of a Security denominated in a foreign currency, a state court in the State of New York rendering a judgment on such Security would be required under Section 27 of the New York Judiciary Law to render such judgment in the foreign currency in which the Security is denominated, and such judgment would be converted into United States dollars at the exchange rate prevailing on the date of entry of the judgment.

The foregoing opinion is limited to the Federal laws of the United States, the laws of the State of New York and the General Corporation Law of the State of Delaware, and we are expressing no opinion as to the effect of the laws of any other jurisdiction.

We have relied as to certain matters on information obtained from public officials, officers of the Company and other sources believed by us to be responsible, and we have assumed that the Indenture has been duly authorized, executed and delivered by the Trustee thereunder, an assumption which we have not independently verified.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the references to us under the heading "Validity of the Debt Securities" in the Prospectus. In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Act.

Very truly yours,

/s/ Sullivan & Cromwell

## CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in this Registration Statement on Form S-3 of our report dated February 11, 1999, related to the consolidated financial statements and financial statements schedules which appears in American International Group, Inc.'s Annual Report on Form 10-K for the year ended December 31, 1998 and its Current Report on Form 8-K dated June 3, 1999, as amended. We also consent to the reference to us under the heading "EXPERTS" in the prospectus included in such Registration Statement.

PricewaterhouseCoopers LLP

New York, New York  
February 24, 2000

FORM T-1

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

STATEMENT OF ELIGIBILITY  
UNDER THE TRUST INDENTURE ACT OF 1939 OF A  
CORPORATION DESIGNATED TO ACT AS TRUSTEE

CHECK IF AN APPLICATION TO DETERMINE  
ELIGIBILITY OF A TRUSTEE PURSUANT TO  
SECTION 305(b)(2)

THE BANK OF NEW YORK

(Exact name of trustee as specified in its charter)

New York (State of incorporation if not a U.S. national bank)	13-5160382 (I.R.S. employer identification no.)
One Wall Street, New York, N.Y. (Address of principal executive offices)	10286 (Zip code)

AMERICAN INTERNATIONAL GROUP, INC.  
(Exact name of obligor as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	13-2592361 (I.R.S. employer identification no.)
70 Pine Street New York, New York (Address of principal executive offices)	10270 (Zip code)

Debt Securities  
(Title of the indenture securities)

1. GENERAL INFORMATION. FURNISH THE FOLLOWING INFORMATION AS TO THE TRUSTEE:

(a) NAME AND ADDRESS OF EACH EXAMINING OR SUPERVISING AUTHORITY TO WHICH IT IS SUBJECT.

Name	Address
Superintendent of Banks of the State of New York	2 Rector Street, New York, N.Y. 10006, and Albany, N.Y. 12203
Federal Reserve Bank of New York	33 Liberty Plaza, New York, N.Y. 10045
Federal Deposit Insurance Corporation	Washington, D.C. 20429
New York Clearing House Association	New York, New York 10005

(b) WHETHER IT IS AUTHORIZED TO EXERCISE CORPORATE TRUST POWERS.

Yes.

2. AFFILIATIONS WITH OBLIGOR.

IF THE OBLIGOR IS AN AFFILIATE OF THE TRUSTEE, DESCRIBE EACH SUCH AFFILIATION.

None.

16. LIST OF EXHIBITS.

EXHIBITS IDENTIFIED IN PARENTHESES BELOW, ON FILE WITH THE COMMISSION, ARE INCORPORATED HEREIN BY REFERENCE AS AN EXHIBIT HERETO, PURSUANT TO RULE 7a-29 UNDER THE TRUST INDENTURE ACT OF 1939 (THE "ACT") AND 17 C.F.R. 229.10(d).

