

FORM D

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

OMB APPROVAL
OMB Number: 3235-0076
Expires: April 30, 2008
Estimated average burden hours
per response 18.00

FORM D

NOTICE OF SALE OF SECURITIES
PURSUANT TO REGULATION D,
SECTION 4(6), AND/OR
UNIFORM LIMITED OFFERING EXEMPTION

SEC USE ONLY
Prefix Serial
DATE RECEIVED

Name of Offering (Check if this is an amendment and name has changed, and indicate change.)
AIG Highstar Capital III Prism Fund, L.P.

Filing Under (Check box(es) that apply): Rule 504 Rule 505 Rule 506 Section 4(6) ULOE

Type of Filing: New Filing Amendment



07053778

A. BASIC IDENTIFICATION DATA

1. Enter the information requested about the issuer

Name of Issuer (Check if this is an amendment and name has changed, and indicate change.)
AIG Highstar Capital III Prism Fund, L.P. (the "Fund")

Address of Executive Offices (Number and Street, City, State, Zip Code)
c/o M&C Corporate Services Limited, Uglund House, P.O. Box 309 GT, George Town, Grand
Cayman, Cayman Islands, British West Indies

Telephone Number (Including Area Code)
(646) 735-0500

Address of Principal Business Operations (Number and Street, City, State, Zip Code)
(if different from Executive Offices)

Telephone Number (Including Area Code)

Brief Description of Business

Investments

PROCESSED

JUN 04 2007

THOMSON
FINANCIAL

Type of Business Organization

corporation limited partnership, already formed other (please specify):
 business trust limited partnership, to be formed

Actual or Estimated Date of Incorporation or Organization:

Month Year
01 07

Actual Estimated

Jurisdiction of Incorporation or Organization: (Enter two-letter U.S. Postal Service abbreviation for State:
CN for Canada; FN for other foreign jurisdiction)

F N

GENERAL INSTRUCTIONS

Federal:

Who Must File: All issuers making an offering of securities in reliance on an exemption under Regulation D or Section 4(6), 17 CFR 230.501 et seq. or 15 U.S.C. 77d(6).

When to File: A notice must be filed no later than 15 days after the first sale of securities in the offering. A notice is deemed filed with the U.S. Securities and Exchange Commission (SEC) on the earlier of the date it is received by the SEC at the address given below or, if received at that address after the date on which it is due, on the date it was mailed by United States registered or certified mail to that address.

Where to File: U.S. Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549.

Copies Required: Five (5) copies of this notice must be filed with the SEC, one of which must be manually signed. Any copies not manually signed must be photocopies of the manually signed copy or bear typed or printed signatures.

Information Required: A new filing must contain all information requested. Amendments need only report the name of the issuer and offering, any changes thereto, the information requested in Part C, and any material changes from the information previously supplied in Parts A and B. Part E and the Appendix need not be filed with the SEC.

Filing Fee: There is no federal filing fee.

State:

This notice shall be used to indicate reliance on the Uniform Limited Offering Exemption (ULOE) for sales of securities in those states that have adopted ULOE and that have adopted this form. Issuers relying on ULOE must file a separate notice with the Securities Administrator in each state where sales are to be, or have been made. If a state requires the payment of a fee as a precondition to the claim for the exemption, a fee in the proper amount shall accompany this form. This notice shall be filed in the appropriate states in accordance with state law. The Appendix to the notice constitutes a part of this notice and must be completed.

ATTENTION

Failure to file notice in the appropriate states will not result in a loss of the federal exemption. Conversely, failure to file the appropriate federal notice will not result in a loss of an available state exemption unless such exemption is predicated on the filing of a federal notice.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

A. BASIC IDENTIFICATION DATA

2. Enter the information requested for the following:

- Each promoter of the issuer, if the issuer has been organized within the past five years;
- Each beneficial owner having the power to vote or dispose, or direct the vote or disposition of, 10% or more of a class of equity securities of the issuer;
- Each executive officer and director of corporate issuers and of corporate general and managing partners of partnership issuers; and
- Each general and managing partner of partnership issuers.

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)
AIG Highstar GP III Prism Fund, L.P. (the "General Partner:")

Business or Residence Address (Number and Street, City, State, Zip Code)
c/o AIG Global Investment Corp., 599 Lexington Avenue, 25th Floor, New York, New York 10022

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner *

Full Name (Last name first, if individual)
AIG Highstar III, LLC (the "General Partner of the General Partner")

Business or Residence Address (Number and Street, City, State, Zip Code)
c/o AIG Global Investment Corp., 599 Lexington Avenue, 25th Floor, New York, New York 10022

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner**

Full Name (Last name first, if individual)
AIG Global Investment Corp.

