
AIG looks for new CEO

By Editorial Staff Wed, Mar 15, 2017

The AIG Companies are among the largest issuers of fixed and variable annuities, with \$13.6 billion in total annuities sales through the first three-quarters of 2016.

AIG CEO Peter D. Hancock, 58, announced last week that he would resign from his post, staying only until the AIG board chooses a successor, the *New York Times* reported this week. AIG's life insurance companies are among the largest issuers of fixed and variable annuities, with \$13.6 billion in total annuities sales through the first three-quarters of 2016.

The announcement followed a quarterly loss of \$3.04 billion that surprised investors last month. Hancock, a former J.P. Morgan banker, is the fifth chief executive since Maurice R. Greenberg was forced out in 2005.

The billionaire Carl C. Icahn, who has a 4.7% stake in AIG, publicly called in 2015 for AIG to be split up and to hire new leadership. He and billionaire John Paulson, who owns about 0.49% of AIG, supported Hancock's January 2016 plan to sell assets, cut costs and jettison less profitable insurance policies.

AIG nearly became insolvent during the 2008 financial crisis and needed a \$185 billion government bailout. Recently AIG's performance lagged its peers. Its recent quarterly loss followed a \$5.6 billion increase in reserves to cover potential claims.

Hancock left J.P. Morgan in 2000 after its merger with Chase Manhattan Bank. He joined AIG in 2010 as executive vice president for finance, risk and investments and later ran its property-and-casualty arm. In 2014, he succeeded the late Robert H. Benmosche, a former MetLife chairman who came out of retirement in 2009 to lead the insurer.

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