

REGISTRATION NO. 333-107945

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

AMENDMENT NO. 1 TO

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.)
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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, SECRETARY 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)

COPY TO:
ROBERT W. REEDER, 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. []

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 PROSPECTUS IS NOT COMPLETE AND MAY BE CHANGED. WE MAY NOT SELL THESE SECURITIES UNTIL THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS EFFECTIVE. THIS PROSPECTUS IS NOT AN OFFER TO SELL THESE SECURITIES AND WE ARE NOT SOLICITING OFFERS TO BUY THESE SECURITIES IN ANY STATE WHERE THE OFFER OR SALE IS NOT PERMITTED.

SUBJECT TO COMPLETION, DATED MARCH 22, 2004

AMERICAN INTERNATIONAL GROUP, INC.
OFFER TO EXCHANGE

\$500,000,000 2.875% Notes Due 2008; and
\$1,000,000,000 4.250% Notes Due 2013

FOR ANY AND ALL OUTSTANDING

2.875% Notes Due 2008; and
4.250% Notes Due 2013

THIS EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M.,
NEW YORK CITY TIME, ON , 2004, 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 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.

We do not intend to apply for listing of the new notes on any securities exchange or to arrange for them to be quoted on any automated quotation system.

SEE "RISK FACTORS" BEGINNING ON PAGE 6 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 March , 2004

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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 INFORMATION DIFFERENT FROM THAT CONTAINED IN THIS PROSPECTUS. 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 PURSUANT TO THE PRIVATE
SECURITIES LITIGATION REFORM ACT OF 1995

We have included or incorporated by reference in this prospectus statements that may constitute "forward-looking statements" within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking 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 of AIG's control. It is possible that AIG's actual results may differ, possibly materially, from the anticipated results indicated in these forward-looking statements.

Information regarding important factors that could cause actual results to differ, perhaps materially, from those in our forward-looking statements is contained under the caption "Cautionary Statement Regarding Forward-Looking Information" in AIG's Annual Report on Form 10-K for the year ended December 31, 2003, which is incorporated into this prospectus by reference. See "Where You Can Find More Information" below for information about how to obtain a copy of the Annual Report.

WHERE YOU CAN FIND MORE INFORMATION

We are required to file annual, quarterly and current reports, proxy statements and other information with the SEC. These reports, proxy statements and other information can be inspected and copied at:

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

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

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

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

AIG's common stock is listed on the NYSE and trades under the symbol "AIG."

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, supercede any information contained in this prospectus or incorporated by reference in this prospectus. AIG incorporates by reference into this prospectus the document 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 and before effectiveness of the registration statement, and after the date of this prospectus and until the exchange offer is completed. This prospectus is a part of a registration statement AIG filed with the SEC and does not contain all of the information in the registration statement. Whenever a reference is made in the prospectus to a document, please be aware that the reference is only a summary and that you should refer to the exhibits that are a part of the registration statement for a copy of the document. You may review a copy of the registration statement at the SEC's public reference room or its web site, as set forth above.

- Annual Report on Form 10-K for the year ended December 31, 2003.

We will provide without charge a copy of this filing, other than any exhibits unless the exhibits are specifically incorporated by reference into this prospectus.

Requests for such documents should be directed to AIG's Director of Investor Relations, 70 Pine Street, New York, New York 10270, telephone (212) 770-6293.

IN ORDER TO ENSURE TIMELY DELIVERY OF THE REQUESTED DOCUMENTS, REQUESTS SHOULD BE MADE NO LATER THAN APRIL , 2004. 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 primary activities include both general and life insurance operations. Other significant activities include financial services and retirement savings and asset management.

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 EXCHANGE OFFER

The Exchange Offer..... We are offering to exchange up to \$1,500,000,000 principal amount of our new notes which have been registered under the Securities Act for a like principal amount of our old notes. You may tender old notes only in integral multiples of \$1,000 principal amount. 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 , 2004, unless we extend the exchange offer.

Resale of New Notes..... Based on interpretive letters of the SEC staff to third parties, we believe 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 of 1933, if you:

- are not a broker-dealer that acquired the old notes from us 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 our affiliate as defined under Rule 405 of 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 us, 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 us with a signed acknowledgement of this obligation.

Consequences If You Do Not Exchange Your Old Notes..... 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:

- 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..... The exchange offer is subject to certain conditions, which we may waive, as described below under "The Exchange Offer -- Conditions to the Exchange Offer."

Procedures for Tendering Old Notes..... If you wish to accept the exchange offer, the following must be delivered to the exchange agent:

- 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.

These actions must be completed before the expiration of the exchange offer.

You must comply with DTC's standard procedures for electronic tenders, by which you will agree to be bound by the letter of transmittal.

Guaranteed Delivery Procedures for Tendering Old Notes..... 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."

Withdrawal Rights..... You may withdraw your tender of old notes any time before the exchange offer expires.

Tax Consequences..... 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."

Use of Proceeds..... We will not receive any proceeds from the exchange or the issuance of new notes in connection with the exchange offer.

Exchange Agent..... 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."

