

FEDERAL RESERVE BANK of NEW YORK *Serving the Second District and the Nation*

PRESS RELEASE

Statement Regarding Establishment of the AIG Credit Facility Trust

January 16, 2009

The Federal Reserve Bank of New York announced today, with the full support of the Treasury Department, the formation of the AIG Credit Facility Trust. The Trust is being established for the sole benefit of the United States Treasury to hold the 77.9 percent equity interest in American International Group, Inc. (AIG) that will be issued in connection with the previously announced credit facility extended to AIG.

Three independent trustees have been selected by the New York Fed, in close consultation with the Treasury Department, to oversee this equity interest in the best interests of the U.S. Treasury. They are Jill M. Considine, former chairman of the Depository Trust & Clearing Corporation; Chester B. Feldberg, former chairman of Barclays Americas; and Douglas L. Foshee, president and chief executive officer of El Paso Corporation.

Pursuant to the terms of the Trust Agreement, the trustees will have absolute discretion and control over the AIG stock, subject only to the terms of the Trust Agreement, and will exercise all rights, powers and privileges of a shareholder of AIG. The trustees will not sit on the board of directors of AIG. Day-to-day management of AIG will remain with the persons charged with such management.

To avoid possible conflicts with the New York Fed's supervisory and monetary policy functions, the Trust has been structured so that the New York Fed cannot exercise any discretion or control over the voting and consent rights associated with the equity interest in AIG. The New York Fed will, however, continue to monitor closely the financial operations of AIG in connection with its role as lender.

Contact

Media Relations

NY.Fed.Media.Relations@NY.frb.org
