FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

	OMB APPRO	VAL							
	OMB Number:	3235-0287							
l	Estimated average burden								
l	hours per response:	0.5							

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

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

1. Name and Address of Reporting Person* ZARB FRANK G							2. Issuer Name and Ticker or Trading Symbol AMERICAN INTERNATIONAL GROUP INC [(AIG)]								heck all ap X Dire	olicable) ctor	g Person	Person(s) to Issuer 10% Owner Other (specify below)	
(Last) (First) (Middle) 375 PARK AVENUE						3. Date of Earliest Transaction (Month/Day/Year) 01/03/2006									Offic belo	er (give title w)			
(Street) NEW YORK NY 10152 (City) (State) (Zip)					4. If	4. If Amendment, Date of Original Filed (Month/Day/Year)									ne) X Fori Fori	dual or Joint/Group Filing (Check Applicable Form filed by One Reporting Person Form filed by More than One Reporting Person			
Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned																			
1. Title of Security (Instr. 3) 2. Transac Date (Month/Date)						Executi ay/Year) if any		. Deemed ecution Date, iny onth/Day/Year)		Transaction Disposed Code (Instr. 5)		ties Acquired (A) d Of (D) (Instr. 3, 4			d Secur Bene	icially d Following	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)		7. Nature of Indirect Beneficial Ownership
										v	Amount	(A (D) or)	Price	Trans	action(s) 3 and 4)			(Instr. 4)
Common Stock (Deferred)					/2006	2006			J ⁽¹⁾		250		A	\$69.	62	1,625	D		
		Та	ble II - D								sed of, onvertib				Owned				
1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	Execution Date,		4. Transaction Code (Instr. 8)		of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year) Date Expiration Exercisable Date			7. Title and Amount of Securities Underlying Derivative Security (Instr. and 4) Amoun or Numbe of Title Shares		ount iber	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction (Instr. 4)	Own Forn Direc or In (I) (Ir	ership 1: et (D) direct istr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)

Explanation of Responses:

1. Grant of shares pursuant to the American International Group, Inc. Director Stock Plan. Delivery is deferred until such time as the director has resigned or retired from the Board. Until delivery, there is no right to vote and no dividend rights.

Remarks:

By: /s/ Kathleen E. Shannon, by power of attorney for

01/04/2006

Date

** Signature of Reporting Person

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

- * If the form is filed by more than one reporting person, see Instruction 4 (b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.