THE NEW NOTES

Issuer.....	The new notes will be the obligations of AIG.
The New Notes.....	- \$500,000,000 of 2.875% Notes Due 2008; and - \$1,000,000,000 of 4.250% Notes Due 2013. The form and terms of the new notes are the same as the form and terms of the old notes of that series, except that: - 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. The same indenture, as supplemented on May 15, 2003, 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.
Maturity Dates.....	May 15, 2008 for the 2.875% Notes Due 2008. May 15, 2013 for the 4.250% Notes Due 2013.
Interest Payment Dates.....	May 15 and November 15, commencing on May 15, 2004.
Optional Redemption.....	Like the old notes, the new notes are redeemable at our option 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 our unsecured obligations and will rank equally with all of our other unsecured and unsubordinated and senior indebtedness.
Further Issues.....	We may create and issue further notes of either series ranking equally and ratably with the new notes of that series in all respects, so that those further notes would be consolidated and form a single series with the new notes of that series.
Trustee.....	The Bank of New York

SELECTED FINANCIAL INFORMATION

The following selected consolidated financial data, which has been restated to give retroactive effect to AIG's acquisitions of American General Corporation and SunAmerica Inc. on a pooling of interests basis, is presented in accordance with generally accepted accounting principles. This data should be read in conjunction with the financial statements and accompanying notes included in AIG's Annual Report on Form 10-K for the year ended December 31, 2003, which is incorporated by reference herein.

YEARS ENDED DECEMBER 31, 2003	2002	2001	2000	1999

--- (IN MILLIONS, EXCEPT PER SHARE AMOUNTS)				
Revenues(a): Premiums and other considerations.....	\$ 54,613	\$ 44,589	\$ 38,428	\$ 34,570
Net investment income.....	16,662	15,034	13,977	12,663
Realized capital gains (losses).....	(1,433)	(2,441)	(836)	(314)
Other revenues.....	11,461	10,300	10,197	9,419
Total revenues.....	81,303	67,482	61,766	56,338
Benefits and expenses: Incurred policy losses and benefits.....	46,886	41,927	35,054	30,864
Insurance acquisition and other operating expenses.....	20,509	17,413	16,556	15,136
Acquisition, restructuring and related charges.....	2,017	315	-	-
Total benefits and expenses.....	67,395	59,340	53,627	46,315
Income before income taxes, minority interest and cumulative effect of accounting changes(b).....	13,908	8,142	8,139	10,023
Income taxes.....	4,264	2,328	2,339	2,971
Income before minority interest and cumulative effect of accounting changes... ..	9,644	5,814	5,800	7,052
Minority interest.....	(379)	(295)	(301)	(413)
Income before cumulative effect of accounting changes.....	9,265	5,519	5,499	6,639
Cumulative effect of accounting changes, net of tax.....	9	(136)	-	-
Net income.....	9,274	5,519	5,363	6,639
Earnings per common share(c): Basic Income before cumulative effect of accounting changes.....	3.55	2.11	2.10	2.55
Cumulative effect of accounting changes, net of tax.....	(0.05)	-	-	-
Net income.....	3.55	2.11	2.05	2.55
Diluted Income before cumulative effect of accounting changes.....	3.53	2.10	2.07	2.52
Cumulative effect of accounting changes, net of tax.....	(0.05)	-	-	-
Net income.....	3.53	2.10	2.02	2.52
Cash dividends per common share(d).....	.22	.18	.16	.14
Total assets.....	678,346	561,229	493,061	426,671
Long-term debt(e) Guaranteed by AIG.....	6,427	5,539	2,370	1,968
Matched/not guaranteed by AIG.....	64,913	57,514	48,300	38,906
Commercial paper Guaranteed by				

AIG.....	1,223	1,645	
3,370	1,565	1,363	Not guaranteed by
AIG.....	4,715	7,467	8,522
11,482	8,718		Shareholders'
equity.....		71,253	
59,103	52,150	47,439	39,641

- -----
(a) Represents the sum of general insurance net premiums earned, GAAP life premiums, net investment income, financial services commissions, transaction and other fees, retirement savings & asset management commissions and other fees, and realized capital gains (losses).

(b) Includes net loss reserve charge of \$2.8 billion in 2002 and World Trade Center losses of \$900 million in 2001.

(c) Per share amounts for all periods presented have been retroactively adjusted to reflect all stock dividends and splits and reflect the adoption of the Statement of Financial Accounting Standards No. 128 "Earnings per Share."

(d) Cash dividends have not been restated to reflect dividends paid by American General Corporation which was acquired by AIG on August 29, 2001.

(e) Including the portion of long-term debt maturing in less than one year.

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.

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.

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth (i) the historical ratios of earnings to fixed charges of AIG and its consolidated subsidiaries and (ii) the secondary historical ratios of earnings to fixed charges of AIG and its consolidated subsidiaries, in each case 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 year ended December 31, 2003, which is incorporated by reference into this prospectus as described under "Where You Can Find More Information."

