

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

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| OMB APPROVAL | |
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|---|--|---|
| 1. Name and Address of Reporting Person* <u>SCOTT RICHARD WALDO</u> (Last) (First) (Middle) <u>AMERICAN INTERNATIONAL GROUP, INC.</u> <u>70 PINE STREET</u> (Street) <u>NEW YORK NY 10270</u> (City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol <u>AMERICAN INTERNATIONAL GROUP INC [(AIG)]</u> | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Senior Vice President</u> |
| | 3. Date of Earliest Transaction (Month/Day/Year) <u>01/25/2006</u> | |
| 4. If Amendment, Date of Original Filed (Month/Day/Year) | | |

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 | 01/25/2006 | | M | | 1,845 ⁽¹⁾ | A | \$27.12 | 44,980 | D | |
| Common Stock | 01/25/2006 | | M | | 939 ⁽²⁾ | A | \$27.13 | 45,919 | D | |
| Common Stock | | | | | | | | 2,924.41 | I | By 401(k) |
| Common Stock | | | | | | | | 752 | I | By IRA |
| Common Stock | | | | | | | | 1,113 | I | Held by minor child ⁽³⁾ |
| Common Stock | | | | | | | | 587 | I | Held by wife ⁽³⁾ |

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 |
| Employee Stock Option (Right to Buy) | \$27.12 | 01/25/2006 | | M | | 5,719 | | 08/29/2001 | 02/07/2006 | Common Stock | 5,719 | (4) | 0.00 | D | |
| Employee Stock Option (Right to Buy) | \$27.13 | 01/25/2006 | | M | | 2,838 | | 08/29/2001 | 02/07/2006 | Common Stock | 2,838 | (4) | 0.00 | D | |

Explanation of Responses:

- On January 25, 2006, Mr. Scott exercised options for 5,719 shares using previously owned shares to pay for the options pursuant to American General Corporation's option plan. This acquisition reflects the number of options exercised net of the shares used for the exercise price (2,357 shares) and the taxes (1,517 shares) on the transaction.
- On January 25, 2006, Mr. Scott exercised options for 2,838 shares using previously owned shares to pay for the options pursuant to American General Corporation's option plan. This acquisition reflects the number of options exercised net of the shares used for the exercise price (1,170 shares) and the taxes (729 shares) on the transaction.
- Beneficial ownership is disclaimed.
- These options were granted under American General Corporation's employee 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.

Remarks:

By: /s/ Eric N. Litzky, by 01/26/2006
 power of attorney for

** Signature of Reporting Person Date

* 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.

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