

**SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

Form S-4
REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

American International Group, Inc.

(Exact name of Registrant as specified in its charter)

Delaware
*(State or other jurisdiction of
incorporation or organization)*

6331
*(Primary Standard Industrial
Classification Code Number)*

13-2592361
*(I.R.S. Employer
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.
Senior Vice President and Deputy General Counsel
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)*

Copies To:

**Ann Bailen Fisher, Esq.
Robert W. Reeder III, Esq.
Sullivan & Cromwell LLP
125 Broad Street
New York, New York 10004
(212) 558-4000**

Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after the effective date of this registration statement.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) 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 this Form is a post-effective amendment filed pursuant to Rule 462(d) 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.

CALCULATION OF THE REGISTRATION FEE

securities to be registered	Title of class of	Amount to be registered	Proposed maximum offering price per unit	Proposed maximum aggregate offering price(1)	Amount of registration fee
6.25% Notes Due 2036		\$1,000,000,000	100%	\$1,000,000,000	\$107,000

(1) Estimated in accordance with Rule 457(f) under the Securities Act of 1933, as amended, solely for purposes of calculating the registration fee.

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.

The information in this preliminary prospectus is not complete and may be changed. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED JULY 19, 2006

(AIG LOGO)

American International Group, Inc.

Offer to Exchange

\$1,000,000,000 6.25% Notes Due 2036

For Any and All Outstanding

6.25% Notes Due 2036

**THIS EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M.,
NEW YORK CITY TIME, ON _____, 2006, UNLESS
EXTENDED BY US**

The terms of the new notes are substantially identical to the terms of the old notes, except that the new notes are registered under the Securities Act of 1933 (the "Securities Act") and the transfer restrictions and registration rights and related additional interest provisions currently applicable to the old notes do not apply to the new notes.

See "Risk Factors" on page 4 for a discussion of factors you should consider before tendering your old notes for new notes.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities, or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is _____, 2006

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Unless otherwise mentioned or unless the context requires otherwise, all references in this prospectus to the “Company”, “AIG”, “we”, “our”, “us” and similar references mean American International Group, Inc. and its subsidiaries.

You should rely only on the information contained in this prospectus or information contained in documents incorporated by reference in this prospectus. We have not authorized anyone to provide you with different information. This prospectus is an offer to exchange only the notes offered by this prospectus and only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus is accurate only as of its date.

CAUTIONARY STATEMENT REGARDING PROJECTIONS AND OTHER INFORMATION ABOUT FUTURE EVENTS

This prospectus and the documents incorporated herein by reference, as well as other publicly available documents, may include, and AIG’s officers and representatives may from time to time make, projections concerning financial information and statements concerning future economic performance and events, plans and objectives relating to management, operations, products and services, and assumptions underlying these projections and statements. These projections and statements are not historical facts but instead represent only AIG’s belief regarding future events, many of which, by their nature, are inherently uncertain and outside AIG’s control. These projections and statements may address, among other things, the status and potential future outcome of the current regulatory and civil proceedings against AIG and their potential effect on AIG’s businesses, financial position, results of operations, cash flows and liquidity, the effect of the credit rating downgrades on AIG’s businesses and competitive position, the unwinding and resolving of various relationships between AIG and C.V. Starr & Co., Inc. and Starr International Company, Inc. and AIG’s strategy for growth, product development, market position, financial results and reserves. It is possible that AIG’s actual results and financial condition may differ, possibly materially, from the anticipated results and financial condition indicated in these projections and statements. Factors that could cause AIG’s actual results to differ, possibly materially, from those in the specific projections and statements are discussed throughout Management’s Discussion and Analysis of Financial Condition and Results of Operations in Item 7, Part II of AIG’s Annual Report on Form 10-K/A for the fiscal year ended December 31, 2005 and “Risk Factors” in Item 1A, Part I of AIG’s Annual Report on Form 10-K for the fiscal year ended December 31, 2005 and in AIG’s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2006. AIG is not under any obligation (and expressly disclaims any such obligations) to update or alter any projection or other statement, whether written or oral, that may be made from time to time, whether as a result of new information, future events or otherwise.

WHERE YOU CAN FIND MORE INFORMATION

AIG is required to file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission (SEC). These reports, proxy statements and other information can be inspected and copied at:

SEC Public Reference Room
100 F Street, N.E., Room 1580
Washington, D.C. 20549

Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. 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 and trades under the symbol "AIG".

AIG has filed with the SEC a registration statement on Form S-4 relating to the notes. This prospectus is part of the registration statement and does not contain all the information in the registration statement. Whenever a reference is made in this prospectus to a contract or other document, please be aware that the reference is not necessarily complete and that you should refer to the exhibits that are part of the registration statement for a copy of the contract or other document. You may review a copy of the registration statement at the SEC's public reference room in Washington, D.C. as well as through the SEC's internet site noted above.

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 to those documents. The information incorporated by reference in this prospectus is considered to be part of this prospectus. Any reports filed by AIG with the SEC after the date of this prospectus and until the exchange offer is completed will automatically update, and where applicable, supersede any information contained in this prospectus or incorporated by reference in this prospectus. AIG incorporates by reference into this prospectus the documents listed below and any filings made with the SEC under Section 13(a), 13(c), 14, or 15(d) of the Securities Exchange Act of 1934 after the time of initial filing of the registration statement (or post-effective amendment) and before effectiveness of the registration statement (or post-effective amendment), and after the date of this prospectus and until the exchange offer is completed.

- (1) Annual Report on Form 10-K/A for the fiscal year ended December 31, 2005.
- (2) Annual Report on Form 10-K for the fiscal year ended December 31, 2005.
- (3) Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2006.
- (4) Quarterly Reports on Form 10-Q/A for the quarterly periods ended June 30, 2005 and March 31, 2005.
- (5) Current Reports on Form 8-K, filed on May 22, 2006, February 13, 2006, February 9, 2006, January 19, 2006, January 13, 2006 and January 9, 2006.
- (6) Current Report on Form 8-K/A, filed on June 19, 2006.
- (7) Proxy Statement, dated April 5, 2006.

AIG will provide without charge to each person, including any beneficial owner, to whom this prospectus is delivered, upon his or her written or oral request, a copy of any or all of the reports or documents referred to above that have been incorporated by reference into this prospectus excluding exhibits to those documents unless they are specifically incorporated by reference into those documents. You can request those documents from AIG's Director of Investor Relations, 70 Pine Street, New York, New York 10270, telephone 212-770-6293, or you may obtain them from AIG's corporate website at www.aigcorporate.com. Except for

the documents specifically incorporated by reference into this prospectus, information contained on AIG's website or that can be accessed through its website does not constitute a part of this prospectus. AIG has included its website address only as an inactive textual reference and does not intend it to be an active link to its website.

In order to ensure timely delivery of the requested documents, requests should be made no later than _____, 2006. In the event that we extend the exchange offer, you must submit your request at least five business days before the expiration date, as extended.

PROSPECTUS SUMMARY

The following summary highlights selected information from this prospectus and does not contain all of the information that you should consider before participating in this exchange offer. You should read the entire prospectus, the accompanying letter of transmittal and documents incorporated by reference carefully.

American International Group, Inc.

AIG, a Delaware corporation, is a holding company which, through its subsidiaries, is engaged in a broad range of insurance and insurance-related activities 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. The Internet address for AIG's corporate website is www.aigcorporate.com. Except for the documents referred to under "Where You Can Find More Information" which are specifically incorporated by reference into this prospectus, information contained on AIG's website or that can be accessed through its website does not constitute a part of this prospectus. AIG has included its website address only as an inactive textual reference and does not intend it to be an active link to its website.

The Exchange Offer

The Exchange Offer

AIG is offering to exchange up to \$1,000,000,000 principal amount of its new notes which have been registered under the Securities Act for a like principal amount of its old notes. You may tender old notes only in minimum denominations of \$100,000 and integral multiples of \$1,000 in excess thereof. You should read the discussion under the heading "The Exchange Offer" below for further information about the exchange offer and resale of the new notes.

Expiration Date

5:00 p.m., New York City time, on _____, 2006, unless AIG extends the exchange offer.

Resale of New Notes

Based on interpretive letters of the SEC staff to third parties, AIG believes that you may resell and transfer the new notes issued pursuant to the exchange offer in exchange for old notes without compliance with the registration and prospectus delivery provisions of the Securities Act, if you:

- are not a broker-dealer that acquired the old notes from AIG or in market-making transactions;
- acquire the new notes in the ordinary course of your business;
- do not have an arrangement or understanding with any person to participate in the distribution of the new notes; and
- are not AIG's affiliate as defined under Rule 405 under the Securities Act of 1933.

If you fail to satisfy any of these conditions, you must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a resale of the new notes.

Broker-dealers that acquired old notes directly from AIG, but not as a result of market-making activities or other trading activities, must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a resale of the new notes.

Each broker-dealer that receives new notes for its own account pursuant to the exchange offer in exchange for old notes that it acquired as a result of market-making or other trading activities must deliver a prospectus in connection with any resale of the new notes and provide AIG with a signed acknowledgement of this obligation.

Consequences If You Do Not Exchange Your Old Notes	<p>Old notes that are not tendered in the exchange offer or are not accepted for exchange will continue to bear legends restricting their transfer. You will not be able to offer or sell the old notes unless:</p> <ul style="list-style-type: none"> • an exemption from the requirements of the Securities Act is available to you; or • you sell the old notes outside the United States in accordance with Regulation S under the Securities Act.
Conditions to the Exchange Offer	<p>The exchange offer is subject to certain conditions, which AIG may waive, as described below under “The Exchange Offer — Conditions to the Exchange Offer.”</p>
Procedures for Tendering Old Notes	<p>If you wish to accept the exchange offer, the following must be delivered to the exchange agent:</p> <ul style="list-style-type: none"> • an agent’s message from The Depository Trust Company, which we refer to as DTC, stating that the tendering participant agrees to be bound by the letter of transmittal and the terms of the exchange offer; • your old notes by timely confirmation of book-entry transfer through DTC; and • all other documents required by the letter of transmittal. <p>These actions must be completed before the expiration of the exchange offer.</p> <p>You must comply with DTC’s standard procedures for electronic tenders, by which you will agree to be bound by the letter of transmittal.</p>
Guaranteed Delivery Procedures for Tendering Old Notes	<p>If you cannot meet the expiration deadline, deliver any necessary documentation or comply with the applicable procedures under DTC standard operating procedures for electronic tenders in a timely fashion, you may tender your old notes according to the guaranteed delivery procedures set forth under “The Exchange Offer — Guaranteed Delivery Procedures.”</p>
Withdrawal Rights	<p>You may withdraw your tender of old notes any time before the exchange offer expires.</p>
Tax Consequences	<p>The exchange pursuant to the exchange offer generally will not be a taxable event for U.S. federal income tax purposes. See “Important Federal Income Tax Considerations.”</p>
Use of Proceeds	<p>AIG will not receive any proceeds from the exchange or the issuance of new notes in connection with the exchange offer.</p>
Exchange Agent	<p>The Bank of New York is serving as exchange agent in connection with the exchange offer. The address and telephone number of the exchange agent are set forth under “The Exchange Offer — Exchange Agent.”</p>

The New Notes

Issuer	The new notes will be the obligations of AIG.
The New Notes	<p>\$1,000,000,000 of 6.25% Notes Due 2036.</p> <p>The form and terms of the new notes are the same as the form and terms of the old notes, except that:</p> <ul style="list-style-type: none">• the new notes will be registered under the Securities Act and will therefore not bear legends restricting their transfer; and• the new notes will not contain provisions for payment of additional interest in case of non-registration. <p>The same indenture, as supplemented on May 15, 2003, September 30, 2005 and April 20, 2006, will govern both the old notes and the new notes. You should read the discussion under the heading “Description of the New Notes” below for further information about the new notes.</p>
Maturity Date	May 1, 2036.
Interest Payment Dates	May 1 and November 1, commencing on November 1, 2006.
Optional Redemption	Like the old notes, the new notes are redeemable at the option of AIG at any time, in whole or in part at the redemption prices described under “Description of the New Notes — Optional Redemption” below.
Ranking	Like the old notes, the new notes will be unsecured obligations of AIG and will rank equally with all other unsecured and unsubordinated and senior indebtedness of AIG.
Further Issues	AIG may create and issue further notes ranking equally and ratably with the new notes in all respects, so that those further notes would be consolidated and form a single series with the new notes.
Trustee	The Bank of New York

RISK FACTORS

Before tendering old notes in the exchange offer, you should consider carefully each of the following risks and all other information contained in this prospectus. See "Risk Factors" in AIG's Annual Report on Form 10-K for the fiscal year ended December 31, 2005 and Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2006 for a discussion of additional risk factors related to AIG.

If you fail to exchange the old notes, they will remain subject to transfer restrictions

Any old notes that remain outstanding after this exchange offer will continue to be subject to restrictions on their transfer. After this exchange offer, holders of old notes will not have any further rights to have their old notes exchanged for new notes or registered under the Securities Act. The liquidity of the market for old notes that are not exchanged could be adversely affected by this exchange offer and you may be unable to sell your old notes.

Late deliveries of old notes and other required documents could prevent a holder from exchanging its old notes

Noteholders are responsible for complying with all exchange offer procedures. The issuance of new notes in exchange for old notes will only occur upon completion of the procedures described in this prospectus under "The Exchange Offer." Therefore, holders of old notes who wish to exchange them for new notes should allow sufficient time for timely completion of the exchange procedure. Neither we nor the exchange agent are obligated to extend the offer or notify you of any failure to follow the proper procedure.

If you are a broker-dealer, your ability to transfer the new notes may be restricted

A broker-dealer that purchased old notes for its own account as part of market-making or trading activities must deliver a prospectus when it sells the new notes. Our obligation to make this prospectus available to broker-dealers is limited. Consequently, we cannot guarantee that a proper prospectus will be available to broker-dealers wishing to resell their new notes.

There has not been, and there may not be, a public market for the new notes

The new notes are a new issuance of securities. There can be no assurance as to the development of any market or the liquidity of any market that may develop for the new notes. The liquidity of, and trading markets for, the new notes may also be adversely affected by general economic conditions and by our financial performance.

USE OF PROCEEDS

We will not receive any proceeds from the exchange offer. In consideration for issuing the new notes, we will receive old notes from you in the same principal amount. The old notes surrendered in exchange for the new notes will be retired and canceled and cannot be reissued. Accordingly, issuance of the new notes will not result in any change in our indebtedness.

CONSOLIDATED RATIO 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. For more information on our consolidated ratios of earnings to fixed charges, see our Annual Report on Form 10-K for the fiscal year ended December 31, 2005 and our Quarterly

Report on Form 10-Q for the quarterly period ended March 31, 2006, both of which are incorporated by reference into this prospectus as described under “Where You Can Find More Information.”

Three Months Ended March 31,		Year Ended December 31,				
2006	2005	2005	2004	2003	2002	2001
3.44	4.22	3.01	3.42	3.03	2.55	2.02

Earnings represent:

- Income from operations before income taxes and adjustments for minority interest, cumulative effect of accounting changes, less income/loss from equity investees

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. Our management believes this is representative of the interest factor.

As of the date of this prospectus, we have no preferred stock outstanding.

THE EXCHANGE OFFER

The following summary of the exchange and registration rights agreement and letter of transmittal is not complete and is subject to, and is qualified in its entirety by, all of the provisions of the exchange and registration rights agreement and the letter of transmittal, each of which is filed as an exhibit to the registration statement of which this prospectus is part.

Purpose and Effect of Exchange Offer; Registration Rights

We are offering to exchange our 6.25% Notes Due 2036, which have been registered under the Securities Act and which we refer to as the new notes, for our outstanding 6.25% Notes Due 2036, which have not been so registered and which we refer to as the old notes. We refer to this exchange offer as the exchange offer.

The old notes were purchased by J.P. Morgan Securities Inc., Banc of America Securities LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated, whom we refer to as the initial purchasers, on April 20, 2006 for resale to qualified institutional buyers in compliance with Rule 144A under the Securities Act and outside of the United States in compliance with Regulation S under the Securities Act. In connection with the sale of the old notes, we and the initial purchasers entered into an exchange and registration rights agreement, dated April 20, 2006, which requires us, among other things,

- to file with the SEC an exchange offer registration statement under the Securities Act with respect to new notes identical in all material respects to the old notes, to use commercially reasonable efforts to cause this registration statement to be declared effective under the Securities Act and to make an exchange offer for the old notes as discussed below, or

- in very limited circumstances to register the old notes on a shelf registration statement under the Securities Act.

We are obligated, upon the effectiveness of the exchange offer registration statement referred to above, to offer the holders of the old notes the opportunity to exchange their old notes for a like principal amount of new notes which will be issued without a restrictive legend and may be reoffered and resold by the holder generally without restrictions or limitations under the Securities Act. The exchange offer is being made pursuant to the exchange and registration rights agreement to satisfy our obligations under that agreement.

The old notes and the exchange and registration rights agreement provide, among other things, that if we default in our obligations to take certain steps to make the exchange offer within the time periods specified in the notes and registration rights agreement the interest rate on the old notes will initially increase by .125% and after 90 days (if the default continues) by .25%, the maximum additional annual interest rate, until the default is remedied.

Under the terms of the old notes and the registration rights agreement, additional interest accrues on the old notes until the exchange offer is completed. However, once the exchange offer is completed, no additional interest will accrue on any old note.

Terms of the Exchange Offer

For each of the old notes properly surrendered and not withdrawn before the expiration date of the exchange offer, a new note having a principal amount equal to that of the surrendered old note will be issued.

The form and terms of the new notes will be the same as the form and terms of the old notes except that:

- the new notes will be registered under the Securities Act and, therefore, the global securities representing the new notes will not bear legends restricting the transfer of interests in the new notes; and
- the new notes will not contain provisions for payment of additional interest in case of non-registration.

You may tender old notes only in minimum denominations of \$100,000 and integral multiples of \$1,000 in excess thereof.

The new notes will evidence the same indebtedness as the old notes they replace, and will be issued under, and be entitled to the benefits of, the same indenture that authorized the issuance of the old notes. As a result, the old notes and the respective replacement new notes will be treated as a single series of notes under the indenture.

No interest will be paid in connection with the exchange. The new notes will bear interest from and including the last interest payment date on which interest has been paid on the old notes. Accordingly, the holders of old notes that are accepted for exchange will not receive accrued but unpaid interest on old notes at the time of tender. Rather, that interest will be payable on the new notes delivered in exchange for the old notes on the first interest payment date after the expiration date.

We intend to conduct the exchange offer in accordance with the provisions of the exchange and registration rights agreement and the applicable requirements of the Securities Exchange Act of 1934 and the related rules and regulations of the SEC thereunder.

Under existing SEC interpretations, the new notes would generally be freely transferable after the exchange offer without further registration under the Securities Act, except that broker-dealers receiving the new notes in the exchange offer will be subject to a prospectus delivery requirement with respect to their resale. This view is based on interpretations by the staff of the SEC in no-action letters issued to other issuers in exchange offers like this one. We have not, however, asked the SEC to consider this particular exchange offer in the context of a no-action letter. Therefore, the SEC might not treat it in the same way it has treated other exchange offers in the past. You will be relying on the no-action letters that the SEC has issued to third

parties in circumstances that we believe are similar to ours. Based on these no-action letters, the following conditions must be met:

- you must not be a broker-dealer that acquired the old notes from us or in market-making transactions;
- you must acquire the new notes in the ordinary course of your business;
- you must have no arrangements or understandings with any person to participate in the distribution of the new notes within the meaning of the Securities Act; and
- you must not be an affiliate of ours, as defined in Rule 405 of the Securities Act.

If you wish to exchange old notes for new notes in the exchange offer you must represent to us that you satisfy all of the above listed conditions. If you do not satisfy all of the above listed conditions:

- you cannot rely on the position of the SEC set forth in the no-action letters referred to above; and
- you must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a resale of the new notes.

The SEC considers broker-dealers that acquired old notes directly from us, but not as a result of market-making activities or other trading activities, to be making a distribution of the new notes if they participate in the exchange offer. Consequently, these broker-dealers must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a resale of the new notes.

A broker-dealer that has bought old notes for market-making or other trading activities must deliver a prospectus in order to resell any new notes it receives for its own account in the exchange offer. The SEC has taken the position that broker-dealers may fulfill their prospectus delivery requirements with respect to the new notes by delivering the prospectus contained in the registration statement for the exchange offer. This prospectus may be used by a broker-dealer to resell any of its new notes. We have agreed in the exchange and registration rights agreement to send a prospectus to any broker-dealer that requests copies in the notice and questionnaire included in the letter of transmittal accompanying the prospectus for a period of up to 30 days after the date of expiration of this exchange offer.

Unless you are required to do so because you are a broker-dealer, you may not use this prospectus for an offer to resell, resale or other retransfer of new notes. We are not making this exchange offer to, nor will we accept tenders for exchange from, holders of old notes in any jurisdiction in which the exchange offer or the acceptance of it would not be in compliance with the securities or blue sky laws of that jurisdiction.

Expiration Date; Extensions; Amendments

The expiration date for the exchange offer is 5:00 p.m., New York City time, on _____, 2006. We may extend this expiration date in our sole discretion. If we so extend the expiration date, the term "expiration date" shall mean the latest date and time to which we extend the exchange offer.

We reserve the right, in our sole discretion:

- to delay accepting any old notes;
- to extend the exchange offer;
- to terminate the exchange offer if, in our sole judgment, any of the conditions described below under "— Conditions to the Exchange Offer" shall not have been satisfied; or
- to amend the terms of the exchange offer in any way we determine is advantageous to holders of the old notes or which is not a material change to the terms of the exchange offer.

We will give oral or written notice of any delay, extension or termination to the exchange agent. In addition, we will give, as promptly as practicable, oral or written notice regarding any delay in acceptance, extension or termination of the offer to the registered holders of old notes. If we amend the exchange offer in a manner that we determine to constitute a material change, or if we waive a material condition, we will

promptly disclose the amendment or waiver in a manner reasonably calculated to inform the holders of old notes of the amendment or waiver, and extend the offer if required by law.

We intend to make public announcements of any delay in acceptance, extension, termination, amendment or waiver regarding the exchange offer through a timely release to a financial news service.

Conditions to the Exchange Offer

We will not be required to accept for exchange, or exchange new notes for, any old notes, and we may terminate the exchange offer as provided in this prospectus before the acceptance of the old notes, if:

- any law, rule or regulation shall have been proposed, adopted or enacted, or interpreted in a manner, which, in our judgment, would impair our ability to proceed with the exchange offer;
- any action or proceeding is instituted or threatened in any court or by the SEC or any other governmental agency with respect to the exchange offer which, in our judgment, would impair our ability to proceed with the exchange offer;
- we have not obtained any governmental approval which we, in our sole discretion, consider necessary for the completion of the exchange offer as contemplated by this prospectus;
- any change, or any condition, event or development involving a prospective change, shall have occurred or be threatened in the general economic, financial, currency exchange or market conditions in the United States or elsewhere that, in our judgment, would impair our ability to proceed with the exchange offer;
- any other change or development, including a prospective change or development, that, in our judgment, has or may have a material adverse effect on us, the market price of the new notes or the old notes or the value of the exchange offer to us; or
- there shall have occurred (i) any suspension or limitation of trading in securities generally on the New York Stock Exchange or the over-the-counter market; (ii) a declaration of a banking moratorium by United States Federal or New York authorities; or (iii) a commencement or escalation of a war or armed hostilities involving or relating to a country where we do business or other international or national emergency or crisis directly or indirectly involving the United States.

The conditions listed above are for our sole benefit and we may assert them regardless of the circumstances giving rise to any of these conditions. We may waive these conditions in our sole discretion in whole or in part at any time and from time to time. A failure on our part to exercise any of the above rights shall not constitute a waiver of that right, and that right shall be considered an ongoing right which we may assert at any time and from time to time.

If we determine in our sole discretion that any of the events listed above has occurred, we may, subject to applicable law:

- refuse to accept any old notes and return all tendered old notes to the tendering holders;
- extend the exchange offer and retain all old notes tendered before the expiration of the exchange offer, subject, however, to the rights of holders to withdraw these old notes; or
- waive unsatisfied conditions relating to the exchange offer and accept all properly tendered old notes which have not been withdrawn.

Any determination by us concerning the above events will be final and binding.

In addition, we reserve the right in our sole discretion to:

- purchase or make offers for any old notes that remain outstanding subsequent to the expiration date; and
- purchase old notes in the open market, in privately negotiated transactions or otherwise.

The terms of any such purchases or offers may differ from the terms of the exchange offer.

Procedures For Tendering

Except in limited circumstances, only a DTC participant listed on a DTC securities position listing with respect to the old notes may tender old notes in the exchange offer. To tender old notes in the exchange offer:

- you must instruct DTC and a DTC participant by completing the form “Instruction to Registered Holder From Beneficial Owner” accompanying this prospectus of your intention whether or not you wish to tender your old notes for new notes; or
- you must comply with the guaranteed delivery procedures described below; and
- DTC participants in turn need to follow the procedures for book-entry transfer as set forth below under “— Book-Entry Transfer” and in the letter of transmittal.

By tendering, you will make the representations described below under “— Representations on Tendering Old Notes.” In addition, each participating broker-dealer must acknowledge that it will deliver a prospectus in connection with any resale of the new notes. See “Plan of Distribution.” The tender by a holder of old notes will constitute an agreement between that holder and us in accordance with the terms and subject to the conditions set forth in this prospectus and in the letter of transmittal.

The method of delivery of old notes, the letter of transmittal and all other required documents or transmission of an agent’s message, as described under “— Book-Entry Transfer,” to the exchange agent is at the election and risk of the tendering holder of old notes. Instead of delivery by mail, we recommend that holders use an overnight or hand delivery service. In all cases, sufficient time should be allowed to assure timely delivery to the exchange agent prior to the expiration of the exchange offer. No letter of transmittal or old notes should be sent to us or DTC. Delivery of documents to DTC in accordance with its procedures does not constitute delivery to the exchange agent.

Signatures on a letter of transmittal or a notice of withdrawal, as described in “— Withdrawal of Tenders” below, must be guaranteed by a member of the New York Stock Exchange Medallion Signature Program or an “eligible guarantor institution,” within the meaning of Rule 17Ad-15 under the Exchange Act, which we refer to together as eligible institutions, unless the old notes are tendered for the account of an eligible institution.

We will determine in our sole discretion all questions as to the validity, form, eligibility, including time of receipt, and acceptance and withdrawal of tendered old notes. We reserve the absolute right to reject any and all old notes not properly tendered or any old notes whose acceptance by us would, in the opinion of our counsel, be unlawful. We also reserve the right to waive any defects, irregularities or conditions of tender as to any particular old notes either before or after the expiration date. Our interpretation of the terms and conditions of the exchange offer, including the instructions in the letter of transmittal, will be final and binding on all parties. Unless waived, holders must cure any defects or irregularities in connection with tenders of old notes within a period we determine. Although we intend to request the exchange agent to notify holders of defects or irregularities relating to tenders of old notes, neither we, the exchange agent nor any other person will have any duty or incur any liability for failure to give this notification. We will not consider tenders of old notes to have been made until these defects or irregularities have been cured or waived. The exchange agent will return any old notes that are not properly tendered and as to which the defects or irregularities have not been cured or waived to the tendering holders, unless otherwise provided in the letter of transmittal, as soon as practicable following the expiration date.

