

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 *
 Kerby Marlis Schultheis

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)
 6301 OWENSMOUTH AVENUE
 (Street)

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

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Senior Vice President

WOODLAND HILLS, CA 91367
 (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 Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount	(D)	Price

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)

1. Title of Derivative Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		Date Exercisable	Expiration Date	Title	Amount or Number of Shares
				Code	V (A) (D)				
Employee Stock Option (Right to Buy)	\$ 17.813	09/27/2007	D	1,000	(1)	05/25/2009	Common Stock	1,000	
Employee Stock Option (Right to Buy)	\$ 22.125	09/27/2007	D	2,000	(1)	05/23/2010	Common Stock	2,000	
Employee Stock Option (Right to Buy)	\$ 18.15	09/27/2007	D	3,400	(1)	06/06/2011	Common Stock	3,400	
Employee Stock Option (Right to Buy)	\$ 16.03	09/27/2007	D	8,600	(1)	02/27/2012	Common Stock	8,600	
Employee Stock Option (Right to Buy)	\$ 11.68	09/27/2007	D	383	(1)	02/26/2013	Common Stock	383	
Employee Stock Option (Right to Buy)	\$ 14.4	09/27/2007	D	9,850	(1)	02/25/2014	Common Stock	9,850	
Employee Stock Option (Right to Buy)	\$ 14.27	09/27/2007	D	69,697	(1)	02/16/2015	Common Stock	69,697	
Employee Stock Option (Right to Buy)	\$ 16.8	09/27/2007	D	55,093	(1)	02/22/2016	Common Stock	55,093	

Buy)

Employee

Stock

Option (Right to Buy)	\$ 16.8	09/27/2007		D	27,547	<u>(2)</u>	02/22/2016	Common Stock	27,547
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Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Kerby Marlis Schultheis 6301 OWENSMOUTH AVENUE WOODLAND HILLS, CA 91367			Senior Vice President	

Signatures

Ronald S. Veltman with Power of Attorney for Marlis S. Kerby	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) 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.
- (2) Each option was to vest after the first anniversary of the merger and was therefore cancelled pursuant to the Merger Agreement in exchange for restricted stock units of AIG common stock of an equivalent value.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.