

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

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

OMB APPROVAL

OMB Number: 3235-0287

Estimated average burden hours per response: 0.5

1. Name and Address of Reporting Person * <u>SMITH HOWARD I</u> (Last) (First) (Middle) <u>AMERICAN INTERNATIONAL GROUP, INC.</u> <u>70 PINE STREET</u> (Street) <u>NEW YORK</u> <u>NY</u> <u>10270</u> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>AMERICAN INTERNATIONAL GROUP INC [(AIG)]</u> 3. Date of Earliest Transaction (Month/Day/Year) <u>11/25/2003</u> 4. If Amendment, Date of Original Filed (Month/Day/Year)	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Vice Chairman, CFO & CAO</u> 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person
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Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	11/25/2003		M		6,329	A	\$14.0247	196,269	D	
Common Stock	11/25/2003		M		14,326 ⁽¹⁾	A	\$14.0247	210,595	D	
Common Stock								355.31	I	By 401(k)
Common Stock								18,885,999	I	By Trust ⁽²⁾

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Employee Stock Option (Right to Buy)	\$14.0247	11/25/2003		M			25,312	12/13/1997	12/13/2003	Common Stock	25,312	(3)	0.0000	D	

Explanation of Responses:

1. On November 25, 2003, Mr. Smith exercised options for 18,983 shares using previously owned shares to pay for options granted pursuant to the 1991 Employee Stock Option Plan. This acquisition reflects the number of options exercised less the 4,657 shares surrendered to purchase the option.
2. The reporting person is a trustee of the C.V. Starr & Co., Inc. Trust (the "Starr Trust"). The reporting person may be deemed to be the beneficial owner of, and to have a pecuniary interest in, shares of AIG common stock held by the Starr Trust. The reporting person disclaims the beneficial ownership of, and any pecuniary interest in, the shares of AIG common stock held by the Starr Trust.
3. These options were granted under AIG's 1991 Employee Stock Option Plan. Pursuant to the terms of the plan, 25% of the option becomes exercisable on the anniversary date of the grant in each of the four years following the grant.

By: /s/ Eric N. Litzky, by power of attorney for Howard I. Smith 11/26/2003

** Signature of Reporting Person Date

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

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

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

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