Book-Entry Transfer

We understand that the exchange agent will make a request promptly after the date of this prospectus to establish accounts with respect to the old notes at DTC for the purpose of facilitating the exchange offer. Any financial institution that is a participant in DTC’s system may make book-entry delivery of old notes by causing DTC to transfer such old notes into the exchange agent’s DTC account in accordance with DTC’s

electronic Automated Tender Offer Program procedures for such transfer. The exchange of new notes for tendered old notes will only be made after timely:

- confirmation of book-entry transfer of the old notes into the exchange agent's account; and
- receipt by the exchange agent of an executed and properly completed letter of transmittal or an "agent's message" and all other required documents specified in the letter of transmittal.

The confirmation, letter of transmittal or agent's message and any other required documents must be received at the exchange agent's address listed below under "— Exchange Agent" on or before 5:00 p.m., New York time, on the expiration date of the exchange offer, or, if the guaranteed delivery procedures described below are complied with, within the time period provided under those procedures.

As indicated above, delivery of documents to DTC in accordance with its procedures does not constitute delivery to the exchange agent.

The term "agent's message" means a message, transmitted by DTC and received by the exchange agent and forming part of the confirmation of a book-entry transfer, which states that DTC has received an express acknowledgment from a participant in DTC tendering old notes stating:

- the aggregate principal amount of old notes which have been tendered by the participant;
- that such participant has received an appropriate letter of transmittal and agrees to be bound by the terms of the letter of transmittal and the terms of the exchange offer; and
- that we may enforce such agreement against the participant.

Delivery of an agent's message will also constitute an acknowledgment from the tendering DTC participant that the representations contained in the letter of transmittal and described below under "Representations on Tendering Old Notes" are true and correct.

Guaranteed Delivery Procedures

The following guaranteed delivery procedures are intended for holders who wish to tender their old notes but:

- the holders cannot deliver the letter of transmittal or any required documents specified in the letter of transmittal before the expiration date of the exchange offer; or
- the holders cannot complete the procedure under DTC's standard operating procedures for electronic tenders before expiration of the exchange offer.

The conditions that must be met to tender old notes through the guaranteed delivery procedures are as follows:

- the tender must be made through an eligible institution;
- before expiration of the exchange offer, the exchange agent must receive from the eligible institution either a properly completed and duly executed notice of guaranteed delivery in the form accompanying this prospectus, by facsimile transmission, mail or hand delivery, or a properly transmitted agent's message in lieu of notice of guaranteed delivery:
 - setting forth the name and number of the account at DTC and the principal amount of old notes tendered;
 - stating that the tender is being made by guaranteed delivery;
- guaranteeing that, within three business days after expiration of the exchange offer, the letter of transmittal, or facsimile of the letter of transmittal, or an agent's message and a confirmation of a book-entry transfer of the old notes into the exchange agent's account at DTC, and any other documents required by the letter of transmittal will be deposited by the eligible institution with the exchange agent; and

- the exchange agent must receive the properly completed and executed letter of transmittal, or facsimile of the letter of transmittal or an agent’s message in the case of a book-entry transfer, as well as a confirmation of book-entry transfer of the old notes into the exchange agent’s account, and any other documents required by the letter of transmittal, within three business days after expiration of the exchange offer.

Upon request to the exchange agent, a notice of guaranteed delivery will be sent to holders who wish to tender their old notes according to the guaranteed delivery procedures set forth above.

Representations on Tendering Old Notes

By surrendering old notes in the exchange offer, you will be representing that, among other things:

- you are acquiring the new notes issued in the exchange offer in the ordinary course of your business;
- you are not participating, do not intend to participate and have no arrangement or understanding with any person to participate, in the distribution of the new notes issued to you in the exchange offer;
- you are not an affiliate, as defined in Rule 405 under the Securities Act, of AIG;
- you have full power and authority to tender, exchange, assign and transfer the old notes tendered;
- we will acquire good, marketable and unencumbered title to the old notes being tendered, free and clear of all security interests, liens, restrictions, charges, encumbrances, or other obligations relating to their sale or transfer, and not subject to any adverse claim when the old notes are accepted by us; and
- you acknowledge and agree that if you are a broker-dealer registered under the Exchange Act or you are participating in the exchange offer for the purposes of distributing the new notes, you must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a secondary resale of the new notes, and you cannot rely on the position of the SEC’s staff in their no-action letters.

If you are a broker-dealer and you will receive new notes for your own account in exchange for old notes that were acquired as a result of market-making activities or other trading activities, you will be required to acknowledge in the letter of transmittal that you will deliver a prospectus in connection with any resale of the new notes. The letter of transmittal states that, by delivering a prospectus, a broker-dealer will not be deemed to be an “underwriter” within the meaning of the Securities Act. See also “Plan of Distribution.”

Withdrawal of Tenders

Your tender of old notes pursuant to the exchange offer is irrevocable except as otherwise provided in this section. You may withdraw tenders of old notes at any time prior to 5:00 p.m., New York time, on the expiration date.

For a withdrawal to be effective for DTC participants, holders must comply with their respective standard operating procedures for electronic tenders and the exchange agent must receive an electronic notice of withdrawal from DTC.

Any notice of withdrawal must specify the name and number of the account at DTC to be credited with the withdrawn old notes and otherwise comply with the procedures of DTC. We will determine in our sole discretion all questions as to the validity, form and eligibility, including time of receipt, for such withdrawal notices, and our determination shall be final and binding on all parties. Any old notes so withdrawn will be deemed not to have been validly tendered for purposes of the exchange offer and no new notes will be issued with respect to them unless the old notes so withdrawn are validly retendered. Any old notes which have been tendered but which are not accepted for exchange will be returned to the holder without cost to such holder as soon as practicable after withdrawal, rejection of tender or termination of the exchange offer. Properly withdrawn old notes may be re-tendered by following the procedures described above under “— Procedures For Tendering” at any time prior to the expiration date.

Exchange Agent

We have appointed The Bank of New York as exchange agent in connection with the exchange offer. Holders should direct questions, requests for assistance and for additional copies of this prospectus, the letter of transmittal or notices of guaranteed delivery to the exchange agent addressed as follows:

By Mail, Hand Delivery or Overnight Courier:

The Bank of New York
Corporate Trust Operations
Reorganization Unit
101 Barclay Street - 7E
New York, NY 10286
Attention: Ms. Diane Amoroso
Telephone: (212) 815-6331

By Facsimile Transmission:

(212) 298-1915

Attention: Ms. Diane Amoroso

Confirm by telephone:

(212) 815-6331

Delivery of a letter of transmittal to any address or facsimile number other than the one set forth above will not constitute a valid delivery.

Fees and Expenses

We will not make any payments to brokers, dealers or other persons soliciting acceptances of the exchange offer. We will, however, pay the exchange agent reasonable and customary fees for its services and will reimburse it for its related reasonable out-of-pocket expenses. We may also pay brokerage houses and other custodians, nominees and fiduciaries the reasonable out-of-pocket expenses incurred by them in forwarding copies of this prospectus, letters of transmittal and related documents to the beneficial owners of the old notes and in handling or forwarding tenders for exchange.

Holders who tender their old notes for exchange will not be obligated to pay any transfer taxes. If, however, a transfer tax is imposed for any reason other than the exchange of old notes in connection with the exchange offer, then the tendering holder must pay the amount of any transfer taxes due, whether imposed on the registered holder or any other persons. If the tendering holder does not submit satisfactory evidence of payment of these taxes or exemption from them with the letter of transmittal, the amount of these transfer taxes will be billed directly to the tendering holder.

Consequences of Failure to Properly Tender Old Notes in the Exchange

We will issue the new notes in exchange for old notes under the exchange offer only after timely receipt by the exchange agent of the old notes, a properly completed and duly executed letter of transmittal and all other required documents. Therefore, holders of the old notes desiring to tender old notes in exchange for new notes should allow sufficient time to ensure timely delivery. We are under no duty to give notification of defects or irregularities of tenders of old notes for exchange. Old notes that are not tendered or that are tendered but not accepted by us will, following completion of the exchange offer, continue to be subject to the existing restrictions upon transfer under the Securities Act.

Participation in the exchange offer is voluntary. In the event the exchange offer is completed, we will not be required to register the remaining old notes. Remaining old notes will continue to be subject to the following restrictions on transfer:

- holders may resell old notes only if an exemption from registration is available or, outside the U.S., to non-U.S. persons in accordance with the requirements of Regulation S under the Securities Act; and
- the remaining old notes will bear a legend restricting transfer in the absence of registration or an exemption.

To the extent that old notes are tendered and accepted in connection with the exchange offer, any trading market for remaining old notes could be adversely affected.

DESCRIPTION OF THE NEW NOTES

General

The old notes were and the new notes will be issued under an indenture, dated as of July 15, 1989, between us and The Bank of New York, as trustee, as supplemented by the First Supplemental Indenture on May 15, 2003, the Second Supplemental Indenture on September 30, 2005 and the Third Supplemental Indenture on April 20, 2006. The following summary of certain provisions of the new notes and the indenture does not purport to be complete and is subject, and qualified in its entirety by reference to, all of the provisions of the notes and the indenture, including the definitions of terms therein. See “Where You Can Find More Information” for information on how to obtain a copy of the indenture.

The old notes were and the new notes will be issued in fully registered form in a minimum denomination of \$100,000 and integral multiples of \$1,000 in excess thereof and will be represented by global notes (as defined below) registered in the name of DTC, as described in “— Book-Entry System” below.

The notes will be unsecured senior obligations of AIG and will rank equally with all of our other unsecured senior indebtedness.

The old notes were and the new notes will be issued in one series. The new notes will be identical in all material respects to the old notes, except that the registration rights and the related additional interest provisions and transfer restrictions applicable to the old notes do not apply to the new notes. The new notes and the old notes will constitute a single series for all purposes under the indenture. To the extent any old notes are not exchanged for new notes, those old notes will remain outstanding under the indenture and will rank pari passu with the new notes.

Principal, Maturity and Interest

The new notes will be issued in an aggregate principal amount of up to \$1,000,000,000. We may, without the consent of the holders of the notes, increase the principal amount of such notes in the future on the same terms and conditions (except that the issue price and issue date may vary) and with the same CUSIP numbers, ISIN and common code as the notes being offered by this prospectus.

The new notes will bear interest at 6.25% per annum and will mature on May 1, 2036. Interest on the new notes will be payable on the notes semiannually in arrears on May 1 and November 1 of each year to holders of record on the immediately preceding April 15 and October 15. Interest on the new notes will be computed on the basis of a 360-day year comprised of twelve 30-day months. On the maturity date of the new notes, holders will be entitled to receive 100% of the principal amount of the new notes plus accrued and unpaid interest, if any. The new notes do not provide for any sinking fund.

For so long as the new notes are issued in book-entry form, payments of principal and interest will be made in immediately available funds by wire transfer to DTC or its nominee. We may issue definitive notes in the limited circumstances set forth in “— Book-Entry System” below.

Optional Redemption

We will have the right to redeem the notes, in whole or in part, at any time, at a redemption price equal to the greater of

- 100% of the principal amount of the applicable notes, or
- as determined by the quotation agent, the sum of the present values of the remaining scheduled payments of principal and interest thereon (not including any portion of such payments of interest)

accrued as of the date of redemption) discounted to the redemption date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the adjusted treasury rate, plus

- 20 basis points

plus, accrued interest thereon to the date of redemption.

The definitions of certain terms used in the paragraph above are listed below.

Adjusted treasury rate means, with respect to any redemption date, the rate per annum equal to the semiannual equivalent yield to maturity of the comparable treasury issue, assuming a price for the comparable treasury issue (expressed as a percentage of its principal amount) equal to the comparable treasury price for such redemption date.

Comparable treasury issue means the U.S. Treasury security selected by the quotation agent as having a maturity comparable to the remaining term of the notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such notes.

Comparable treasury price means, with respect to any redemption date, the average of the reference treasury dealer quotations for such redemption date.

Quotation agent means AIG Financial Products Corp.

Reference treasury dealer means

- each of J.P. Morgan Securities Inc., Banc of America Securities LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated, or its respective successors; provided, however, that if any of the foregoing shall cease to be a primary U.S. government securities dealer in New York City (a "primary treasury dealer"), we will substitute therefor another primary treasury dealer; and
- any other primary treasury dealer selected by the quotation agent after consultation with us.

Reference treasury dealer quotations means with respect to each reference treasury dealer and any redemption date, the average, as determined by the quotation agent, of the bid and asked prices for the comparable treasury issue (expressed in each case as a percentage of its principal amount) quoted in writing to the quotation agent by such reference treasury dealer at 5:00 p.m. on the third business day preceding such redemption date.

If less than all of the notes are to be redeemed at any time, selection of notes for redemption will be made by the trustee on a pro rata basis, by lot or by such method as the trustee deems fair and appropriate; provided that notes with a principal amount of less than \$101,000 will not be redeemed in part.

We will give to DTC a notice of redemption at least 30 but not more than 60 days before the redemption date. If any notes are to be redeemed in part only, the notice of redemption that relates to such notes will state the portion of the principal amount thereof to be redeemed. A new note in principal amount equal to the unredeemed portion thereof will be issued in the name of the holder thereof upon cancellation of the original note.

Unless we default in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the notes or portions thereof called for redemption.

Special Situations

Mergers and Similar Events

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

- When we merge out of existence or sell or lease substantially all of our 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 notes;
- The merger, sale of assets or other transaction must not cause a default on the notes, and we 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 us default notice or our default having to exist for a specific period of time were disregarded; and
- It is possible that the merger, sale of assets or other transaction would cause some of the voting stock of our 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 notes if they are not paid back. We and our designated subsidiaries have promised to limit these preferential rights on the voting stock of our designated subsidiaries, called liens, as discussed below under "Restrictive Covenant — Restriction on Liens." If a merger or other transaction would create any liens on the voting stock of our designated subsidiaries, we and our designated subsidiaries must comply with that restrictive covenant. We and our 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 our designated subsidiaries to the holders of the notes.

If the conditions described above are satisfied with respect to the notes, we will not need to obtain the approval of the holders of the notes in order to merge or consolidate or to sell our assets. Also, these conditions will apply only if we wish to merge or consolidate with another entity or sell our assets substantially as an entirety to another entity. We will not need to satisfy these conditions if we enter into other types of transactions, including any transaction in which we acquire the stock or assets of another entity, any transaction that involves a change of control but in which we do not merge or consolidate and any transaction in which we sell less than substantially all of our assets.

Modification and Waiver of the Notes

There are three types of changes we can make to the indenture and the notes.

Changes Requiring Approval of All Holders

First, the following modifications would require the consent of the holder of each note affected thereby:

- change the stated maturity of the principal or interest on any note;
- reduce any amounts due on any note;
- reduce the amount of principal payable upon acceleration of the maturity of any note following a default;
- change the place of payment on any note;
- impair a holder's right to sue for payment;
- reduce the percentage of holders of notes whose consent is needed to modify or amend the indenture;

- reduce the percentage of holders of notes whose consent is needed to waive compliance with certain provisions of the indenture or to waive certain defaults; and
- modify any other aspect of the provisions dealing with modification and waiver of the indenture.

Changes Requiring a Majority Vote

The second type of change to the indenture and the notes is the kind that requires a vote in favor by holders of notes owning 66²/₃% of the principal amount of the notes. Most changes fall into this category, except for clarifying changes and certain other changes that would not adversely affect holders of the notes. The same vote would be required for us to obtain a waiver of all or part of the restrictive covenant described below. We may obtain a waiver of a past default from the holders of notes owning a majority of the principal amount of the notes affected. However, we cannot obtain a waiver of a payment default or any other aspect of the indenture or the notes listed in the first category described above under “—Changes Requiring Approval of All Holders” unless we obtain the individual consent of each holder to the waiver.

Changes Not Requiring Approval

The third type of change does not require any vote by holders of notes. This type is limited to clarifications and certain other changes that would not adversely affect holders of the notes.

Further Details Concerning Voting

The notes will not be considered outstanding, and therefore will not be eligible to vote, if we have deposited or set aside in trust for you money for their payment or redemption. The notes will also not be eligible to vote if they have been fully defeased as described below under “Defeasance — Full Defeasance.”

We will generally be entitled to set any day as a record date for the purpose of determining the holders of outstanding notes that are entitled to vote or take other action under the indenture. In limited circumstances, the trustee will be entitled to set a record date for action by holders. If we or the trustee set a record date for a vote or other action to be taken by holders of the notes, that vote or action may be taken only by persons who are holders of outstanding notes on the record date and must be taken within 90 days following the record date.

Restrictive Covenant

Restriction on Liens

Some of the voting stock of certain of our designated subsidiaries may be subject to a mortgage or other legal mechanism that gives lenders preferential rights in that voting stock of our designated subsidiaries over the holders of the notes if they are not paid back. These preferential rights are called liens. We promise that neither we nor our designated subsidiaries will become obligated on any new debt for borrowed money that is secured by a lien on any shares of voting stock of any of our designated subsidiaries, unless the holders of the notes (and, if we elect, any other holders of debt issued by AIG) are granted an equivalent or higher-ranking lien on the same property.

Certain Definitions Relating to the Restriction on Liens

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 our consolidated assets.

Subsidiary means a corporation, partnership or trust in which we and/or one or more of our other subsidiaries own at least 50% of the voting stock, which is a kind of stock that ordinarily permits its owners to vote for election of directors.

Our consolidated assets mean our assets and the assets of our 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.

Except as noted above, the indenture does not restrict our ability to put liens on our interests in subsidiaries other than certain of our designated subsidiaries, nor does the indenture restrict our ability to sell or otherwise dispose of our interests in any of our subsidiaries. In addition, the restriction on liens in the indenture applies only to liens that secure debt for borrowed money. For example, liens imposed by operation of law, such as liens to secure statutory obligations for taxes or workers' compensation benefits, or liens we create to secure obligations to pay legal judgments or surety bonds, would not be covered by this restriction.

Defeasance

Full Defeasance

If there is a change in U.S. federal tax law, as described below, we can legally release ourselves from any payment or other obligations on the notes, called full defeasance, if we put in place the following other arrangements for holders to be repaid:

- We must deposit in trust for the benefit of all holders of the notes 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 notes on their various due dates;
- There must be a change in current U.S. federal tax law or an IRS ruling that lets us make the above deposit without causing the holders to be taxed on the notes any differently than if we did not make the deposit and just repaid the notes ourselves. Under current federal tax law, the deposit and our legal release from the obligations pursuant to the notes would be treated as though we took back your notes 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 notes you give back to us; and
- We must deliver to the trustee a legal opinion of our counsel confirming the tax law change described above.

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

Covenant Defeasance

Under current U.S. federal tax law, we can make the same type of deposit as described above and we will be released from the restrictive covenants under the notes. This is called covenant defeasance. In that event, you would lose the protection of these restrictive covenants but would gain the protection of having money and securities set aside in trust to repay the notes. In order to achieve covenant defeasance, we must do the following:

- We must deposit in trust for the benefit of all holders of the notes 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 notes on their various due dates; and
- We must deliver to the trustee a legal opinion of our counsel confirming that under current U.S. federal income tax law we may make the above deposit without causing the holders to be taxed on the notes any differently than if we did not make the deposit and just repaid the notes ourselves.

If we accomplish covenant defeasance in respect of the notes, the following provisions of the indenture and the notes would no longer apply:

- Our promise not to create liens on the voting stock of our designated subsidiaries described above under “Restrictive Covenant — Restriction on Liens”;
- The condition regarding the treatment of liens when we merge or engage in similar transactions, as previously described above under “Special Situations — Mergers and Similar Events”; and
- The events of default relating to breach of covenants and acceleration of maturity, described below under “Events of Default — What Is an Event of Default.”

If we accomplish covenant defeasance in respect of the notes, you can still look to us for repayment of the notes if there were a shortfall in the trust deposit. In fact, if one of the remaining events of default occurred (such as a bankruptcy) and the notes become immediately due and payable, there may be such a shortfall.

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, in respect of the notes, any of the following:

- We do not pay the principal or any premium on any note on its due date.
- We do not pay interest on any note within 30 days of its due date.
- We remain in breach of the restrictive covenant described above or any other term of the indenture for 60 days after we receive a notice of default stating we are in breach. The notice must be sent by either the trustee or holders of 25% of the principal amount of notes.
- If an event of default occurs with respect to a different series of debt securities issued under the indenture and our obligation to repay such other series of debt securities is accelerated, and this repayment obligation remains accelerated for 30 days after we receive a notice of default by the trustee or holders of 10% of the principal amount of the debt securities of that series.
- We file for bankruptcy or certain other events of bankruptcy, insolvency or reorganization occur with respect to us.

Remedies if an Event of Default Occurs

If an event of default occurs, the trustee will have special duties. In that situation, the trustee will be obligated to use those of its rights and powers under the indenture, and to use the same degree of care and skill in doing so, that a prudent person would use in that situation in conducting his or her own affairs. If an event of default has occurred and has not been cured with respect to the notes, the trustee or the holders of at least 25% in principal amount of the notes may declare the entire principal amount of all the notes 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 notes.

Except in cases of default, where the trustee has the special duties described above, 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. If indemnity reasonably satisfactory to the trustee is provided, the holders of a majority in principal amount of the outstanding notes 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 with respect to the notes.

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 notes the following must occur:

- the registered holder of your note 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 notes 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; and
- the trustee must have not taken action for 60 days after receipt of the above notice and offer of indemnity.

However, you are entitled at any time to bring a lawsuit for the payment of money due on your note on or after its due date.

We will give to the trustee every year a written statement of certain of our officers certifying that to their knowledge we are in compliance with the indenture and the notes, or else specifying any default.

Concerning the Trustee

The Bank of New York from time to time provides normal banking services to us and our subsidiaries.

Governing Law

The indenture and the notes will be governed by, and construed in accordance with, the laws of the State of New York.

Book-Entry System

We will issue the new notes in book-entry form. This means that the new notes will be represented by one or more global notes deposited on behalf of DTC as “depository” for the notes, and registered in the name of Cede & Co. as DTC’s nominee. DTC will hold the notes as depository on behalf of other financial institutions that participate in the book-entry system of DTC (the “DTC participants”). These DTC participants, in turn, hold beneficial interests in the notes on behalf of themselves or their customers. Investors will not own notes issued in global form directly. Instead, they will own beneficial interests in a global note through a bank, broker or other financial institution that is itself a DTC participant or holds an interest through a DTC participant.

An investor will be an indirect holder and must look to its bank or broker for payments on the notes and protection of its legal rights relating to the notes. DTC has advised us that it will take any action permitted to be taken by a holder of new notes only at the direction of one or more DTC participants whose accounts are credited with DTC interests in a global note.

DTC has advised us that pursuant to procedures established by it (1) upon the issuance by us of the global notes representing the new notes, DTC or its nominee will credit the accounts of participants with the aggregate principal amount of the individual beneficial interest represented by these global notes and (2) ownership of beneficial interests in the new notes will be shown on, and the transfer of that ownership will be effected only through, records maintained by DTC with respect to its participants’ interests, the participants and the indirect participants. The laws of some jurisdictions require that certain persons take physical delivery in definitive form of securities that they own. Consequently, the ability to transfer beneficial interests in the global notes is limited to such extent.

So long as a nominee of DTC is the registered owner of the global notes, such nominee will be considered the sole owner or holder of the global notes for all purposes under the indenture. Except as provided below, owners of beneficial interests in the global notes will not be entitled to have the new notes registered in their names, will not receive or be entitled to receive physical delivery of the new notes in definitive form and will not be considered the owners or holders thereof under the indenture.

Transfers of interests in a global note will be made by book-entry registration of each transfer within the records of DTC, in accordance with its procedures. Secondary market trading between DTC participants will occur in the ordinary way in accordance with DTC's rules and will be settled in immediately available funds using DTC's Same-Day Funds Settlement System.

Principal and interest payments on the new notes will be made to DTC by wire transfer of immediately available funds. DTC's practice is to credit participants' accounts on the payable date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the payable date. Payments by participants to beneficial owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name" and will be the responsibility of such participant and not of DTC or us, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is our responsibility, disbursement of such payments to participants is the responsibility of DTC, and disbursement of such payments to the beneficial owners is the responsibility of participants and indirect participants. Neither we nor the trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in the global notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

DTC may discontinue providing its services as securities depository with respect to the notes at any time by giving reasonable notice to us.

New notes represented by a global note will be exchangeable for note certificates with the same terms in authorized denominations only if:

- DTC notifies us that it is unwilling or unable to continue as depository or if DTC ceases to be a clearing agency registered under applicable law and a successor depository is not appointed by us within 90 days;
- we determine not to require all of the notes to be represented by a global note and notify the trustee of our decision; or
- an Event of Default has occurred with respect to the notes and has not been cured.

In any such instance, an owner of a beneficial interest in the global notes will be entitled to physical delivery in definitive form of new notes represented by the global notes equal in principal amount to such beneficial interest and to have such notes registered in its name. New notes so issued in definitive form will be issued as registered notes in minimum denominations of \$100,000 and integral multiples of \$1,000 in excess thereof, unless otherwise specified by us. Our definitive notes can be transferred by presentation for registration to the registrar at its New York offices and must be duly endorsed by the holder or his attorney duly authorized in writing, or accompanied by a written instrument or instruments of transfer in form satisfactory to us or the trustee duly executed by the holder or his attorney duly authorized in writing. We may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any exchange or registration of transfer of definitive notes.

DTC has advised us as follows: DTC is a limited purpose trust company organized under the laws of the State of New York, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC was created to hold securities for its participants and to facilitate the clearance and settlement of securities transactions, such as transfers and pledges, among participants in deposited securities through electronic book-entry charges to accounts of its participants, thereby eliminating the need for physical movement of securities certificates. Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. Certain of such participants (or other representatives), together with other entities, own DTC. The rules applicable to DTC and its participants are on file with the SEC.

Global Clearance and Settlement Procedures

As long as DTC is the depository for the global notes, you may hold an interest in a global note through any organization that participates, directly or indirectly, in the DTC system. Those organizations include Euroclear Bank S.A./N.V., as operator of the Euroclear system, referred to as Euroclear, and Clearstream Banking, société anonyme, Luxembourg, known as Clearstream, Luxembourg. If you are a participant in either of those systems, you may hold your interest directly in that system. If you are not a participant, you may hold your interest indirectly through organizations that are participants in that system. If you hold your interest indirectly, you should note that DTC, Euroclear and Clearstream, Luxembourg will have no record of you or your relationship with the direct participant in their systems.

Euroclear and Clearstream, Luxembourg are securities clearance systems in Europe, and they participate indirectly in DTC. Euroclear and Clearstream, Luxembourg will hold interests in the global notes on behalf of the participants in their systems, through securities accounts they maintain in their own names for their customers on their own books or on the books of their depositories. Those depositories, in turn, are participants in DTC and hold those interests in securities accounts they maintain in their own names on the books of DTC. Citibank, N.A. acts as depository for Clearstream, Luxembourg and The Chase Manhattan Bank acts as depository for Euroclear, Clearstream, Luxembourg and Euroclear clear and settle securities transactions between their participants through electronic, book-entry delivery of securities against payment.

If you hold an interest in a global note through Clearstream, Luxembourg or Euroclear, that system will credit the payments we make on your note to the account of your Clearstream, Luxembourg or Euroclear participant in accordance with that system's rules and procedures. The participant's account will be credited only to the extent that the system's depository receives these payments through the DTC system. Payments, notices and other communications or deliveries relating to the notes, if made through Clearstream, Luxembourg or Euroclear, must comply not only with the rules and procedures of those systems, but also with the rules and procedures of DTC, except as described below.

