Government Commitment to AIG and Selected Events

Government commitments to AIG

$200 billion

$150

$100

$50

0

- Fed establishes $85 billion credit facility Sept. 16, 2008, taking a 79.9 percent equity stake in AIG
- Treasury commits $30 billion more; Fed restructures its commitment, including a $25 billion credit facility cut in exchange for preferred stakes in AIG’s foreign life insurance subsidiaries AIA and ALICO
- $40 billion TARP investment from Treasury; Fed authorizes Maiden Lane II and III to purchase AIG’s mortgage-related assets, Nov. 10, 2008
- Fed commits additional $37.8 billion Oct. 8, 2008
- Recapitalization closes, Jan. 14, 2011: Fed loans are paid off and remaining interests transferred to Treasury which receives 92% of AIG common stock; (Maiden Lane II and III remain with Fed)
- Treasury cuts its stake to 77% by selling $5.8 billion in stock, May 2011
- Final securities sold from Maiden Lane II Feb. 28, 2012
- Final securities sold from Maiden Lane III Aug. 2012
- In a series of stock sales, Treasury cuts its AIG stake to 22% March–Sept. 2012
- In fall of 2010, AIG spins off AIA subsidiary in a $20.5 billion IPO and MetLife acquires ALICO for $16.2 billion
- Government commitments to AIG

Notes: (1) AIG is the American International Group. (2) Repayments occurred over the lifetime of the commitment. Any reduction in the commitment, however, is not reflected until the January 2011 recapitalization transaction. (3) Based on U.S. Treasury data and AIG infographic and timeline, www.treasury.gov/initiatives/financial-stability/TARP-Programs/aig/Pages/default.aspx.

Source: U.S. Treasury

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