AVALON PHARMACEUTICALS INC Form SC 13G/A February 16, 2010

UNITED STATES SECURITIES AND EXCHANGE COMMISSION WASHINGTON, DC 20549

SCHEDULE 13G

Under the Securities Exchange Act of 1934 Amendment No. 2 AVALON PHARMACEUTICALS, INC. ______ (Name of Issuer) Common Stock, \$.01 par value per share ______ (Title of Class of Securities) 05346P106 (CUSIP Number) December 31, 2009 ______ (Date of Event Which Requires Filing of this Statement) Check the appropriate box to designate the rule pursuant to which this Schedule is filed: [X] Rule 13d-1(b) [] Rule 13d-1(c) [] Rule 13d-1(d) *The remainder of this cover page shall be filled out for a reporting

person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosure provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934, as amended ("Act"), or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

Page 1 of 9 pages

CUSIP NO. 05346P106

NAME OF REPORTING PERSONS 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 3. SEC USE ONLY CITIZENSHIP OR PLACE OF ORGANIZATION Incorporated under the laws of the State of Delaware 5. SOLE VOTING POWER NUMBER OF 0 SHARES 6. SHARED VOTING POWER BENEFICIALLY OWNED BY 0 EACH REPORTING 7. SOLE DISPOSITIVE POWER 0 PERSON WITH _____ 8. SHARED DISPOSITIVE POWER 0 ______ 9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING 0 10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES _____ 11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9) 12. TYPE OF REPORTING PERSON HC Page 2 of 9 CUSIP NO. 05346P106 NAME OF REPORTING PERSONS S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON AIG Global Asset Management Holdings Corp. I.R.S. Identification No. 13-3870953 2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) (b) []

3. SEC USE ONLY

4.	CITIZENSHIP OR F	LACE O	F ORGANIZATION
	Organized under	the 1	aws of the State of Delaware
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH		5.	SOLE VOTING POWER 0
		6.	SHARED VOTING POWER 0
		7.	SOLE DISPOSITIVE POWER 0
		8.	SHARED DISPOSITIVE POWER 0
9.	AGGREGATE AMOUNT	BENEF	ICIALLY OWNED BY EACH REPORTING
			0
10.	CHECK BOX IF THE CERTAIN SHARES	AGGRE	GATE AMOUNT IN ROW (9) EXCLUDES
11.	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9) 0%		
12.	TYPE OF REPORTIN	IG PERS	ON HC
			Page 3 of 9
CUSIE	NO. 05346P106		
1.	NAME OF REPORT S.S. OR I.R.S.	-	RSONS FICATION NO. OF ABOVE PERSON
			Corp. (now known as PineBridge Investments LLC) No. 06-1078320
2.	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP		
			(a) [] (b) []
3.	SEC USE ONLY		
4.	CITIZENSHIP OR PLACE OF ORGANIZATION		
	Organized under	the la	ws of the State of Delaware
5. NUMBER OF			
SHARES BENEFICIALLY 6. OWNED BY		6.	SHARED VOTING POWER

EACH REPORTING 7. SOLE DISPOSITIVE POWER PERSON 0 WITH _____ 8. SHARED DISPOSITIVE POWER 0 -----9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES 11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9) 12. TYPE OF REPORTING PERSON ΙA Page 4 of 9 ITEM 1 (a). NAME OF ISSUER: Avalon Pharmaceuticals, Inc. ADDRESS OF ISSUER'S PRINCIPAL EXECUTIVE OFFICES: ITEM 1 (b). 20358 Seneca Meadows Parkway Germantown, MD 20876 NAME OF PERSON(S) FILING: ITEM 2 (a). American International Group, Inc. AIG Global Asset Management Holdings Corp. AIG Global Investment Corp. (now known as PineBridge Investments LLC) ITEM 2 (b). ADDRESS OF PRINCIPAL BUSINESS OFFICE(S): American International Group, Inc. 70 Pine Street New York, New York 10270 AIG Global Asset Management Holdings Corp. 70 Pine Street New York, New York 10270 AIG Global Investment Corp. (now known as PineBridge Investments LLC) 70 Pine Street

New York, New York 10270

ITEM 2 (c). CITIZENSHIP:

The information requested hereunder is set forth under Item 4 of the cover pages to this Schedule 13G.

ITEM 2 (d). TITLE OF CLASS OF SECURITIES:

Common Stock, \$.01 par value per share

ITEM 2 (e). CUSIP NUMBER: 05346P106

Page 5 of 9

ITEM 3. TYPE OF PERSONS FILING:

American International Group, Inc.:

(g) Parent Holding Company, in accordance with Rule 13d-1(b) (ii) (G) promulgated under the Securities Exchange Act of 1934, as amended (the "Act")

AIG Global Asset Management Holdings Corp.:

(g) Parent Holding Company, in accordance with Rule 13d-1(b)(ii)(G) promulgated under the Act

AIG Global Investment Corp. (now known as PineBridge Investments LLC)

(e) Investment Adviser, in accordance with Rule 13d-1(b)(ii)(E) promulgated under the Act

ITEM 4. OWNERSHIP.

(a) through (c). The information requested hereunder is set forth under Items 5 through 9 and Item 11 of the cover pages to this Schedule 13G.

ITEM 5. OWNERSHIP OF FIVE PERCENT OR LESS OF CLASS.

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be beneficial owner of more than five percent of the class of securities, check the following: [X].

ITEM 6. OWNERSHIP OF MORE THAN FIVE PERCENT ON BEHALF OF ANOTHER PERSON.

Not applicable.

ITEM 7. IDENTIFICATION AND CLASSIFICATION OF THE SUBSIDIARY

WHICH ACQUIRED THE SECURITY BEING REPORTED ON BY

THE PARENT HOLDING COMPANY.

See Exhibit 1 attached hereto for the information requested hereunder with respect to the relevant subsidiaries of American International Group, Inc.

ITEM 8. IDENTIFICATION AND CLASSIFICATION OF MEMBERS OF THE GROUP.

Not applicable.

ITEM 9. NOTICE OF DISSOLUTION OF GROUP.

Not applicable.

Page 6 of 9

ITEM 10. CERTIFICATION.

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired and are held in the ordinary course of business and were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having such purpose or effect.

SIGNATURE

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.

Date: February 12, 2010

AMERICAN INTERNATIONAL GROUP, INC.

By /s/ Monika M. Machon

Name: Monika M. Machon

Title: Senior Vice President and Chief Investment Officer

AIG GLOBAL ASSET MANAGEMENT HOLDINGS CORP.

By /s/ Monika M. Machon

Name: Monika M. Machon

Title: Director

AIG GLOBAL INVESTMENT CORP. (now known as PineBridge Investments LLC)

By /s/ Win J. Neuger

Name: Win J. Neuger

Title: Chairman and Chief Executive Officer

Page 7 of 9

EXHIBIT INDEX

Exhibit 1 Identification and Classification of the Subsidiaries Which Acquired the Security Being Reported on by the Parent Holding Company

Page 8 of 9