Trading in the notes between Clearstream, Luxembourg participants or between Euroclear participants will be governed only by the rules and procedures of that system. We understand that, at present, those systems' rules and procedures applicable to trades in conventional eurobonds will apply to trades in the notes, with settlement in immediately available funds.

Cross-market transfers of the notes — meaning transfers between investors who hold or will hold their interests through Clearstream, Luxembourg or Euroclear, on the one hand, and investors who hold or will hold their interests through DTC but not through Clearstream, Luxembourg or Euroclear, on the other hand — will be governed by DTC's rules and procedures in addition to those of Clearstream, Luxembourg or Euroclear. If you hold your note through Clearstream, Luxembourg or Euroclear and you wish to complete a cross-market transfer, you will need to deliver transfer instructions and payment, if applicable, to Clearstream, Luxembourg or Euroclear, through your participant, and that system in turn will need to deliver them to DTC, through that system's depository.

Because of time-zone differences between the United States and Europe, any notes you purchase through Clearstream, Luxembourg or Euroclear in a cross-market transfer will not be credited to your account at your Clearstream, Luxembourg or Euroclear participant until the business day after the DTC settlement date. For the same reason, if you sell the notes through Clearstream, Luxembourg or Euroclear in a cross-market transfer, your cash proceeds will be received by the depository for that system on the DTC settlement date but will not be credited to your participant's account until the business day following the DTC settlement date. In this context, "business day" means a business day for Clearstream, Luxembourg or Euroclear.

The description of the clearing and settlement systems in this section reflects our understanding of the rules and procedures of DTC, Clearstream, Luxembourg and Euroclear as currently in effect. Those systems could change their rules and procedures at any time. We have no control over those systems and we take no responsibility for their activities.

IMPORTANT FEDERAL INCOME TAX CONSIDERATIONS

The exchange of the old notes for new notes will not be treated as a taxable transaction for U.S. federal income tax purposes. Your basis and holding period in the new notes will equal your basis and holding period in the old notes exchanged for them.

You should consult your own tax advisors concerning the tax consequences arising under state, local or foreign laws.

PLAN OF DISTRIBUTION

Each broker-dealer that receives new notes for its own account in connection with the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of those new notes. A broker-dealer may use this prospectus, as amended or supplemented from time to time, in connection with resales of new notes received in exchange for old notes where such broker-dealer acquired old notes as a result of market-making activities or other trading activities. We have agreed that for a period of 30 days after the expiration date of the exchange offer, we will make available a prospectus, as amended or supplemented, meeting the requirements of Securities Act to any broker-dealer for use in connection with those resales.

We will not receive any proceeds from any sale of new notes by broker-dealers. Broker-dealers may sell new notes received by them for their own account pursuant to the exchange offer from time to time in one or more transactions in the over-the-counter market, in negotiated transactions, through the writing of options on the new notes or a combination of those methods of resale, at market prices prevailing at the time of resale, at prices related to such prevailing market prices or negotiated prices. Any such resale may be made directly to purchasers or to or through brokers or dealers who may receive compensation in the form of commissions or concessions from any broker-dealer or the purchasers of any new notes.

Any broker-dealer that resells new notes that were received by it for its own account pursuant to the exchange offer and any broker or dealer that participates in a distribution of such new notes may be deemed to be an "underwriter" within the meaning of the Securities Act and any profit on any such resale of new notes and any commission or concessions received by any such persons may be deemed to be underwriting compensation under the Securities Act. The letter of transmittal states that, by acknowledging that it will deliver and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

For a period of 30 days after the expiration date of the exchange offer, we will promptly send additional copies of this prospectus and any amendment or supplement to this prospectus to any broker-dealer that requests these documents in the letter of transmittal. We have agreed to pay all expenses incident to the exchange offer, other than commission or concessions of any broker or dealers.

VALIDITY OF THE NOTES

The validity of the new notes will be passed upon by Sullivan & Cromwell LLP, New York, New York. Partners of Sullivan & Cromwell LLP involved in the representation of AIG beneficially own approximately 11,360 shares of AIG common stock.

EXPERTS

The consolidated financial statements, the financial statement schedules and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) incorporated in this Prospectus by reference to the Annual Report on Form 10-K/A for the fiscal year ended December 31, 2005 have been so incorporated in reliance on the report (which contains an adverse opinion on the effectiveness of internal control over financial reporting) of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

AMERICAN INTERNATIONAL GROUP, INC.

**OFFER TO EXCHANGE UP TO
\$1,000,000,000
6.25% NOTES DUE 2036
WHICH HAVE BEEN REGISTERED UNDER THE
SECURITIES ACT OF 1933
FOR
ANY AND ALL OUTSTANDING
6.25% NOTES DUE 2036**

**PROSPECTUS
, 2006**

PART II
INFORMATION NOT REQUIRED IN THE PROSPECTUS

Item 20. Indemnification of Directors and Officers

The amended and restated certificate of incorporation of AIG 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 or she, his or her 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 amended and restated certificate of incorporation also provides that a director will not be personally liable to AIG or its shareholders for monetary damages for breach of fiduciary duty as a director, except to the extent that the exemption from liability or limitation thereof is not permitted by the Delaware General Corporation Law.

Section 145 of the Delaware General Corporation Law permits indemnification against expenses, fines, judgments and settlements incurred by any director, officer or employee of a company 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 the company. 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 and its subsidiaries maintain a directors' and officers' liability insurance policy.

Item 21. Exhibits and Financial Statement Schedules

See Exhibits Index which is incorporated herein by reference.

Item 22. Undertakings

The undersigned Registrant hereby undertakes:

(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 fact 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 this 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) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Securities and Exchange Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent 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; and

(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.

(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 unexchanged at the termination of the offering.

(4) 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 foregoing provisions, 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 Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant 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.

(5) That, for purposes of determining any liability under the Securities Act of 1933, each filing of the Registrant's annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in the 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.

(6) To respond to requests for information that is incorporated by reference into the prospectus pursuant to Item 4, 10(b), 11, or 13 of this form, within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.

(7) To supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in the registration statement when it became effective.

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant 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 this 19th day of July, 2006.

AMERICAN INTERNATIONAL GROUP, INC.

By: /s/ Steven J. Bensinger

Name: Steven J. Bensinger

Title: *Executive Vice President and
Chief Financial Officer*

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Martin J. Sullivan and Steven J. Bensinger, and each of them severally, his or her true and lawful attorneys-in-fact, with full power 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 and all amendments (including pre-effective and post-effective amendments) to this registration statement on Form S-4, and to file the same, with the exhibits thereto, and other documents in connection herewith, including any related registration statement filed pursuant to Rule 462(b) of the Securities Act of 1933, 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 required and necessary to be done in and about the foregoing as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities indicated on the 19th day of July, 2006.

Signature	Title(s)
/s/ Martin J. Sullivan (Martin J. Sullivan)	President, Chief Executive Officer and Director (Principal Executive Officer)
/s/ Steven J. Bensinger (Steven J. Bensinger)	Executive Vice President and Chief Financial Officer (Principal Financial Officer)
/s/ David L. Herzog (David L. Herzog)	Senior Vice President and Comptroller (Principal Accounting Officer)
/s/ Pei-yuan Chia (Pei-yuan Chia)	Director
/s/ Marshall A. Cohen (Marshall A. Cohen)	Director

Signature	Title(s)
/s/ Martin S. Feldstein (Martin S. Feldstein)	Director
/s/ Ellen V. Futter (Ellen V. Futter)	Director
/s/ Stephen L. Hammerman (Stephen L. Hammerman)	Director
/s/ Richard C. Holbrooke (Richard C. Holbrooke)	Director
/s/ Fred H. Langhammer (Fred H. Langhammer)	Director
/s/ George L. Miles, Jr. (George L. Miles, Jr.)	Director
/s/ Morris W. Offit (Morris W. Offit)	Director
/s/ James F. Orr III (James F. Orr III)	Director
/s/ Michael H. Sutton (Michael H. Sutton)	Director
/s/ Edmund S.W. Tse (Edmund S.W. Tse)	Director
/s/ Robert B. Willumstad (Robert B. Willumstad)	Director
/s/ Frank G. Zarb (Frank G. Zarb)	Director

EXHIBITS INDEX

Exhibit Number	Description	Location
2.	Plan of acquisition, reorganization, arrangement, liquidation or succession Agreement and Plan of Merger, dated as of May 11, 2001, among American International Group, Inc., Washington Acquisition Corporation and American General Corporation	Incorporated by reference to Exhibit 2.1(i)(a) to AIG's Registration Statement on Form S-4 (File No. 333-62688)
3(i)(a)	Restated Certificate of Incorporation of AIG	Incorporated by reference to Exhibit 3(i) to AIG's Annual Report on Form 10-K for the year ended December 31, 1996 (File No. 1-8787)
3(i)(b)	Certificate of Amendment of Certificate of Incorporation of AIG, filed June 3, 1998	Incorporated by reference to Exhibit 3(i) to AIG's Quarterly Report on Form 10-Q for the quarter ended June 30, 1998 (File No. 1-8787)
3(i)(c)	Certificate of Merger of SunAmerica Inc. with and into AIG, filed December 30, 1998 and effective January 1, 1999	Incorporated by reference to Exhibit 3(i) to AIG's Annual Report on Form 10-K for the year ended December 31, 1998 (File No. 1-8787)
3(i)(d)	Certificate of Amendment of Certificate of Incorporation of AIG, filed June 5, 2000	Incorporated by reference to Exhibit 3(i)(c) to AIG's Registration Statement on Form S-4 (File No. 333-45828)
3(ii)	Amended and Restated By-laws of AIG	Incorporated by reference to Exhibit 3(ii) to AIG's Annual Report on Form 10-K for the year ended December 31, 2005 (File No. 1-8787)
4.1	Indenture, dated as of July 15, 1989, between AIG and The Bank of New York, as Trustee	Incorporated by reference to Exhibit 4 to AIG's Registration Statement on Form S-3 (File No. 33-25291)
4.2	First Supplemental Indenture, dated as of May 15, 2003, between AIG and The Bank of New York, as Trustee, including the form of note	Incorporated by reference to Exhibit 4.2 to AIG's Registration Statement on Form S-4 (File No. 333-107945)
4.3	Second Supplemental Indenture, dated as of September 30, 2005, between AIG and The Bank of New York, as Trustee, including the form of note	Filed herewith
4.4	Third Supplemental Indenture, dated as of April 20, 2006, between AIG and The Bank of New York, as Trustee, including the form of note	Filed herewith
5.1	Validity Opinion of Sullivan & Cromwell LLP	Filed herewith
12	Statement regarding computation of ratios of earnings to fixed charges	Incorporated by reference to AIG's Annual Report on Form 10-K for the year ended December 31, 2005 and AIG's Quarterly Report on Form 10-Q for quarter ended March 31, 2006 (File No. 1-8787)
23.1	Consent of PricewaterhouseCoopers LLP, independent registered public accounting firm for AIG	Filed herewith
23.2	Consent of Sullivan & Cromwell LLP	Included in Exhibit 5.1
24	Powers of Attorney	Included in the signature pages to this registration statement
25.1	Form T-1 Statement of Eligibility under the Trust Indenture Act of 1939 of The Bank of New York, as Trustee	Filed herewith
99.1	Form of Letter of Transmittal	Filed herewith

Exhibit Number	Description	Location
99.2	Form of Notice of Guaranteed Delivery	Filed herewith
99.3	Form of Letter to DTC Participants	Filed herewith
99.4	Form of Letter to Clients	Filed herewith
99.5	Form of Instructions to DTC Participant from Beneficial Owner	Filed herewith
99.6	Form of Exchange Agent Agreement	Filed herewith

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AMERICAN INTERNATIONAL GROUP, INC.

SECOND SUPPLEMENTAL
INDENTURE

Dated as of September 30, 2005

(Supplemental to Indenture Dated as of July 15, 1989)

THE BANK OF NEW YORK,
as Trustee

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SECOND SUPPLEMENTAL INDENTURE, dated as of September 30, 2005, among American International Group, Inc., a corporation duly organized and existing under the laws of the State of Delaware (herein called the "Company"), and The Bank of New York, a New York banking corporation, as Trustee (herein called "Trustee");

RECITALS:

WHEREAS, the Company has heretofore executed and delivered to The Bank of New York, as trustee, an Indenture, dated as of July 15, 1989 (the "Basic Indenture"), and the First Supplemental Indenture, dated May 15, 2003 (the "First Supplemental Indenture" and together with the Basic Indenture, the "Existing Indenture") and the Existing Indenture, as the same may be amended or supplemented from time to time, including by this Second Supplemental Indenture, the "Indenture"), providing for the issuance from time to time of the Company's unsecured debentures, notes or other evidences of indebtedness (herein and therein called the "Securities"), to be issued in one or more series as provided in the Indenture;

WHEREAS, Section 901 of the Existing Indenture permits the Company and the Trustee to enter into an indenture supplemental to the Existing Indenture to provide for the issuance of, and establish the form and terms of, additional series of Securities;

WHEREAS, Sections 201, 301 and 901 of the Existing Indenture permit the form of notes of each additional series of notes to be established pursuant to an indenture supplemental to the Existing Indenture;

WHEREAS, Section 301 of the Existing Indenture permits certain terms of any additional series of notes to be established pursuant to an indenture supplemental to the Existing Indenture;

WHEREAS, pursuant to resolutions of the Board of Directors of the Company adopted at a meeting duly called on September 21, 2005, the Company has authorized the issuance of \$1,500,000,000 in aggregate principal amount of its 4.700% Notes Due 2010 (the "5 YEAR Notes") and 5.050% Notes Due 2015 (the "10 YEAR Notes," and, collectively with the 5-YEAR Notes and any Exchange Notes issued in exchange for the 5-YEAR Notes or 10-YEAR Notes, the "Notes");

WHEREAS, the Company has duly authorized the execution and delivery of this Second Supplemental Indenture to establish the form and terms of the Notes; and

WHEREAS, all things necessary to make this Second Supplemental Indenture a valid agreement according to its terms have been done;

NOW, THEREFORE, THIS SECOND SUPPLEMENTAL INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Notes by the Holders thereof, it is mutually covenanted and agreed, for the equal and proportionate benefit of all Holders of the Notes, as follows:

ARTICLE ONE

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

SECTION 1.1 RELATION TO EXISTING INDENTURE

This Second Supplemental Indenture constitutes a part of the Existing Indenture (the provisions of which, as modified by this Second Supplemental Indenture, shall apply to the Notes) in respect of the Notes but shall not modify, amend or otherwise affect the Existing Indenture insofar as it relates to any other series of Securities or affects in any manner the terms and conditions of the Securities of any other series.

SECTION 1.2 DEFINITIONS

For all purposes of this Second Supplemental Indenture, the capitalized terms used herein (i) which are defined in this Section 1.2 have the respective meanings assigned hereto in this Section 1.2, and (ii) which are defined in the Existing Indenture (and which are not defined in this Section 1.2) have the respective meanings assigned thereto in the Existing Indenture. For all purposes of this Second Supplemental Indenture:

1.2.1 All references herein to Articles and Sections, unless otherwise specified, refer to the corresponding Articles and Sections of this Second Supplemental Indenture;

1.2.2 The terms "herein", "hereof", and "hereunder" and words of similar import refer to this Second Supplemental Indenture; and

1.2.3 The following terms, as used herein, have the following meanings:

"Adjusted Treasury Rate" has the meaning specified in the form of Note contained in Section 2.3.

"Agent Member" means any member of, or participant in, the Depository.

"Applicable Procedures" means, with respect to any transfer or transaction involving a Global Note or beneficial interest therein, the rules and procedures of the Depository for such Note, Euroclear and Clearstream, in each case to the extent applicable to such transaction and as in effect at the time of such transfer or transaction.

"Clearstream" means Clearstream Banking, societe anonyme, Luxembourg (or any successor securities clearing agency).

"Closing Date" means September 30, 2005.

"Comparable Treasury Issue" has the meaning specified in the form of Note contained in Section 2.3.

"Comparable Treasury Price" has the meaning specified in the form of Note contained in Section 2.3.

"Depository" means, with respect to the Notes issuable or issued in whole or in part in the form of one or more Global Notes, DTC, for so long as it shall be a clearing agency registered under the Exchange Act, or such successor (which shall be a clearing agency registered under the Exchange Act) as the Company shall designate from time to time in an Officers' Certificate delivered to the Trustee.

"DTC" means The Depository Trust Company.

"Euroclear" means the Euroclear Bank S.A./N.V. (or any successor securities clearing agency), as operator of the Euroclear system.

"Exchange Notes" means the notes issued pursuant to the Exchange Offer and their Successor Notes. The Exchange Notes shall be deemed to constitute the same series as the Original Notes for which they are exchanged.

"Exchange Offer" has the meaning specified in the form of Note contained in Section 2.2.

"Exchange Offer Registration Statement" has the meaning specified the form of Note contained in Section 2.2.

"Global Note" means any Note bearing the legend specified in Section 2.2 evidencing all or part of the Notes, issued to the Depository, and registered in the name of the Depository or its nominee. The Restricted Global Note and the Regulation S Global Note shall each be a Global Note.

"Initial Purchasers" means Citigroup Global Markets Inc. and Lehman Brothers Inc.

"Notes" has the meaning stated in the fifth recital of this Second Supplemental Indenture.

"Original Notes" means all Notes other than Exchange Notes.

"Primary Treasury Dealer" has the meaning specified in the form of Note contained in Section 2.3.

"Purchase Agreement" means the Purchase Agreement, dated September 27, 2005, between the Company and the Initial Purchasers.

"Quotation Agent" has the meaning specified in the form of Note contained in Section 2.3.

"Reference Treasury Dealer" has the meaning specified in the form of Note contained in Section 2.3.

"Reference Treasury Dealer Quotations" has the meaning specified in the form of Note contained in Section 2.3.

"Registration Default" has the meaning specified in the form of Note contained in Section 2.2.

"Registration Default Period" has the meaning specified in the form of Note contained in Section 2.2.

"Registration Rights Agreement" has the meaning specified in Section 2.2.

"Regulation S" means Regulation S under the Securities Act (or any successor provision), as it may be amended from time to time.

"Regulation S Certificate" means a certificate substantially in the form set forth in Annex B.

"Regulation S Global Note" has the meaning specified in Section 2.1.

"Regulation S Legend" means a legend substantially in the form of the legend required in the form of Note set forth in Section 2.2 to be placed upon each Regulation S Note.

"Regulation S Notes" means all Notes required pursuant to Section 2.6(b) to bear a Regulation S Legend. Such term includes the Regulation S Global Note.

"Restricted Global Note" has the meaning specified in Section 2.1.

"Restricted Note" means all Notes required pursuant to Section 2.6(b) to bear any Restricted Notes Legend. Such term includes the Restricted Global Note.

"Restricted Notes Certificate" means a certificate substantially in the form set forth in Annex A.

"Restricted Notes Legend" means a legend substantially in form of the legend required in the form of Note set forth in Section 2.2 to be placed upon each Restricted Note.

"Restricted Period" means the period of 41 consecutive days beginning on the later of (i) the day on which Notes are first offered to persons other than distributors (as defined in Regulation S) in reliance on Regulation S and (ii) the Closing Date, except that

any offer or sale by a distributor (as defined in Regulation S) of an unsold allotment shall be deemed to be made during the restricted period.

"Rule 144A" means Rule 144A under the Securities Act (including any successor rule thereto), as the same may be amended from time to time.

"Rule 144A Notes" means all Notes initially distributed in connection with the offering of the Notes by the Initial Purchasers in reliance upon Rule 144A.

"Securities" has the meaning specified in the first recital of this Second Supplemental Indenture.

"Securities Act" means the Securities Act of 1933, as amended.

"Securities Act Legend" means the Restricted Notes Legend and/or the Regulation S Legend.

"Shelf Registration Statement" has the meaning specified in the form of Note contained in Section 2.2.

"Special Interest" has the meaning specified in the form of Note contained in Section 2.2.

"Successor Note" of any particular Note means every Note issued after, and evidencing all or a portion of the same debt as that evidenced by, such particular Note; and, for the purposes of this definition, any Exchange Note issued in exchange for an Original Note shall be deemed a Successor Note of such Original Note and any Note authenticated and delivered under Section 306 of the Existing Indenture in exchange for or in lieu of a mutilated, destroyed, lost or stolen Note shall be deemed to evidence the same debt as the mutilated, destroyed, lost or stolen Note.

"Unrestricted Notes Certificate" means a certificate substantially in the form set forth in Annex C.

ARTICLE TWO

GENERAL TERMS AND CONDITIONS OF THE NOTES

SECTION 2.1 FORMS OF NOTES GENERALLY

The Notes shall be in substantially the forms set forth in this Article with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by the Existing Indenture and this Second Supplemental Indenture, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with the rules of any securities exchange, or as may, consistent with the Existing Indenture and this Second

Supplemental Indenture, be determined by the officers executing such Notes, as evidenced by their execution of such Notes.

The Trustee's certificate of authentication shall be in substantially the form set forth in Section 2.4.

Upon their original issuance, the Rule 144A Notes and the Regulation S Notes shall be issued in the form of separate Global Notes registered in the name of the Depositary or its nominee and deposited with the Trustee, as custodian for the Depositary, for credit by the Depositary to the respective accounts of beneficial owners of the Notes represented thereby (or such other accounts as they may direct). Each such Global Note will constitute a single Security for all purposes of the Indenture. The Global Notes representing Rule 144A Notes, together with their Successor Notes which are Global Notes other than Regulation S Global Notes, are collectively herein called the "Restricted Global Note." The Global Notes representing Regulation S Notes, together with their Successor Notes which are Global Notes other than Restricted Global Notes, are collectively herein called the "Regulation S Global Note."

The Notes will be issued only in registered form. The Notes will be issued in minimum denominations of \$100,000 and multiples of \$1,000 in excess thereof.

SECTION 2.2 FORM OF FACE OF THE NOTES

[INCLUDE IF NOTE IS A RESTRICTED NOTE - THIS SECURITY (OR ITS PREDECESSOR) WAS ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM AND IN ANY EVENT MAY BE SOLD OR OTHERWISE TRANSFERRED ONLY IN ACCORDANCE WITH THE INDENTURE, COPIES OF WHICH ARE AVAILABLE FOR INSPECTION AT THE CORPORATE TRUST OFFICE OF THE TRUSTEE IN NEW YORK.

EACH PURCHASER OF THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER. EACH HOLDER OF THIS NOTE REPRESENTS TO AMERICAN INTERNATIONAL GROUP, INC. THAT (a) SUCH HOLDER WILL NOT SELL, PLEDGE OR OTHERWISE TRANSFER THIS NOTE (WITHOUT THE CONSENT OF AMERICAN INTERNATIONAL GROUP, INC.) OTHER THAN (i) TO A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION COMPLYING WITH RULE 144A UNDER THE SECURITIES ACT, (ii) IN ACCORDANCE WITH RULE 144 UNDER THE SECURITIES ACT, (iii) OUTSIDE THE UNITED STATES IN A TRANSACTION MEETING THE REQUIREMENTS OF REGULATION S UNDER THE SECURITIES ACT, (iv) PURSUANT TO ANOTHER AVAILABLE

EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT, SUBJECT, IN THE CASE OF CLAUSES (ii) OR (iv), TO THE RECEIPT BY AMERICAN INTERNATIONAL GROUP, INC. OF AN OPINION OF COUNSEL OR SUCH OTHER EVIDENCE ACCEPTABLE TO AMERICAN INTERNATIONAL GROUP, INC. THAT SUCH RESALE, PLEDGE OR TRANSFER IS EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT OR (v) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT AND THAT (b) THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS NOTE OF THE RESALE RESTRICTIONS REFERRED TO HEREIN AND DELIVER TO THE TRANSFEREE (OTHER THAN A QUALIFIED INSTITUTIONAL BUYER) PRIOR TO THE SALE, A COPY OF THE TRANSFER RESTRICTIONS APPLICABLE HERETO (COPIES OF WHICH MAY BE OBTAINED FROM THE INDENTURE TRUSTEE).]

[INCLUDE IF NOTE IS A REGULATION S NOTE - THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, REGISTRATION UNDER SUCH LAWS.]

[INCLUDE IF NOTE IS A GLOBAL NOTE - THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITARY OR A NOMINEE OF A DEPOSITARY. THIS SECURITY IS EXCHANGEABLE FOR SECURITIES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITARY OR ITS NOMINEE ONLY IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE AND MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY.]

[INCLUDE IF NOTE IS A GLOBAL NOTE AND THE DEPOSITARY TRUST COMPANY IS THE DEPOSITARY - UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY TRUST COMPANY ("DTC"), A NEW YORK CORPORATION, TO AMERICAN INTERNATIONAL GROUP, INC. OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF CEDE & CO. (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY

TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.]

AMERICAN INTERNATIONAL GROUP, INC.

[INCLUDE IF NOTE IS 5-YEAR NOTE - 4.700% NOTE DUE 2010]
[INCLUDE IF NOTE IS 10-YEAR NOTE - 5.050% NOTE DUE 2015]

No. _____

CUSIP No.: _____ \$ _____

AMERICAN INTERNATIONAL GROUP, INC., a corporation duly organized and existing under the laws of Delaware (herein called the "Company," which term includes any successor Person under the Indenture hereinafter referred to), for value received, hereby promises to pay to Cede & Co., or its registered assigns, the principal sum of [] dollars on October 1, [INCLUDE IF NOTE IS 5-YEAR NOTE - 2010] [INCLUDE IF NOTE IS 10-YEAR NOTE - 2015], and to pay interest thereon from September 30, 2005, or from the most recent Interest Payment Date (as defined below) to which interest has been paid or duly provided for, semiannually in arrears on April 1 and October 1 in each year (each such date, an "Interest Payment Date"), commencing on April 1, 2006 at the rate of [INCLUDE IF NOTE IS 5-YEAR NOTE - 4.700%] [INCLUDE IF NOTE IS 10-YEAR NOTE - 5.050%] per annum, until the principal hereof is paid or made available for payment. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in such Indenture, be paid to the Person in whose name this Note (or one or more Predecessor Notes) is registered at the close of business on the Regular Record Date for such interest, which shall be the March 15 or September 15 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Note (or one or more Predecessor Notes) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof which shall be given to Holders of Notes of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Notes may be listed, and upon such notice as may be required by such exchange, all as more fully provided in said Indenture.

Interest shall be computed on the basis of a 360-day year comprised of twelve 30-day months.

In the event that an Interest Payment Date is not a Business Day, the Company shall pay interest on the next day that is a Business Day, with the same force and effect as if made on the Interest Payment Date, and without any interest or other payment with respect to the delay. If the Stated Maturity or earlier Redemption Date falls on a day that is not a Business Day, the payment of principal, premium, if any, and interest, if any, need not be made on such date, but may be made on the next succeeding Business Day, with the same force and effect as if made on the Stated Maturity or earlier Redemption Date, provided that no interest shall accrue for the period from and after such Stated Maturity or earlier Redemption Date.

