

Fw: Fw: For the VC's hearing -- naming AIG creditors -- Fed dealings with the counterparties --

James Hennessy

t
c
:

Sarah Dahlgren, Tom Baxter

03/05/2009 09:04 PM

Show Details

Sarah, I ran the idea of a new dedicated PI person for AIG, and he thought it would be a good idea.

----- Original Message -----

From: Sarah Dahlgren

Sent: 03/05/2009 09:01 PM EST

To: James Bergin

Cc: Alejandro LaTorre; Helen Mucciolo; James Hennessy; Joyce Hansen; Michael Alix; Michael Nelson

Subject: Re: Fw: For the VC's hearing -- naming AIG creditors -- Fed dealings with the counterparties --

will be interested to see how the Govs want to deal with this -- now they are being asked for not only the counterparties but also ALL of the creditors that have been made whole because of Federal monies to AIG (so, do we start listing the aunt minnies and uncle lous with life insurance policies?...I know I'm going to the extreme, but....) -- also, will they next ask about Citi's counterparties? BofA's?.....

I do think we owe a much better explanation (in plain English) of the process we used, what "par" is and what mv is, what happened that weekend, etc.... -- but about the process, not the names....I worry about counterparty pullback from FP (Mike and Alex can speak much more eloquently about this) -- which would completely undermine an already-difficult unwind process.....

the loud cry today from congress (broadly, since we also met with house folks today) is for the Fed to be out in front more -- telling the plain English story about what we have done and why....(and we haven't done this)....I think we need to consider a change in our press strategy (I know this isn't like us....but with the "transparency" efforts that the Board is undertaking, it could fit well into that....)

(and there's concern that the money didn't just go to domestic banks, but went overseas....and they HATE that.....).....

* * * * *

Sarah Dahlgren
Senior Vice President
Federal Reserve Bank of New York
[REDACTED] (work)
[REDACTED] (blackberry)

visit www.newyorkfed.org
* * * * *

James P Bergin/NY/FRS

03/05/2009 11:15 AM

To Sarah Dahlgren/NY/FRS@FRS, Michael Alix/NY/FRS@FRS, James Hennessy/NY/FRS@FRS, Michael Nelson/NY/FRS@FRS, Joyce Hansen/NY/FRS@FRS, Helen Mucciolo/NY/FRS@FRS, Alejandro LaTorre/NY/FRS@FRS
cc
Subject Fw: For the VC's hearing -- naming AIG creditors -- Fed dealings with the counterparties --

Fyi, I got a call from Alison Thro, the Board's chief FOIA lawyer, inquiring about the possibility of going back to the ML 3 counterparties for their consent to the disclosure of their names. She was not making a request, just trying to see what I thought, since the Board is under intense political pressure to release. (Dodd and Shelby have been very vocal.) Basically, I noted that we would need to go back to the counterparties for consent at a minimum, since we told the counterparties would not release their names. But I also noted (and forwarded) the opinions of Sarah and the AIG monitoring team below.

----- Forwarded by James P Bergin/NY/FRS on 03/05/2009 11:09 AM -----

Sarah Dahlgren/NY/FRS

03/03/2009 10:08 PM

To Brian J Gross/BOARD/FRS@BOARD
cc Donald L Kohn/BOARD/FRS@BOARD, Jon D Greenlee/BOARD/FRS@board, Kieran Fallon/BOARD/FRS@board, Michael Nelson/NY/FRS@FRS, Michael.S.Gibson@frb.gov, Philip.Aquilino@frb.gov, Rich Ashton/BOARD/FRS@BOARD, Scott Alvarez/BOARD/FRS@BOARD, James P Bergin/NY/FRS@FRS, Alejandro LaTorre/NY/FRS, Michael Alix/NY/FRS, Helen Mucciolo/NY/FRS
Subject Re: For the VC's hearing -- naming AIG creditors -- Fed dealings with the counterparties --

Some additional thoughts that might help -- from a background perspective -- as answers are formulated (apologies if these have appeared already in other emails today!).....

