

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

SCHEDULE 13D
Under the Securities Exchange Act of 1934
AMENDMENT NO. 3 (Final Amendment)
AMERICAN BANKERS INSURANCE GROUP, INC.
(Name of Issuer)

COMMON STOCK, \$1.00 PAR VALUE
(Title of Class of Securities)

024456 10 5
(CUSIP Number)

KATHLEEN E. SHANNON
VICE PRESIDENT AND SECRETARY
AMERICAN INTERNATIONAL GROUP, INC.
70 PINE STREET
NEW YORK, NY 10270
TELEPHONE: (212) 770-5123
(Name, address and telephone number of Person Authorized to
Receive Notice and Communications)
March 23, 1998
(Date of Event which Requires Filing of this Statement)

If a filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(b)(3) or (4), check the following box [].
NOTE: Six copies of this statement, including all exhibits, should be filed with the Commission. See Rule 13d-1(a) for other parties to whom copies are to be sent.

1. NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

American International Group, Inc.,
I.R.S. Identification No. 13-2592361

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

- (a) []
- (b) [X]

3. SEC USE ONLY

4. SOURCE OF FUNDS*

Not Applicable

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(a)

[]

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Organized under the laws of the State of Delaware

NUMBER OF	7. SOLE VOTING POWER	
SHARES		0
BENEFICIALLY	8. SHARED VOTING POWER	
OWNED BY		0
EACH	9. SOLE DISPOSITIVE POWER	
REPORTING		0
PERSON	10. SHARED DISPOSITIVE POWER	
WITH		0

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

0

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

[]

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

0.0%

14. TYPE OF REPORTING PERSON

CO, HC

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ITEM 1. SECURITY AND ISSUER

This Amendment No. 3 amends Items 4, 5, 6 and 7 of the Statement on Schedule 13D dated January 16, 1998, as amended by Amendment No. 1 thereto dated January 28, 1998, and as amended by Amendment No. 2 thereto dated March 2, 1998 ("Schedule 13D") previously filed by American International Group, Inc. ("AIG") relating to the shares of Common Stock, par value \$1.00 per share (the "Shares"), of American Bankers Insurance Group, Inc. (the "Issuer").

ITEM 4. PURPOSE OF TRANSACTION

On March 18, 1998, AIG, the Issuer and Cendant Corporation ("Cendant") entered into a Settlement Agreement (the "Settlement Agreement"), pursuant to which AIG agreed to waive, until 2:00 PM on March 23, 1998, certain provisions of the Amended Merger Agreement that precluded the Issuer from terminating the Amended Merger Agreement and entering into a merger agreement with Cendant or another third party before May 20, 1998. The Settlement Agreement further provided that, upon execution of a merger agreement between Cendant and the Issuer, AIG would receive a termination fee of \$100 million from the Issuer, plus merger-related expenses of \$10 million from Cendant.

A copy of the Settlement Agreement is filed as Exhibit 7 hereto and is incorporated by reference herein in its entirety.

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On March 23, 1998, the Issuer, AIG and AIGF, Inc., a Florida corporation and wholly owned subsidiary of AIG, entered into a Termination Agreement (the "Termination Agreement"), pursuant to which the Amended Merger Agreement, the Amended Stock Option Agreement and the Voting Agreement were terminated and thereby became void. Messrs. Landon and Gaston, as shareholders of the Issuer and parties to the Voting Agreement, are third party beneficiaries of the Termination Agreement with respect to the termination of the Voting Agreement. Immediately prior to execution of the Termination Agreement, AIG received payments of \$100 million and \$5 million, respectively, from the Issuer and Cendant in accordance with the terms of the Settlement Agreement.

A copy of the Termination Agreement is attached as Exhibit 8 hereto, and is incorporated by reference herein in its entirety.

Except as contemplated by the Amended Merger Agreement, the Amended Stock Option Agreement, the Voting Agreement, the Settlement Agreement and Termination Agreement, or as otherwise set forth in this Item 4, AIG has no present plans or proposals which relate to or would result in (i) the acquisition by any person of additional securities of the Issuer, or the disposition of securities of the Issuer; (ii) an extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving the Issuer or any of its subsidiaries; (iii) a sale or transfer of a material amount of assets of the Issuer or any of its subsidiaries; (iv) any change in the present Board of Directors or management of the Issuer; (v) any material change in the present capitalization or dividend policy of the Issuer; (vi) any other material change in the Issuer's business or corporate structure; (vii) any change in the Issuer's charter, by-laws or instruments corresponding thereto or other actions which may impede the acquisition of control of the

Issuer by any person; (viii) causing the Shares or Preferred Shares to cease to be listed on the New York Stock Exchange; (ix) the Shares or Preferred Shares becoming eligible for termination of registration pursuant to Section 12(g)(4) of the

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Exchange Act; or (x) any action similar to any of those actions set forth in this Paragraph involving the Shares or Preferred Shares.