[INCLUDE IF NOTE IS ORIGINAL NOTE - Pursuant to the Exchange and Registration Rights Agreement, dated as of September 30, 2005 (the "Registration Rights Agreement"), by and among the Company and the Initial Purchasers (as defined therein), the Company has agreed for the benefit of the Holders from time to time of the Notes that it will (i) file under the Securities Act, no later than 300 days after the date on which the Notes are initially issued (the "Issue Date"), a registration statement (the "Exchange Offer Registration Statement") registering debt securities substantially identical to the Notes (except that such securities will not contain terms with respect to the Special Interest payments described below or transfer restrictions) pursuant to an exchange offer (the "Exchange Offer"), (ii) use its commercially reasonable efforts to cause the Exchange Offer Registration Statement to become effective under the Securities Act no later than 360 days following the Issue Date and (iii) use its commercially reasonable efforts to cause the Exchange Offer to remain open at least 20 business days and to commence and complete the Exchange Offer no later than 30 days after the Exchange Offer Registration Statement has become effective; provided, however, that if on or prior to the time the Exchange Offer is completed, existing Commission (as defined in the Indenture) interpretations are changed such that this Note is not or would not be, upon receipt under the Exchange Offer, transferable by the Holder of this Note without restriction under the Securities Act, the Company has agreed to file under the Securities Act no later than 390 days after the Issue Date, a "shelf" registration statement providing for the registration of and the sale on a continuous or delayed basis by the Holder of this Note (such registration statement, the "Shelf Registration Statement") and to use its commercially reasonable efforts to cause the Shelf Registration Statement to become effective no later than 90 days after the Shelf Registration Statement is filed.

In the event that (i) the Exchange Offer has not been completed within 390 days after the Issue Date, (ii) a Shelf Registration Statement is required to be filed and is not effective within 480 days of the Issue Date, or (iii) the Exchange Offer Registration Statement or, if applicable, the Shelf Registration Statement is filed and declared effective but shall thereafter either be withdrawn by the Company or shall become subject to an effective stop order issued pursuant to Section 8(d) of the Securities Act suspending the effectiveness of such registration statement (except as specifically permitted in the Registration Rights Agreement) without being succeeded by a post-effective amendment or a prospectus supplement to such registration statement or an additional registration statement that cures such failure and that is itself declared effective

promptly, in each case (i) through (iii) upon the terms and conditions set forth in the Registration Rights Agreement (each such event referred to in clauses (i) through (iii), a "Registration Default" and each period during which a Registration Default has occurred and is continuing, until the earlier of such time as no Registration Default is in effect or the first date the Notes become eligible to be sold pursuant to paragraph (k) of Rule 144 under the Securities Act of 1933, a "Registration Default Period"), then interest will accrue (in addition to any stated interest on this Note) at a per annum rate of 0.125% for the first 90 days of the Registration Default Period and at a per annum rate of 0.25% thereafter for the remaining portion of the Registration Default Period; provided that the Company shall not be required to pay Special Interest for more than one Registration Default at any given time and in no event shall Special Interest accrue at a rate in excess of 0.25% per annum. Interest accruing as a result of a Registration Default is referred to herein as "Special Interest." In the case of a Registration Default, the Company's only obligation under the Registration Rights Agreement is to pay Special Interest. Accrued Special Interest, if any, shall be paid in cash in arrears on each Interest Payment Date for the Notes; and the amount of accrued Special Interest shall be determined on the basis of the number of days actually elapsed.]

Payment of the principal of and interest on this Note will be made at the office or agency of the Company maintained for that purpose in the Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

Dated: _____

AMERICAN INTERNATIONAL GROUP, INC.

By _____

[SEAL]

Attest:

SECTION 2.3 FORM OF REVERSE OF THE NOTES

This Note is one of a duly authorized issue of securities of the Company (herein called the "Notes"), designated as its [INCLUDE IF NOTE IS 5-YEAR NOTE - 4.700% Notes Due 2010][INCLUDE IF NOTE IS 10-YEAR NOTE - 5.050% Notes Due 2015], issued and to be issued in one or more series under an Indenture, dated as of July 15, 1989, as supplemented by the First Supplemental Indenture (the "First Supplemental Indenture"), dated as of May 15, 2003 and by the Second Supplemental Indenture (the "Second Supplemental Indenture"), dated as of September 30, 2005 (as so supplemented, the "Indenture," which term shall have the meaning assigned to it in such instrument), from the Company to The Bank of New York, as Trustee (herein called the "Trustee", which term includes any successor trustee under the Indenture), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Notes and of the terms upon which the Notes are, and are to be, authenticated and delivered. This Note is one of the series designated on the face hereof.

The Notes of this series are subject to redemption at any time, in whole or in part, at the election of the Company, upon not less than 30 nor more than 60 days' notice given as provided in the Indenture, at a Redemption Price equal to the greater of (i) 100% of the principal amount, together with accrued interest to the Redemption Date, and (ii) as determined by the Quotation Agent, the sum of the present values of the remaining scheduled payments of principal and interest thereon (not including any portion of such payments of interest accrued as of the Redemption Date) discounted to the Redemption Date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the Adjusted Treasury Rate plus [INCLUDE IF NOTE IS 5-YEAR NOTE - 10] [INCLUDE IF NOTE IS 10-YEAR NOTE - 12.5] basis points, plus accrued interest to the Redemption Date.

The definitions of certain terms used in the paragraph above are listed below.

"Adjusted Treasury Rate" means, with respect to any Redemption Date, the rate per annum equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such Redemption Date.

"Comparable Treasury Issue" means the U.S. Treasury security selected by the Quotation Agent as having a maturity comparable to the remaining term of the Notes of this series to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such Notes.

"Comparable Treasury Price" means, with respect to any Redemption Date, the average of the Reference Treasury Dealer Quotations for such Redemption Date.

"Quotation Agent" means AIG Financial Products Corp.

"Reference Treasury Dealer" means (i) each of Citigroup Global Markets Inc. and Lehman Brothers Inc. or its respective successors; provided, however, that if the foregoing shall cease to be a primary U.S. government securities dealer in New York City (a "Primary Treasury Dealer"), the Company shall substitute therefor another Person to be a Primary Treasury Dealer; and (ii) any other Primary Treasury Dealer selected by the Quotation Agent after consultation with the Company.

"Reference Treasury Dealer Quotations" means with respect to each Reference Treasury Dealer and any Redemption Date, the average, as determined by the Quotation Agent, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Quotation Agent by such Reference Treasury Dealer at 5:00 p.m. on the third business day preceding such Redemption Date.

In the event of redemption of this Note in part only, a new Note or Notes of this series and of like tenor for the unredeemed portion hereof will be issued in the name of the Holder hereof upon the cancellation hereof. A Note in a denomination of less than \$200,000 may not be redeemed in part.

The Notes do not have the benefit of any sinking fund obligation.

The Indenture contains provisions for defeasance at any time of the entire indebtedness of this Note or certain restrictive covenants and Events of Default with respect to this Note, in each case upon compliance with certain conditions set forth in the Indenture.

As set forth in, and subject to, the provisions of the Indenture, no Holder of this Note will have any right to institute any proceeding with respect to the Indenture or for any remedy thereunder, unless such Holder shall have previously given to the Trustee written notice of a continuing Event of Default, the Holders of not less than 25% in principal amount of the Outstanding Notes shall have made written request, and offered reasonable indemnity, to the Trustee to institute such proceeding as trustee, and the Trustee shall not have received from the Holders of a majority in principal amount of the Outstanding Notes a direction inconsistent with such request and shall have failed to institute such proceeding within 60 days; provided, however, that such limitations do not apply to a suit instituted by the Holder hereof for the enforcement of payment of the principal of (and premium, if any) or any interest of this Note on or after the respective due date expressed herein.

If an Event of Default with respect to Notes of this series shall occur and be continuing, the principal of the Notes of this series may be declared due and payable in the manner and with the effect provided in the Indenture.

The Notes are entitled to the benefits of the covenants of the Company set forth in Article Ten of the Indenture.

Unless the context otherwise requires, the Original Notes (as defined in the Indenture) and the Exchange Notes (as defined in the Indenture) shall constitute one series for all purposes under the Indenture, including without limitation, amendments, waivers and redemptions.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Note at the times, place and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Note is registrable in the Security Register, upon surrender of this Note for registration of transfer at the office or agency of the Company in any place where the principal of (and premium, if any) and interest on this Note are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Notes of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Notes of this series are issuable only in fully registered form without coupons in denominations of \$100,000 and any multiple of \$1,000 in excess thereof, provided that a Note with a denomination of less than \$200,000 may be transferred only in whole and not in part. As provided in the Indenture and subject to certain limitations therein set forth, the Notes of this series are exchangeable for a like aggregate principal amount of Notes of this series and of like tenor of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Note for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Note is registered as the owner hereof for all purposes, whether or not this Note be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

All terms used in this Note which are defined in the Indenture shall have the meaning assigned to them in the Indenture.

SECTION 2.4 FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION OF THE NOTES

The Trustee's certificates of authentication shall be in substantially the following form:

This is one of the Notes of the series designated therein referred to in the within-mentioned Indenture.

THE BANK OF NEW YORK
As Trustee

By: _____
Authorized Signatory

SECTION 2.5 TITLE AND TERMS

The Notes shall be issued in two series. The aggregate principal amount of the Notes that may initially be authenticated and delivered under this First Supplemental Indenture is limited to \$1,500,000,000, except for Notes authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Notes pursuant to Section 304, 305, 306 or 906 of the Existing Indenture or Article Two of this Second Supplemental Indenture. The Company may, without the consent of the Holders of Notes of any series, issue additional notes having the same ranking, interest rate, Stated Maturity, CUSIP number, ISIN and common code and terms as to status, redemption or otherwise as the Notes, in which event such notes, the Original Notes of such series and the Exchange Notes issued in exchange for any such Original Notes shall constitute one series for all purposes under the Indenture, including without limitation, amendments, waivers and redemptions.

The Stated Maturity shall be October 1, 2010 in the case of the 5-Year Notes and October 1, 2015 in the case of the 10 -Year Notes, and each of the 5-Year Notes and the 10-Year Notes shall bear interest and have such other terms as are described in Sections 2.2 and 2.3 of this Second Supplemental Indenture.

The Company shall have no obligation to redeem or purchase the Notes pursuant to any sinking fund or analogous provision, or at the option of a Holder thereof. The Notes shall be redeemable at the election of the Company from time to time, in whole or in part, at the times and at the prices specified in the form of Note set forth in Section 2.3 of this First Supplemental Indenture.

The Notes shall be subject to the defeasance and discharge provisions of Section 1302 of the Existing Indenture and the defeasance of certain obligations and certain events of default provisions of Section 1303 of the Existing Indenture.

Unless the context otherwise requires, the Original Notes of each series and the Exchange Notes issued in exchange for any Original Notes of that series shall constitute one series for all purposes under the Indenture, including without limitation, amendments, waivers and redemptions.

All Exchange Notes issued upon any exchange of the Original Notes shall be the valid obligations of the Company, evidencing the same debt, and entitled to the same benefits under the Indenture, as the Original Notes surrendered upon such exchange. Subject to the second paragraph of Section 307 of the Existing Indenture, each Exchange Note delivered in exchange for an Original Note shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such Original Note.

The Notes shall be issuable only in fully registered form without coupons and only in denominations of \$100,000 and multiples of \$1,000 in excess thereof; provided, however, that a Note with a denomination less than \$200,000 may be transferred only in whole and not in part.

The Notes shall be executed, authenticated, delivered and dated in accordance with Section 303 of the Existing Indenture.

SECTION 2.6 TRANSFER AND EXCHANGES; SECURITIES ACT LEGENDS

(a) Certain Transfers and Exchanges. Transfers and exchanges of Notes and beneficial interests in a Global Note of the kinds specified in this Section 2.6(a) shall be made only in accordance with this Section 2.6(a).

(i) Non-Global Note to Non-Global Note. A Note that is not a Global Note may be transferred, in whole or in part, to a Person who takes delivery in the form of another Note that is not a Global Note as provided in Section 305 of the Existing Indenture, provided that, if the Note to be transferred in whole or in part is a Restricted Note, or is a Regulation S Note and the transfer is to occur during the Restricted Period, then the Trustee shall have received (i) a Restricted Notes Certificate, satisfactory to the Company and duly executed by the transferor Holder or his attorney duly authorized in writing, in which case the transferee Holder shall take delivery in the form of a Restricted Note or (ii) a Regulation S Certificate, satisfactory to the Company and duly executed by the transferor Holder or his attorney duly authorized in writing, in which case the transferee Holder shall take delivery in the form of a Regulation S Note.

(ii) Restricted Global Note to Regulation S Global Note. If the owner of a beneficial interest in the Restricted Global Note wishes at any time to transfer such interest to a Person who wishes to acquire the same in the form of a beneficial interest in the Regulation S Global Note of the same series, such transfer may be effected only in accordance with the provisions of this Section 2.6(a)(ii) and Section 2.6(a)(iv) below and subject to the Applicable Procedures. Upon receipt by the Trustee, as Security Registrar, of (i) an order given by the

Depository or its authorized representative directing that a beneficial interest in the Regulation S Global Note in a specified principal amount be credited to a specified Agent Member's account and that a beneficial interest in the Restricted Global Note in an equal amount be debited from another specified Agent Member's account and (ii) a Regulation S Certificate, satisfactory to the Company and duly executed by the Holder of such Restricted Global Note or his attorney duly authorized in writing, then the Trustee, as Security Registrar but subject to Section 2.6(a)(iv) below, shall reduce the principal amount of such Restricted Global Note and increase the principal amount of such Regulation S Global Note by such specified principal amount.

(iii) Regulation S Global Note to Restricted Global Note. If the owner of a beneficial interest in the Regulation S Global Note wishes at any time to transfer such interest to a Person who wishes to acquire the same in the form of a beneficial interest in the Restricted Global Note of the same series, such transfer may be effected only in accordance with this Section 2.6(a)(iii) and subject to the Applicable Procedures. Upon receipt by the Trustee, as Security Registrar, of (i) an order given by the Depository or its authorized representative directing that a beneficial interest in the Restricted Global Note in a specified principal amount be credited to a specified Agent Member's account and that a beneficial interest in the Regulation S Global Note in an equal principal amount be debited from another specified Agent Member's account and (ii) if such transfer is to occur during the Restricted Period, a Restricted Notes Certificate, satisfactory to the Company and duly executed by the Holder of such Regulation S Global Note or his attorney duly authorized in writing, then the Trustee, as Security Registrar, shall reduce the principal amount of such Regulation S Global Note and increase the principal amount of such Restricted Global Note by such specified principal amount. If transfers under this Section 2.6(a)(iii) occur after the Restricted Period, no Restricted Notes Certificate will be required and the beneficial interest in the Regulation S Global Note so transferred shall be credited to an Agent Member's account in a Global Note that does not bear a Securities Act Legend.

(iv) Regulation S Global Note to be Held Through Euroclear or Clearstream during Restricted Period. The Company shall use its best efforts to cause the Depository to ensure that, until the expiration of the Restricted Period, beneficial interests in the Regulation S Global Note may be held only in or through accounts maintained at the Depository by Euroclear and Clearstream (or by Agent Members acting for the account thereof), and no person shall be entitled to effect any transfer or exchange that would result in any such interest being held otherwise than in or through such an account; provided that this Section 2.6(a)(iv) shall not prohibit any transfer or exchange of such an interest in accordance with Section 2.6(a)(iii) above.

(b) Securities Act Legends. Rule 144A Notes and their Successor Notes shall bear the Restricted Notes Legend and Regulation S Notes and their Successor Notes shall bear the Regulation S Legend, subject to the following:

(i) subject to the following Clauses of this Section 2.6(b), a Note or any portion thereof which is exchanged, upon transfer or otherwise, for a Global Note or any portion thereof shall bear the Securities Act Legend borne by such Global Note while represented thereby;

(ii) subject to the following Clauses of this Section 2.6(b), a new Note which is not a Global Note and is issued in exchange for another Note (including a Global Note) or any portion thereof, upon transfer or otherwise, shall bear the Securities Act Legend borne by such other Note, provided that, if such new Note is required pursuant to Section 2.6(a) to be issued in the form of a Restricted Note, it shall bear the Restricted Notes Legend and, if such new Note is so required to be issued in the form of a Regulation S Note, it shall bear the Regulation S Legend;

(iii) at any time when a Note has been transferred in a manner, or a sufficient amount of time has elapsed, so that a Note may be transferred without registration or limitation under the Securities Act, a new Note which does not bear a Securities Act Legend may be issued in exchange for or in lieu of a Note which bears such a legend if the Trustee has received an Unrestricted Notes Certificate, satisfactory to the Company and duly executed by the Holder of such legended Note or his attorney duly authorized in writing, and after such date and receipt of such certificate, the Trustee shall authenticate and deliver such a new Note in the manner provided for in the Existing Indenture.

(iv) a new Note which does not bear a Securities Act Legend may be issued in exchange for or in lieu of a Note (other than a Global Note) or any portion thereof which bears such a legend if, in the judgment of the Company, placing such a legend upon such new Note is not necessary to ensure compliance with the registration requirements of the Securities Act, and the Trustee, at the direction of the Company, shall authenticate and deliver such a new Note as provided in this Article Two; and

(v) notwithstanding the foregoing provisions of this Section 2.6(b), a Successor Note of a Note that does not bear a particular form of Securities Act Legend shall not bear such form of legend unless the Company has reasonable cause to believe that such Successor Note is a "restricted security" within the meaning of Rule 144, in which case the Trustee, at the direction of the Company, shall authenticate and deliver a new Note bearing the Restricted Notes Legend in exchange for such Successor Note as provided in this Article Two.

ARTICLE THREE

MISCELLANEOUS

SECTION 3.1 RELATIONSHIP TO EXISTING INDENTURE

The Second Supplemental Indenture is a supplemental indenture within the meaning of the Existing Indenture. The Existing Indenture, as supplemented and amended by this Second Supplemental Indenture, is in all respects ratified, confirmed and approved and, with respect to the Notes, the Existing Indenture, as supplemented and amended by this Second Supplemental Indenture, shall be read, taken and construed as one and the same instrument.

SECTION 3.2 MODIFICATION OF THE EXISTING INDENTURE

Except as expressly modified by this Second Supplemental Indenture, the provisions of the Existing Indenture shall govern the terms and conditions of the Notes.

SECTION 3.3 GOVERNING LAW

This instrument shall be governed by and construed in accordance with the laws of the State of New York.

SECTION 3.4 COUNTERPARTS

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

SECTION 3.5 TRUSTEE MAKES NO REPRESENTATION

The recitals contained herein are made by the Company and not by the Trustee, and the Trustee assumes no responsibility for the correctness thereof. The Trustee makes no representation as to the validity or sufficiency of this First Supplemental Indenture.

IN WITNESS WHEREOF, the parties hereto have caused this Second Supplemental Indenture to be duly executed all as of the day and year first above written.

AMERICAN INTERNATIONAL GROUP, INC.

By /s/ Robert A. Gender

Name: Robert A. Gender
Title: Vice President and Treasurer

[SEAL]

Attest:

/s/ Elizabeth Tuck

THE BANK OF NEW YORK,
as Trustee

By /s/ Julie Salovitch-Miller

Name: Julie Salovitch-Miller
Title: Vice President

RESTRICTED NOTES CERTIFICATE

The Bank of New York
101 Barclay Street, Floor 8 West
New York, New York 10286
Attn: Corporate Trust Administration

Re: [4.700% Notes Due 2010][5.050% Notes Due 2015] of American
International Group, Inc. (the "Notes")

Reference is made to the Indenture, dated as of July 15, 1989, between
American International Group, Inc. (the "Company") and The Bank of New York, as
Trustee, as supplemented (the "Indenture"). Terms used herein and defined in the
Indenture or in Rule 144A or Rule 144 under the U.S. Securities Act of 1933, as
amended (the "Securities Act"), are used herein as so defined.

This certificate relates to U.S. \$ _____ principal amount of Notes,
which are evidenced by the following certificate(s) (the "Specified
Securities"):

CUSIP No(s). _____

ISIN _____

COMMON CODE _____

CERTIFICATE No(s). _____

The person in whose name this certificate is executed below (the
"Undersigned") hereby certifies that (i) it is the sole beneficial owner of the
Specified Securities, (ii) it is acting on behalf of all the beneficial owners
of the Specified Securities and is duly authorized by them to do so or (iii) it
is the Holder of a Global Note and has received a certification to the effect
set forth below. Such beneficial owner or owners are referred to herein
collectively as the "Owner". If the Specified Securities are represented by a
Global Note, they are held through the Depositary or an Agent Member in the name
of the Undersigned, as or on behalf of the Owner. If the Specified Securities
are not represented by a Global Note, they are registered in the name of the
Undersigned, as or on behalf of the Owner.

The Owner has requested that the Specified Securities be transferred to a
person (the "Transferee") who will take delivery in the form of a Restricted
Note. In connection with such transfer, the Owner hereby certifies that, unless
such transfer is being effected pursuant to an effective registration statement
under the Securities Act, it is being effected in accordance with Rule 144A or
Rule 144 under the Securities Act and all

applicable securities laws of the states of the United States and other jurisdictions. Accordingly, the Owner hereby further certifies as follows:

(1) Rule 144A Transfers. If the transfer is being effected in accordance with Rule 144A:

(A) the Specified Securities are being transferred to a person that the Owner and any person acting on its behalf reasonably believe is a "qualified institutional buyer" within the meaning of Rule 144A, acquiring for its own account or for the account of a qualified institutional buyer; and

(B) the Owner and any person acting on its behalf have taken reasonable steps to ensure that the Transferee is aware that the Owner may be relying on Rule 144A in connection with the transfer; and

(2) Rule 144 Transfers. If the transfer is being effected pursuant to Rule 144:

the transfer is occurring after a holding period of at least one year (computed in accordance with paragraph (d) of Rule 144) has elapsed since the Specified Securities were last acquired from the Company or from an affiliate of the Company, whichever is later, and is being effected in accordance with the applicable amount, manner of sale and notice requirements of Rule 144.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

Dated: -----

(Print the name of the Undersigned, as such term is defined in the third paragraph of this certificate.)

By: -----

Name: -----

Title: -----

(If the Undersigned is a corporation, partnership or fiduciary, the title of the person signing on behalf of the Undersigned must be stated.)

REGULATION S CERTIFICATE

The Bank of New York
101 Barclay Street, Floor 8 West
New York, New York 10286
Attn: Corporate Trust Administration

Re: [4.700% Notes Due 2010][5.050% Notes Due 2015] of American
International Group, Inc. (the "Notes")

Reference is made to the Indenture, dated as of July 15, 1989, between
American International Group, Inc. (the "Company") and The Bank of New York, as
Trustee, as supplemented (the "Indenture"). Terms used herein and defined in the
Indenture or in Regulation S or Rule 144 under the U.S. Securities Act of 1933,
as amended (the "Securities Act"), are used herein as so defined.

This certificate relates to U.S. \$ _____ principal amount of Notes,
which are evidenced by the following certificate(s) (the "Specified
Securities"):

CUSIP No(s). _____

ISIN _____

COMMON CODE _____

CERTIFICATE No(s). _____

The person in whose name this certificate is executed below (the
"Undersigned") hereby certifies that (i) it is the sole beneficial owner of the
Specified Securities, (ii) it is acting on behalf of all the beneficial owners
of the Specified Securities and is duly authorized by them to do so or (iii) it
is the Holder of a Global Note and has received a certification to the effect
set forth below. Such beneficial owner or owners are referred to herein
collectively as the "Owner". If the Specified Securities are represented by a
Global Note, they are held through the Depositary or an Agent Member in the name
of the Undersigned, as or on behalf of the Owner. If the Specified Securities
are not represented by a Global Note, they are registered in the name of the
Undersigned, as or on behalf of the Owner.

The Owner has requested that the Specified Securities be transferred to a
person (the "Transferee") who will take delivery in the form of a Regulation S
Note. In connection with such transfer, the Owner hereby certifies or has
certified that, unless such transfer is being effected pursuant to an effective
registration statement under the Securities Act, it is being effected in
accordance with Rule 904 of Regulation S or

Rule 144 under the Securities Act and all applicable securities laws of the states of the United States and other jurisdictions. Accordingly, the Owner hereby further certifies or has certified as follows:

(1) Rule 904 Transfers. If the transfer is being effected in accordance with Rule 904 of Regulation S:

(A) the Owner is not a Distributor of the Notes, an affiliate of the Company or any such Distributor or a person acting on behalf of any of the foregoing;

(B) the offer of the Specified Securities was not made to a person in the United States or for the account or benefit of a U.S. Person;

(C) either:

(i) at the time the buy order was originated, the Transferee was outside the United States or the Owner and any person acting on its behalf reasonably believed that the Transferee was outside the United States, or

(ii) the transaction is being executed in, on or through the facilities of the Eurobond market, as regulated by the International Securities Market Association or another designated offshore securities market and neither the Owner nor any person acting on its behalf knows that the transaction has been prearranged with a buyer in the United States;

(D) no directed selling efforts have been made in the United States by or on behalf of the Owner or any affiliate thereof;

(E) if the Owner is a dealer in securities or has received a selling concession, fee or other remuneration in respect of the Specified Securities, and the transfer is to occur during the Restricted Period, then the requirements of Rule 904(b)(1) have been satisfied; and

(F) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act.

(2) Rule 144 Transfers. If the transfer is being effected pursuant to Rule 144:

the transfer is occurring after a holding period of at least one year (computed in accordance with paragraph (d) of Rule 144) has elapsed since the Specified Securities were last acquired from the Company or from an affiliate of the

Company, whichever is later, and is being effected in accordance with the applicable amount, manner of sale and notice requirements of Rule 144.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

Dated: -----

(Print the name of the Undersigned, as such term is defined in the third paragraph of this certificate.)

By: -----

Name: -----

Title: -----

(If the Undersigned is a corporation, partnership or fiduciary, the title of the person signing on behalf of the Undersigned must be stated.)

ANNEX C - Form of Unrestricted
Notes Certificate

UNRESTRICTED NOTES CERTIFICATE

The Bank of New York
101 Barclay Street, Floor 8 West
New York, New York 10286
Attn: Corporate Trust Administration

Re: [4.700% Notes Due 2010][5.050% Notes Due 2015] of American
International Group, Inc. (the "Notes")

Reference is made to the Indenture, dated as of July 15, 1989, between
American International Group, Inc. (the "Company") and The Bank of New York, as
Trustee, as supplemented (the "Indenture"). Terms used herein and defined in the
Indenture or in Rule 144 under the U.S. Securities Act of 1933, as amended (the
"Securities Act"), are used herein as so defined.

This certificate relates to U.S. \$ _____ principal amount of Notes,
which are evidenced by the following certificate(s) (the "Specified
Securities"):

CUSIP No(s). _____

ISIN _____

COMMON CODE _____

CERTIFICATE No(s). _____

The person in whose name this certificate is executed below (the "Undersigned")
hereby certifies that either (i) it is the sole beneficial owner of the
Specified Securities or (ii) it is acting on behalf of all the beneficial owners
of the Specified Securities and is duly authorized by them to do so. Such
beneficial owner or owners are referred to herein collectively as the "Owner".
If the Specified Securities are represented by a Global Security, they are held
through the Depository or an Agent Member in the name of the Undersigned, as or
on behalf of the Owner. If the Specified Securities are not represented by a
Global Security, they are registered in the name of the Undersigned, as or on
behalf of the Owner.

The Owner has requested that the Specified Securities be exchanged for Securities bearing no Securities Act Legend pursuant to Section 2.6 of the First Supplemental Indenture. In connection with such exchange, the Owner hereby certifies that the exchange is occurring after a holding period of at least two years (computed in accordance with paragraph (d) of Rule 144) has elapsed since the Specified Securities were last acquired from the Company or from an affiliate of the Company, whichever is later, and the Owner is not, and during the preceding three months has not been, an affiliate of the Company.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

Dated: _____

(Print the name of the Undersigned, as such term is defined in the third paragraph of this certificate.)