- these were done as commercial transactions and, as such, counterparty names remain confidential between the counterparties
- the counterparties transacted on commercial terms, which included the knowledge that names remain confidential in such transactions (so, would we have achieved the risk reduction we did if the counterparties refused to transact with us?)....
- why segregate the specific counterparties on these transactions from the range of others who have "benefitted" from the government assistance to AIG (which would include not just financial counterparties, but also a range of other

debtors to AIG, as well as policy holders, etc...)

-- if we start with these counterparties to AIG, where do we stop with other TARP recipients? will this have a chilling effect on what the government is trying to achieve?....

-- along these lines, disclosing this set of counterparties may make other counterparties of AIG reluctant to trade with them in the future -- which would obviously be detrimental to the wind-down process (including those counterparties who have been willing to take on some of the books that FP is trying to get rid of -- would they be willing in the future if disclosure was possible?)

-- losing the confidence of counterparties (through disclosure) also makes it even more difficult to continue to effectively manage the risk at FP

-- this risk could be extended as well to other TARP recipients (fear that disclosure of trading counterparties may make it difficult to continue to effectively manage risk if other counterparties are unwilling to trade with them)

-- an important additional piece of information is that the company requested (in an official letter) confidential treatment from the SEC for the terms and counterparty information for Maiden Lane III -- this was drafted by AIG's counsel, but we commented heavily on it -- I've attached the FOIA request (and have copied our ML III experts who have been most involved in this to provide any additional color that might be helpful)



AIG FOIA Confidential Request (revised)_#1956110.DOC

separately, if the public wants to know where the funds have been used, AIG gave details of the uses of the government funds in its 10K that was issued on Monday -- it's on page 45 of the 10K.....(and the \$20 billion to insurance companies shouldn't go unnoticed.....)

* * * * *

Sarah Dahlgren
Senior Vice President
Federal Reserve Bank of New York
[redacted] (work)
[redacted] (blackberry)

visit www.newyorkfed.org

* * * * *

Brian J Gross/BOARD/FRS@BOARD

03/03/2009 12:08 PM

To

Donald L Kohn/BOARD/FRS@BOARD, Jon D Greenlee/BOARD/FRS@board, Kieran Fallon/BOARD/FRS@board, Michael Nelson/NY/FRS@FRS, Michael.S.Gibson@frb.gov, Philip.Aquilino@frb.gov, Rich Ashton/BOARD/FRS@BOARD, Sarah Dahlgren/NY/FRS@FRS, Scott Alvarez/BOARD/FRS@BOARD

cc

Subject

For the VC's hearing -- naming AIG creditors -- Fed dealings with the counterparties --

Also -- at the Budget Committee hearing today, among others, Sen. Mark Warner (also a member of the Banking Committee) asked why the Fed didn't gather AIG's counterparties together and "make" them take some fraction on the dollar on their CDS protection (versus par). I really expect this will be a focus of Sen. Corker as well on Thursday ...

From the Budget hearing (transcript pending), there was a lot of "we don't get why these large counterparties are being bailed out (and their names kept secret), but Main Street isn't."

Brian
x [redacted]

Brian J Gross/BOARD/FRS

03/03/2009 11:42 AM

To Scott Alvarez, Rich Ashton, Kieran Fallon, Jon Greenlee, Philip Aquilino, Michael Gibson, Sarah Dahlgren/NY/FRS, Michael Nelson
cc
Subject For the VC's hearing -- naming AIG creditors --

All -- If we haven't already, we need a full explanation for Don when he is asked this question (from today's WSJ editorial, also raised at the Chairman's Senate Budget hearing--repeatedly--today):

Perhaps someday the feds will even explain to taxpayers which AIG creditors had to be rescued **and why**.

