

21ST CENTURY INSURANCE GROUP  
 Form 4  
 October 01, 2007

**FORM 4**

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

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).

**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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 SANDLER ROBERT MICHAEL

2. Issuer Name and Ticker or Trading Symbol  
 21ST CENTURY INSURANCE GROUP [TW]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
 70 PINE ST  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 09/27/2007

Director  10% Owner  
 Officer (give title below)  Other (specify below)

NEW YORK, NY 10270  
 (City) (State) (Zip)

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
 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 Ownership (Instr. 4)
				(A) or (D) Code V Amount (D) Price			
Common Stock	09/27/2007		D	6,000 D \$ 22 (1)	0	D	

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

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SEC 1474 (9-02)

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

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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 Underlying Securities (Instr. 3 and 4)	8. Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$ 28.75	09/27/2007		D	4,000	(2) 05/19/2008	Common Stock	4,000
Employee Stock Option (Right to Buy)	\$ 17.813	09/27/2007		D	4,000	(2) 05/25/2009	Common Stock	4,000
Employee Stock Option (Right to Buy)	\$ 22.125	09/27/2007		D	4,000	(2) 05/23/2010	Common Stock	4,000
Employee Stock Option (Right to Buy)	\$ 18.15	09/27/2007		D	4,000	(2) 06/06/2011	Common Stock	4,000
Employee Stock Option (Right to Buy)	\$ 19.1	09/27/2007		D	4,000	(2) 06/26/2012	Common Stock	4,000
Employee Stock Option (Right to Buy)	\$ 14.8	09/27/2007		D	4,000	(2) 06/25/2013	Common Stock	4,000
Employee Stock Option (Right to Buy)	\$ 12.87	09/27/2007		D	4,000	(2) 05/26/2014	Common Stock	4,000

Employee Stock Option (Right to Buy)	\$ 13.61	09/27/2007	D	4,000	(2)	05/25/2015	Common Stock	4,000
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## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SANDLER ROBERT MICHAEL 70 PINE ST NEW YORK, NY 10270	X			

## Signatures

Ronald S. Veltman with Power of Attorney for Robert M. Sandler	10/01/2007
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\_\_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) COMMON STOCK FOOTNOTE These shares were cancelled pursuant to the Agreement and Plan of Merger, dated as of May 15, 2007, among 21st Century Insurance Group (the "Company"), American International Group, Inc. ("AIG") and AIG TW Corp. ("Merger Sub"), as amended pursuant to Amendment No. 1 to Agreement and Plan of Merger, dated as of June 8, 2007, among the Company, AIG and Merger Sub (the "Merger Agreement"), in exchange for the per share merger consideration of \$22.00.

(2) Each option was to vest on or before the first anniversary of the merger and was therefore cancelled pursuant to the Merger Agreement in exchange for the excess, if any, of \$22.00 per share over the exercise price per share under such option.

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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