By: _____

Name: _____

Title: _____

(If the Undersigned is a corporation, partnership or fiduciary, the title of the person signing on behalf of the Undersigned)

=====

AMERICAN INTERNATIONAL GROUP, INC.

THIRD SUPPLEMENTAL

INDENTURE

Dated as of April 20, 2006

(Supplemental to Indenture Dated as of July 15, 1989)

THE BANK OF NEW YORK,
as Trustee

=====

THIRD SUPPLEMENTAL INDENTURE, dated as of April 20, 2006, among American International Group, Inc., a corporation duly organized and existing under the laws of the State of Delaware (herein called the "Company"), and The Bank of New York, a New York banking corporation, as Trustee (herein called "Trustee");

RECITALS:

WHEREAS, the Company has heretofore executed and delivered to The Bank of New York, as trustee, an Indenture, dated as of July 15, 1989 (the "Basic Indenture"), and the First Supplemental Indenture, dated May 15, 2003 (the "First Supplemental Indenture") and the Second Supplemental Indenture, dated September 30, 2005 (the "Second Supplemental Indenture" and together with the Basic Indenture and the First Supplemental Indenture, the "Existing Indenture") (the Existing Indenture, as the same may be amended or supplemented from time to time, including by this Third Supplemental Indenture, the "Indenture"), providing for the issuance from time to time of the Company's unsecured debentures, notes or other evidences of indebtedness (herein and therein called the "Securities"), to be issued in one or more series as provided in the Indenture;

WHEREAS, Section 901 of the Existing Indenture permits the Company and the Trustee to enter into an indenture supplemental to the Existing Indenture to provide for the issuance of, and establish the form and terms of, additional series of Securities;

WHEREAS, Sections 201, 301 and 901 of the Existing Indenture permit the form of notes of each additional series of notes to be established pursuant to an indenture supplemental to the Existing Indenture;

WHEREAS, Section 301 of the Existing Indenture permits certain terms of any additional series of notes to be established pursuant to an indenture supplemental to the Existing Indenture;

WHEREAS, pursuant to resolutions of the Board of Directors of the Company adopted at a meeting duly called on March 15, 2006, the Company has authorized the issuance of \$1,000,000,000 in aggregate principal amount of its 6.25% Notes Due 2036 (the "30-Year Notes," and, collectively with any Exchange Notes issued in exchange for the 30-Year Notes, the "Notes");

WHEREAS, the Company has duly authorized the execution and delivery of this Third Supplemental Indenture to establish the form and terms of the Notes; and

WHEREAS, all things necessary to make this Third Supplemental Indenture a valid agreement according to its terms have been done;

NOW, THEREFORE, THIS THIRD SUPPLEMENTAL INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Notes by the Holders thereof, it is mutually covenanted and agreed, for the equal and proportionate benefit of all Holders of the Notes, as follows:

ARTICLE ONE

DEFINITIONS AND OTHER PROVISIONS
OF GENERAL APPLICATION

SECTION 1.1 RELATION TO EXISTING INDENTURE

This Third Supplemental Indenture constitutes a part of the Existing Indenture (the provisions of which, as modified by this Third Supplemental Indenture, shall apply to the Notes) in respect of the Notes but shall not modify, amend or otherwise affect the Existing Indenture insofar as it relates to any other series of Securities or affects in any manner the terms and conditions of the Securities of any other series.

SECTION 1.2 DEFINITIONS

For all purposes of this Third Supplemental Indenture, the capitalized terms used herein (i) which are defined in this Section 1.2 have the respective meanings assigned hereto in this Section 1.2, and (ii) which are defined in the Existing Indenture (and which are not defined in this Section 1.2) have the respective meanings assigned thereto in the Existing Indenture. For all purposes of this Third Supplemental Indenture:

1.2.1 All references herein to Articles and Sections, unless otherwise specified, refer to the corresponding Articles and Sections of this Third Supplemental Indenture;

1.2.2 The terms "herein", "hereof", and "hereunder" and words of similar import refer to this Third Supplemental Indenture; and

1.2.3 The following terms, as used herein, have the following meanings:

"Adjusted Treasury Rate" has the meaning specified in the form of Note contained in Section 2.3.

"Agent Member" means any member of, or participant in, the Depositary.

"Applicable Procedures" means, with respect to any transfer or transaction involving a Global Note or beneficial interest therein, the rules and procedures of the Depositary for such Note, Euroclear and Clearstream, in each case to the extent applicable to such transaction and as in effect at the time of such transfer or transaction.

"Clearstream" means Clearstream Banking, societe anonyme, Luxembourg (or any successor securities clearing agency).

"Closing Date" means April 20, 2006.

"Comparable Treasury Issue" has the meaning specified in the form of Note contained in Section 2.3.

"Comparable Treasury Price" has the meaning specified in the form of Note contained in Section 2.3.

"Depository" means, with respect to the Notes issuable or issued in whole or in part in the form of one or more Global Notes, DTC, for so long as it shall be a clearing agency registered under the Exchange Act, or such successor (which shall be a clearing agency registered under the Exchange Act) as the Company shall designate from time to time in an Officers' Certificate delivered to the Trustee.

"DTC" means The Depository Trust Company.

"Euroclear" means the Euroclear Bank S.A./N.V. (or any successor securities clearing agency), as operator of the Euroclear system.

"Exchange Notes" means the notes issued pursuant to the Exchange Offer and their Successor Notes. The Exchange Notes shall be deemed to constitute the same series as the Original Notes for which they are exchanged.

"Exchange Offer" has the meaning specified in the form of Note contained in Section 2.2.

"Exchange Offer Registration Statement" has the meaning specified the form of Note contained in Section 2.2.

"Global Note" means any Note bearing the legend specified in Section 2.2 evidencing all or part of the Notes, issued to the Depository, and registered in the name of the Depository or its nominee. The Restricted Global Note and the Regulation S Global Note shall each be a Global Note.

"Initial Purchasers" means J.P. Morgan Securities Inc., Banc of America Securities LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated.

"Notes" has the meaning stated in the fifth recital of this Third Supplemental Indenture.

"Original Notes" means all Notes other than Exchange Notes.

"Primary Treasury Dealer" has the meaning specified in the form of Note contained in Section 2.3.

"Purchase Agreement" means the Purchase Agreement, dated April 12, 2006, between the Company and the Initial Purchasers.

"Quotation Agent" has the meaning specified in the form of Note contained in Section 2.3.

"Reference Treasury Dealer" has the meaning specified in the form of Note contained in Section 2.3.

"Reference Treasury Dealer Quotations" has the meaning specified in the form of Note contained in Section 2.3.

"Registration Default" has the meaning specified in the form of Note contained in Section 2.2.

"Registration Default Period" has the meaning specified in the form of Note contained in Section 2.2.

"Registration Rights Agreement" has the meaning specified in Section 2.2.

"Regulation S" means Regulation S under the Securities Act (or any successor provision), as it may be amended from time to time.

"Regulation S Certificate" means a certificate substantially in the form set forth in Annex B.

"Regulation S Global Note" has the meaning specified in Section 2.1.

"Regulation S Legend" means a legend substantially in the form of the legend required in the form of Note set forth in Section 2.2 to be placed upon each Regulation S Note.

"Regulation S Notes" means all Notes required pursuant to Section 2.6(b) to bear a Regulation S Legend. Such term includes the Regulation S Global Note.

"Restricted Global Note" has the meaning specified in Section 2.1.

"Restricted Note" means all Notes required pursuant to Section 2.6(b) to bear any Restricted Notes Legend. Such term includes the Restricted Global Note.

"Restricted Notes Certificate" means a certificate substantially in the form set forth in Annex A.

"Restricted Notes Legend" means a legend substantially in form of the legend required in the form of Note set forth in Section 2.2 to be placed upon each Restricted Note.

"Restricted Period" means the period of 41 consecutive days beginning on the later of (i) the day on which Notes are first offered to persons other than distributors (as defined in Regulation S) in reliance on Regulation S and (ii) the Closing Date, except that any offer or sale by a distributor (as defined in Regulation S) of an unsold allotment shall be deemed to be made during the restricted period.

"Rule 144A" means Rule 144A under the Securities Act (including any successor rule thereto), as the same may be amended from time to time.

"Rule 144A Notes" means all Notes initially distributed in connection with the offering of the Notes by the Initial Purchasers in reliance upon Rule 144A.

"Securities" has the meaning specified in the first recital of this Third Supplemental Indenture.

"Securities Act" means the Securities Act of 1933, as amended.

"Securities Act Legend" means the Restricted Notes Legend and/or the Regulation S Legend.

"Shelf Registration Statement" has the meaning specified in the form of Note contained in Section 2.2.

"Special Interest" has the meaning specified in the form of Note contained in Section 2.2.

"Successor Note" of any particular Note means every Note issued after, and evidencing all or a portion of the same debt as that evidenced by, such particular Note; and, for the purposes of this definition, any Exchange Note issued in exchange for an Original Note shall be deemed a Successor Note of such Original Note and any Note authenticated and delivered under Section 306 of the Existing Indenture in exchange for or in lieu of a mutilated, destroyed, lost or stolen Note shall be deemed to evidence the same debt as the mutilated, destroyed, lost or stolen Note.

"Unrestricted Notes Certificate" means a certificate substantially in the form set forth in Annex C.

ARTICLE TWO

GENERAL TERMS AND CONDITIONS OF THE NOTES

SECTION 2.1 FORMS OF NOTES GENERALLY

The Notes shall be in substantially the forms set forth in this Article with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by the Existing Indenture and this Third Supplemental Indenture, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with the rules of any securities exchange, or as may, consistent with the Existing Indenture and this Third Supplemental Indenture, be determined by the officers executing such Notes, as evidenced by their execution of such Notes.

The Trustee's certificate of authentication shall be in substantially the form set forth in Section 2.4.

Upon their original issuance, the Rule 144A Notes and the Regulation S Notes shall be issued in the form of separate Global Notes registered in the name of the Depositary or its nominee and deposited with the Trustee, as custodian for the Depositary, for credit by the Depositary to the respective accounts of beneficial owners of the Notes represented thereby (or such other accounts as they may direct). Each such Global Note will constitute a single Security for all purposes of the Indenture. The Global Notes representing Rule 144A Notes, together with their Successor Notes which are Global Notes other than Regulation S Global Notes, are collectively herein called the "Restricted Global Note." The Global Notes representing Regulation S Notes, together with their Successor Notes which are Global Notes other than Restricted Global Notes, are collectively herein called the "Regulation S Global Note."

The Notes will be issued only in registered form. The Notes will be issued in minimum denominations of \$100,000 and multiples of \$1,000 in excess thereof.

SECTION 2.2 FORM OF FACE OF THE NOTES

[INCLUDE IF NOTE IS A RESTRICTED NOTE - THIS SECURITY (OR ITS PREDECESSOR) WAS ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM AND IN ANY EVENT MAY BE SOLD OR OTHERWISE TRANSFERRED ONLY IN ACCORDANCE WITH THE INDENTURE, COPIES OF WHICH ARE AVAILABLE FOR INSPECTION AT THE CORPORATE TRUST OFFICE OF THE TRUSTEE IN NEW YORK.

EACH PURCHASER OF THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER. EACH HOLDER OF THIS NOTE REPRESENTS TO AMERICAN INTERNATIONAL GROUP, INC. THAT (a) SUCH HOLDER WILL NOT SELL, PLEDGE OR OTHERWISE TRANSFER THIS NOTE (WITHOUT THE CONSENT OF AMERICAN INTERNATIONAL GROUP, INC.) OTHER THAN (i) TO A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION COMPLYING WITH RULE 144A UNDER THE SECURITIES ACT, (ii) IN ACCORDANCE WITH RULE 144 UNDER THE SECURITIES ACT, (iii) OUTSIDE THE UNITED STATES IN A TRANSACTION MEETING THE REQUIREMENTS OF REGULATION S UNDER THE SECURITIES ACT, (iv) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT, SUBJECT, IN THE CASE OF CLAUSE (ii) OR (iv), TO THE RECEIPT BY AMERICAN INTERNATIONAL GROUP, INC. OF AN OPINION OF COUNSEL OR SUCH OTHER EVIDENCE ACCEPTABLE TO AMERICAN INTERNATIONAL GROUP, INC. THAT SUCH RESALE, PLEDGE OR TRANSFER IS EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT OR (v) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT AND THAT (b) THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS NOTE OF THE RESALE RESTRICTIONS REFERRED TO HEREIN AND DELIVER TO THE TRANSFEREE (OTHER THAN A QUALIFIED INSTITUTIONAL BUYER) PRIOR TO THE SALE, A COPY OF THE TRANSFER RESTRICTIONS APPLICABLE HERETO (COPIES OF WHICH MAY BE OBTAINED FROM THE INDENTURE TRUSTEE).]

[INCLUDE IF NOTE IS A REGULATION S NOTE - THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, REGISTRATION UNDER SUCH LAWS.]

[INCLUDE IF NOTE IS A GLOBAL NOTE - THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITARY OR A NOMINEE OF A DEPOSITARY. THIS SECURITY IS EXCHANGEABLE FOR SECURITIES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITARY OR ITS NOMINEE ONLY IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE AND MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE

OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY.]

[INCLUDE IF NOTE IS A GLOBAL NOTE AND THE DEPOSITARY TRUST COMPANY IS THE DEPOSITARY - UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY TRUST COMPANY ("DTC"), A NEW YORK CORPORATION, TO AMERICAN INTERNATIONAL GROUP, INC. OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF CEDE & CO. (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.]

AMERICAN INTERNATIONAL GROUP, INC.

6.25% NOTE DUE 2036

No. _____

CUSIP No.: _____ \$ _____

AMERICAN INTERNATIONAL GROUP, INC., a corporation duly organized and existing under the laws of Delaware (herein called the "Company," which term includes any successor Person under the Indenture hereinafter referred to), for value received, hereby promises to pay to Cede & Co., or its registered assigns, the principal sum of [] dollars on May 1, 2036, and to pay interest thereon from April 20, 2006, or from the most recent Interest Payment Date (as defined below) to which interest has been paid or duly provided for, semiannually in arrears on May 1 and November 1 in each year (each such date, an "Interest Payment Date"), commencing on November 1, 2006 at the rate of 6.25% per annum, until the principal hereof is paid or made available for payment. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in such Indenture, be paid to the Person in whose name this Note (or one or more Predecessor Notes) is registered at the close of business on the Regular Record Date for such interest, which shall be the October 15 or April 15 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Note (or one or more Predecessor Notes) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof which shall be given to

Holders of Notes of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Notes may be listed, and upon such notice as may be required by such exchange, all as more fully provided in said Indenture.

Interest shall be computed on the basis of a 360-day year comprised of twelve 30-day months.

In the event that an Interest Payment Date is not a Business Day, the Company shall pay interest on the next day that is a Business Day, with the same force and effect as if made on the Interest Payment Date, and without any interest or other payment with respect to the delay. If the Stated Maturity or earlier Redemption Date falls on a day that is not a Business Day, the payment of principal, premium, if any, and interest, if any, need not be made on such date, but may be made on the next succeeding Business Day, with the same force and effect as if made on the Stated Maturity or earlier Redemption Date, provided that no interest shall accrue for the period from and after such Stated Maturity or earlier Redemption Date.

[INCLUDE IF NOTE IS ORIGINAL NOTE - Pursuant to the Exchange and Registration Rights Agreement, dated as of April 20, 2006 (the "Registration Rights Agreement"), by and among the Company and the Initial Purchasers (as defined therein), the Company has agreed for the benefit of the Holders from time to time of the Notes that it will (i) file under the Securities Act, no later than 180 days after the date on which the Notes are initially issued (the "Issue Date"), a registration statement (the "Exchange Offer Registration Statement") registering debt securities substantially identical to the Notes (except that such securities will not contain terms with respect to the Special Interest payments described below or transfer restrictions) pursuant to an exchange offer (the "Exchange Offer"), (ii) use its commercially reasonable efforts to cause the Exchange Offer Registration Statement to become effective under the Securities Act no later than 240 days following the Issue Date and (iii) use its commercially reasonable efforts to cause the Exchange Offer to remain open at least 20 business days and to commence and complete the Exchange Offer no later than 30 days after the Exchange Offer Registration Statement has become effective; provided, however, that if on or prior to the time the Exchange Offer is completed, existing Commission (as defined in the Indenture) interpretations are changed such that this Note is not or would not be, upon receipt under the Exchange Offer, transferable by the Holder of this Note without restriction under the Securities Act, the Company has agreed to file under the Securities Act no later than 270 days after the Issue Date, a "shelf" registration statement providing for the registration of and the sale on a continuous or delayed basis by the Holder of this Note (such registration statement, the "Shelf Registration Statement") and to use its commercially reasonable efforts to cause the Shelf Registration Statement to become effective no later than 90 days after the Shelf Registration Statement is filed.

In the event that (i) the Exchange Offer has not been completed within 270 days after the Issue Date, (ii) a Shelf Registration Statement is required to be filed and is not

effective within 360 days of the Issue Date, or (iii) the Exchange Offer Registration Statement or, if applicable, the Shelf Registration Statement is filed and declared effective but shall thereafter either be withdrawn by the Company or shall become subject to an effective stop order issued pursuant to Section 8(d) of the Securities Act suspending the effectiveness of such registration statement (except as specifically permitted in the Registration Rights Agreement) without being succeeded by a post-effective amendment or a prospectus supplement to such registration statement or an additional registration statement that cures such failure and that is itself declared effective promptly, in each case (i) through (iii) upon the terms and conditions set forth in the Registration Rights Agreement (each such event referred to in clauses (i) through (iii), a "Registration Default" and each period during which a Registration Default has occurred and is continuing, until the earlier of such time as no Registration Default is in effect or the first date the Notes become eligible to be sold pursuant to paragraph (k) of Rule 144 under the Securities Act of 1933, a "Registration Default Period"), then interest will accrue (in addition to any stated interest on this Note) at a per annum rate of 0.125% for the first 90 days of the Registration Default Period and at a per annum rate of 0.25% thereafter for the remaining portion of the Registration Default Period; provided that the Company shall not be required to pay Special Interest for more than one Registration Default at any given time and in no event shall Special Interest accrue at a rate in excess of 0.25% per annum. Interest accruing as a result of a Registration Default is referred to herein as "Special Interest." In the case of a Registration Default, the Company's only obligation under the Registration Rights Agreement is to pay Special Interest. Accrued Special Interest, if any, shall be paid in cash in arrears on each Interest Payment Date for the Notes; and the amount of accrued Special Interest shall be determined on the basis of the number of days actually elapsed.]

Payment of the principal of and interest on this Note will be made at the office or agency of the Company maintained for that purpose in the Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

Dated: _____

AMERICAN INTERNATIONAL GROUP, INC.

By -----

[SEAL]

Attest:

SECTION 2.3 FORM OF REVERSE OF THE NOTES

This Note is one of a duly authorized issue of securities of the Company (herein called the "Notes"), designated as its 6.25% Notes Due 2036, issued and to be issued in one or more series under an Indenture, dated as of July 15, 1989, as supplemented by the First Supplemental Indenture (the "First Supplemental Indenture"), dated as of May 15, 2003, by the Second Supplemental Indenture (the "Second Supplemental Indenture"), dated as of September 30, 2005 and by the Third Supplemental Indenture (the "Third Supplemental Indenture"), dated as of April 20, 2006 (as so supplemented, the "Indenture," which term shall have the meaning assigned to it in such instrument), from the Company to The Bank of New York, as Trustee (herein called the "Trustee", which term includes any successor trustee under the Indenture), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Notes and of the terms upon which the Notes are, and are to be, authenticated and delivered. This Note is one of the series designated on the face hereof.

The Notes of this series are subject to redemption at any time, in whole or in part, at the election of the Company, upon not less than 30 nor more than 60 days' notice given as provided in the Indenture, at a Redemption Price equal to the greater of (i) 100% of the principal amount, together with accrued interest to the Redemption Date, and (ii) as determined by the Quotation Agent, the sum of the present values of the remaining scheduled payments of principal and interest thereon (not including any portion of such payments of interest accrued as of the Redemption Date) discounted to the Redemption Date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the Adjusted Treasury Rate plus 20 basis points, plus accrued interest to the Redemption Date.

The definitions of certain terms used in the paragraph above are listed below.

"Adjusted Treasury Rate" means, with respect to any Redemption Date, the rate per annum equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such Redemption Date.

"Comparable Treasury Issue" means the U.S. Treasury security selected by the Quotation Agent as having a maturity comparable to the remaining term of the Notes of this series to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such Notes.

"Comparable Treasury Price" means, with respect to any Redemption Date, the average of the Reference Treasury Dealer Quotations for such Redemption Date.

"Quotation Agent" means AIG Financial Products Corp.

"Reference Treasury Dealer" means (i) J.P. Morgan Securities Inc., Banc of America Securities LLC or Merrill Lynch, Pierce, Fenner & Smith Incorporated or its respective successors; provided, however, that if the foregoing shall cease to be a primary U.S. government securities dealer in New York City (a "Primary Treasury Dealer"), the Company shall substitute therefor another Person to be a Primary Treasury Dealer; and (ii) any other Primary Treasury Dealer selected by the Quotation Agent after consultation with the Company.

"Reference Treasury Dealer Quotations" means with respect to each Reference Treasury Dealer and any Redemption Date, the average, as determined by the Quotation Agent, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Quotation Agent by such Reference Treasury Dealer at 5:00 p.m. on the third business day preceding such Redemption Date.

In the event of redemption of this Note in part only, a new Note or Notes of this series and of like tenor for the unredeemed portion hereof will be issued in the name of the Holder hereof upon the cancellation hereof.

The Notes do not have the benefit of any sinking fund obligation.

The Indenture contains provisions for defeasance at any time of the entire indebtedness of this Note or certain restrictive covenants and Events of Default with respect to this Note, in each case upon compliance with certain conditions set forth in the Indenture.

As set forth in, and subject to, the provisions of the Indenture, no Holder of this Note will have any right to institute any proceeding with respect to the Indenture or for any remedy thereunder, unless such Holder shall have previously given to the Trustee written notice of a continuing Event of Default, the Holders of not less than 25% in principal amount of the Outstanding Notes shall have made written request, and offered reasonable indemnity, to the Trustee to institute such proceeding as trustee, and the Trustee shall not have received from the Holders of a majority in principal amount of the Outstanding Notes a direction inconsistent with such request and shall have failed to institute such proceeding within 60 days; provided, however, that such limitations do not

apply to a suit instituted by the Holder hereof for the enforcement of payment of the principal of (and premium, if any) or any interest of this Note on or after the respective due date expressed herein.

If an Event of Default with respect to Notes of this series shall occur and be continuing, the principal of the Notes of this series may be declared due and payable in the manner and with the effect provided in the Indenture.

The Notes are entitled to the benefits of the covenants of the Company set forth in Article Ten of the Indenture.

Unless the context otherwise requires, the Original Notes (as defined in the Indenture) and the Exchange Notes (as defined in the Indenture) shall constitute one series for all purposes under the Indenture, including without limitation, amendments, waivers and redemptions.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Note at the times, place and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Note is registrable in the Security Register, upon surrender of this Note for registration of transfer at the office or agency of the Company in any place where the principal of (and premium, if any) and interest on this Note are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Notes of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Notes of this series are issuable only in fully registered form without coupons in denominations of \$100,000 and any multiple of \$1,000 in excess thereof. As provided in the Indenture and subject to certain limitations therein set forth, the Notes of this series are exchangeable for a like aggregate principal amount of Notes of this series and of like tenor of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Note for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Note is registered as the owner hereof for all purposes, whether or not this Note

be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

All terms used in this Note which are defined in the Indenture shall have the meaning assigned to them in the Indenture.

SECTION 2.4 FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION OF THE NOTES

The Trustee's certificates of authentication shall be in substantially the following form:

This is one of the Notes of the series designated therein referred to in the within-mentioned Indenture.

THE BANK OF NEW YORK
As Trustee

By: _____
Authorized Signatory

SECTION 2.5 TITLE AND TERMS

The Notes shall be issued in one series. The aggregate principal amount of the Notes that may initially be authenticated and delivered under this Third Supplemental Indenture is limited to \$1,000,000,000, except for Notes authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Notes pursuant to Section 304, 305, 306 or 906 of the Existing Indenture or Article Two of this Third Supplemental Indenture. The Company may, without the consent of the Holders of the Notes, issue additional notes having the same ranking, interest rate, Stated Maturity, CUSIP number, ISIN and common code and terms as to status, redemption or otherwise as the Notes, in which event such notes, the Original Notes and the Exchange Notes issued in exchange for any such Original Notes shall constitute one series for all purposes under the Indenture, including without limitation, amendments, waivers and redemptions.

The Stated Maturity of the Notes shall be May 1, 2036, and the Notes shall bear interest and have such other terms as are described in Sections 2.2 and 2.3 of this Third Supplemental Indenture.

The Company shall have no obligation to redeem or purchase the Notes pursuant to any sinking fund or analogous provision, or at the option of a Holder thereof. The Notes shall be redeemable at the election of the Company from time to time, in whole or in part, at the times and at the prices specified in the form of Note set forth in Section 2.3 of this Third Supplemental Indenture.

The Notes shall be subject to the defeasance and discharge provisions of Section 1302 of the Existing Indenture and the defeasance of certain obligations and certain events of default provisions of Section 1303 of the Existing Indenture.

Unless the context otherwise requires, the Original Notes and the Exchange Notes issued in exchange for any Original Notes shall constitute one series for all purposes under the Indenture, including without limitation, amendments, waivers and redemptions.

All Exchange Notes issued upon any exchange of the Original Notes shall be the valid obligations of the Company, evidencing the same debt, and entitled to the same benefits under the Indenture, as the Original Notes surrendered upon such exchange. Subject to the second paragraph of Section 307 of the Existing Indenture, each Exchange Note delivered in exchange for an Original Note shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such Original Note.

The Notes shall be issuable only in fully registered form without coupons and only in denominations of \$100,000 and multiples of \$1,000 in excess thereof.

The Notes shall be executed, authenticated, delivered and dated in accordance with Section 303 of the Existing Indenture.

SECTION 2.6 TRANSFER AND EXCHANGES; SECURITIES ACT LEGENDS

(a) Certain Transfers and Exchanges. Transfers and exchanges of Notes and beneficial interests in a Global Note of the kinds specified in this Section 2.6(a) shall be made only in accordance with this Section 2.6(a).

(i) Non-Global Note to Non-Global Note. A Note that is not a Global Note may be transferred, in whole or in part, to a Person who takes delivery in the form of another Note that is not a Global Note as provided in Section 305 of the Existing Indenture, provided that, if the Note to be transferred in whole or in part is a Restricted Note, or is a Regulation S Note and the transfer is to occur during the Restricted Period, then the Trustee shall have received (i) a Restricted Notes Certificate, satisfactory to the Company and duly executed by the transferor Holder or his attorney duly authorized in writing, in which case the transferee Holder shall take delivery in the form of a Restricted Note or (ii) a Regulation S Certificate, satisfactory to the Company and duly executed by the transferor Holder or his attorney duly authorized in writing, in which case the transferee Holder shall take delivery in the form of a Regulation S Note.