This is emerging as a real rallying cry on the Hill ... and further contributing to complaints about "Fed secrecy."

Thanks --

Brian



James Hennessy/NY/FRS

11/20/2008 09:24 AM

To "Mr. Steven Manzari" <Steven.Manzari@ny.frb.org>, "Sarah Dahlgren" <sarah.dahlgren@ny.frb.org>
cc "Tom Baxter" <thomas.baxter@ny.frb.org>
bcc
Subject Fw: AIG Swaps

Let's come up with a consolidated view this morning, which Michael Nelson can convey. Thanks

----- Original Message -----

From: Brian J Gross

Sent: 11/20/2008 09:05 AM EST

To: Scott Alvarez; Rich Ashton; Jon Greenlee; Michael Gibson; Michael Nelson; James Hennessy

Subject: Fw: AIG Swaps

At the Chairman's HFSC hearing this week, Rep. Maloney asked about disclosure of AIG's counterparties (see excerpt below) ...

See HFSC staff's question in the email below ...

Guidance?

Brian

x [REDACTED]

MALONEY: Secretary Paulson, a large portion -- and Chairman Bernanke -- a large portion of the TARP monies have been used to pay off the AIG counterparties in the new AIG deal. And since the government is now running AIG, we should have full disclosure of what they are doing with the TARP monies so Congress can appropriately manage our oversight.

And will you make public who those counterparties are and how

much they received?

BERNANKE: Well, the -- I think that information can be made available. AIG had many, many counterparties -- banks and other institutions -- where they essentially wrote insurance on...

MALONEY: Thank you. And if we can make it available, if you could get that to the committee, we'd appreciate it.

BERNANKE: We will see what we have, ma'am.

MALONEY: That would be wonderful. Thank you.

----- Forwarded by Brian J Gross/BOARD/FRS on 11/20/2008 09:00 AM -----

"Glassic, Tom" [REDACTED]

11/20/2008 09:00 AM

To <Brian.J.Gross@frb.gov>
cc
Subject AIG Swaps

Brian,

I'm going to assume that Ms. Maloney's office is also following-up on this, but wanted to touch base to see whether there's any serious movement on disclosing the AIG counterparties. Thanks.

Tom

AIG Swap Deal Details May Be Made Public

BY MATT BRADY
NU Online News Service, Nov. 19, 8:51 a.m. EST

WASHINGTON —Entities that engaged in credit default swaps with American International Group could have transaction details made public, Federal Reserve Chairman Ben Bernanke told a congressional panel yesterday.

His comments came at a House Financial Services Committee hearing, when Rep. Carolyn Maloney, D-N.Y., asked about the possibility of finding out exactly whom AIG engaged in credit default swap transactions with.

“Since the government is now running AIG, we should have full disclosure,” she said. The company has received pledges of \$150 billion in government support, and in return has received a 79.9 percent interest in the conglomerate.

Rep. Maloney asked Mr. Bernanke if he was able to “make public the counterparties” as well as the amounts involved in the CDS transactions.

Mr. Bernanke said he thought the Fed could provide the names and amounts involved, but he cautioned against trying to make further use out of that information.

Asked a follow-up question by Rep. Maloney about possibly determining which CDS transactions involved parties with actual exposure and which were “gamblers,” he said the point would be effectively moot.

“I don’t think you really could differentiate,” he said. “Moreover, these are legal contracts.” If the government sought to avoid payment to “gamblers” he said, AIG would be in default on those contracts and would enter into a bankruptcy process where those creditors would be paid off anyway.

Such a circumstance, he explained, would be counterproductive to the government’s goal of limiting the damage of an AIG collapse that served as the basis for intervention in the first place.