1. A copy of the Organization Certificate of The Bank of New York (formerly Irving Trust Company) as now in effect, which contains the authority to commence business and a grant of powers to exercise corporate trust powers. (Exhibit 1 to Amendment No. 1 to Form T-1 filed with Registration Statement No. 33-6215, Exhibits 1a and 1b to Form T-1 filed with Registration Statement No. 33-21672 and Exhibit 1 to Form T-1 filed with Registration Statement No. 33-29637.)
4. A copy of the existing By-laws of the Trustee. (Exhibit 4 to Form T-1 filed with Registration Statement No. 33-31019.)
6. The consent of the Trustee required by Section 321(b) of the Act. (Exhibit 6 to Form T-1 filed with Registration Statement No. 33-44051.)
7. A copy of the latest report of condition of the Trustee published pursuant to law or to the requirements of its supervising or examining authority.

## SIGNATURE

Pursuant to the requirements of the Act, the Trustee, The Bank of New York, a corporation organized and existing under the laws of the State of New York, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in The City of New York, and State of New York, on the 15th day of February, 2000.

THE BANK OF NEW YORK

By: /s/MARY LAGUMINA

-----  
Name: MARY LAGUMINA  
Title: ASSISTANT VICE PRESIDENT

## Consolidated Report of Condition of

## THE BANK OF NEW YORK

of One Wall Street, New York, N.Y. 10286  
 And Foreign and Domestic Subsidiaries,

a member of the Federal Reserve System, at the close of business September 30,  
 1999, published in accordance with a call made by the Federal Reserve Bank of  
 this District pursuant to the provisions of the Federal Reserve Act.

ASSETS	Dollar Amounts In Thousands
Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coin .....	\$ 6,394,412
Interest-bearing balances .....	3,966,749
Securities:	
Held-to-maturity securities .....	805,227
Available-for-sale securities .....	4,152,260
Federal funds sold and Securities purchased under agreements to resell .....	1,449,439
Loans and lease financing receivables:	
Loans and leases, net of unearned income .....	37,900,739
LESS: Allowance for loan and lease losses .....	572,761
LESS: Allocated transfer risk reserve .....	11,754
Loans and leases, net of unearned income, allowance, and reserve .....	37,316,224
Trading Assets .....	1,646,634
Premises and fixed assets (including capitalized leases) .....	678,439
Other real estate owned .....	11,571
Investments in unconsolidated subsidiaries and associated companies .....	183,038
Customers' liability to this bank on acceptances outstanding .....	349,282
Intangible assets .....	790,558
Other assets .....	2,498,658
Total assets .....	\$ 60,242,491 =====

## LIABILITIES

## Deposits:

In domestic offices .....	\$ 26,030,231
Noninterest-bearing .....	11,348,986
Interest-bearing .....	14,681,245
In foreign offices, Edge and Agreement subsidiaries, and IBFs .....	18,530,950
Noninterest-bearing .....	156,624
Interest-bearing .....	18,374,326
Federal funds purchased and Securities sold under agreements to repurchase .....	2,094,678
Demand notes issued to the U.S. Treasury .....	232,459
Trading liabilities .....	2,081,462
Other borrowed money:	
With remaining maturity of one year or less .....	863,201
With remaining maturity of more than one year through three years .....	449
With remaining maturity of more than three years .....	31,080
Bank's liability on acceptances executed and outstanding .....	351,286
Subordinated notes and debentures .....	1,308,000
Other liabilities .....	3,055,031
Total liabilities .....	54,578,827
EQUITY CAPITAL	
Common stock .....	1,135,284
Surplus .....	815,314
Undivided profits and capital reserves .....	3,759,164
Net unrealized holding gains (losses) on available-for-sale securities .....	(15,440)
Cumulative foreign currency translation adjustments.....	(30,658)
Total equity capital .....	5,663,664
Total liabilities and equity capital .....	\$ 60,242,491
	=====

I, Thomas J. Mastro, Senior Vice President and Comptroller of the above-named bank do hereby declare that this Report of Condition has been prepared in conformance with the instructions issued by the Board of Governors of the Federal Reserve System and is true to the best of my knowledge and belief.

We, the undersigned directors, attest to the correctness of this Report of Condition and declare that it has been examined by us and to the best of our knowledge and belief has been prepared in conformance with the instructions issued by the Board of Governors of the Federal Reserve System and is true and correct.

Thomas A. Renyi  
Alan R. Griffith  
Gerald L. Hassell

Directors