(ii) Restricted Global Note to Regulation S Global Note. If the owner of a beneficial interest in the Restricted Global Note wishes at any time to transfer such interest to a Person who wishes to acquire the same in the form of a beneficial interest in the Regulation S Global Note, such transfer may be effected only in accordance with the provisions of this Section 2.6(a)(ii) and Section 2.6(a)(iv) below and subject to the Applicable Procedures. Upon receipt

by the Trustee, as Security Registrar, of (i) an order given by the Depository or its authorized representative directing that a beneficial interest in the Regulation S Global Note in a specified principal amount be credited to a specified Agent Member's account and that a beneficial interest in the Restricted Global Note in an equal amount be debited from another specified Agent Member's account and (ii) a Regulation S Certificate, satisfactory to the Company and duly executed by the Holder of such Restricted Global Note or his attorney duly authorized in writing, then the Trustee, as Security Registrar but subject to Section 2.6(a)(iv) below, shall reduce the principal amount of such Restricted Global Note and increase the principal amount of such Regulation S Global Note by such specified principal amount.

(iii) Regulation S Global Note to Restricted Global Note. If the owner of a beneficial interest in the Regulation S Global Note wishes at any time to transfer such interest to a Person who wishes to acquire the same in the form of a beneficial interest in the Restricted Global Note, such transfer may be effected only in accordance with this Section 2.6(a)(iii) and subject to the Applicable Procedures. Upon receipt by the Trustee, as Security Registrar, of (i) an order given by the Depository or its authorized representative directing that a beneficial interest in the Restricted Global Note in a specified principal amount be credited to a specified Agent Member's account and that a beneficial interest in the Regulation S Global Note in an equal principal amount be debited from another specified Agent Member's account and (ii) if such transfer is to occur during the Restricted Period, a Restricted Notes Certificate, satisfactory to the Company and duly executed by the Holder of such Regulation S Global Note or his attorney duly authorized in writing, then the Trustee, as Security Registrar, shall reduce the principal amount of such Regulation S Global Note and increase the principal amount of such Restricted Global Note by such specified principal amount. If transfers under this Section 2.6(a)(iii) occur after the Restricted Period, no Restricted Notes Certificate will be required and the beneficial interest in the Regulation S Global Note so transferred shall be credited to an Agent Member's account in a Global Note that does not bear a Securities Act Legend.

(iv) Regulation S Global Note to be Held Through Euroclear or Clearstream during Restricted Period. The Company shall use its best efforts to cause the Depository to ensure that, until the expiration of the Restricted Period, beneficial interests in the Regulation S Global Note may be held only in or through accounts maintained at the Depository by Euroclear and Clearstream (or by Agent Members acting for the account thereof), and no person shall be entitled to effect any transfer or exchange that would result in any such interest being held otherwise than in or through such an account; provided that this Section 2.6(a)(iv) shall not prohibit any transfer or exchange of such an interest in accordance with Section 2.6(a)(iii) above.

(b) Securities Act Legends. Rule 144A Notes and their Successor Notes shall bear the Restricted Notes Legend and Regulation S Notes and their Successor Notes shall bear the Regulation S Legend, subject to the following:

(i) subject to the following Clauses of this Section 2.6(b), a Note or any portion thereof which is exchanged, upon transfer or otherwise, for a Global Note or any portion thereof shall bear the Securities Act Legend borne by such Global Note while represented thereby;

(ii) subject to the following Clauses of this Section 2.6(b), a new Note which is not a Global Note and is issued in exchange for another Note (including a Global Note) or any portion thereof, upon transfer or otherwise, shall bear the Securities Act Legend borne by such other Note, provided that, if such new Note is required pursuant to Section 2.6(a) to be issued in the form of a Restricted Note, it shall bear the Restricted Notes Legend and, if such new Note is so required to be issued in the form of a Regulation S Note, it shall bear the Regulation S Legend;

(iii) at any time when a Note has been transferred in a manner, or a sufficient amount of time has elapsed, so that a Note may be transferred without registration or limitation under the Securities Act, a new Note which does not bear a Securities Act Legend may be issued in exchange for or in lieu of a Note which bears such a legend if the Trustee has received an Unrestricted Notes Certificate, satisfactory to the Company and duly executed by the Holder of such legended Note or his attorney duly authorized in writing, and after such date and receipt of such certificate, the Trustee shall authenticate and deliver such a new Note in the manner provided for in the Existing Indenture;

(iv) a new Note which does not bear a Securities Act Legend may be issued in exchange for or in lieu of a Note (other than a Global Note) or any portion thereof which bears such a legend if, in the judgment of the Company, placing such a legend upon such new Note is not necessary to ensure compliance with the registration requirements of the Securities Act, and the Trustee, at the direction of the Company, shall authenticate and deliver such a new Note as provided in this Article Two; and

(v) notwithstanding the foregoing provisions of this Section 2.6(b), a Successor Note of a Note that does not bear a particular form of Securities Act Legend shall not bear such form of legend unless the Company has reasonable cause to believe that such Successor Note is a "restricted security" within the meaning of Rule 144, in which case the Trustee, at the direction of the Company, shall authenticate and deliver a new Note bearing the Restricted Notes Legend in exchange for such Successor Note as provided in this Article Two.

ARTICLE THREE

MISCELLANEOUS

SECTION 3.1 RELATIONSHIP TO EXISTING INDENTURE

The Third Supplemental Indenture is a supplemental indenture within the meaning of the Existing Indenture. The Existing Indenture, as supplemented and amended by this Third Supplemental Indenture, is in all respects ratified, confirmed and approved and, with respect to the Notes, the Existing Indenture, as supplemented and amended by this Third Supplemental Indenture, shall be read, taken and construed as one and the same instrument.

SECTION 3.2 MODIFICATION OF THE EXISTING INDENTURE

Except as expressly modified by this Third Supplemental Indenture, the provisions of the Existing Indenture shall govern the terms and conditions of the Notes.

SECTION 3.3 GOVERNING LAW

This instrument shall be governed by and construed in accordance with the laws of the State of New York.

SECTION 3.4 COUNTERPARTS

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

SECTION 3.5 TRUSTEE MAKES NO REPRESENTATION

The recitals contained herein are made by the Company and not by the Trustee, and the Trustee assumes no responsibility for the correctness thereof. The Trustee makes no representation as to the validity or sufficiency of this Third Supplemental Indenture.

IN WITNESS WHEREOF, the parties hereto have caused this Third Supplemental Indenture to be duly executed all as of the day and year first above written.

AMERICAN INTERNATIONAL GROUP, INC.

By /s/ Robert A. Gender

Name: Robert A. Gender
Title: Vice President and Treasure

[SEAL]

Attest:

/s/ Kathleen E. Shannon

THE BANK OF NEW YORK,
as Trustee

By /s/ Julie Salovitch-Miller

Name: Julie Salovitch-Miller
Title: Vice President

RESTRICTED NOTES CERTIFICATE

The Bank of New York
101 Barclay Street, Floor 8 West
New York, New York 10286
Attn: Corporate Trust Administration

Re: 6.25% Notes Due 2036 of American International Group, Inc. (the
"Notes")

Reference is made to the Indenture, dated as of July 15, 1989, between
American International Group, Inc. (the "Company") and The Bank of New York, as
Trustee, as supplemented (the "Indenture"). Terms used herein and defined in the
Indenture or in Rule 144A or Rule 144 under the U.S. Securities Act of 1933, as
amended (the "Securities Act"), are used herein as so defined.

This certificate relates to U.S.\$_____ principal amount of Notes,
which are evidenced by the following certificate(s) (the "Specified
Securities"):

CUSIP No(s). _____

ISIN _____

COMMON CODE _____

CERTIFICATE No(s). _____

The person in whose name this certificate is executed below (the
"Undersigned") hereby certifies that (i) it is the sole beneficial owner of the
Specified Securities, (ii) it is acting on behalf of all the beneficial owners
of the Specified Securities and is duly authorized by them to do so or (iii) it
is the Holder of a Global Note and has received a certification to the effect
set forth below. Such beneficial owner or owners are referred to herein
collectively as the "Owner". If the Specified Securities are represented by a
Global Note, they are held through the Depositary or an Agent Member in the name
of the Undersigned, as or on behalf of the Owner. If the Specified Securities
are not represented by a Global Note, they are registered in the name of the
Undersigned, as or on behalf of the Owner.

The Owner has requested that the Specified Securities be transferred to a
person (the "Transferee") who will take delivery in the form of a Restricted
Note. In connection with such transfer, the Owner hereby certifies that, unless
such transfer is being effected pursuant to an effective registration statement
under the Securities Act, it is being effected in accordance with Rule 144A or
Rule 144 under the Securities Act and all

applicable securities laws of the states of the United States and other jurisdictions. Accordingly, the Owner hereby further certifies as follows:

(1) Rule 144A Transfers. If the transfer is being effected in accordance with Rule 144A:

(A) the Specified Securities are being transferred to a person that the Owner and any person acting on its behalf reasonably believe is a "qualified institutional buyer" within the meaning of Rule 144A, acquiring for its own account or for the account of a qualified institutional buyer; and

(B) the Owner and any person acting on its behalf have taken reasonable steps to ensure that the Transferee is aware that the Owner may be relying on Rule 144A in connection with the transfer; and

(2) Rule 144 Transfers. If the transfer is being effected pursuant to Rule 144:

the transfer is occurring after a holding period of at least one year (computed in accordance with paragraph (d) of Rule 144) has elapsed since the Specified Securities were last acquired from the Company or from an affiliate of the Company, whichever is later, and is being effected in accordance with the applicable amount, manner of sale and notice requirements of Rule 144.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

Dated: -----

(Print the name of the Undersigned, as such term is defined in the third paragraph of this certificate.)

By: -----

Name: -----

Title: -----

(If the Undersigned is a corporation, partnership or fiduciary, the title of the person signing on behalf of the Undersigned must be stated.)

REGULATION S CERTIFICATE

The Bank of New York
101 Barclay Street, Floor 8 West
New York, New York 10286
Attn: Corporate Trust Administration

Re: 6.25% Notes Due 2036 of American International Group, Inc. (the
"Notes")

Reference is made to the Indenture, dated as of July 15, 1989, between
American International Group, Inc. (the "Company") and The Bank of New York, as
Trustee, as supplemented (the "Indenture"). Terms used herein and defined in the
Indenture or in Regulation S or Rule 144 under the U.S. Securities Act of 1933,
as amended (the "Securities Act"), are used herein as so defined.

This certificate relates to U.S. \$ _____ principal amount of Notes,
which are evidenced by the following certificate(s) (the "Specified
Securities"):

CUSIP No(s). _____

ISIN _____

COMMON CODE _____

CERTIFICATE No(s). _____

The person in whose name this certificate is executed below (the
"Undersigned") hereby certifies that (i) it is the sole beneficial owner of the
Specified Securities, (ii) it is acting on behalf of all the beneficial owners
of the Specified Securities and is duly authorized by them to do so or (iii) it
is the Holder of a Global Note and has received a certification to the effect
set forth below. Such beneficial owner or owners are referred to herein
collectively as the "Owner". If the Specified Securities are represented by a
Global Note, they are held through the Depositary or an Agent Member in the name
of the Undersigned, as or on behalf of the Owner. If the Specified Securities
are not represented by a Global Note, they are registered in the name of the
Undersigned, as or on behalf of the Owner.

The Owner has requested that the Specified Securities be transferred to a
person (the "Transferee") who will take delivery in the form of a Regulation S
Note. In connection with such transfer, the Owner hereby certifies or has
certified that, unless such transfer is being effected pursuant to an effective
registration statement under the Securities Act, it is being effected in
accordance with Rule 904 of Regulation S or

Rule 144 under the Securities Act and all applicable securities laws of the states of the United States and other jurisdictions. Accordingly, the Owner hereby further certifies or has certified as follows:

(1) Rule 904 Transfers. If the transfer is being effected in accordance with Rule 904 of Regulation S:

(A) the Owner is not a Distributor of the Notes, an affiliate of the Company or any such Distributor or a person acting on behalf of any of the foregoing;

(B) the offer of the Specified Securities was not made to a person in the United States or for the account or benefit of a U.S. Person;

(C) either:

(i) at the time the buy order was originated, the Transferee was outside the United States or the Owner and any person acting on its behalf reasonably believed that the Transferee was outside the United States, or

(ii) the transaction is being executed in, on or through the facilities of the Eurobond market, as regulated by the International Securities Market Association or another designated offshore securities market and neither the Owner nor any person acting on its behalf knows that the transaction has been prearranged with a buyer in the United States;

(D) no directed selling efforts have been made in the United States by or on behalf of the Owner or any affiliate thereof;

(E) if the Owner is a dealer in securities or has received a selling concession, fee or other remuneration in respect of the Specified Securities, and the transfer is to occur during the Restricted Period, then the requirements of Rule 904(b)(1) have been satisfied; and

(F) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act.

(2) Rule 144 Transfers. If the transfer is being effected pursuant to Rule 144:

the transfer is occurring after a holding period of at least one year (computed in accordance with paragraph (d) of Rule 144) has elapsed since the Specified Securities were last acquired from the Company or from an affiliate of the

Company, whichever is later, and is being effected in accordance with the applicable amount, manner of sale and notice requirements of Rule 144.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

Dated: -----

(Print the name of the Undersigned, as such term is defined in the third paragraph of this certificate.)

By: -----

Name: -----

Title: -----

(If the Undersigned is a corporation, partnership or fiduciary, the title of the person signing on behalf of the Undersigned must be stated.)

UNRESTRICTED NOTES CERTIFICATE

The Bank of New York
101 Barclay Street, Floor 8 West
New York, New York 10286
Attn: Corporate Trust Administration

Re: 6.25% Notes Due 2036 of American International Group, Inc. (the
"Notes")

Reference is made to the Indenture, dated as of July 15, 1989, between
American International Group, Inc. (the "Company") and The Bank of New York, as
Trustee, as supplemented (the "Indenture"). Terms used herein and defined in the
Indenture or in Rule 144 under the U.S. Securities Act of 1933, as amended (the
"Securities Act"), are used herein as so defined.

This certificate relates to U.S.\$_____ principal amount of Notes,
which are evidenced by the following certificate(s) (the "Specified
Securities"):

CUSIP No(s). _____

ISIN _____

COMMON CODE _____

CERTIFICATE No(s). _____

The person in whose name this certificate is executed below (the "Undersigned")
hereby certifies that either (i) it is the sole beneficial owner of the
Specified Securities or (ii) it is acting on behalf of all the beneficial owners
of the Specified Securities and is duly authorized by them to do so. Such
beneficial owner or owners are referred to herein collectively as the "Owner".
If the Specified Securities are represented by a Global Security, they are held
through the Depository or an Agent Member in the name of the Undersigned, as or
on behalf of the Owner. If the Specified Securities are not represented by a
Global Security, they are registered in the name of the Undersigned, as or on
behalf of the Owner.

The Owner has requested that the Specified Securities be exchanged for Securities bearing no Securities Act Legend pursuant to Section 2.6 of the First Supplemental Indenture. In connection with such exchange, the Owner hereby certifies that the exchange is occurring after a holding period of at least two years (computed in accordance with paragraph (d) of Rule 144) has elapsed since the Specified Securities were last acquired from the Company or from an affiliate of the Company, whichever is later, and the Owner is not, and during the preceding three months has not been, an affiliate of the Company.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

Dated: _____

(Print the name of the Undersigned, as such term is defined in the third paragraph of this certificate.)

By: _____

Name: _____

Title: _____

(If the Undersigned is a corporation, partnership or fiduciary, the title of the person signing on behalf of the Undersigned)

July 19, 2006

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 \$1,000,000,000 principal amount of 6.25% Notes Due 2036 (the "Securities") of American International Group, Inc., a Delaware corporation (the "Company"), to be issued pursuant to the Indenture, dated as of July 15, 1989, as supplemented by the First Supplemental Indenture, dated as of May 15, 2003, the Second Supplemental Indenture, dated as of September 30, 2005 and the Third Supplemental Indenture, dated as of April 20, 2006 (together, the "Indenture"), between the Company and The Bank of New York, as Trustee (the "Trustee"), 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, and the Securities have been duly executed and authenticated in accordance with the Indenture and issued and delivered in exchange for the Company's outstanding 6.25% Notes Due 2036 as contemplated by 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.

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 factual 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, that the Securities will conform to the specimens thereof examined by us and that the signatures on all documents examined by us are genuine, assumptions 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 reference to us under the heading "Validity of the Notes" 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,

SULLIVAN & CROMWELL LLP

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in this Registration Statement on Form S-4 of our report dated March 16, 2006 relating to the financial statements, financial statement schedules, management's assessment of the effectiveness of internal control over financial reporting and the effectiveness of internal control over financial reporting, which appears in the Annual Report on Form 10-K/A for the year ended December 31, 2005 of American International Group, Inc. We also consent to the reference to us under the heading "Experts" in such Registration Statement.

/s/ PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
New York, New York
July 19, 2006

=====

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)

6.25% Notes due 2036
(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	One State Street, New York, N.Y. 10004-1417, and Albany, N.Y. 12223
Federal Reserve Bank of New York	33 Liberty Street, 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, Exhibit 1 to Form T-1 filed with Registration Statement No. 33-29637 and Exhibit 1 to Form T-1 filed with Registration Statement No. 333-121195.)
4. A copy of the existing By-laws of the Trustee. (Exhibit 4 to Form T-1 filed with Registration Statement No. 333-121195.)

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. 333-106702.)
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 17th day of July, 2006.

THE BANK OF NEW YORK

By: /S/ ROBERT A. MASSIMILLO

Name: ROBERT A. MASSIMILLO

Title: 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 March 31, 2006,
published in accordance with a call made by the Federal Reserve Bank of this
District pursuant to the provisions of the Federal Reserve Act.

	Dollar Amounts In Thousands -----
ASSETS	
Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coin	\$ 3,230,000
Interest-bearing balances	6,440,000
Securities:	
Held-to-maturity securities	2,165,000
Available-for-sale securities	22,631,000
Federal funds sold and securities purchased under agreements to resell	
Federal funds sold in domestic offices	2,955,000
Securities purchased under agreements to resell	315,000
Loans and lease financing receivables:	
Loans and leases held for sale	0
Loans and leases, net of unearned income	32,983,000
LESS: Allowance for loan and lease losses	415,000
Loans and leases, net of unearned income and allowance	32,568,000
Trading assets	6,861,000
Premises and fixed assets (including capitalized leases)	828,000
Other real estate owned	0
Investments in unconsolidated subsidiaries and associated companies	298,000
Not applicable	
Intangible assets:	
Goodwill	2,148,000

Other intangible assets	760,000
Other assets	6,551,000

Total assets	\$87,750,000
	=====
LIABILITIES	
Deposits:	
In domestic offices	\$35,956,000
Noninterest-bearing	16,637,000
Interest-bearing	19,319,000
In foreign offices, Edge and Agreement subsidiaries, and IBFs	30,215,000
Noninterest-bearing	578,000
Interest-bearing	29,637,000
Federal funds purchased and securities sold under agreements to repurchase	
Federal funds purchased in domestic offices	825,000
Securities sold under agreements to repurchase	123,000
Trading liabilities	2,509,000
Other borrowed money:	
(includes mortgage indebtedness and obligations under capitalized leases)	1,890,000
Not applicable	
Not applicable	
Subordinated notes and debentures	1,955,000
Other liabilities	5,573,000

Total liabilities	\$79,046,000
	=====
Minority interest in consolidated subsidiaries	151,000
EQUITY CAPITAL	
Perpetual preferred stock and related surplus	0
Common stock	1,135,000
Surplus (exclude all surplus related to preferred stock)	2,107,000
Retained earnings	5,487,000
Accumulated other comprehensive income	-176,000
Other equity capital components	0
Total equity capital	8,553,000

Total liabilities, minority interest, and equity capital	\$87,750,000
	=====

I, Thomas J. Mastro, Executive Vice President and Comptroller of the above-named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

Thomas J. Mastro,
Executive Vice President and Comptroller

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We 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 and is true and correct.

Thomas A. Renyi]
] Directors
Gerald L. Hassell]

LETTER OF TRANSMITTAL
TO TENDER FOR EXCHANGE
6.25% NOTES DUE 2036
OF

AMERICAN INTERNATIONAL GROUP, INC.

Pursuant to the Prospectus Dated _____, 2006

THE EXCHANGE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON _____, 2006 (THE "EXPIRATION DATE") UNLESS THE EXCHANGE OFFER IS EXTENDED, IN WHICH CASE THE TERM "EXPIRATION DATE" SHALL MEAN THE LATEST TIME AND DATE TO WHICH THE EXCHANGE OFFER IS EXTENDED. TENDERS MAY BE WITHDRAWN AT ANY TIME PRIOR TO THE EXPIRATION DATE.

The Exchange Agent:

THE BANK OF NEW YORK

By Mail, Hand Delivery or Overnight Courier:
The Bank of New York
Corporate Trust Operations
Reorganization Unit
101 Barclay Street -- 7E
New York, NY 10286
Attention: Ms. Diane Amoroso

By Facsimile Transmission:
(212) 298-1915
Attention: Ms. Diane Amoroso

Confirm by Telephone
(212) 815-6331

FOR INFORMATION CALL: (212) 815-6331

DELIVERY OF THIS INSTRUMENT TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE OR TRANSMISSION OF INSTRUCTIONS TO A FACSIMILE NUMBER OTHER THAN THE ONE LISTED ABOVE WILL NOT CONSTITUTE A VALID DELIVERY. THE INSTRUCTIONS SET FORTH IN THIS LETTER OF TRANSMITTAL AND THE NOTICE OF GUARANTEED DELIVERY SHOULD BE READ CAREFULLY BEFORE THIS LETTER OF TRANSMITTAL AND THE NOTICE OF GUARANTEED DELIVERY ARE COMPLETED.

The undersigned acknowledges receipt of the Prospectus dated 2006 (the "Prospectus") of American International Group, Inc. (the "Company") and this Letter of Transmittal (this "Letter of Transmittal"), which, together with the Prospectus, constitutes the Company's offer (the "Exchange Offer") to exchange up to \$1,000,000,000 aggregate principal amount of its 6.25% Notes Due 2036 (the "New Notes"), which have been registered under the Securities Act of 1933, as amended (the "Securities Act"), for up to \$1,000,000,000 aggregate principal amount of its outstanding 6.25% Notes Due 2036 (the "Old Notes").

Recipients of the Prospectus should read the requirements described in such Prospectus with respect to eligibility to participate in the Exchange Offer. Capitalized terms used but not defined herein have the meanings given to them in the Prospectus.

Old Notes may be tendered only by book-entry transfer to the Exchange Agent's account at The Depository Trust Company (the "Depository"). Tenders of the Old Notes must be effected in accordance with the procedures mandated by the Depository's Automated Tender Offer Program and the procedures set forth in the Prospectus under the caption "The Exchange Offer -- Book-Entry Transfer."

The undersigned hereby tenders the Old Notes described in the box entitled "Description of Old Notes" below pursuant to the terms and conditions described in the Prospectus and this Letter of Transmittal. The undersigned is the registered holder of all the Old Notes covered by this Letter of Transmittal and the undersigned represents that it has received from each beneficial owner of Old Notes ("Beneficial Owners") a duly completed and executed form of "Instruction to Registered Holder from Beneficial Owner" accompanying this Letter of Transmittal, instructing the undersigned to take the action described in this Letter of Transmittal. Registered holder, as used herein, refers to a participant in the Depository whose name appears on the Depository's security position listing as the owner of the Old Notes tendered hereby. The undersigned hereby represents and warrants that the information set forth in the box entitled "Beneficial Owner(s)" is true and correct. Any Beneficial Owner whose Old Notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and who wishes to tender should contact such registered holder of Old Notes promptly and instruct such registered holder of Old Notes to tender on behalf of the Beneficial Owner.

In order to properly complete this Letter of Transmittal, a holder of Old Notes must (i) complete the box entitled "Description of Old Notes," (ii) if appropriate, check and complete the boxes relating to Book-entry Transfer, Guaranteed Delivery, Special Issuance Instructions and Beneficial Owner(s), and (iii) sign this Letter of Transmittal by completing the box entitled "Sign Here." Each holder of Old Notes should carefully read the detailed instructions below prior to completing the Letter of Transmittal. If the holder of Old Notes wishes to tender for exchange less than all of such holder's Old Notes, column (3) in the box entitled "Description of Old Notes" must be completed in full. See also Instruction 5.

Holders of Old Notes who desire to tender their Old Notes for exchange and who cannot deliver all the documents required hereby to the Exchange Agent on or prior to the Expiration Date or to complete the procedure for book-entry transfer on a timely basis, must tender the Old Notes pursuant to the guaranteed delivery procedures set forth in the section of the Prospectus entitled "The Exchange Offer -- Guaranteed Delivery Procedures." See Instruction 2.

[] CHECK HERE IF OLD NOTES ARE BEING DELIVERED BY BOOK-ENTRY TRANSFER MADE TO THE ACCOUNT MAINTAINED BY THE EXCHANGE AGENT WITH THE DEPOSITARY AND COMPLETE THE FOLLOWING:

Name of Tendering Institution:

Account Number:

Transaction Code Number:

BY CREDITING THE OLD NOTES TO THE EXCHANGE AGENT'S ACCOUNT WITH THE DEPOSITARY'S AUTOMATED TENDER OFFER PROGRAM ("ATOP") AND BY COMPLYING WITH APPLICABLE ATOP PROCEDURES WITH RESPECT TO THE EXCHANGE OFFER, THE HOLDER OF THE OLD NOTES ACKNOWLEDGES AND AGREES TO BE BOUND BY THE TERMS OF THIS LETTER OF TRANSMITTAL AND CONFIRMS ON BEHALF OF ITSELF AND THE BENEFICIAL OWNERS OF SUCH OLD NOTES ALL PROVISIONS OF THIS LETTER OF TRANSMITTAL APPLICABLE TO IT AND SUCH BENEFICIAL OWNERS AS FULLY AS IF IT HAD COMPLETED THE INFORMATION REQUIRED HEREIN AND EXECUTED AND TRANSMITTED THIS LETTER OF TRANSMITTAL.

[] CHECK HERE IF TENDERED OLD NOTES ARE BEING DELIVERED PURSUANT TO A NOTICE OF GUARANTEED DELIVERY ENCLOSED HERewith AND COMPLETE THE FOLLOWING (FOR USE BY ELIGIBLE INSTITUTIONS ONLY):

Name of Registered Holder of Old Note(s):

Date of Execution of Notice of Guaranteed Delivery:

Window Ticket Number (if available):

Name of Institution which Guaranteed Delivery:

Account Number:

ATTENTION BROKER-DEALERS: IMPORTANT NOTICE CONCERNING YOUR ABILITY TO RESELL THE NEW NOTES

IF THE COMPANY OR THE EXCHANGE AGENT DOES NOT RECEIVE ANY LETTERS OF TRANSMITTAL FROM BROKER-DEALERS REQUESTING ADDITIONAL COPIES OF THE PROSPECTUS FOR USE IN CONNECTION WITH REALES OF THE NEW NOTES, THE COMPANY INTENDS TO TERMINATE THE EFFECTIVENESS OF THE REGISTRATION STATEMENT AS SOON AS PRACTICABLE AFTER THE CONSUMMATION OR TERMINATION OF THE EXCHANGE OFFER. IF THE EFFECTIVENESS OF THE REGISTRATION STATEMENT IS TERMINATED, YOU WILL NOT BE ABLE TO USE THE PROSPECTUS IN CONNECTION WITH REALES OF NEW NOTES AFTER SUCH TIME. SEE SECTION ENTITLED "THE EXCHANGE OFFER -- TERMS OF THE EXCHANGE OFFER" CONTAINED IN THE PROSPECTUS FOR MORE INFORMATION.