YEAR ENDED DECEMBER 31,					

-----	2003	2002			
2001	2000	1999	----	----	
-	-----	-----	-----	-----	Ratio
					of earnings to fixed
charges.....					charges.....
3.34	2.50	2.43	2.96		
3.37					Secondary ratio of
					earnings to fixed
charges.....	7.53				charges.....
4.85	4.48	5.34	5.75		

The secondary ratio is disclosed for the convenience of fixed income investors and the rating agencies that serve them and is more comparable to the ratios disclosed by other issuers of fixed income securities. The secondary ratio removes interest credited to guaranteed investment contract, or GIC, policyholders and guaranteed investment agreement, or GIA, contractholders. Such expenses are also removed from earnings used in this calculation. GICs and GIAs are entered into by AIG's insurance subsidiaries, principally SunAmerica Life Insurance Company and AIG Financial Products Corp. and its subsidiaries, respectively. The proceeds from GICs and GIAs are invested in a diversified portfolio of securities, primarily investment grade bonds. The assets acquired yield rates greater than the rates on the related policyholders obligation or contract, with the intent of earning a profit from the spread.

Earnings represent:

- Income from operations before income taxes and adjustments for minority interest

plus

- Fixed charges other than capitalized interest
- Amortization of capitalized interest
- The distributed income of equity investees

less

- The minority interest in pre-tax income of subsidiaries that do not have fixed charges.

Fixed charges include:

- Interest, whether expensed or capitalized
- Amortization of debt issuance costs
- One-third of rental expense. 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. See "Where You Can Find More Information" for information on how you can obtain copies of the exchange and registration rights agreement and the letter of transmittal.

PURPOSE AND EFFECT OF EXCHANGE OFFER; REGISTRATION RIGHTS

We are offering to exchange our 2.875% Notes Due 2008 and 4.250% Notes Due 2013, which have been registered under the Securities Act and which we refer to as the new notes, for our outstanding 2.875% Notes Due 2008 and 4.250% Notes Due 2013, 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 Citigroup Global Markets Inc., Banc of America Securities LLC and Goldman, Sachs & Co., whom we refer to as the initial purchasers, on May 15, 2003 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 May 15, 2003, 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.

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 of that series 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.

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, each series of 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 _____, 2004. 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 offer 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 - 7 East
New York, NY 10286
Attention: Ms. Diane Amoroso
Telephone: (212) 815-3738

By Facsimile Transmission:
(212) 298-1915

Attention: Ms. Diane Amoroso
Confirm by telephone:
(212) 815-3738

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 on May 15, 2003. 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 denominations of \$1,000 and integral multiples thereof and will be represented by global notes 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 two separate series, which we refer to as the 5 year notes and the 10 year notes. The new 5 year notes and the new 10 year notes will be identical in all material respects to the old 5 year notes and the old 10 year notes, respectively, 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 5 year notes and the old 5 year notes and the new 10 year notes and the old 10 year notes will each 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 of that series. We refer to the old notes and the new notes of each series collectively as the 5 year notes and the 10 year notes.

PRINCIPAL, MATURITY AND INTEREST

The new 5 year notes will be issued in an aggregate principal amount of up to \$500,000,000 and the new 10 year 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 each such principal amount in the future on the same terms and conditions and with the same CUSIP numbers as notes of that series being offered in this prospectus.

The new 5 year notes will bear interest at 2.875% per annum and will mature on May 15, 2008. The new 10 year notes will bear interest at 4.250% per annum and will mature on May 15, 2013. Interest on the new 5 year notes and the new 10 year notes will be payable semiannually in arrears on May 15 and November 15 of each year to holders of record on the immediately preceding May 1 and November 1. 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 each series of 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

- 10 basis points in the case of the 5 year notes, or
- 12.5 basis points in the case of the 10 year notes

plus, in each case, 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 Citigroup Global Markets Inc., Banc of America Securities LLC or Goldman, Sachs & Co., 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 a series of notes is 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 \$1,000 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 of that series whose consent is needed to modify or amend the indenture;
- reduce the percentage of holders of notes of that series 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 66 2/3% of the principal amount of that series. 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 series 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 a particular series, that vote or action may be taken only by persons who are holders of outstanding notes of that series 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. As of December 31, 2003, there were no subsidiaries of AIG with assets, determined in accordance with generally accepted accounting principles as in effect on that date, in excess of 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 of either series, 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 of that series 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 of that series 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 of either series. 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 of that series. 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 of that series 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 of that series 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 a series of notes, the following provisions of the indenture and the notes of that series 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 a series of notes, you can still look to us for repayment of the notes of that series 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 each series of notes, any of the following:

- We do not pay the principal or any premium on any note of that series on its due date.
- We do not pay interest on any note of that series 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 of that series.
- 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 notes of a series, the trustee or the holders of at least 25% in principal amount of the notes of that series may declare the entire principal amount of all the notes of that series to be due and immediately payable. This is called a declaration of acceleration of maturity. However, a declaration of acceleration of maturity may be cancelled, but only before a judgment or decree based on the acceleration has been obtained, by the holders of at least a majority in principal amount of the notes of that series.

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 reasonable indemnity is provided, the holders of a majority in principal amount of the outstanding notes of the relevant series may direct the time, method and place of conducting any lawsuit or other formal legal action seeking any remedy available to the trustee. These majority holders may also direct the trustee in performing any other action under the indenture with respect to the notes of that series.