Business or Residence Address (Number and Street, City, State, Zip Code)
599 Lexington Avenue, 25th Floor, New York, New York 10022

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)
Lee, Christopher

Business or Residence Address (Number and Street, City, State, Zip Code)
c/o AIG Global Investment Corp., 599 Lexington Avenue, 25th Floor, New York, New York 10022

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)
Miller, Michael

Business or Residence Address (Number and Street, City, State, Zip Code)
c/o AIG Global Investment Corp., 599 Lexington Avenue, 25th Floor, New York, New York 10022

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)
Walsh, Michael

Business or Residence Address (Number and Street, City, State, Zip Code)
c/o AIG Global Investment Corp., 599 Lexington Avenue, 25th Floor, New York, New York 10022

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)
Litman, Scott

Business or Residence Address (Number and Street, City, State, Zip Code)
c/o AIG Global Investment Corp., 599 Lexington Avenue, 25th Floor, New York, New York 10022

* of the General Partner. / ** sole member of the General Partner of the General Partner.

(Use blank sheet, or copy and use additional copies of this sheet, as necessary.)

A. BASIC IDENTIFICATION DATA

2. Enter the information requested for the following:

- Each promoter of the issuer, if the issuer has been organized within the past five years;
- Each beneficial owner having the power to vote or dispose, or direct the vote or disposition of, 10% or more of a class of equity securities of the issuer;
- Each executive officer and director of corporate issuers and of corporate general and managing partners of partnership issuers; and
- Each general and managing partner of partnership issuers.

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)
Stokes, John

Business or Residence Address (Number and Street, City, State, Zip Code)
c/o AIG Global Investment Corp., 599 Lexington Avenue, 25th Floor, New York, New York 10022

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

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Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

(Use blank sheet, or copy and use additional copies of this sheet, as necessary.)

B. INFORMATION ABOUT OFFERING

- Yes No
1. I (as the issuer sold, or does the issuer intend to sell), to non-accredited investors in this offering?
- Answer also in Appendix, Column 2, if filing under ULOE.
2. What is the minimum investment that will be accepted from any individual? \$10,000,000*
- * The General Partner may, in its sole discretion, waive this minimum. Yes No
3. Does the offering permit joint ownership of a single unit?
4. Enter the information requested for each person who has been or will be paid or given, directly or indirectly, any commission or similar remuneration for solicitation of purchasers in connection with sales of securities in the offering. If a person to be listed is an associated person or agent of a broker or dealer registered with the SEC and/or with a state or states, list the name of the broker or dealer. If more than five (5) persons to be listed are associated persons of such a broker or dealer, you may set forth the information for that broker or dealer only.

Full Name (Last name first, if individual)

AIG Equity Sales Corp.

Business or Residence Address (Number and Street, City, State, Zip Code)

70 Pine Street, New York, NY 10270

Name of Associated Broker or Dealer

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers

(Check "All States" or check individual States) All States

[AL]	[AK]	[AZ]	[AR]	[CA]	[CO]	[CT]	[DE]	[DC]	[FL]	[GA]	[HI]	[ID]
[IL]	[IN]	[IA]	[KS]	[KY]	[LA]	[ME]	[MD]	[MA]	[MI]	[MN]	[MS]	[MO]
[MT]	[NE]	[NV]	[NH]	[NJ]	[NM]	[NY]	[NC]	[ND]	[OH]	[OK]	[OR]	[PA]
[RI]	[SC]	[SD]	[TN]	[TX]	[UT]	[VT]	[VA]	[WA]	[WV]	[WI]	[WY]	[PR]

Full Name (Last name first, if individual)

Merrill Lynch Pierce Fenner & Smith

Business or Residence Address (Number and Street, City, State, Zip Code)

Four World Financial Center, New York, NY 10281

Name of Associated Broker or Dealer

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers

(Check "All States" or check individual States) All States

[AL]	[AK]	[AZ]	[AR]	[CA]	[CO]	[CT]	[DE]	[DC]	[FL]	[GA]	[HI]	[ID]
[IL]	[IN]	[IA]	[KS]	[KY]	[LA]	[ME]	[MD]	[MA]	[MI]	[MN]	[MS]	[MO]
[MT]	[NE]	[NV]	[NH]	[NJ]	[NM]	[NY]	[NC]	[ND]	[OH]	[OK]	[OR]	[PA]
[RI]	[SC]	[SD]	[TN]	[TX]	[UT]	[VT]	[VA]	[WA]	[WV]	[WI]	[WY]	[PR]