[] CHECK HERE IF YOU ARE A BROKER-DEALER AND WISH TO RECEIVE ADDITIONAL COPIES OF THE PROSPECTUS AND COPIES OF ANY AMENDMENTS OR SUPPLEMENTS THERETO FOR USE IN CONNECTION WITH REALES OF NEW NOTES:

Name:

Address:

Telephone No.:

SIGNATURES MUST BE PROVIDED BELOW
PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY

LADIES AND GENTLEMEN:

Pursuant to the offer by American International Group, Inc. (the "Company") upon the terms and subject to the conditions set forth in the Prospectus dated , 2006 (the "Prospectus") and this Letter of Transmittal (this "Letter of Transmittal"), which, together with the Prospectus, constitutes the Company's offer (the "Exchange Offer") to exchange up to \$1,000,000,000 aggregate principal amount of its 6.25% Notes Due 2036 (the "New Notes"), which have been registered under the Securities Act of 1933, as amended (the "Securities Act"), for up to \$1,000,000,000 aggregate principal amount of its outstanding 6.25% Notes Due 2036 (the "Old Notes"), the undersigned hereby tenders to the Company for exchange the Old Notes indicated above.

By executing this Letter of Transmittal and subject to and effective upon acceptance for exchange of the Old Notes tendered for exchange herewith, the undersigned (i) acknowledges and agrees that the Company shall have fully performed all of its obligations to conduct an "Exchange Offer" under the Exchange and Registration Rights Agreement, dated as of April 20, 2006, among the Company and the Initial Purchasers (as defined therein), (ii) will have irrevocably sold, assigned and transferred to the Company all right, title and interest in, to and under all of the Old Notes tendered for exchange hereby, and (iii) hereby appoints The Bank of New York (the "Exchange Agent") as the true and lawful agent and attorney-in-fact (with full knowledge that the Exchange Agent also acts as agent of the Company) of such holder of Old Notes with respect to such Old Notes, with full power of substitution, to (x) transfer ownership of such Old Notes on the account books maintained by The Depository Trust Company (the "Depository") (together with all accompanying evidences of transfer and authenticity), (y) take any action necessary to transfer such Old Notes to the Company, and (z) receive all benefits and otherwise exercise all rights and incidents of ownership with respect to such Old Notes, all in accordance with the terms of the Exchange Offer. The power of attorney granted in this paragraph shall be deemed to be irrevocable and coupled with an interest.

The undersigned hereby represents and warrants that (i) the undersigned has full power and authority to tender, exchange, assign and transfer the Old Notes, and (ii) when such Old Notes are accepted for exchange by the Company, the Company will acquire good, marketable and unencumbered title thereto, free and clear of all security interests, liens, restrictions, charges, encumbrances, or other obligations relating to their sale and transfer, and not subject to any adverse claims. The undersigned will, upon request, execute and deliver any additional documents deemed by the Exchange Agent or the Company to be necessary or desirable to complete the tender, exchange, assignment and transfer of the Old Notes tendered for exchange hereby.

The undersigned hereby further represents to the Company that (i) the New Notes to be acquired pursuant to the Exchange Offer will be acquired in the ordinary course of business of the person acquiring the New Notes, whether or not such person is the undersigned, (ii) neither the undersigned nor any person receiving any New Notes directly or indirectly from the undersigned pursuant to the Exchange Offer (if not a broker-dealer referred to in the last sentence of this paragraph) is engaging or intends to engage in the distribution of the New Notes and none of them have any arrangement or understanding with any person to participate in the distribution of the New Notes, (iii) the undersigned and each person receiving any New Notes directly or indirectly from the undersigned pursuant to the Exchange Offer acknowledge and agree that any broker-dealer or any person participating in the Exchange Offer for the purpose of distributing the New Notes (x) must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a secondary resale transaction of the New Notes acquired by such person and (y) cannot rely on the position of the staff of the Securities and Exchange Commission (the "Commission") set forth in Morgan Stanley & Co. Incorporated no-action letter (available June 5, 1991) or the Exxon Capital Holdings Corporation no-action letter (available May 13, 1988) or similar letters, (iv) the undersigned and each person receiving any New Notes directly or indirectly from the undersigned pursuant to the Exchange Offer understand that a secondary resale transaction described in clause (iii) above should be covered by an effective registration statement and (v) neither the undersigned nor any person receiving any New Notes directly or indirectly from the undersigned pursuant to the Exchange Offer is an "affiliate" of the Company, as defined under Rule 405 under the Securities Act. If the undersigned is a broker-dealer that will receive New Notes for its own account in exchange for Old Notes that were acquired as a result of market making or other trading activities, it acknowledges that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of such New Notes received in respect of such Old Notes pursuant to the Exchange Offer; however, by so

acknowledging and by delivering a prospectus, the undersigned will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

The undersigned acknowledges that, for purposes of the Exchange Offer, the Company will be deemed to have accepted for exchange, and to have exchanged, validly tendered Old Notes, if, as and when the Company gives oral or written notice thereof to the Exchange Agent. The undersigned acknowledges that the Company's acceptance of Old Notes validly tendered for exchange pursuant to any one of the procedures described in the section of the Prospectus entitled "The Exchange Offer" and in the instructions hereto will constitute a valid, binding and enforceable agreement between the undersigned and the Company upon the terms and subject to the conditions of the Exchange Offer. Tenders of Old Notes for exchange may be withdrawn at any time prior to the Expiration Date.

Unless otherwise indicated in the box entitled "Special Issuance Instructions," please return any Old Notes not tendered for exchange to the undersigned. The undersigned recognizes that the Company has no obligation pursuant to the "Special Issuance Instructions" to transfer any Old Notes if the Company does not accept for exchange any of the Old Notes so tendered for exchange or if such transfer would not be in compliance with any transfer restrictions applicable to such Old Notes.

All authority herein conferred or agreed to be conferred shall survive the death, incapacity, liquidation, dissolution, winding up or any other event relating to the undersigned, and any obligation of the undersigned hereunder shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned. Except as otherwise stated in the Prospectus, this tender for exchange of Old Notes is irrevocable.

SIGN HERE

X -----
SIGNATURE OF OWNER

Date: -----

MUST BE SIGNED BY THE REGISTERED HOLDER(S) OF OLD NOTES EXACTLY AS NAME(S) APPEAR(S) ON A SECURITY POSITION LISTING OR BY PERSON(S) AUTHORIZED TO BECOME REGISTERED OLD NOTE HOLDER(S) BY CERTIFICATES AND DOCUMENTS TRANSMITTED HERewith. IF SIGNATURE IS BY TRUSTEES, EXECUTORS, ADMINISTRATORS, GUARDIANS, ATTORNEYS-IN-FACT, OFFICERS OF CORPORATIONS OR OTHERS ACTING IN A FIDUCIARY OR REPRESENTATIVE CAPACITY, PLEASE PROVIDE THE FOLLOWING INFORMATION. (SEE INSTRUCTION 6).

NAMES(S)

CAPACITY (FULL TITLE)

ADDRESS (INCLUDING ZIP CODE)

AREA CODE AND TELEPHONE NUMBER

TAX IDENTIFICATION NUMBER

GUARANTEE OF SIGNATURE(S)

(SIGNATURE(S) MUST BE GUARANTEED IF REQUIRED BY INSTRUCTION 1)

X -----
AUTHORIZED SIGNATURE

Date: -----

NAME AND TITLE

INSTRUCTIONS

FORMING PART OF THE TERMS AND CONDITIONS OF THE EXCHANGE OFFER

1. GUARANTEE OF SIGNATURES.

Except as otherwise provided below, all signatures on this Letter of Transmittal must be guaranteed by an institution which is a member of the New York Stock Exchange Medallion Signature Program or an "eligible guarantor institution" within the meaning of Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended (an "Eligible Institution"). Signatures on this Letter of Transmittal need not be guaranteed if such Old Notes are tendered for the account of an Eligible Institution. IN ALL OTHER CASES, ALL SIGNATURES MUST BE GUARANTEED BY AN ELIGIBLE INSTITUTION.

2. DELIVERY OF THIS LETTER OF TRANSMITTAL AND OLD NOTES; GUARANTEED DELIVERY PROCEDURES.

This Letter of Transmittal is to be completed by holders of Old Notes if tenders are to be made pursuant to the procedures for tender by book-entry transfer or guaranteed delivery set forth in the section of the Prospectus entitled "The Exchange Offer -- Guaranteed Delivery Procedures." All deliveries of old Notes must be made to the account of the Exchange Agent maintained at the Depository. A confirmation of a book-entry transfer (a "Book-Entry Confirmation"), as well as any other documents required by this Letter of Transmittal, must be received by the Exchange Agent prior to the Expiration Date. Holders of Old Notes who desire to tender their Old Notes for exchange and who cannot deliver all documents required hereby to the Exchange Agent on or prior to the Expiration Date or to complete the procedure for book-entry transfer on a timely basis, may have such tender effected if: (a) such tender is made by or through an Eligible Institution, (b) prior to the Expiration Date, the Exchange Agent has received from such Eligible Institution a properly completed and duly executed Notice of Guaranteed Delivery substantially in the form provided by the Company (by facsimile transmission, mail or hand delivery) setting forth the name of the holder of such Old Notes and the principal amount of Old Notes tendered for exchange, stating that tender is being made thereby and guaranteeing that, within three New York Stock Exchange trading days after the date of execution of the Notice of Guaranteed Delivery, this Letter of Transmittal (or a manually executed facsimile thereof) or an agent's message, properly completed and duly executed, a Book-Entry Confirmation and any other documents required by this Letter of Transmittal, will be deposited by such Eligible Institution with the Exchange Agent, and (c) a properly completed and duly executed Letter of Transmittal (or a manually executed facsimile thereof) or an agent's message, a Book-Entry Confirmation and any other documents required by this Letter of Transmittal are received by the Exchange Agent within three New York Stock Exchange trading days after the date of execution of the Notice of Guaranteed Delivery.

THE METHOD OF DELIVERY OF OLD NOTES, THIS LETTER OF TRANSMITTAL AND ALL OTHER REQUIRED DOCUMENTS IS AT THE ELECTION AND RISK OF THE TENDERING HOLDER OF OLD NOTES. EXCEPT AS OTHERWISE PROVIDED BELOW, THE DELIVERY WILL BE DEEMED MADE ONLY WHEN ACTUALLY RECEIVED OR CONFIRMED BY THE EXCHANGE AGENT. IF DELIVERY IS BY MAIL, REGISTERED MAIL WITH RETURN RECEIPT REQUESTED, PROPERLY INSURED, IS RECOMMENDED. THE LETTER OF TRANSMITTAL SHOULD NOT BE SENT TO THE COMPANY.

No alternative, conditional or contingent tenders will be accepted. All tendering holders of Old Notes, by execution of this Letter of Transmittal (or facsimile hereof, if applicable), waive any right to receive notice of the acceptance of their Old Notes for exchange.

3. INADEQUATE SPACE.

If the space provided in the box entitled "Description of Old Notes" above is inadequate, the principal amounts of the Old Notes being tendered should be listed on a separate signed schedule affixed hereto.

4. WITHDRAWALS.

A tender of Old Notes may be withdrawn at any time prior to the Expiration Date by delivery of an Automated Tender Offer Program electronic transmission notice of withdrawal and the Exchange Agent must receive the electronic notice of withdrawal from the Depository prior to the Expiration Date. Withdrawals of tenders of Old Notes may not be

rescinded, and any Old Notes withdrawn will thereafter be deemed not validly tendered for purposes of the Exchange Offer, and no New Notes will be issued with respect thereto unless the Old Notes so withdrawn are validly retendered. Properly withdrawn Old Notes may be retendered by following one of the procedures described in the section of the Prospectus entitled "The Exchange Offer -- Procedures for Tendering" at any time prior to the Expiration Date.

5. PARTIAL TENDERS.

Tenders of Old Notes will be accepted only in minimum denominations of \$100,000 and integral multiples of \$1,000 in excess thereof. If a tender for exchange is to be made with respect to less than the entire principal amount of any Old Notes, fill in the principal amount of Old Notes which are tendered for exchange in column (3) of the box entitled "Description of Old Notes." In case of a partial tender for exchange, the untendered principal amount of the Old Notes will be credited to Depository account of the tendering holder, unless otherwise indicated in the appropriate box on this Letter of Transmittal, as promptly as practicable after the expiration or termination of the Exchange Offer.

6. SIGNATURES ON THIS LETTER OF TRANSMITTAL AND POWERS OF ATTORNEY.

The signature(s) of the holder of Old Notes on this Letter of Transmittal must correspond with the name of such holder as it appear on a security position listing maintained by the Depository, without any change whatsoever.

When this Letter of Transmittal is signed by the holder of the Old Notes listed and transmitted hereby, no separate powers of attorney are required. If, however, Old Notes not tendered or not accepted are to be issued or returned to a person other than the holder of Old Notes, then the Old Notes transmitted hereby must be accompanied by appropriate powers of attorney in a form satisfactory to the Company, in either case signed exactly as the name(s) of the holder of Old Notes appear(s) on a security position listing maintained by the Depository. Signatures on such powers of attorney must be guaranteed by an Eligible Institution (unless signed by an Eligible Institution).

If this Letter of Transmittal or powers of attorney are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and proper evidence satisfactory to the Company of their authority so to act must be submitted.

7. TRANSFER TAXES.

Except as set forth in this Instruction 7, the Company will pay all transfer taxes, if any, applicable to the transfer and exchange of Old Notes pursuant to the Exchange Offer. If issuance of New Notes is to be made to, or Old Notes not tendered for exchange are to be issued or returned to, any person other than the tendering holder, or if a transfer tax is imposed for any reason other than the exchange of Old Notes pursuant to the Exchange Offer, and satisfactory evidence of payment of such taxes or exemptions therefrom is not submitted with this Letter of Transmittal, the amount of any transfer taxes payable on account of any such transfer will be imposed on and payable by the tendering holder of Old Notes prior to the issuance of the New Notes.

8. IRREGULARITIES.

All questions as to the form of documents and the validity, eligibility (including time of receipt), acceptance and withdrawal of Old Notes will be determined by the Company, in its sole discretion, whose determination shall be final and binding. The Company reserves the absolute right to reject any or all tenders for exchange of any particular Old Notes that are not in proper form, or the acceptance of which would, in the opinion of the Company (or its counsel), be unlawful. The Company reserves the absolute right to waive any defect, irregularity or condition of tender for exchange with regard to any particular Old Notes. The Company's interpretation of the terms of, and conditions to, the Exchange Offer (including the instructions herein) will be final and binding. Unless waived, any defects or irregularities in connection with the Exchange Offer must be cured within such time as the Company shall determine. Neither the Company, the Exchange Agent nor any other person shall be under any duty to give notice of any defects or irregularities in Old Notes tendered for exchange, nor shall any of them incur any liability for failure to give such notice. A tender of Old Notes will not be deemed to have been made until all defects and irregularities with respect to such tender have been cured or waived. Any Old Notes received by the Exchange Agent that are not properly tendered and as to which the

defects or irregularities have not been cured or waived will be returned by the Exchange Agent to the tendering holders, unless otherwise provided in this Letter of Transmittal, as soon as practicable following the Expiration Date.

9. WAIVER OF CONDITIONS.

The Company reserves the absolute right to waive, amend or modify any of the specified conditions described under "The Exchange Offer -- Conditions to the Exchange Offer" in the Prospectus.

10. REQUESTS FOR INFORMATION OR ADDITIONAL COPIES.

Requests for information about the procedure for tendering or for withdrawing tenders, or for additional copies of the Prospectus and this Letter of Transmittal, may be directed to the Exchange Agent at the address or telephone number set forth on the cover of this Letter of Transmittal. All other questions about this Exchange Offer should be addressed to Investor Relations at the Company (telephone number -- 212-770-6293).

IMPORTANT: THIS LETTER OF TRANSMITTAL (OR A FACSIMILE THEREOF, IF APPLICABLE) OR AN AGENT'S MESSAGE TO THE DEPOSITARY TOGETHER WITH CONFIRMATION OF BOOK-ENTRY OR THE NOTICE OF GUARANTEED DELIVERY, AND ALL OTHER REQUIRED DOCUMENTS, MUST BE RECEIVED BY THE EXCHANGE AGENT PRIOR TO 5:00 P.M., NEW YORK CITY TIME, ON THE EXPIRATION DATE.

NOTICE OF GUARANTEED DELIVERY
WITH RESPECT TO
6.25% NOTES DUE 2036
OF

AMERICAN INTERNATIONAL GROUP, INC.

This form must be used by a holder of unregistered 6.25% Notes Due 2036 (the "Old Notes") of American International Group, Inc. (the "Company"), who wishes to tender Old Notes to the Exchange Agent in exchange for the Company's 6.25% Notes Due 2036 (the "New Notes"), which have been registered under the Securities Act of 1933, as amended, pursuant to the guaranteed delivery procedures described in "The Exchange Offer -- Guaranteed Delivery Procedures" of the Prospectus, dated _____, 2006 (the "Prospectus"), and in Instruction 2 to the related Letter of Transmittal. Any holder who wishes to tender Old Notes pursuant to such guaranteed delivery procedures must ensure that the Exchange Agent receives this Notice of Guaranteed Delivery prior to the Expiration Date of the Exchange Offer. Capitalized terms not defined herein have the meanings ascribed to them in the Prospectus or the Letter of Transmittal.

THE EXCHANGE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON _____, 2006 (THE "EXPIRATION DATE") UNLESS THE EXCHANGE OFFER IS EXTENDED, IN WHICH CASE THE TERM "EXPIRATION DATE" SHALL MEAN THE LATEST TIME AND DATE TO WHICH THE EXCHANGE OFFER IS EXTENDED. TENDERS MAY BE WITHDRAWN AT ANY TIME PRIOR TO THE EXPIRATION DATE.

The Exchange Agent:

THE BANK OF NEW YORK

By Mail, Hand Delivery or Overnight Courier:
The Bank of New York
Corporate Trust Operations
Reorganization Unit
101 Barclay Street - 7E
New York, NY 10286
Attention: Ms. Diane Amoroso

By Facsimile Transmission:
(212) 298-1915
Attention: Ms. Diane Amoroso

Confirm by Telephone

(212) 815-6331

FOR INFORMATION CALL: (212) 815-6331

DELIVERY OF THIS INSTRUMENT TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE OR TRANSMISSION OF INSTRUCTIONS TO A FACSIMILE NUMBER OTHER THAN THE ONE LISTED ABOVE WILL NOT CONSTITUTE A VALID DELIVERY. THE INSTRUCTIONS SET FORTH IN THIS NOTICE OF GUARANTEED DELIVERY AND IN THE LETTER OF TRANSMITTAL SHOULD BE READ CAREFULLY BEFORE THIS NOTICE OF GUARANTEED DELIVERY AND THE LETTER OF TRANSMITTAL ARE COMPLETED.

THIS FORM IS NOT TO BE USED TO GUARANTEE SIGNATURES. IF A SIGNATURE ON THE LETTER OF TRANSMITTAL IS REQUIRED TO BE GUARANTEED BY AN "ELIGIBLE INSTITUTION" UNDER THE INSTRUCTIONS THERETO, SUCH SIGNATURE GUARANTEE MUST APPEAR IN THE APPLICABLE SPACE PROVIDED IN THE SIGNATURE BOX ON THE LETTER OF TRANSMITTAL.

Ladies and Gentlemen:

The undersigned hereby tenders to the Company, upon the terms and subject to the conditions set forth in the Prospectus and the related Letter of Transmittal, receipt of which is hereby acknowledged, the principal amount of Old Notes set forth below pursuant to the guaranteed delivery procedures set forth in the Prospectus and in Instruction 2 of the Letter of Transmittal.

The undersigned understands that tenders of Old Notes will be accepted only in authorized denominations. The undersigned understands that tenders of Old Notes pursuant to the Exchange Offer may not be withdrawn after the Expiration Date. Tenders of Old Notes may be withdrawn at any time prior to the Expiration Date or if the Exchange Offer is terminated or as otherwise provided in the Prospectus.

All authority herein conferred or agreed to be conferred by this Notice of Guaranteed Delivery shall survive the death, incapacity, liquidation, dissolution, winding up or any other event relating to the undersigned and every obligation of the undersigned under this Notice of Guaranteed Delivery shall be binding upon the heirs, personal representatives, executors, administrators, successors, assigns, trustees in bankruptcy and other legal representatives of the undersigned.

The undersigned hereby tenders the Old Notes listed below:

DEPOSITORY TRUST COMPANY ACCOUNT NO.	AGGREGATE PRINCIPAL AMOUNT REPRESENTED	AGGREGATE PRINCIPAL AMOUNT TENDERED
-----	-----	-----
-----	-----	-----
-----	-----	-----
-----	-----	-----

PLEASE SIGN AND COMPLETE

Signature of Authorized Signatory:

Date: -----, 2006

Name of Tendering Institution:

This Notice of Guaranteed Delivery must be signed by the holder(s) exactly as the name(s) appear(s) on a security position listing as the owner of Old Notes, or by person(s) authorized to become holder(s) by documents transmitted with this Notice of Guaranteed Delivery. If signature is by a trustee, executor, administrator, guardian, attorney-in-fact, officer or other person acting in a fiduciary or representative capacity, such person must provide the following information.

Please print name(s) and address(es)

Name(s):

Capacity (Full Title):

Address(es):

GUARANTEE
(NOT TO BE USED FOR SIGNATURE GUARANTEE)

The undersigned, a firm which is a member of the New York Stock Exchange Medallion Signature Program or an "eligible guarantor institution" within the meaning of Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended, hereby guarantees deposit with the Exchange Agent of the Letter of Transmittal (or facsimile thereof), together with a confirmation of the book-entry transfer of the Old Notes tendered hereby into the Exchange Agent's account at the Depository Trust Company pursuant to the procedures described in the Prospectus under the caption "The Exchange Offer -- Guaranteed Delivery Procedures" and in the Letter of Transmittal and any other required documents, all by 5:00 p.m., New York City time, on the third New York Stock Exchange trading day following the date of execution of this Notice of Guaranteed Delivery.

Name of Firm:

AUTHORIZED SIGNATURE

Address:

Name:

Title:

Area Code and Telephone No.:

Date: -----, 2006

INSTRUCTIONS FOR NOTICE OF GUARANTEED DELIVERY

1. DELIVERY OF THIS NOTICE OF GUARANTEED DELIVERY. A properly completed and duly executed copy of this Notice of Guaranteed Delivery and any other documents required by this Notice of Guaranteed Delivery must be received by the Exchange Agent at its address set forth herein prior to the Expiration Date. The method of delivery of this Notice of Guaranteed Delivery and any other required documents to the Exchange Agent is at the election and sole risk of the holder, and the delivery will be deemed made only when actually received by the Exchange Agent. If delivery is by mail, registered mail with return receipt requested, properly insured, is recommended. As an alternative to delivery by mail, the holders may wish to consider using an overnight or hand delivery service. In all cases, sufficient time should be allowed to assure timely delivery. For a description of the guaranteed delivery procedures, see Instruction 2 of the Letter of Transmittal.

2. SIGNATURES ON THIS NOTICE OF GUARANTEED DELIVERY. The signature on this Notice of Guaranteed Delivery must correspond with the name shown on the security position listing as the owner of the Old Notes.

If this Notice of Guaranteed Delivery is signed by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation, or other person acting in a fiduciary or representative capacity, such person should so indicate when signing and submit with the Notice of Guaranteed Delivery evidence satisfactory to the Company of such person's authority to so act.

3. REQUESTS FOR ASSISTANCE OR ADDITIONAL COPIES. Questions and requests for assistance and requests for additional copies of the Prospectus may be directed to the Exchange Agent at the address specified in the Prospectus. Holders may also contact their broker, dealer, commercial bank, trust company, or other nominee for assistance concerning the Exchange Offer.

AMERICAN INTERNATIONAL GROUP, INC.
 OFFER TO EXCHANGE UP TO
 \$1,000,000,000 6.25% NOTES DUE 2036
 WHICH HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933

FOR

ALL OUTSTANDING UNREGISTERED
 6.25% NOTES DUE 2036

To DTC Participants:

We are enclosing herewith the materials listed below relating to the offer (the "Exchange Offer") by American International Group, Inc. (the "Company") to exchange up to \$1,000,000,000 aggregate principal amount of its 6.25% Notes Due 2036 (the "New Notes"), which have been registered under the Securities Act of 1933 (the "Securities Act"), for \$1,000,000,000 aggregate principal amount of its outstanding unregistered 6.25% Notes Due 2036 (the "Old Notes"), upon the terms and subject to the conditions set forth in the Prospectus dated , 2006 and the related Letter of Transmittal.

Enclosed herewith are copies of the following documents:

1. Prospectus dated , 2006;
2. Letter of Transmittal;
3. Notice of Guaranteed Delivery;
4. Instruction to Registered Holder from Beneficial Owner; and
5. Letter to Clients, which may be sent to your clients for whose account you hold Old Notes in your name or in the name of your nominee, to accompany the instruction form referred to above, for obtaining such client's instruction with regard to the Exchange Offer.

WE URGE YOU TO CONTACT YOUR CLIENTS PROMPTLY. PLEASE NOTE THAT THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON , 2006 UNLESS EXTENDED BY THE COMPANY.

The Exchange Offer is not conditioned upon any minimum number of Old Notes being tendered.

Pursuant to the Letter of Transmittal, each tendering holder of Old Notes (a "Holder") will represent to the Company that (i) the New Notes to be acquired pursuant to the Exchange Offer will be acquired in the ordinary course of business of the person acquiring the New Notes, whether or not such person is the Holder, (ii) neither the Holder nor any person receiving any New Notes directly or indirectly from the Holder pursuant to the Exchange Offer (if not a broker-dealer referred to in the last sentence of this paragraph) is engaging or intends to engage in the distribution of the New Notes and none of them have any arrangement or understanding with any person to participate in the distribution of the New Notes, (iii) the Holder and each person receiving any New Notes directly or indirectly from the Holder pursuant to the Exchange Offer acknowledge and agree that any broker-dealer or any person participating in the Exchange Offer for the purpose of distributing the New Notes (x) must comply with the registration and prospectus delivery requirements of the Securities Act, in connection with a secondary resale transaction of the New Notes acquired by such person and (y) cannot rely on the position of the staff of the Securities and Exchange Commission (the "Commission") set forth in the Shearman & Sterling no action letter (available July 2, 1993), in Morgan Stanley & Co. Incorporated no action letter (available June 5, 1991) or the Exxon Capital Holdings Corporation no-action letter (available May 13, 1988) or similar letters, (iv) the Holder and each person receiving any New Notes directly or indirectly from the Holder pursuant to the Exchange Offer understand that a secondary resale transaction described in clause (iii) above should be covered by an effective registration statement and (v) neither the Holder nor any person receiving any New Notes directly or indirectly from the Holder pursuant to the Exchange Offer is an "affiliate" of the Company, as defined under Rule 405 under the

person receiving any New Notes directly or indirectly from the Holder pursuant to the Exchange Offer is an "affiliate" of the Company, as defined under Rule 405 under the Securities Act. If the Holder is a broker-dealer that will receive New Notes for its own account in exchange for Old Notes that were acquired as a result of market making or other trading activities, it acknowledges that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of such New Notes received in respect of such Old Notes pursuant to the Exchange Offer; however, by so acknowledging and by delivering a prospectus, the Holder will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

The enclosed Instruction to Registered Holder from Beneficial Owner contains an authorization by beneficial owner of Old Notes held by you to make the foregoing representations and warranties on behalf of such beneficial owner.

