

# The AIG Crisis and Bailout: What It Means For Policyholders

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In the stream of sobering financial news over the past few weeks was the Federal Reserve's unprecedented bailout of the largest insurer in the world, American International Group ("AIG"). While the financial details of how and why AIG's problems arose have been discussed in some detail in the media, the consequences for AIG's massive policyholder base have not been discussed in comparable detail. Companies should be aware of what this means for them, both in assessing their coverage under historical policies and in assessing their insurance program going forward. Considering the size of AIG, many if not most of the corporate world may have placed some portion of their insurance program with an AIG company. Kelley Drye's [Insurance Recovery](#) practice group has authored this client advisory addressing these issues.