

F. JAMES SENSENBRENNER, JR.

FIFTH DISTRICT, WISCONSIN

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March 24, 2009

The Honorable Timothy Geithner
Secretary of the Treasury
U.S. Department of the Treasury
1500 Pennsylvania Avenue, N.W.
Washington, D.C. 20220

Dear Secretary Geithner:

I am writing to urge your consideration of a new approach by the Department of the Treasury to address financial difficulties at American International Group, Inc. (AIG).

It is becoming increasingly evident that sending more taxpayer dollars to failed corporations will not solve the problems plaguing our financial system. In the case of AIG, I am convinced that that company's instability is rooted in its failure to incorporate proper safeguards into its business decisions. AIG's business plan permitted an extensive exposure to mortgage-backed securities, despite evidence that the assets were significantly over-valued. This corporate irresponsibility fueled the market for these securities, and ultimately cost homeowners and investors around the world dearly.

Today, it appears that corporate irresponsibility is alive and well at AIG. While many of my constituents struggle to make ends meet, they are outraged by AIG's recent use of taxpayer funds to pay out \$165 million in bonuses to its executives. Taxpayer-funded bailouts appear to have exacerbated the culture of financial irresponsibility. It is my belief that another course of action is in order.

I urge you to petition bankruptcy courts to place AIG into receivership. This approach would allow the courts to void contracts executed in the past year and legally take back money that may have been misused. The receivership option would grant AIG and the taxpayers their day in court, as well as give U.S. taxpayers the opportunity to re-grab some of their hard-earned money – something they can use in today's struggling economy.

Your consideration of this request is appreciated. I would appreciate a response by Friday, April 17, 2009. Should you have any questions on this matter, please do not hesitate to have your staff contact Doug Ray in my office at (202) 225-5101. I look forward to receiving your response.

Sincerely,

A handwritten signature in black ink, appearing to read "F. James Sensenbrenner, Jr.", written over a large, stylized "J" that starts under the word "Sincerely" and extends across the signature.

F. JAMES SENSENBRENNER, JR.
Member of Congress