

AMERICAN INTERNATIONAL GROUP INC

Form 8-K

May 23, 2008

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM 8-K  
CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934  
Date of Report (Date of earliest event reported): May 21, 2008  
AMERICAN INTERNATIONAL GROUP, INC.**

(Exact name of registrant as specified in its charter)

<b>Delaware</b>	<b>1-8787</b>	<b>13-2592361</b>
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

**70 Pine Street  
New York, New York 10270**  
(Address of principal executive offices)

Registrant's telephone number, including area code: **(212) 770-7000**

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions ( see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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On May 21 and 22, 2008, the major rating agencies took actions regarding the credit ratings of American International Group, Inc. ( AIG ) and its subsidiaries, summarized as follows:

Moody's Investors Service ( Moody's ) downgraded AIG's long-term debt rating from Aa2 to Aa3 and removed it from under review status. The outlook on the long-term debt rating is negative. Also, Moody's downgraded the financial strength ratings of many of AIG's insurance subsidiaries by one notch to either Aa2 or Aa3. The outlook on the financial strength ratings is stable. The Moody's ratings of certain other AIG subsidiaries remain on under review status.

Standard & Poor's Rating Services, a division of the McGraw Hill Companies ( S&P ), affirmed AIG's AA- long-term debt rating and removed it from CreditWatch Negative. The outlook on AIG's counterparty credit rating is negative. Also, S&P maintained the AA+ financial strength ratings on AIG's insurance subsidiaries. The outlook on the financial strength ratings is negative.

Fitch Ratings ( Fitch ) affirmed AIG's AA- long-term debt rating and removed it from Rating Watch Negative. The outlook on the long-term debt rating is negative. Also, Fitch maintained the AA+ financial strength ratings of AIG's insurance subsidiaries. The outlook on the financial strength ratings is negative.

Accordingly, the following table presents the credit ratings of AIG and certain of its subsidiaries as of May 23, 2008. In parentheses, following the initial occurrence in the table of each rating, is an indication of that rating's relative rank within the agency's rating categories. That ranking refers only to the generic or major rating category and not to the modifiers appended to the rating by the rating agencies to denote relative position within such generic or major category.

	Short-term Debt			Senior Long-term Debt		
	Moody's	S&P	Fitch	Moody's ( <i>a</i> )	S&P ( <i>b</i> )	Fitch ( <i>c</i> )
AIG	P-1 (1 <sup>st</sup> of 3)	A-1+ (1 <sup>st</sup> of 6)	F1+ (1 <sup>st</sup> of 5)	Aa3( <i>e</i> ) (2 <sup>nd</sup> of 9)	AA-( <i>f</i> ) (2 <sup>nd</sup> of 8)	AA-( <i>g</i> ) (2 <sup>nd</sup> of 9)
AIG Financial Products Corp. <sup>(d)</sup>	P-1	A-1+		Aa3( <i>e</i> )	AA-( <i>f</i> )	
AIG Funding, Inc. ( <i>d</i> )	P-1	A-1+	F1+			
International Lease Finance Corporation	P-1	A-1 (1 <sup>st</sup> of 6)	F1 (1 <sup>st</sup> of 5)	A1( <i>e</i> ) (3 <sup>rd</sup> of 9)	A+( <i>f</i> ) (3 <sup>rd</sup> of 8)	A (3 <sup>rd</sup> of 9)
American General Finance Corporation	P-1	A-1	F1	A1( <i>e</i> )	A+( <i>f</i> )	A
American General Finance, Inc.	P-1	A-1	F1			A

(a) Moody's appends numerical modifiers 1, 2 and 3 to the generic rating categories to show relative

*position within  
rating  
categories.*

*(b) S&P ratings  
may be modified  
by the addition  
of a plus or  
minus sign to  
show relative  
standing within  
the major rating  
categories.*

*(c) Fitch ratings  
may be modified  
by the addition  
of a plus or  
minus sign to  
show relative  
standing within  
the major rating  
categories.*

*(d) AIG guarantees  
all obligations  
of AIG  
Financial  
Products Corp.  
and AIG  
Funding, Inc.*

*(e) Negative  
outlook. A  
negative outlook  
by Moody's  
indicates that a  
rating may be  
lowered but is  
not necessarily  
a precursor of a  
ratings change.*

*(f) Negative  
outlook on  
Counterparty  
Credit Ratings  
or Corporate  
Credit Ratings.  
A negative  
outlook by S&P*

*indicates that a rating may be lowered but is not necessarily a precursor of a ratings change.*

- (g) *Negative outlook on Issuer Default and Senior Unsecured Debt Ratings. A negative outlook by Fitch indicates that a rating may be lowered but is not necessarily a precursor of a ratings change.*
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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**AMERICAN INTERNATIONAL GROUP,  
INC.**

(Registrant)

Date: May 23, 2008

By: /s/ Kathleen E. Shannon

Name: Kathleen E. Shannon

Title: Senior Vice President and Secretary