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 of that series must make a written request that the trustee take action because of the default, and must offer reasonable indemnity to the trustee against the cost and other liabilities of taking that action; 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

Upon issuance, all new notes will be represented by a single global note. Each global note will be deposited on behalf of DTC, and registered in the name of Cede & Co., which we refer to as Cede, as DTC's nominee. Beneficial interests in the global notes will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in DTC, which we refer to as DTC participants. Investors may elect to hold interests in the global securities through either DTC in the United States, or Euroclear System ("Euroclear") or Clearstream Banking, societe anonyme, Luxembourg ("Clearstream") in Europe if they are participants of those systems, or, indirectly, through organizations that are participants in those systems. Clearstream and Euroclear will hold interests on behalf of their participants through customers' securities accounts in Clearstream's and Euroclear's names on the books of their respective depositories, which in turn will hold such interests in customers' securities accounts in the depositories' names on the books of DTC. 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.

Clearstream has advised us that it is incorporated under the laws of Luxembourg as a professional depository. Clearstream holds securities for its participating organizations, which we refer to as Clearstream participants, and facilitates the clearance and settlement of securities transactions between Clearstream participants through electronic book-entry changes in accounts of Clearstream participants, thereby eliminating the need for physical movement of certificates. Clearstream provides to Clearstream participants, among

other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream interfaces with domestic markets in several countries. As a professional depository, Clearstream is subject to regulation by the Luxembourg Monetary Institute. Clearstream participants are recognized financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. Indirect access to Clearstream is also available to others, such as banks, brokers, dealers and trust companies that clear through, or maintain a custodial relationship with, a Clearstream participant either directly or indirectly.

Distributions with respect to the new notes held beneficially through Clearstream will be credited to cash accounts of Clearstream participants in accordance with its rules and procedures, to the extent received by the U.S. depository for Clearstream.

Euroclear has advised us that it was created in 1968 to hold securities for its participants, which we refer to as Euroclear participants, and to clear and settle transactions between Euroclear participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear provides various other services, including securities lending and borrowing and interfaces with domestic markets in several countries. The Euroclear System is operated by Euroclear Bank S.A./N.V., a bank incorporated under the laws of the Kingdom of Belgium as the Euroclear operator.

The Euroclear operator holds securities and book-entry interests in securities for participating organizations and facilitates the clearance and settlement of securities transactions between Euroclear participants, and between Euroclear participants and participants of certain other securities intermediaries through electronic book-entry changes in accounts of such participants or other securities intermediaries.

The Euroclear operator provides Euroclear participants, among other things, with safekeeping, administration, clearance and settlement, securities lending and borrowing, and related services.

Non-participants of Euroclear may hold and transfer book-entry interests in the securities through accounts with a direct participant of Euroclear or any other securities intermediary that holds a book-entry interest in the securities through one or more securities intermediaries standing between such other securities intermediary and the Euroclear operator.

Securities clearance accounts and cash accounts with the Euroclear operator are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System, and applicable Belgian law. These terms and conditions govern transfers of securities and cash within Euroclear, withdrawals of securities and cash from Euroclear, and receipts of payments with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear operator acts under the terms and conditions only on behalf of Euroclear participants, and has no record of, or relationship with, persons holding through Euroclear participants.

Distributions with respect to each series of notes held beneficially through Euroclear will be credited to the cash accounts of Euroclear participants in accordance with the terms and conditions, to the extent received by the U.S. depository for Euroclear.

The trustee (or any registrar or paying agent) will not have any responsibility for the performance by DTC, Euroclear or Clearstream or any DTC participants, Clearstream participants or Euroclear participants of their respective obligations under the rules and procedures governing their operations. 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.

Neither we, the trustee, any paying agent nor the registrar 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.

Title to book-entry interests in the new notes will pass by book-entry registration of the transfer within the records of Clearstream, Euroclear or DTC, as the case may be, in accordance with their respective procedures. Book-entry interests in the new notes may be transferred within Clearstream and within Euroclear and between Clearstream and Euroclear in accordance with procedures established for these purposes by Clearstream and Euroclear. Book-entry interests in the new notes may be transferred within DTC in accordance with procedures established for this purpose by DTC. Transfers of book-entry interests in the new notes among Clearstream and Euroclear and DTC may be effected in accordance with procedures established for this purpose by Clearstream, Euroclear and DTC.

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 of a series 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 of a series 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 denominations of \$1,000 and integral multiples 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.

GLOBAL CLEARANCE AND SETTLEMENT 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. Secondary market trading between Clearstream participants and Euroclear participants will occur in the ordinary way in accordance with the applicable rules and operating procedures of Clearstream and Euroclear and will be settled using the procedures applicable to conventional eurobonds in immediately available funds.

Cross-market transfers between DTC, on the one hand, and directly or indirectly through Euroclear or Clearstream participants, on the other, will be effected in DTC in accordance with DTC rules on behalf of Euroclear or Clearstream, as the case may be, by its respective depository; however, such cross-market transactions will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counterparty in such system in accordance with its rules and procedures and within its established deadlines. Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its U.S. depository to take action to effect final settlement on its behalf by delivering or receiving beneficial interests in the relevant global note in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Clearstream participants and Euroclear participants may not deliver instructions directly to the depositories for Clearstream and Euroclear.