Thomas M. Glassic
Counsel, Committee on Financial Services
United States House of Representatives
2129 Rayburn House Office Building
Washington, DC 20515
(O) [REDACTED] • (F) [REDACTED]
[REDACTED]

Fw: For the VC's hearing -- naming AIG creditors -- Fed dealings with the counterparties --

Helen Mucciolo

1
0

Zachary S Taylor

03/06/2009 10:34 AM

Cc:

Wendy Wong

Show Details

Helen Mucciolo, SVP
FRBNY Investment Support Office
Direct Line: [REDACTED] (area code 646 may also be used)
Cell: [REDACTED]
helen.mucciolo@ny.frb.org

----- Forwarded by Helen Mucciolo/NY/FRS on 03/06/2009 10:35 AM -----

James P Bergin/NY/FRS

03/06/2009 10:12 AM

To: Alejandro LaTorre/NY/FRS@FRS
cc: Helen Mucciolo/NY/FRS@FRS, James Hennessy/NY/FRS@FRS, Joyce Hansen/NY/FRS@FRS, Michael Alix/NY/FRS@FRS, Michael Nelson/NY/FRS@FRS, Sarah Dahlgren/NY/FRS@FRS
Subject: Re: Fw: For the VC's hearing -- naming AIG creditors -- Fed dealings with the counterparties --

Knowing the counterparties is a little beside-the-point. The public already knows that the vehicle and the collateral funded the pay payment for the tear-ups. See AIG's 8-K: <http://www.sec.gov/Archives/edgar/data/5272/000095012308016800/y72879e8vk.htm>. Congress has enough information to assess what we did right now. They just want the counterparty names for purposes of political illustration.

That said, I have to think this train is probably going to leave the station soon and we need to focus our efforts on explaining the story as best we can. There were too many people involved in the deals -- too many counterparties, too many lawyers and advisors, too many people from AIG -- to keep a determined Congress from the information. Scrutiny is (probably appropriately) magnified now after the last restructuring as the legislators are becoming increasing aware that the Treasury money may not come back. I don't think they care so much whether the Fed will get off clean on ML III -- which we should -- they care that counterparties of the Treasury funded company are going to get off clean, when the Treasury may not.

Re: just wanted to clear up some things 000000000003FFFF0074001372080000

Thomas Baxter

t
o
:

James P Bergin

Show Details

03/13/2009 06:55 AM

No problem - let me know if there is a problem.

Sent from my BlackBerry Handheld.

----- Original Message -----

From: James P Bergin
Sent: 03/12/2009 10:58 PM EDT
To: Thomas Baxter
Cc: Joyce Hansen
Subject: Fw: just wanted to clear up some things

Tom,

I presume you wouldn't have a problem with us talking to the SEC directly tomorrow about AIG not disclosing the items that we don't want them to disclose? Right now, we would like to release counterparty names and amounts in aggregate (although hopefully not line item) form per counterparty. We want to withhold CUSIP and tranche names. The concern with not releasing amounts on a line item basis is that the market could back out our positions by comparing notionals with counterparty names. We think it would be responsive to Congressional concerns to disclose totals per counterparty, but it does leave us in the position of having it be possible that SEC staff could require AIG to do yet another filing later.

Thanks,
Jim

----- Forwarded by James P Bergin/NY/FRS on 03/12/2009 10:53 PM -----

James P Bergin/NY/FRS

03/12/2009 10:48 PM

To: Sarah Dahlgren/NY/FRS
cc: Alejandro LaTorre/NY/FRS@FRS, Helen Mucciolo/NY/FRS@FRS, james.hennessy@ny.frb.org, Sandy Krieger/NY/FRS@FRS, Stephanie Heller/NY/FRS@FRS, Steven.Manzari@ny.frb.org, Zachary S Taylor/NY/FRS@FRS, Joyce Hansen/NY/FRS@FRS, "Michael Nelson" <michael.nelson@ny.frb.org>
Subject: Re: just wanted to clear up some things

Yes, Sarah, you describe that right, including the status of things after our 8-K call with AIG and Sullivan. The company was a little leery of not disclosing everything at this point -- including CUSIP and tranche names -- but are willing to redact that at our wishes. They'll try to reach the SEC on this early tomorrow -- asking to withhold CUSIPs, tranche names, and including aggregated numbers per counterparty -- and asked if the Fed would be willing to get on the phone with the SEC as well at some point. I don't think we should have a problem doing that, but am open to other views.