The Company will not pay any fee or commission to any broker or dealer or to any other persons (other than the exchange agent for the Exchange Offer) in connection with the solicitation of tenders of Old Notes pursuant to the Exchange Offer. The Company will pay all transfer taxes, if any, applicable to the exchange of Old Notes pursuant to the Exchange Offer, on the transfer of Old Notes to it, except as otherwise provided in Instruction 7 of the enclosed Letter of Transmittal.

Any inquiries you may have relating to the procedure for tendering or withdrawing tenders may be addressed to, and additional copies of the enclosed materials may be obtained from the Exchange Agent at:

The Bank of New York
Corporate Trust Operations
Reorganization Unit
101 Barclay Street -- 7E
New York, NY 10286
Attention: Ms. Diane Amoroso
By Facsimile: (212) 298-1915
By Telephone: (212) 815-6331

All other questions regarding the Exchange Offer should be addressed to Investor Relations at the Company at telephone number 212-770-6293.

Very truly yours,

AMERICAN INTERNATIONAL GROUP, INC.

NOTHING CONTAINED HEREIN OR IN THE ENCLOSED DOCUMENTS SHALL CONSTITUTE YOU OR ANY PERSON AS AN AGENT OF THE COMPANY OR THE EXCHANGE AGENT, OR AUTHORIZE YOU OR ANY OTHER PERSON TO USE ANY DOCUMENT OR MAKE ANY STATEMENT ON BEHALF OF EITHER OF THEM IN CONNECTION WITH THE EXCHANGE OFFER OTHER THAN THE DOCUMENTS ENCLOSED HERewith AND THE STATEMENTS CONTAINED HEREIN.

AMERICAN INTERNATIONAL GROUP, INC.
OFFER TO EXCHANGE UP TO
\$1,000,000,000 6.25% NOTES DUE 2036
WHICH HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933

FOR

ALL OUTSTANDING UNREGISTERED
\$1,000,000,000 6.25% NOTES DUE 2036

To Our Clients:

We are enclosing herewith (i) a Prospectus dated _____, 2006 of American International Group, Inc. (the "Company"), (ii) a related Letter of Transmittal (which together with the Prospectus constitute the "Exchange Offer") relating to the offer by the Company to exchange up to \$1,000,000,000 aggregate principal amount of its 6.25% Notes Due 2036 (the "New Notes"), which have been registered under the Securities Act of 1933, as amended (the "Securities Act"), for up to \$1,000,000,000 aggregate principal amount of its outstanding 6.25% Notes Due 2036 (the "Old Notes"), upon the terms and subject to the conditions set forth in the Exchange Offer and (iii) an Instruction to Registered Holder from Beneficial Owner (the "Instruction Letter").

PLEASE NOTE THAT THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON _____, 2006 UNLESS EXTENDED. THE EXCHANGE OFFER IS NOT CONDITIONED UPON ANY MINIMUM NUMBER OF OLD NOTES BEING TENDERED.

We are the holder of record of Old Notes for your account. A tender of such Old Notes can be made only by us as the record holder pursuant to your instructions. The Letter of Transmittal is furnished to you for your information only and cannot be used by you to tender Old Notes held by us for your account.

We request instructions as to whether you wish to tender any or all of the Old Notes held by us for your account pursuant to the terms and conditions of the Exchange Offer. We also request that you confirm that we may make on your behalf the representations and warranties contained in the Letter of Transmittal. In this regard, please complete the enclosed Instruction Letter and return it to us as soon as practicable.

Pursuant to the Letter of Transmittal, each tendering holder of Old Notes (a "Holder") will represent to the Company that (i) the New Notes to be acquired pursuant to the Exchange Offer will be acquired in the ordinary course of business of the person acquiring the New Notes, whether or not such person is the Holder, (ii) neither the Holder nor any person receiving any New Notes directly or indirectly from the Holder pursuant to the Exchange Offer (if not a broker-dealer referred to in the last sentence of this paragraph) is engaging or intends to engage in the distribution of the New Notes and none of them have any arrangement or understanding with any person to participate in the distribution of the New Notes, (iii) the Holder and each person receiving any New Notes directly or indirectly from the Holder pursuant to the Exchange Offer acknowledge and agree that any broker-dealer or any person participating in the Exchange Offer for the purpose of distributing the New Notes (x) must comply with the registration and prospectus delivery requirements of the Securities Act, in connection with a secondary resale transaction of the New Notes acquired by such person and (y) cannot rely on the position of the staff of the Securities and Exchange Commission (the "Commission") set forth in the Shearman & Sterling no action letter (available July 2, 1993), the Morgan Stanley & Co. Incorporated no action letter (available June 5, 1991) or the Exxon Capital Holdings Corporation no-action letter (available May 13, 1988) or similar letters, (iv) the Holder and each person receiving any New Notes directly or indirectly from the Holder pursuant to the Exchange Offer understand that a secondary resale transaction described in clause (iii) above should be covered by an

effective registration statement and (v) neither the Holder nor any person receiving any New Notes directly or indirectly from the Holder pursuant to the Exchange Offer is an "affiliate" of the Company, as defined under Rule 405 under the Securities Act. If the Holder is a broker-dealer that will receive New Notes for its own account in exchange for Old Notes that were acquired as a result of market making or other trading activities, it acknowledges that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of such New Notes received in respect of such Old Notes pursuant to the Exchange Offer; however, by so acknowledging and by delivering a prospectus, the Holder will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

Very truly yours,

AMERICAN INTERNATIONAL GROUP, INC.

INSTRUCTION TO REGISTERED HOLDER
FROM BENEFICIAL OWNER
OF
6.25% NOTES DUE 2036
OF

AMERICAN INTERNATIONAL GROUP, INC.

TO DTC PARTICIPANT:

The undersigned hereby acknowledges receipt of the Prospectus dated _____, 2006 (the "Prospectus") of American International Group, Inc. (the "Company"), and accompanying Letter of Transmittal (the "Letter of Transmittal") that together constitute the Company's offer (the "Exchange Offer") to exchange \$100,000 principal amount and integral multiples of \$1,000 in excess thereof of 6.25% Notes Due 2036 (the "New Notes") of the Company for each \$100,000 principal amount and integral multiples of \$1,000 in excess thereof of outstanding 6.25% Notes Due 2036 (the "Old Notes") of the Company. Capitalized terms used but not defined have the meanings assigned to them in the Prospectus.

This will instruct you as to the action to be taken by you relating to the Exchange Offer with respect to the Old Notes held by you for the account of the undersigned.

The aggregate face amount of the Old Notes held by you for the account of the undersigned is (fill in amount):

\$ _____ of Old Notes

With respect to the Exchange Offer, the undersigned hereby instructs you (check one of the following boxes):

To TENDER the following Old Notes held by you for the account of the undersigned (insert principal amount of Old Notes to be tendered (if any)):

\$ _____ of Old Notes*

or

NOT to TENDER any Old Notes held by you for the account of the undersigned.

* New Notes and the untendered portion of Old Notes must be in minimum denominations of \$100,000 and integral multiples of \$1,000 in excess thereof.

If the undersigned instructs you to tender Old Notes held by you for the account of the undersigned, it is understood that you are authorized to make on behalf of the undersigned (and the undersigned, by its signature below, hereby makes to you), the representations, warranties and agreements contained in the Letter of Transmittal that are to be made with respect to the undersigned as a beneficial owner, including but not limited to the representations, that (i) the New Notes to be acquired pursuant to the Exchange Offer will be acquired in the ordinary course of business of the person acquiring the New Notes, whether or not such person is the undersigned, (ii) neither the undersigned nor any person receiving any New Notes directly or indirectly from the undersigned pursuant to the Exchange Offer (if not a broker-dealer referred to in the last sentence of this paragraph) is engaging or intends to engage in the distribution of the New Notes and none of them have any arrangement or understanding with any person to participate in the distribution of the New Notes, (iii) the undersigned and each person receiving any New Notes directly or indirectly from the undersigned pursuant to the

Exchange Offer acknowledge and agree that any broker-dealer or any person participating in the Exchange Offer for the purpose of distributing the New Notes (x) must comply with the registration and prospectus delivery requirements of the Securities Act of 1933, as amended (the "Securities Act"), in connection with a secondary resale transaction of the New Notes acquired by such person and (y) cannot rely on the position of the staff of the Securities and Exchange Commission (the "Commission") set forth in the Shearman & Sterling no action letter (available July 2, 1993), the Morgan Stanley & Co. Incorporated no action letter (available June 5, 1991) or the Exxon Capital Holdings Corporation no-action letter (available May 13, 1988) or similar letters, (iv) the undersigned and each person receiving any New Notes directly or indirectly from the undersigned pursuant to the Exchange Offer understand that a secondary resale transaction described in clause (iii) above should be covered by an effective registration statement and (v) neither the undersigned nor any person receiving any New Notes directly or indirectly from the undersigned pursuant to the Exchange Offer is an "affiliate" of the Company, as defined under Rule 405 under the Securities Act. If the undersigned is a broker-dealer that will receive New Notes for its own account in exchange for Old Notes that were acquired as a result of market making or other trading activities, it acknowledges that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of such New Notes received in respect of such Old Notes pursuant to the Exchange Offer; however, by so acknowledging and by delivering a prospectus, the undersigned will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

SIGN HERE

SIGNATURE(S) OF OWNER(S)

Date:

Name(s):

(PLEASE PRINT)

Capacity (Full Title):

Address:

(INCLUDE ZIP CODE)

Area Code and Telephone Number:

Tax Identification or Social Security Number(s):

EXCHANGE AGENT AGREEMENT

July , 2006

The Bank of New York
Attention: Corporate Trust Administration

Ladies and Gentlemen:

American International Group, Inc. (the "Company"), proposes to make an offer (the "Exchange Offer") to exchange \$1,000,000,000 of its 6.25% Notes Due 2036 (the "New Notes"), which have been registered under the Securities Act of 1933, as amended (the "Securities Act"), for \$1,000,000,000 of its outstanding 6.25% Notes Due 2036 (the "Old Notes"), which have not been registered under the Securities Act. The terms and conditions of the Exchange Offer as currently contemplated are set forth in a prospectus, dated July , 2006 (the "Prospectus"), and a Letter of Transmittal, a copy of which is attached as Annex A (the "Letter of Transmittal"), proposed to be distributed to all record holders of the Old Notes. The Old Notes and the New Notes are collectively referred to herein as the "Notes."

The Company hereby appoints The Bank of New York to act as exchange agent (the "Exchange Agent") in connection with the Exchange Offer. References hereinafter to "you" shall refer to The Bank of New York. The Exchange Offer is expected to be commenced by the Company on or about , 2006. The Automated Tender Offer Program ("ATOP") of The Depository Trust Company ("DTC") is to be used by the holders of the Old Notes to accept the Exchange Offer. The Letter of Transmittal contains instructions with respect to the delivery of Old Notes tendered in connection therewith.

The Exchange Offer shall commence on , 2006 (the "Effective Time") and shall expire at 5:00 p.m., New York City time, on , 2006 or on such subsequent date or time to which the Company may extend the Exchange Offer (the "Expiration Date"). Subject to the terms and conditions set forth in the Prospectus, the Company expressly reserves the right to extend the Exchange Offer from time to time and may extend the Exchange Offer by giving oral (promptly confirmed in writing) or written notice to you before 5:00 p.m., New York City time, on the previously scheduled Expiration Date. If the Exchange Offer is extended, then the term "Expiration Date" shall mean the latest date and time to which the Exchange Offer is extended.

The Company expressly reserves the right to amend the Exchange Offer or to delay acceptance of Old Notes, or to terminate the Exchange Offer if, in the Company's sole judgment, any of the conditions of the Exchange Offer specified in the Prospectus under the caption "The Exchange Offer -- Conditions to the Exchange Offer" shall not have been satisfied. The Company will give oral (promptly confirmed in writing) or written notice of any amendment, delay or termination to you as promptly as practicable. In carrying out your duties as Exchange Agent, you are to act in accordance with the following instructions:

1. You will perform such duties and only such duties as are specifically set forth in the section of the Prospectus captioned "The Exchange Offer," as specifically set forth in the Letter of Transmittal or as specifically set forth herein; provided, however, that in no way will your general duty to act in good faith be discharged by the foregoing.

2. You will establish a book-entry account with respect to the Old Notes at DTC to facilitate book-entry tenders of the Old Notes through DTC's ATOP for the Exchange Offer within two business days after the date of the Prospectus, and any financial institution that is a participant in DTC's systems may make book-entry delivery of the Old Notes by causing DTC to transfer such Old Notes into your account in accordance with DTC's procedure for such transfer.

3. From and after the Effective Time, you are hereby authorized and directed to accept and to examine each of the Letters of Transmittal and confirmation of book-entry transfer into your account at DTC and any other documents delivered or mailed to you by or for holders of the Old Notes to ascertain whether: (i) the Letters of Transmittal (or the instructions from DTC (the "DTC Transmissions")) contain the proper information required to be set forth therein and any such other documents (including a

Notice of Guaranteed Delivery, substantially in the form attached hereto as Exhibit B (the "Notice of Guaranteed Delivery")) are duly executed and properly completed in accordance with instructions set forth therein; and (ii) that book-entry confirmations are in due and proper form and contain the information required to be set forth therein. In each case where the Letter of Transmittal or any other document has been improperly completed or executed (or any DTC Transmission is not in due and proper form or omits required information) or some other irregularity in connection with the acceptance of the Exchange Offer exists, you will endeavor to inform the Holders of the need for fulfillment of all requirements. If such condition is not promptly remedied by the Holder, you shall report such condition to the Company and await its direction. All questions as to the validity, form, eligibility (including timeliness of receipt), acceptance and withdrawal of any Old Notes tendered or delivered shall be determined by the Company, in its sole discretion.

4. You are authorized to request from any person tendering Old Notes to provide you with such additional documents as you or the Company deems appropriate. You are hereby authorized and directed to process withdrawals of tenders to the extent withdrawal thereof is authorized by the Exchange Offer.

5. The Company reserves the absolute right (i) to reject any or all tenders of any particular Old Note determined by the Company not to be in proper form or the acceptance or exchange of which may, in the opinion of Company's counsel, be unlawful and (ii) to waive any of the conditions of the Exchange Offer or any defects, irregularities or conditions to the tender of any particular Old Note, and the Company's interpretation of the terms and conditions of the Exchange Offer (including the Letter of Transmittal and Notice of Guaranteed Delivery and the instructions set forth therein) will be final and binding.

6. With the approval of the Chief Executive Officer, Chief Financial Officer or Treasurer, of the Company (such approval, if given orally, to be promptly confirmed in writing) or any other officer of the Company designated by the Chief Executive Officer (each an "Authorized Officer"), you are authorized to waive any irregularities in connection with any tender of Old Notes pursuant to the Exchange Offer.

7. Tenders of Old Notes may be made only as set forth in the Letter of Transmittal and in the section of the Prospectus captioned "The Exchange Offer -- Procedures for Tendering," and Old Notes shall be considered properly tendered to you only when tendered in accordance with the procedures set forth therein.

Notwithstanding the provisions of this Section 7, Old Notes which an Authorized Officer shall approve as having been properly tendered shall be considered to be properly tendered (such approval, if given orally, shall be promptly confirmed in writing).

8. You shall advise the Company with respect to any Old Notes received subsequent to the Expiration Date and accept the Company's written instructions with respect to disposition of such Old Notes.

9. Upon satisfaction or waiver of all of the conditions to the Exchange Offer, the Company will notify you (such notice, if given orally, to be promptly confirmed in writing) of its acceptance, promptly after the Expiration Date, of all Old Notes properly tendered and you, on behalf of the Company, will exchange such Old Notes for New Notes and cause such Old Notes to be cancelled and delivered to the Company. Delivery of New Notes will be made on behalf of the Company by you, and each \$1,000 principal amount of Old Notes shall be exchanged for an equal principal amount of New Notes; provided, however, that New Notes shall only be issued in denominations of \$100,000 and integral multiples of \$1,000 in excess thereof, such delivery shall be made promptly after notice (such notice if given orally, to be promptly confirmed in writing) of acceptance of said Old Notes by the Company; provided, however, that in all cases, Old Notes tendered pursuant to the Exchange Offer will be exchanged only after timely receipt by you of confirmation of book-entry transfer into your account at DTC, a properly completed and duly executed Letter of Transmittal (or manually signed facsimile thereof) with any required signature guarantees (or DTC Transmission) and, if applicable, a Notice of Guaranteed Delivery, and any other required documents.

10. Tenders pursuant to the Exchange Offer are irrevocable, except that, subject to the terms and upon the conditions set forth in the Prospectus and the Letter of Transmittal, Old Notes tendered pursuant to the Exchange Offer may be withdrawn at any time prior to the Expiration Date.

11. The Company shall not be required to exchange any Old Notes tendered if any of the conditions set forth in the Exchange Offer are not met. Notice of any decision by the Company not to exchange any Old Notes tendered shall be given (if given orally, to be promptly confirmed in writing) by the Company to you.

12. If, pursuant to the Exchange Offer, the Company does not accept for exchange all or part of the Old Notes tendered because of an invalid tender, the occurrence of certain other events set forth in the Prospectus under the captions "The Exchange Offer -- Terms of the Exchange Offer" or "The Exchange Offer -- Conditions to the Exchange Offer" or otherwise, you shall as soon as practicable after the expiration or termination of the Exchange Offer effect appropriate book-entry transfer, together with any related required documents that are in your possession, to the persons who deposited them.

13. You are not authorized to pay or offer to pay any concessions, commissions or solicitation fees to any broker, dealer, bank or other persons or to engage or utilize any person to solicit tenders.

14. As Exchange Agent hereunder you:

(a) shall not be liable for any action or omission to act unless the same constitutes your own negligence, willful misconduct or bad faith, and in no event shall you be liable to the Company for special, indirect or consequential damages, or lost profits, arising in connection with this Agreement;

(b) shall have no duties or obligations other than those specifically set forth herein or in the Prospectus or as may be subsequently agreed to in writing between you and the Company;

(c) will be regarded as making no representations and having no responsibilities as to the validity, sufficiency, value or genuineness of any of the Old Notes deposited with you pursuant to the Exchange Offer, and will not be required to and will make no representation as to the validity, value or genuineness of the Exchange Offer;

(d) shall not be obligated to take any legal action hereunder which might in your judgment involve any expense or liability, unless you shall have been furnished with indemnity reasonably satisfactory to you;

(e) may conclusively rely on and shall be protected in acting in reliance upon any certificate, instrument, opinion, notice, letter, telegram or other document or security delivered to you and reasonably believed by you to be genuine and to have been signed or presented by the proper person or persons;

(f) may act upon any tender, statement, request, document, agreement, certificate or other instrument whatsoever not only as to its due execution and validity and effectiveness of its provisions, but also as to the truth and accuracy of any information contained therein, which you shall reasonably believe to be genuine or to have been signed or presented by the proper person or persons;

(g) may conclusively rely on and shall be protected in acting upon written or oral instructions from any authorized officer of the Company or from Company's counsel;

(h) may consult with counsel of your selection with respect to any questions relating to your duties and responsibilities and the advice or opinion of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted to be taken by you hereunder in good faith and in accordance with the advice or opinion of such counsel; and

(i) shall not make any recommendation as to whether a holder or beneficial owner of Old Notes should or should not tender such holder's or beneficial owner's Old Notes and shall not solicit any holder or beneficial owner for the purpose of causing such holder or beneficial owner to tender such holder's or beneficial owner's Old Notes.

15. You shall take such action as may from time to time be requested by the Company (and such other action as you may deem appropriate) to furnish copies of the Prospectus, Letter of Transmittal and the Notice of Guaranteed Delivery or such other forms as may be approved from time to time by the Company, to all persons requesting such documents and to accept and comply with telephone, mail or facsimile requests for information relating to the Exchange Offer, provided that such information shall relate only to the procedures for accepting (or withdrawing from) the Exchange Offer. The Company will furnish you with copies of such documents on your request. All other requests for information relating to the Exchange Offer shall be directed to the Company, Attention: Director of Investor Relations, 212-770-6293.

16. You shall advise by electronic communication to David Finkelstein, Director Corporate Finance (david.finkelstein@aig.com), and such other person or persons as the Company may reasonably request, weekly (and daily during the week immediately preceding the Expiration Date) up to and including the Expiration Date, as to the principal amount of Old Notes which have been duly tendered since the previous report and the aggregate amount tendered since the Effective Date pursuant to the Exchange Offer until the Expiration Date. Such report shall be delivered in substantially the form attached hereto as Exhibit C. In addition, you will also inform, and cooperate in making available to, the Company or any such other person or persons as the Company may request upon oral request (promptly confirmed in writing) made from time to time prior to the Expiration Date of such other information as they may reasonably request. Such cooperation shall include, without limitation, the granting by you to the Company and such person as the Company may request of access to those persons on your staff who are responsible for receiving tenders in order to ensure that immediately prior to the Expiration Date the Company shall have received information in sufficient detail to enable it to decide whether to extend the Exchange Offer. Within 2 business days after the Expiration Date, you shall furnish to the Company a final list of all persons whose tenders were accepted, the aggregate principal amount of Old Notes tendered, the aggregate principal amount of Old Notes accepted and deliver said list to the Company.

17. Each Letter of Transmittal and other documents received by you in connection with the Exchange Offer shall be stamped by you to show the date of receipt (and you will maintain such form of record keeping of receipt as is customary for tenders through ATOP) and, if defective, the date and time the last defect was cured or waived. You shall retain all Letters of Transmittal and other related documents or correspondence received by the Exchange Agent until the Expiration Date. You shall return all such material to the Company as soon as practicable after the Expiration Date.

18. For services rendered as Exchange Agent hereunder, you shall be entitled to such compensation as shall be agreed in writing between the Company and you.

19. You hereby acknowledge receipt of the Prospectus, the Letter of Transmittal and the Notice of Guaranteed Delivery. Any discrepancies or questions regarding any Letter of Transmittal, notice of withdrawal or any other documents received by you in connection with the Exchange Offer shall be referred to the Company and you shall have no further duty with respect to such matter; provided, that you shall cooperate with the Company in attempting to resolve such discrepancies or questions. Any inconsistency between this Agreement, on the one hand, and the Prospectus and the Letter of Transmittal (as they may be amended from time to time), on the other hand, shall be resolved in favor of the latter two documents, except with respect to your duties, liabilities and indemnification as Exchange Agent.

20. The Company covenants and agrees to fully indemnify and hold you harmless against any and all losses, damages, liabilities, costs or expenses, including attorneys' fees and expenses, incurred without negligence or willful misconduct on your part, arising out of or in connection with any act, omission, delay or refusal made by you in reliance upon any signature, endorsement, assignment, certificate, order, request, notice, instruction or other instrument or document reasonably believed by you to be valid, genuine and sufficient and in accepting any tender or effecting any transfer of Old Notes reasonably believed by you to be authorized, and in reasonably delaying or refusing to accept any tenders or effect any transfer of Old Notes. In each case, the Company shall be notified by you, by letter or facsimile transmission, of the written assertion of a claim against you or of any other action commenced against

you, promptly after you shall have received any such written assertion or shall have been served with a summons in connection therewith. The Company shall be entitled to participate at its own expense in the defense of any such claim or other action and, if the Company so elects, the Company may assume the defense of any such claim or action and you shall cooperate with the Company in the defense. In the event that the Company assumes the defense of any such claim or action, the Company shall not be liable for the fees and expenses of any additional counsel thereafter retained by you, so long as you have not determined, in your reasonable judgement, that a conflict of interest exists between you and the Company.

21. You shall comply with all requirements under the tax laws of the United States imposed with respect to the activities performed by you pursuant to this Agreement, including filing with the Internal Revenue Service and Holders Form 1099 reports regarding principal and interest payments on Notes, compliance with backup withholding and record retention which you have made in connection with the Exchange Offer, if any. Any questions with respect to any tax matters relating to the Exchange Offer shall be referred to the Company, and you shall have no duty with respect to such matter; provided, that you shall cooperate with the Company in attempting to resolve such questions.

22. You shall notify the Company in a timely manner regarding any transfer taxes that are payable in respect of the exchange of Old Notes of which you became aware.

23. This Agreement and your appointment as Exchange Agent hereunder shall be construed in accordance with the laws of the State of New York, and F shall inure to the benefit of, and the obligations created hereby shall be binding upon, the successors and assigns of each of the parties hereto.

24. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same agreement.

25. In case any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

26. This Agreement shall not be deemed or construed to be modified, amended, rescinded, cancelled or waived, in whole or in part, except by a written instrument signed by a duly authorized representative of the party to be charged. This Agreement may not be modified orally.

27. Unless otherwise provided herein, all notices, requests and other communications to any party hereunder shall be in writing (including facsimile or similar writing) and shall be given to such party, addressed to it, at its address or telecopy number set forth below:

If to the Company:

American International Group, Inc.
70 Pine Street
New York, New York 10270
Telephone: 212-770-8212
Facsimile: 212-770-7991
Attention: Vice President & Treasurer

If to the Exchange Agent:

The Bank of New York
101 Barclay Street
Floor 8 West
New York, NY 10286
Facsimile: 212-819-5707
Attention: Corporate Trust Administration

or to such address as either party shall provide by notice to the other party.

28. Unless terminated earlier by the parties hereto, this Agreement shall terminate 90 days following the Expiration Date. Notwithstanding the foregoing, Sections 18 and 20 shall survive the termination of this Agreement. Upon any termination of this Agreement, you shall promptly deliver to the Company any funds or property then held by you as Exchange Agent under this Agreement.

29. You may resign from your duties under this Agreement by giving to the Company thirty (30) days' prior written notice, and the Company may terminate your appointment hereunder on five (5) days' prior written notice. Any successor exchange agent appointed by the Company shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named as Exchange Agent without any further act or deed; but you shall deliver and transfer to the successor exchange agent any property at the time held by you hereunder, and shall execute and deliver any further assurance, conveyance, act or deed necessary for such purpose as the Company may reasonably request.

30. You may not transfer or assign or delegate your rights or responsibilities under this Agreement without the prior written consent of the Company.

31. This Agreement shall be binding and effective as of the date hereof.

Please acknowledge receipt of this Agreement and confirm the arrangements herein provided by signing and returning the enclosed copy.

American International Group, Inc.

By: _____
Name:
Title:

Accepted as of the date first above written:

The Bank of New York

By: _____
Name:
Title:

PROSPECTUS AND LETTER OF TRANSMITTAL

NOTICE OF GUARANTEED DELIVERY

SAMPLE REPORT

DATE:
PREPARED BY:
ADMIN:

EXCHANGE OFFER. REPORT #

AMERICAN INTERNATIONAL GROUP, INC.
6.25% NOTES DUE 2036
CUSIP: []
PRINCIPAL AMOUNT: \$1,000,000,000

EXPIRATION DATE:

ATOP SUBMISSIONS

PARTICIPANTS

DTC #

QUANTITY

PRESENTED -

TOTAL DTC
PARTICIPANTS
PRESENTED =
DTC
PARTICIPANTS
\$ GUARANTEE
DELIVERY \$
WITHDRAWALS

TOTAL A/O
[DATE] = \$