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Name of Associated Broker or Dealer

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers

(Check "All States" or check individual States) All States

[AL]	[AK]	[AZ]	[AR]	[CA]	[CO]	[CT]	[DE]	[DC]	[FL]	[GA]	[HI]	[ID]
[IL]	[IN]	[IA]	[KS]	[KY]	[LA]	[ME]	[MD]	[MA]	[MI]	[MN]	[MS]	[MO]
[MT]	[NE]	[NV]	[NH]	[NJ]	[NM]	[NY]	[NC]	[ND]	[OH]	[OK]	[OR]	[PA]
[RI]	[SC]	[SD]	[TN]	[TX]	[UT]	[VT]	[VA]	[WA]	[WV]	[WI]	[WY]	[PR]

(Use blank sheet, or copy and use additional copies of this sheet, as necessary.)

C. OFFERING PRICE, NUMBER OF INVESTORS, EXPENSES AND USE OF PROCEEDS

1. Enter the aggregate offering price of securities included in this offering and the total amount already sold. Enter "0" if answer is "none" or "zero." If the transaction is an exchange offering, check this box and indicate in the columns below the amounts of the securities offered for exchange and already exchanged.

Type of Security	Aggregate Offering Price	Amount Already Sold
Debt	\$0 _____	\$ _____
Equity	\$0 _____	\$0 _____
<input type="checkbox"/> Common <input type="checkbox"/> Preferred		
Convertible Securities (including warrants).....	\$0 _____	\$0 _____
Partnership Interests.....	\$2,000,000,000* _____	\$687,250,000 _____
Other (Specify _____).....	\$ _____ 0	\$0 _____
Total	\$2,000,000,000* _____	\$687,250,000 _____

Answer also in Appendix, Column 3, if filing under ULOE.

2. Enter the number of accredited and non-accredited investors who have purchased securities in this offering and the aggregate dollar amounts of their purchases. For offerings under Rule 504, indicate the number of persons who have purchased securities and the aggregate dollar amount of their purchases on the total lines. Enter "0" if answer is "none" or "zero."

	Number Investors	Aggregate Dollar Amount of Purchases
Accredited Investors	22	\$687,250,000 _____
Non-accredited Investors	0	\$0 _____
Total (for filings under Rule 504 only)	_____	\$ _____

Answer also in Appendix, Column 4, if filing under ULOE.

3. If this filing is for an offering under Rule 504 or 505, enter the information requested for all securities sold by the issuer, to date, in offerings of the types indicated, in the twelve (12) months prior to the first sale of securities in this offering. Classify securities by type listed in Part C - Question 1.

Type of offering	Type of Security	Dollar Amount Sold
Rule 505.....	_____	\$ _____
Regulation A.....	_____	\$ _____
Rule 504.....	_____	\$ _____
Total	_____	\$ _____

4. a. Furnish a statement of all expenses in connection with the issuance and distribution of the securities in this offering. Exclude amounts relating solely to organization expenses of the issuer. The information may be given as subject to future contingencies. If the amount of an expenditure is not known, furnish an estimate and check the box to the left of the estimate.

Transfer Agent's Fees	<input type="checkbox"/> \$** _____
Printing and Engraving Costs.....	<input type="checkbox"/> \$** _____
Legal Fees.....	<input type="checkbox"/> \$** _____
Accounting Fees.....	<input type="checkbox"/> \$** _____
Engineering Fees.....	<input type="checkbox"/> \$0 _____
Sales Commissions (specify finders' fees separately).....	<input type="checkbox"/> \$** _____
Other Expenses (identify)	<input type="checkbox"/> \$** _____
Total	<input type="checkbox"/> \$2,000,000** _____

* Together with certain affiliated funds having the same managing member of the general partner of each fund's general partner (collectively, the "Funds"); the General Partner may accept capital commitments up to \$3,000,000,000 and may direct certain capital contributions be made through one or more alternative investment vehicles. / ** The Funds will bear all legal and other expenses incurred in the formation of the Funds and the offering of interests in the Funds (other than placement fees), up to an aggregate amount not to exceed the greater of \$2 million or 0.1% of aggregate capital commitments. Organizational expenses in excess of this amount, and any placement fees, will be paid by such Funds incurring such expenses, but will reduce the management fee otherwise payable by such Funds by an identical amount.