Also, I take it Board staff knows we're doing this - has anyone shared the 8-K with them? If not, I can do so.

Finally, even if we succeed in redacting the stuff we want to redact, people should be conscious that this redacted information will still sit in the SEC's files, and the SEC may well get a request from Congress for that information. I don't know if there's a way to manage it so that Congress won't ask for it, or if they do, won't release it.

Sarah Dahlgren/NY/FRS

03/12/2009 10:07 PM

To Zachary S Taylor/NY/FRS@FRS, Helen Mucciolo/NY/FRS, Sandy Krieger/NY/FRS@FRS, Stephanie Heller/NY/FRS@FRS
cc james.hennessy@ny.frb.org, Steven.Manzari@ny.frb.org, Alejandro LaTorre/NY/FRS, James P Bergin/NY/FRS@FRS
Subject just wanted to clear up some things

apologies for not getting to folks sooner today -- thought I would try to clarify the various informational/disclosure issues that have been popping up over the last day or so around ML 3 (in particular)...just so we are all on the same page --

-- Ed Liddy is testifying next Wednesday before Kanjorski's committee and the company wants to be able to disclose the counterparty names to the CDS trades (those that received collateral from AIG) during that testimony
-- in conjunction with that testimony, the company has developed a powerpoint deck that it shared with us yesterday....in a meeting yesterday with Ed and Bill Dudley, we agreed that the disclosure was appropriate -- as long as the company had determined that it wouldn't present undue harm to it/its business, etc...(which is one of the arguments that we have been making for why we wouldn't disclose)
-- I told Ed yesterday -- and have also told Brian Schrieber, who drafted the presentation -- that we would need to review what the company is planning to disclose in the presentation -- and I agreed with Brian that we would take a pass at the deck today and discuss with him tomorrow what could or couldn't be included in the deck
-- as it relates to the final page of the deck (which outlines some characteristics of ML 2 and ML 3, including ratings distribution) -- it is my view that this shouldn't be disclosed by the company and I was prepared to tell the company that it shouldn't be including anything related to the characteristics of ML 2 and ML 3 in its deck (beyond the counterparty names and amounts, as noted above) -- so I wasn't planning to ask anyone to review the deck for that purpose.....

-- at our urging, the company is accelerating its 8K filing as it relates to the counterparty information (we have asked that the information be disclosed tomorrow so that we can manage various inquiries over the weekend, including press inquiries) -- Scott Alvarez and Tom have conferred on this and are looking for the company to file its 8K by tomorrow evening, so that we can then use that to respond to the press inquiries -- and likely to also provide to Sens. Dodd and Shelby in response to the questions posed to VC Kohn last week.....
-- several of the folks on this email are reviewing the 8K with the company as we speak and will be trying to get resolution to the disclosure this evening -- so that any loose ends can be dealt with tomorrow.....including, as necessary, dealing with the SEC

Alex Latorre/Jim Bergin -- if there's additional information or clarification that you can provide (or anything I mixed up in here!), please jump in!....

thanks everyone -- and please holler if you have questions/concerns.....

Sarah

* * * * *

Sarah Dahlgren
Senior Vice President
Federal Reserve Bank of New York
[redacted] (work)
[redacted] (blackberry)

visit www.newyorkfed.org
* * * * *

James P Bergin/NY/FRS

03/12/2009 10:58 PM

To
Thomas Baxter/NY/FRS@FRS
cc
Joyce Hansen/NY/FRS@FRS
bcc
Subject
Fw: just wanted to clear up some things

History:

This message has been replied to.