Because of time zone differences, the securities account of a Euroclear Participant or Clearstream Participant purchasing a beneficial interest in a global note from a Participant will be credited during the securities settlement processing day immediately following the DTC settlement date and such credit of any transactions in beneficial interests in such global note settled during such processing will be reported to the relevant Euroclear Participant or Clearstream Participant on such business day. Cash received in Euroclear or Clearstream as a result of sales of beneficial interests in a global note by or through a Euroclear Participant or Clearstream Participant to a DTC Participant will be received with value on the DTC settlement date but will be available in the relevant Euroclear or Clearstream cash account only as of the business day following settlement in DTC.

Although DTC, Clearstream and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of securities among participants of DTC, Clearstream and Euroclear, they are under no obligation to perform or continue to perform such procedures and they may discontinue the procedures at any time.

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.

INDEPENDENT ACCOUNTANTS

The consolidated financial statements and financial statement schedules of AIG and its subsidiaries incorporated in this prospectus by reference to AIG's Annual Report on Form 10-K for the year ended December 31, 2003 have been so incorporated in reliance on the report by PricewaterhouseCoopers LLP, independent accountants, given on the authority of that firm as experts in auditing and accounting.

AMERICAN INTERNATIONAL GROUP, INC.

OFFER TO EXCHANGE UP TO
\$500,000,000 2.875% NOTES DUE 2008 AND
\$1,000,000,000 4.250% NOTES DUE 2013
WHICH HAVE BEEN REGISTERED UNDER THE
SECURITIES ACT OF 1933
FOR
ANY AND ALL OUTSTANDING
2.875% NOTES DUE 2008 AND
4.250% NOTES DUE 2013

PROSPECTUS

, 2004

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 facts or events arising after the effective date for the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement; 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;

provided, however, that paragraphs (1)(i) and (1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Securities and Exchange Commission by the Registrant pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in this 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 of 1933, as amended, the Registrant has duly caused this Amendment No. 1 to the 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 22nd day of March, 2004.

AMERICAN INTERNATIONAL GROUP, INC.

By: /s/ MARTIN J. SULLIVAN

Name: Martin J. Sullivan

Title: Vice Chairman and
Co-Chief Operating
Officer

Pursuant to the requirements of the Securities Act of 1933, this Amendment No. 1 to the Registration Statement has been signed by the following persons in the capacities and on the date indicated.

SIGNATURE
TITLE DATE --

----- *
Chairman,
Chief
Executive
March 22,
2004 -----

- Officer (M.
R. Greenberg)
and Director
(Principal
Executive
Director) *
Vice
Chairman,
Chief
Financial
March 22,
2004 -----

- Officer,
Chief
Administrative
(Howard I.
Smith)
Officer and
Director
(Principal
Financial
Officer) *
Vice
President and
Comptroller
March 22,
2004 -----

- (Principal
Accounting
Officer)
(Michael J.
Castelli)
Director ----

----- (M.

Bernard
Aidinoff) *
Director
March 22,
2004 -----

- (Pei-yuan
Chia) *
Director
March 22,
2004 -----

- (Marshall
A. Cohen)
Director ----

(William S.
Cohen) *
Director
March 22,
2004 -----

- (Martin S.
Feldstein)
Director ----

----- (Ellen
V. Futter) *
Director
March 22,
2004 -----

- (Carla A.
Hills)

SIGNATURE
TITLE DATE

* Director
March 22,
2004 -----

--- (Frank
J.
Hoenemeyer)
* Director
March 22,
2004 -----

(Richard
C.
Holbrooke)
/s/ MARTIN
J.
SULLIVAN
Director
March 22,
2004 -----

(Martin J.
Sullivan)
Director -

(Edward
S.W. Tse)
* Director
March 22,
2004 -----

--- (Jay
S.
Wintrob) *
Director
March 22,
2004 -----

--- (Frank
G. Wisner)
* Director
March 22,
2004 -----

--- (Frank
G. Zarb)

*By: /s/ MARTIN J. SULLIVAN

Martin J. Sullivan, as attorney-in-fact

EXHIBITS INDEX

EXHIBIT NUMBER	DESCRIPTION	LOCATION
-----	-----	-----
-----	3.1 Restated Certificate of Incorporation by reference to Exhibit AIG 3(i) to AIG's Annual Report on Form 10-K for the year ended December 31, 1996 (File No. 1-8787)	3.2 Certificate of Amendment of Certificate Incorporated by reference to Exhibit 3(i) of Incorporation of AIG, filed June 3, to AIG's Quarterly Report on Form 10-Q 1998 for the quarter ended June 30, 1998 (file No. 1-8787)
3.3	Certificate of Merger of Sun America Inc. Incorporated by reference to Exhibit 3(i) with and into AIG, filed December 30, to AIG's Annual Report on Form 10-K for 1998 and effective January 1, 1999 the year ended December 31, 1998 (File No. 1-8787)	3.4
3.4	Certificate of Amendment to Certificate Incorporated by reference to Exhibit of Incorporation of AIG, filed June 5, 3(i) (c) to AIG's Registration Statement 2000 on Form S-4 (File No. 333-45828)	3.5
3.5	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, 2000 (File No. 1-8787)	4.1
4.1	Indenture, dated as of July 15, 1989, Incorporated by reference to Exhibit 4 to between AIG and The Bank of New York, as AIG's Registration Statement on Form S-3 Trustee (File No. 33-25291)	4.2
4.2	First Supplemental Indenture, dated as of Previously filed May 15, 2003, between AIG and The Bank of New York, as Trustee, including the form of note	5.1
5.1	Validity Opinion of Sullivan & Cromwell Filed herewith LLP 12 Statement regarding computation of ratios Incorporated by reference to Exhibit	