ITEM 5. Interest in Securities of the Issuer

As a result of the Termination Agreement AIG as of the date hereof may no longer be deemed to own beneficially more than 5% of the outstanding Shares of the Issuer. Accordingly, this Amendment No. 3 is the final amendment to the Schedule 13D.

ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER

Other than the Settlement Agreement and the Termination Agreement described in the response to Item 4 (which response is incorporated herein by reference) and the transactions contemplated thereby, there are no contracts, arrangements, understandings or relationships between AIG and any other person, or, to the best knowledge of AIG, among any of SICO, The Starr Foundation, Starr or any of the Covered Persons and any other person, with respect to the Shares.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS

Exhibit 7 Settlement Agreement, dated as of March 18, 1998, by and among the Issuer, AIG and Cendant (incorporated by reference to Exhibit 38 to the Issuer's Solicitation/Recommendation Statement on Schedule 14D-9 filed on March 19, 1998).

Exhibit 8 Termination Agreement, dated as of March 19, 1998, by and among the Issuer, AIG and AIGF, Inc., a Florida corporation and a wholly owned subsidiary of AIG.

SIGNATURE

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After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: March 23, 1998

American International Group, Inc.

By: /s/ Kathleen E. Shannon

Name: Kathleen E. Shannon
Title: Vice President and Secretary

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TERMINATION AGREEMENT

TERMINATION AGREEMENT, made and entered into as of the 23rd day of March, 1998, by and among American Bankers Insurance Group, Inc., a Florida corporation (the "Company"), American International Group, Inc., a Delaware corporation ("Parent") and AIGF, Inc., a Florida corporation and a wholly-owned subsidiary of Parent ("Merger Subsidiary").

WHEREAS, the Company, Parent and Merger Subsidiary are parties to that certain Amended and Restated Agreement and Plan of Merger, dated as of December 21, 1997, as amended and restated as of January 7, 1998, as amended by Amendment No. 1 dated as of January 28, 1998, and as amended and restated as of February 28, 1998 (the "Merger Agreement");

WHEREAS, the Company and Parent are parties to that certain Stock Option Agreement, dated as of December 21, 1997, as amended and restated as of February 28, 1998 (the "Stock Option Agreement");

WHEREAS, Parent and certain stockholders of the Company are parties to that certain Voting Agreement, dated as of December 21, 1998 (the "Voting Agreement");

WHEREAS, the Company and Parent have entered into that certain Settlement Agreement, dated as of March 18, 1998, by and among the Company, Parent and Cendant Corporation, a Delaware corporation (the "Settlement Agreement");

NOW, THEREFORE, the parties hereto hereby agree as follows:

1. Termination of Merger Agreement, Stock Option Agreement and Voting Agreement.

(a) The parties hereto each expressly agree that the Merger Agreement, the Stock Option Agreement and the Voting Agreement are hereby terminated in accordance with the terms of the Settlement Agreement.

(b) Notwithstanding Section 9.1 of the Merger Agreement, as a result of the termination of the Merger Agreement, the Stock Option Agreement and the Voting Agreement pursuant hereto, the Merger Agreement, the Stock Option Agreement and the Voting Agreement shall each become void, and no obligations or provisions thereunder shall survive such termination.

2. Further Assurances. The parties hereto each hereby agree to perform any further acts and to execute and deliver any documents which may be reasonably necessary to carry out the provisions of this Termination Agreement.

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3. Third Party Beneficiaries. The parties hereto each hereby agree that R. Kirk Landon and Gerald N. Gaston, as shareholders of the Company and as parties to the Voting Agreement, shall be third party beneficiaries (the "Third Party Beneficiaries") of this Agreement with respect to the termination of the Voting Agreement.

4. Governing Law. This Termination Agreement shall be interpreted, construed and enforced in accordance with the laws of the State of Delaware, applied without giving effect to any conflicts of laws principles.

5. Counterparts. This Termination Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original, and such counterparts shall, together, constitute and be one and the same instrument.

6. Binding Effect. This Termination Agreement shall be binding upon, and inure to the benefit of and be enforceable by the parties hereto (including, with respect to the termination of the Voting Agreement, the Third Party Beneficiaries) and their respective successors and assigns.

IN WITNESS WHEREOF, the Company, Parent and Merger subsidiary have caused this Termination Agreement to be executed by their respective duly authorized officers, all as of the day and year first above written.

AMERICAN BANKERS INSURANCE
GROUP, INC.

By: /s/ Gerald N. Gaston

Name: GERALD N. GASTON
Title: President and Chief
Executive Officer

AMERICAN INTERNATIONAL
GROUP, INC.

By: /s/ Florence A. Davis

Name: Florence A. Davis
Title: Vice President and
General Counsel

AIGF, INC.

By: /s/ Florence A. Davis

Name: Florence A. Davis
Title: Attorney-In-Fact