Tom,

I presume you wouldn't have a problem with us talking to the SEC directly tomorrow about AIG not disclosing the items that we don't want them to disclose? Right now, we would like to release counterparty names and amounts in aggregate (although hopefully not line item) form per counterparty. We want to withhold CUSIP and tranche names. The concern with not releasing amounts on a line item basis is that the market could back out our positions by comparing notionals with counterparty names. We think it would be responsive to Congressional concerns to disclose totals per counterparty, but it does leave us in the position of having it be possible that SEC staff could require AIG to do yet another filing later.

Thanks,
Jim

----- Forwarded by James P Bergin/NY/FRS on 03/12/2009 10:53 PM -----

James P Bergin/NY/FRS

03/12/2009 10:48 PM

To
Sarah Dahlgren/NY/FRS
cc
Alejandro LaTorre/NY/FRS@FRS, Helen Mucciolo/NY/FRS@FRS, james.hennessy@ny.frb.org, Sandy Krieger/NY/FRS@FRS, Stephanie Heller/NY/FRS@FRS, Steven.Manzari@ny.frb.org, Zachary S Taylor/NY/FRS@FRS, Joyce Hansen/NY/FRS@FRS, "Michael Nelson" <michael.nelson@ny.frb.org>
Subject
Re: just wanted to clear up some things

Yes, Sarah, you describe that right, including the status of things after our 8-K call with AIG and Sullivan. The company was a little leery of not disclosing everything at this point -- including CUSIP and tranche names -- but are willing to redact that at our wishes. They'll try to reach the SEC on this early tomorrow -- asking to withhold CUSIPs, tranche names, and including aggregated numbers per counterparty -- and asked if the Fed would be willing to get on the phone with the SEC as well at some point. I don't think we should have a problem doing that, but am open to other views.

Also, I take it Board staff knows we're doing this - has anyone shared the 8-K with them? If not, I can do so.

Finally, even if we succeed in redacting the stuff we want to redact, people should be conscious that this redacted information will still sit in the SEC's files, and the SEC may well get a request from Congress for that information. I don't know if there's a way to manage it so that Congress won't ask for it, or if they do, won't release it.

Sent from my BlackBerry Handheld.

----- Original Message -----

From: James P Bergin
Sent: 03/13/2009 10:22 AM EDT
To: Sarah Dahlgren; James Hennessy
Cc: Alejandro LaTorre
Subject: Fw: Counterparties

I don't know about this; do you?

----- Forwarded by James P Bergin/NY/FRS on 03/13/2009 10:21 AM -----

Rich.Ashton@frb.gov

03/13/2009 10:19 AM

To
James.Bergin@ny.frb.org
cc
Subject
Re: Fw: Counterparties

Jim, Thanks for keeping us in the loop, since we will want to notify the Hill and some FOIA requesters when this information is public. I understood that AIG was also going to release some information, but not a securities filing, on Maiden Lane II and/or some derivative counterparties. Any word on that?

James.Bergin@ny.frb.org

03/13/2009 12:13 AM

Rich.Ashton@frb.gov,
Kieran.Fallon@frb.gov,
April.C.Snyder@frb.gov,
Alison.M.Thro@frb.gov

To

cc

Sarah.Dahlgren@ny.frb.org,
"Alejandro LaTorre"
<Alejandro.LaTorre@ny.frb.org>,
"Zachary Taylor"
<Zachary.Taylor@ny.frb.org>, "James Hennessy"
<James.Hennessy@ny.frb.org>

Subject

Fw: Counterparties

Fyi, attached is AIG's version of a revised 8K on MLIII. Note their draft would have withdrawn the confidentiality request en toto. We talked to AIG this evening about our preference to disclose counterparty names and amounts - per our seniors' wishes - but not to disclose tranche name and cusip, which could be prejudicial to the management of the ML III portfolio. We would also like to include amount information aggregated by counterparty, not by line item, to prevent the chance that the market could reverse engineer our positions.

