

# AIG Officials Blow \$440,000 After Getting Taxpayer Bailout

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<http://www.foxbusiness.com/story/markets/industries/finance/aig-executives-blow--getting-bailout/>

If you'd just gotten a government bailout, you might be tempted to hold a retreat at a nice California hotel — and that's exactly what American International Group (AIG: 2.39, -0.80, -25.07%) employees did.

The committee on Oversight and Government Reform held a hearing on Tuesday at 10:00 a.m. Eastern time. to address and examine downfall of AIG, the world's largest insurance company. The committee planned to discuss the financial excesses and regulatory mistakes that led to AIG's government bailout.

One of the items discussed was AIG's expenditure of \$440,000 for a corporate retreat at the St. Regis Monarch Beach resort in Dana Point, Calif., about midway between Los Angeles and San Diego. These funds were spent on Sept. 22, a week after the Federal Reserve extended an \$85 billion emergency loan to AIG to keep it from going bankrupt due to insurance liabilities.

[Click here to see the full hotel bill](#)

According to the receipt from the St. Regis, the eight-day company retreat was a lavish one — \$139,000 was spent on hotel rooms, while even more money — \$147,301 — was spent on banquets. Another \$23,380 was spent on undisclosed spa treatments and another \$6,939 was spent on golf. A full \$9,980 was spent on room service and food and cocktails at the hotel lounge.

AIG issued a statement saying that "This type of gathering is standard practice in the industry and was planned a year advance of the Federal Reserve's loan to AIG. We recognize, however, that even activities that have long been considered standard practice may be perceived negatively. As a result, we are reevaluating various aspects of our operations in light of the new times in which we operate."

According to the statement, the event was held by one of AIG's insurance

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subsidiaries, not AIG employees. The attendees were independent life insurance agents who were "top business producers" for AIG. Only about 10% of the attendees were AIG American General employees, and no corporate executives from AIG headquarters attended the meeting, according to the statement.

But the question still remains, couldn't these "independent" life insurance agents have scaled their activities back a bit in light of the company's bailout?

The St. Regis Monarch Beach resort is described on its Web site as "a landmark resort of legendary proportions."

Legendary, indeed.

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