12 of earnings to
fixed charges to
AIG's Annual Report
on Form 10-K for the
year ended December
31, 2003 (File No. 1-
8787) 23.1 Consent of
PricewaterhouseCoopers
LLP, Filed herewith
independent
accountants for AIG
23.3 Consent of
Sullivan & Cromwell
LLP Included in
Exhibit 5.1 24 Powers
of Attorney
Previously filed 25.1
Form T-1 Statement of
Eligibility under
Filed herewith the
Trust Indenture Act
of 1939 of The Bank
of New York, as
Trustee 99.1 Form of
Letter of Transmittal
Filed herewith 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
Filed herewith from
Beneficial Owner 99.6
Form of Exchange
Agent Agreement Filed
herewith

March 22, 2004

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 \$500,000,000 principal amount of 2.875% Notes Due 2008 (the "5-Year Notes") and \$1,000,000,000 principal amount of 4.250% Notes Due 2013 (together with the 5-Year Notes, 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, and the First Supplemental Indenture, dated as of May 15, 2003 (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 Company's Registration Statement on Form S-4 (File No. 333-107945) (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 2.875% Notes Due 2008 and 4.250% of Notes Due 2013 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 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,

/s/ Sullivan & Cromwell LLP

Consent of Independent Accountants

We hereby consent to the incorporation by reference in this Registration Statement on Form S-4 of our report dated February 11, 2004 relating to the consolidated financial statements and financial statement schedules of American International Group, Inc., which appears in its Annual Report on Form 10-K for the year ended December 31, 2003. We also consent to the references to us under the heading "Independent Accountants" in such Registration Statement.

/s/ PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

New York, New York
March 22, 2004

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

American International Group, Inc.
(Exact name of obligor as specified in its charter)

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

2.875% Notes Due 2008
4.250% Notes Due 2013
(Title of the indenture securities)

=====

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

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

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

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

Yes.

2. AFFILIATIONS WITH OBLIGOR.

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

None.

16. LIST OF EXHIBITS.

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

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

SIGNATURE

Pursuant to the requirements of the Act, the Trustee, The Bank of New York, a corporation organized and existing under the laws of the State of New York, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in The City of New York, and State of New York, on the 4th day of March, 2004.

THE BANK OF NEW YORK

By: /s/ VAN K. BROWN

Name: VAN K. BROWN
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 December 31,
 2003, published in accordance with a call made by the Federal Reserve Bank of
 this District pursuant to the provisions of the Federal Reserve Act.

ASSETS	Dollar Amounts In Thousands
- - - - -	-----
Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coin	\$ 3,752,987
Interest-bearing balances	7,153,561
Securities:	
Held-to-maturity securities	260,388
Available-for-sale securities	21,587,862
Federal funds sold and securities purchased under agreements to resell	
Federal funds sold in domestic offices	165,000
Securities purchased under agreements to resell	2,804,315
Loans and lease financing receivables:	
Loans and leases held for sale	557,358
Loans and leases, net of unearned income	36,255,119
LESS: Allowance for loan and lease losses	664,233
Loans and leases, net of unearned income and allowance	35,590,886
Trading Assets	4,892,480
Premises and fixed assets (including capitalized leases)	926,789
Other real estate owned	409
Investments in unconsolidated subsidiaries and associated companies	277,788
Customers' liabilities to this bank on acceptances outstanding	144,025
Intangible assets	
Goodwill	2,635,322
Other intangible assets	781,009
Other assets	7,727,722

Total assets	\$89,257,901
	=====

LIABILITIES

Deposits:	
In domestic offices	\$33,763,250
Noninterest-bearing	14,511,050
Interest-bearing	19,252,200
In foreign offices, Edge and Agreement subsidiaries, and IBFs	22,980,400
Noninterest-bearing	341,376
Interest-bearing	22,639,024
Federal funds purchased and securities sold	
under agreements to repurchase	
Federal funds purchased in domestic offices	545,681
Securities sold under agreements to repurchase	695,658
Trading liabilities	2,338,897
Other borrowed money:	
(includes mortgage indebtedness and obligations under capitalized leases)	11,078,363
Bank's liability on acceptances executed and outstanding	145,615
Subordinated notes and debentures	2,408,665
Other liabilities	6,441,088

Total liabilities	\$80,397,617
	=====
Minority interest in consolidated subsidiaries	640,126
EQUITY CAPITAL	
Perpetual preferred stock and related surplus	0
Common stock	1,135,284
Surplus	2,077,255
Retained earnings	4,955,319
Accumulated other comprehensive income	52,300
Other equity capital components	0

Total equity capital	8,220,158

Total liabilities minority interest and equity capital	\$89,257,901
	=====

I, Thomas J. Mastro, Senior 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,
Senior 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
Gerald L. Hassell
Alan R. Griffith

Directors

LETTER OF TRANSMITTAL

TO TENDER FOR EXCHANGE

2.875% NOTES DUE 2008; AND

4.250% NOTES DUE 2013

OF

AMERICAN INTERNATIONAL GROUP, INC.

