MARTIN RODNEY O JR
Form 4
September 01, 2010

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
MARTIN RODNEY O JR

(Last) (First) (Middle)

AMERICAN INTERNATIONAL GROUP, INC., 70 PINE ST

(Street)

NEW YORK, NY 10270

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
AMERICAN INTERNATIONAL GROUP INC [AIG]

3. Date of Earliest Transaction (Month/Day/Year)
08/30/2010

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
Executive Vice President

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. 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			

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

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

1. Title of Derivative	2. Conversion	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if	4. Transaction	5. Number of Derivative	6. Date Exercisable and Expiration Date	7. Title and Amount o Underlying Securities

Security (Instr. 3)	or Exercise Price of Derivative Security	any (Month/Day/Year)	Code (Instr. 8)	Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		(Month/Day/Year)		(Instr. 3 and 4)	
			Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Long-Term Performance Units	$ 34 (1)	08/30/2010	A	864.5238 (2)		(2)	(3)	Common Stock	864.52

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MARTIN RODNEY O JR AMERICAN INTERNATIONAL GROUP, INC. 70 PINE ST NEW YORK, NY 10270			Executive Vice President	

Signatures

Kathleen E. Shannon, by POA for Rodney O. Martin Jr.	09/01/2010
**Signature of Reporting Person	Date

Explanation of Responses:

***** 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).

(1) Represents AIG's share price on the date of grant; these securities do not carry a conversion or exercise price.

(2) This award represents the portion of a grant of fully vested LPTUs that is based on the value of common stock, net of the value of 25.1821 shares withheld for taxes. The LTPUs are based on a mix of common stock and AIG's 8.175% Series A-6 Junior Subordinated Debentures (the "Hybrid Securities"), and represent 20 percent common stock and 80 percent Hybrid Securities, by value, on the date of grant. One third of the award will be payable in cash based on the values of the underlying securities on the first anniversary of the grant date, one third based on the values on the second anniversary and one third based on the values on the third anniversary. The Reporting Person disclaims that the reported portion of the LTPUs is a "derivative security" required to be reported under Section 16 of the Securities Exchange Act of 1934.

(3) These securities do not have an exercisable date or expiration date.

(4) These securities do not carry a conversion or exercise price.

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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