

Bachus: Committee Must Examine Disparity Among Counterparty Payments

March 26, 2009

Domestic Banks Are Being Disadvantaged, While American Tax Dollars Are Shipped Overseas

Congressman Spencer Bachus (AL), the top Financial Services Committee Republican, wrote Chairman Barney Frank (MA), urging the Committee to evaluate AIG's counterparty payments, and issued this statement:

"Earlier this week we heard from Secretary Geithner, who acknowledged that AIG 'fully met its obligations' to foreign entities. Since then, I have been informed that AIG is now attempting to force many of its U.S. creditors to accept severe reductions of more than 70 percent of the debt owed to them. This disparity in the treatment between foreign banks and U.S. banks is outrageous and unacceptable. I hope a hearing will be scheduled so that the Committee can get to the bottom of this in short order. The American people deserve no less."

NOTE: Click [HERE](#) to view the letter.

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