Pursuant to the Prospectus Dated , 2004

THE EXCHANGE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON , 2004 (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 -- 7 East
New York, NY 10286
Attention: Ms. Diane Amoroso

By Facsimile Transmission:

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

Confirm by Telephone
(212) 815-3738

FOR INFORMATION CALL: (212) 815-3738

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 _____, 2004 (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 \$500,000,000 aggregate principal amount of its 2.875% Notes Due 2008 (the "New 5-Year Notes") and \$1,000,000,000 aggregate principal amount of its 4.250% Notes Due 2013 (the "New 10-Year Notes" and, together with the New 5-Year Notes, the "New Notes"), which have been registered under the Securities Act of 1933, as amended (the "Securities Act"), for up to \$500,000,000 aggregate principal amount of its outstanding 2.875% Notes Due 2008 (the "Old 5-Year Notes") and \$1,000,000,000 aggregate principal amount of its outstanding 4.250% Notes Due 2013 (the "Old 10-Year Notes" and, together with the Old 5-Year Notes, 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.

DESCRIPTION
OF OLD
NOTES - --

- (1) (2)
(3) - ----

PRINCIPAL
AMOUNT
NAME(S)
AND
ADDRESS(ES)
OF
REGISTERED
HOLDER(S)
OF
TENDERED
FOR
EXCHANGE
OLD
NOTE(S),
EXACTLY AS
THE NAME
OF THE
PARTICIPANT
(ONLY IF
DIFFERENT
AMOUNT
APPEARS ON
THE BOOK-
ENTRY
TRANSFER
FACILITY'S
FROM
COLUMN
(2))

SECURITY
POSITION
LISTING
AGGREGATE
(MUST BE
IN
INTEGRAL
(PLEASE
FILL IN,
IF BLANK)
PRINCIPAL
AMOUNT
MULTIPLES
OF \$1,000)
(1) - ----

1. Column (3) need not be completed by holders of Old Notes who wish to tender for exchange the principal amount of Old Notes listed in column (2). Completion of column (3) will indicate that the holder of Old Notes wishes to tender for exchange only the principal amount of Old Notes indicated in column (3).

[] 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:

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 _____, 2004 (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 \$500,000,000 aggregate principal amount of its 2.875% Notes Due 2008 (the "New 5-Year Notes") and \$1,000,000,000 aggregate principal amount of its 4.250% Notes Due 2013 (the "New 10-Year Notes" and, together with the New 5-Year Notes, the "New Notes"), which have been registered under the Securities Act of 1933, as amended (the "Securities Act"), for up to \$500,000,000 aggregate principal amount of its outstanding 2.875% Notes Due 2008 (the "Old 5-Year Notes") and \$1,000,000,000 aggregate principal amount of its outstanding 4.250% Notes Due 2013 (the "Old 10-Year Notes" and, together with the Old 5-Year Notes, 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 May 15, 2003, 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 Depositary 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 integral multiples of \$1,000 principal amount. 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 Director of 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

2.875% NOTES DUE 2008; AND

4.250% NOTES DUE 2013

OF

AMERICAN INTERNATIONAL GROUP, INC.

This form must be used by a holder of unregistered 2.875% Notes Due 2008 (the "Old 5-Year Notes") and 4.250% Notes Due 2013 (the "Old 10-Year Notes" and, together with the Old 5-Year Notes, 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 2.875% Notes Due 2008 (the "New 5-Year Notes") and 4.250% Notes Due 2013 (the "New 10-Year Notes" and, together with the New 5-Year Notes, 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 _____, 2004 (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 _____, 2004 (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 - 7 East
New York, NY 10286
Attention: Ms. Diane Amoroso

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

Confirm by Telephone
(212) 815-3738

FOR INFORMATION CALL: (212) 815-3738

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: -----, 2004

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: -----, 2004

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

\$500,000,000 2.875% NOTES DUE 2008; AND

\$1,000,000,000 4.250% NOTES DUE 2013

WHICH HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933

FOR

ALL OUTSTANDING UNREGISTERED

2.875% NOTES DUE 2008; AND

4.250% NOTES DUE 2013

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 \$500,000,000 aggregate principal amount of its 2.875% Notes Due 2008 (the "New 5-Year Notes"), which have been registered under the Securities Act of 1933, as amended (the "Securities Act"), for \$500,000,000 aggregate principal amount of its outstanding unregistered 2.875% Notes Due 2008 (the "Old 5-Year Notes") and up to \$1,000,000,000 aggregate principal amount of its 4.250% Notes Due 2013 (the "New 10-Year Notes" and, together with the New 5-Year Notes, the "New Notes"), which have been registered under the Securities Act, for \$1,000,000,000 aggregate principal amount of its outstanding unregistered 4.250% Notes Due 2013 (the "Old 10-Year Notes" and, together with the Old 5-Year Notes, the "Old Notes"), upon the terms and subject to the conditions set forth in the Prospectus dated _____, 2004 and the related Letter of Transmittal.

Enclosed herewith are copies of the following documents:

1. Prospectus dated _____, 2004;
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 _____, 2004 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 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.

