



NEW YORK STATE SENATOR

Frank Padavan

Padavan Demands AIG Executives To Forfeit Bonuses

FRANK PADAVAN March 17, 2009

New York State Senator Frank Padavan (Queens) today blasted the recent revelation that American International Group (AIG) executives received \$165 million in bonuses after receiving a taxpayer bailout last fall. Word of the bonuses comes as middle-class families continue to struggle in an uncertain and challenging economic climate.

As a result of this shocking and disgusting revelation, Padavan is demanding that all executives at AIG who received bonus money forfeit it back to the taxpayers.

“The disclosure that corporate executives at AIG are receiving bonuses is a blindsided hit to the taxpayers here in New York and nationwide,” Padavan said. “It’s reprehensible and mind boggling that a failed company that has received and continues to receive federal bailout money and with a continual pattern of abuse hands out million dollar bonuses to individuals who ran the company into the ground.”

“I stand with hardworking taxpayers who are keeping AIG afloat and demand that AIG executives forfeit their unwarranted and egregious bonuses. The days of greed on Wall Street and the financial services sector and taxpayer funded bonuses for failed and recklessly irresponsible companies must come to an end,” Padavan said.

Padavan praised the immediate action taken by New York State Attorney General Andrew Cuomo by demanding AIG executives provide information regarding the bonuses or face subpoenas. However, AIG failed to provide the information and subpoenas were issued by the Attorney General late yesterday afternoon. This afternoon Attorney General Cuomo outlined his findings as a result of the subpoenas.

“Attorney General Cuomo has taken the swift action to obtain the necessary information from AIG to pursue the legal action needed to attempt to block the awarding of these appalling bonuses,” Padavan said. “These subpoenas have yielded startling information that while funded by our tax dollars, AIG executives pocketed anywhere from \$1 million to upwards of \$5 million in ‘so called retention bonuses,’” Padavan said.

“To add insult to injury, Attorney General Cuomo has uncovered that bonuses were granted to people who no longer work at AIG. Based on these findings and if these bonuses are not returned on their own will, all legal options that will lead to the recovery of these taxpayer funded bonuses must be considered,” Padavan said.