We and AIG will talk to the SEC tomorrow to get a sense if this type of redacted filing will be satisfactory to them. The aim is to get the new disclosures filed by end of day tomorrow.

Sent from my BlackBerry Wireless Handheld

From: Sarah Dahlgren
Sent: 03/12/2009 07:33 PM EDT
To: James Bergin; Alejandro LaTorre; Stephanie Heller; "Ethan James"
[REDACTED]
Cc: James Hennessy
Subject: Fw: Counterparties

Can you take a look at -- and perhaps we should talk in an hour or so?

Sarah Dahlgren
Senior Vice President
Federal Reserve Bank of New York
Office: [REDACTED]
Cell: [REDACTED]

Sent from my BlackBerry Handheld.

From: "Kelly, Anastasia" [REDACTED]
Sent: 03/12/2009 07:25 PM AST
To: Sarah Dahlgren; James Hennessy
Cc: "Shannon, Kathleen@NY" [REDACTED] >
Subject: FW: Counterparties

Sarah and Jim: As we discussed, here are Kathy's proposed SEC filings. I have not read or reviewed, but I wanted to get it to you promptly.

Stasia Kelly
Vice Chairman,
Legal, Human Resources,
Corporate Communications
and Corporate Affairs
70 Pine Street - 27th Floor
New York, NY 10270
Tel: [REDACTED]
Fax: [REDACTED]
Cell: [REDACTED]
Email: [REDACTED]

From: Shannon, Kathleen@NY
Sent: Thursday, March 12, 2009 7:18 PM
To: Kelly, Anastasia
Subject: Counterparties
Importance: High

Attached are the following:

Draft of letter withdrawing the request for confidential treatment

Draft 8-K/A including full unredacted version of the Shortfall Agreement and Schedule thereto

Draft 10-K/A amending the Exhibit Index to include both the original 8-K/A (including request for confidential treatment) and the new 8-K/A

Unless you disagree, I am also going to forward these to Ethan/Diego shortly.

Please let me know if you have any questions.

(See attached file: NY12532-#432395-v1-Withdrawal_Letter.doc) (See attached file: NY12534-#201406-v2-AIG_- 8-K_A_re_Shortfall_Agreement.doc) (See attached file: ML III Shortfall Agreement and Amendment.pdf) (See attached file: NY12534-#201402-v3-AIG_- 2008_10-K_A_re_Exhibit.doc)

[attachment "NY12532-#432395-v1-Withdrawal_Letter.doc" deleted by Sarah Dahlgren/NY/FRS]

[attachment "NY12534-#201406-v2-AIG_- 8-K_A_re_Shortfall_Agreement.doc" deleted by Sarah Dahlgren/NY/FRS]

[attachment "ML III Shortfall Agreement and Amendment.pdf" deleted by Sarah Dahlgren/NY/FRS]

[attachment "NY12534-#201402-v3-AIG_- 2008_10-K_A_re_Exhibit.doc" deleted by Sarah Dahlgren/NY/FRS]

James P Bergin/NY/FRS

03/13/2009 01:01 PM

To
Thomas Baxter/NY/FRS@FRS
cc
Joyce Hansen/NY/FRS@FRS, "Michael Nelson"
<michael.nelson@ny.frb.org>
bcc
Subject
Fw: 2pm SEC Meeting on 8K

This is where we're at. We're in agreement with AIG on the redactions; we have a call set up with the SEC at 2 pm. We'll probably pursue the route of doing a revised 8-KA with the schedule today, and then draft a revised confidentiality treatment request for the redacted portions over the weekend, for submission to SEC staff on Monday.

Note again that we still have the issue of Congress having the capability to ask the SEC for access to the redacted portions.