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 -- 7 East

New York, NY 10286

Attention: Ms. Diane Amoroso

By Facsimile: (212) 298-1915

By Telephone: (212) 815-3738

All other questions regarding the Exchange Offer should be addressed to Director of 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

\$500,000,000 2.875% NOTES DUE 2008; AND

\$1,000,000,000 4.250% NOTES DUE 2013

WHICH HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933

FOR

ALL OUTSTANDING UNREGISTERED

\$500,000,000 2.875% NOTES DUE 2008; AND

\$1,000,000,000 4.250% NOTES DUE 2013

To Our Clients:

We are enclosing herewith (i) a Prospectus dated _____, 2004 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 \$500,000,000 aggregate principal amount of its 2.875% Notes Due 2008 (the "New 5-Year Notes") and \$1,000,000,000 aggregate principal amount of its 4.250% Notes Due 2013 (the "New 10-Year Notes" and, together with the New 5-Year Notes, the "New Notes"), which have been registered under the Securities Act of 1933, as amended (the "Securities Act"), for up to \$500,000,000 aggregate principal amount of its outstanding 2.875% Notes Due 2008 (the "Old 5-Year Notes") and \$1,000,000,000 aggregate principal amount of its outstanding 4.250% Notes Due 2013 (the "Old 10-Year Notes" and, together with the Old 5-Year Notes, 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 _____, 2004 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 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

2.875% NOTES DUE 2008; AND

4.250% NOTES DUE 2013

OF

AMERICAN INTERNATIONAL GROUP, INC.

TO DTC PARTICIPANT:

The undersigned hereby acknowledges receipt of the Prospectus dated , 2004 (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 \$1,000 principal amount of 2.875% Notes Due 2008 (the "New 5-Year Notes") and 4.250% Notes Due 2013 (the "New 10-Year Notes" and, together with the New 5-Year Notes, the "New Notes") of the Company for each \$1,000 principal amount of outstanding 2.875% Notes Due 2008 (the "Old 5-Year Notes") and 4.250% Notes Due 2013 (the "Old 10-Year Notes" and, together with the Old 5-Year Notes, 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 5-Year Notes held by you for the account of the undersigned is (fill in amount):

\$ of Old 5-Year Notes

\$ of Old 10-Year 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 5-Year Notes*

\$ of Old 10-Year 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 integral multiples of \$1,000.

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 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

, 2004

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 \$500,000,000 2.875% Notes Due 2008 (the "New Five-Year Notes") and \$1,000,000,000 4.250% Notes Due 2013 (together with the New Five-Year Notes, the "New Notes"), which have been registered under the Securities Act of 1933, as amended (the "Securities Act"), for \$500,000,000 2.875% Notes Due 2008 (the "Old Five-Year Notes") and \$1,000,000,000 4.250% Notes Due 2013 (together with the Old Five-Year Notes, 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 , 2004 (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 , 2004. 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 , 2004 (the "Effective Time") and shall expire at 5:00 p.m., New York City time, on , 2004 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 or terminate the Exchange Offer, and not to accept for exchange any Old Notes not theretofore accepted for exchange, upon the occurrence of any of the conditions of the Exchange Offer specified in the Prospectus under the caption "The Exchange Offer - -- Conditions to the Exchange Offer." The Company will give oral (promptly confirmed in writing) or written notice of any amendment, termination or nonacceptance 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 that 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 at the rate of \$1,000 principal amount of New Notes for each \$1,000 principal amount of the corresponding series of Old Notes tendered 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. You shall issue New Notes only in denominations of \$1,000 or any integral multiple thereof.

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 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 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 teletype number set forth below:

If to the Company:

American International Group, Inc.
70 Pine Street
New York, New York 10270
Telephone: 212-770-6293
Facsimile: 212-742-8764
Attention: Vice President & Treasurer

If to the Exchange Agent:

The Bank of New York
101 Barclay Street
Floor 8 West
New York, NY 10284

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 it hereunder, and 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:

EXHIBIT A

PROSPECTUS AND LETTER OF TRANSMITTAL

NOTICE OF GUARANTEED DELIVERY

SAMPLE REPORT

DATE:
 PREPARED BY:
 ADMIN:

EXCHANGE OFFER. REPORT #

AMERICAN INTERNATIONAL GROUP, INC.
 2.875% NOTES DUE 2008
 CUSIP: 026874AR8
 PRINCIPAL AMOUNT: \$500,000,000

EXPIRATION DATE:

A T O P S U B M I S S I O N S

PARTICIPANTS -----	DTC # -----	QUANTITY PRESENTED -----
TOTAL DTC PARTICIPANTS PRESENTED =		-----
DTC PARTICIPANTS		\$
GUARANTEE DELIVERY		\$
WITHDRAWALS		
TOTAL A/O [DATE] =		----- \$

4.250% NOTES DUE 2013
 CUSIP: 026874AT4
 PRINCIPAL AMOUNT: \$1,000,000,000

A T O P S U B M I S S I O N S

PARTICIPANTS -----	DTC # -----	QUANTITY PRESENTED -----
TOTAL DTC PARTICIPANTS PRESENTED =		-----
DTC PARTICIPANTS		\$
GUARANTEE DELIVERY		\$
WITHDRAWALS		
TOTAL A/O [DATE] =		----- \$