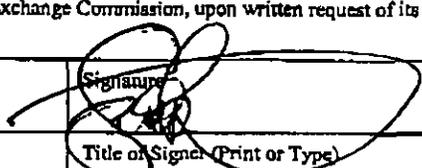
C. OFFERING PRICE, NUMBER OF INVESTORS, EXPENSES AND USE OF PROCEEDS

- b. Enter the difference between the aggregate offering price given in response to Part C - Question 1 and total expenses furnished in response to Part C - Question 4.a. This difference is the "adjusted gross proceeds to the issuer." \$1,998,000,000*
5. Indicate below the amount of the adjusted gross proceeds to the issuer used or proposed to be used for each of the purposes shown. If the amount for any purpose is not known, furnish an estimate and check the box to the left of the estimate. The total of the payments listed must equal the adjusted gross proceeds to the issuer set forth in response to Part C - Question 4.b above.

	Payments to Officers, Directors, & Affiliates	Payments To Others
Salaries and fees	<input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____
Purchase of real estate	<input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____
Purchase, rental or leasing and installation of machinery and equipment	<input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____
Construction or leasing of plant buildings and facilities	<input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____
Acquisition of other businesses (including the value of securities involved in this offering that may be used in exchange for the assets or securities of another issuer pursuant to a merger)	<input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____
Repayment of indebtedness	<input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____
Working capital	<input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____
Other (specify): Investments and related costs _____	<input type="checkbox"/> \$ _____	<input checked="" type="checkbox"/> \$1,998,000,000*
_____	<input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____
_____	<input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____
Column Totals	<input type="checkbox"/> \$ _____	<input checked="" type="checkbox"/> \$1,998,000,000*
Total Payments Listed (column totals added).....		<input checked="" type="checkbox"/> \$1,998,000,000*

D. FEDERAL SIGNATURE

The issuer has duly caused this notice to be signed by the undersigned duly authorized person. If this notice is filed under Rule 505, the following signature constitutes an undertaking by the issuer to furnish to the U.S. Securities and Exchange Commission, upon written request of its staff, the information furnished by the issuer to any non-accredited investor pursuant to paragraph (b)(2) of Rule 502.

Issuer (Print or Type) AIG Highstar Capital III Prism Fund, L.P.	 Signature	Date 5-3-07
Name of Signer (Print or Type) Scott Litman	Title of Signer (Print or Type) Vice President and Assistant General Counsel of AIG Global Investment Corp., the sole member of AIG Highstar III, LLC, the general partner of AIG Highstar GP III Prism Fund, L.P., the general partner of AIG Highstar Capital III Prism Fund, L.P.	

* Dollar amount represents the combined dollar amounts of the Fund and the affiliated funds.

ATTENTION

Intentional misstatements or omissions of fact constitute federal criminal violations. (See 18 U.S.C. 1001.)

DEBEVOISE & PLIMPTON LLP

919 Third Avenue
New York, NY 10022
Tel 212 909 6000
Fax 212 909 6836
www.debevoise.com

Date May 24, 2007

To SEC

Attn Mr. Harper
Fax 202-504-2474
Tel

From Ellen Lieberman
Tel 212-909-6096

Facsimile

8 pages including cover page

Dear Mr. Harper,

Per our telephone conversation, attached please find a copy of the stamped receipt transmittal letter and Form D filed on May 9, 2007 that is not on the publicly available website.

Please contact Ellen Lieberman at 212-909-6096 or Usha Hansraj, Legal Assistant, at 212-909-8354. Thank you.

OFFICE OF FILINGS AND
INFORMATION SERVICES
2007 MAY 24 P 5:30
FILER SUPPORT CENTER

2007 MAY 24 P 5:30

For assistance or confirmation please call 212 909 6407

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DEBEVOISE & PLIMPTON LLP

919 Third Avenue
New York, NY 10022
Tel 212 909 6000
www.debevoise.com

Ellen Lieberman
Counsel
Tel 212 909 6096
Fax 212 909 6836
elieberman@debevoise.com



May 8, 2007

BY FEDEX

Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

AIG Highstar Capital III Prism, L.P.

Dear Sir/Madam:

In connection with the offer and sale of limited partnership interests in AIG Highstar Capital III Prism, L.P., a Cayman Islands exempted limited partnership (the "Fund"), pursuant to Rule 506 of Regulation D promulgated under the Securities Act of 1933, as amended, and in compliance with Rule 503 of Regulation D, enclosed herewith on behalf of the Fund are five (5) copies of a Notice on Form D, one of which has been manually signed.

Kindly acknowledge receipt of this letter and its enclosures by stamping the enclosed copy of this letter with your usual form of receipt acknowledgment and returning it to me in the enclosed postage-paid envelope.

Very truly yours,

Ellen Lieberman

Enclosures

END