----- Forwarded by James P Bergin/NY/FRS on 03/13/2009 12:59 PM -----

James P Bergin/NY/FRS

03/13/2009 12:55 PM

To
"Shannon, Kathleen@NY" [REDACTED]
cc
"Alejandro.LaTorre@ny.frb.org" <Alejandro.LaTorre@ny.frb.org>, "Kelly, Anastasia" [REDACTED], "Calvin.Mitchell@ny.frb.org" <Calvin.Mitchell@ny.frb.org>, [REDACTED] Ethan James [REDACTED], "james.hennessy@ny.frb.org" <james.hennessy@ny.frb.org>, "Ashooh, Nick" [REDACTED], "Sarah.Dahlgren@ny.frb.org" <Sarah.Dahlgren@ny.frb.org>, Zachary S Taylor/NY/FRS@FRS [REDACTED]
Subject
RE: 2pm SEC Meeting on 8K

Thank you, that's very helpful, and I think those changes should be fine. I'd suggest also that we have a call among AIG and FRBNY prior to the 2 pm so that we have our ducks in a row.

Much appreciated.

"Shannon, Kathleen@NY" [REDACTED]

03/13/2009 12:52 PM

To
"James.Bergin@ny.frb.org" <James.Bergin@ny.frb.org>, "Sarah.Dahlgren@ny.frb.org" <Sarah.Dahlgren@ny.frb.org>
cc
"Alejandro.LaTorre@ny.frb.org" <Alejandro.LaTorre@ny.frb.org>, "Kelly, Anastasia" [REDACTED], "Calvin.Mitchell@ny.frb.org" <Calvin.Mitchell@ny.frb.org>, Ethan James [REDACTED], "james.hennessy@ny.frb.org" <james.hennessy@ny.frb.org>, "Ashooh, Nick" [REDACTED], [REDACTED]
Subject
RE: 2pm SEC Meeting on 8K

We will be able to have a 2 PM call with at least Jeff Riedler; he is checking about the availability of his boss, as I had to give him a high level view of the approach we intend to take. We are ok with the redactions except that the table needs to have the heading "List of Derivative Transactions" and there need to be two tables, one for the first closing 8-K

and the second the one that you have already prepared. I am asking Weil to do a line by line check to assure that the redacted achedules track the originals.

-----Original Message-----

From: James.Bergin@ny.frb.org [mailto:James.Bergin@ny.frb.org]

Sent: Friday, March 13, 2009 12:37 PM

To: Sarah.Dahlgren@ny.frb.org

Cc: Alejandro.LaTorre@ny.frb.org; Kelly, Anastasia; Calvin.Mitchell@ny.frb.org; Ethan James; james.hennessy@ny.frb.org; Shannon, Kathleen@NY; Ashooh, Nick;

Subject: Re: 2pm SEC Meeting on 8K

Sorry, there was a little miscommunication here. We communicated our desire to AIG to set up a call with the SEC at 2 pm; AIG is still confirming their comfort with certain of the redactions we'd like made on the 8-K schedule. That call has not yet been set up -- but as I said, we would like to get to the SEC sooner rather than later.

Sarah Dahlgren/NY/FRS

03/13/2009 12:23 PM

To: Alejandro LaTorre/NY/FRS, "Ethan James" [redacted], "Anastasia Kelly" [redacted], [redacted] "Nick Ashooh" [redacted] >
cc: James P Bergin/NY/FRS@FRS, Calvin Mitchell/NY/FRS, james.hennessy@ny.frb.org
Subject: Re: 2pm SEC Meeting on 8K [Link](#)

thanks Alex -- I copies others on this email to ensure that we will be able to make the 2:00 p.m. discussion with the SEC....

Kathy/Stasia/Nick -- if there's anything we can do (or you need from us), let us know!

thanks!

Sarah

* * * * *
Sarah Dahlgren
Senior Vice President
Federal Reserve Bank of New York
[redacted] (work)
[redacted] (blackberry)

visit www.newyorkfed.org
* * * * *