

was assisted as part of the TARP's Auto Industry Financing Program—Treasury chose not to put the firm through bankruptcy.

Moreover, while Treasury has not generally exercised a significant role in restructuring the management of most of the financial institutions that received TARP capital investments, it has done so with the largest and most distressed TARP recipients, and this is particularly true of those assisted under the AIFP—GM, GMAC/Ally Financial, and Chrysler. Of course, in the cases of GM, AIG, and GMAC/Ally Financial, Treasury's ability to effect management changes may have been at least facilitated by its majority ownership positions. In contrast to the treatment of Chrysler and GM shareholders, who were wiped out, those with equity stakes in AIG, Citigroup, and GMAC/Ally Financial have seen their positions severely diluted by the government, but they have not been wiped out. Furthermore, unlike many creditors of the automotive companies, who were wiped out, companies with contractual ties to AIG, for instance those that owned AIG-originated credit default swap (CDS) contracts, were made whole.

f. Current State of Government's Investments

There are currently \$51.5 billion in TARP funds outstanding under the AIFP.³⁸ Figure 1 shows the current state of TARP funds used to support the auto industry. In total, U.S. taxpayers spent \$49.9 billion in support of GM, about \$12.8 billion in support of Chrysler, and \$17.2 billion in support of GMAC/Ally Financial. The assistance to automotive suppliers accounts for approximately \$3.5 billion of TARP commitments, bringing the gross TARP support for the U.S. domestic automotive industry to approximately \$84.8 billion.

FIGURE 1: AIFP ASSISTANCE BY COMPANY AS OF DECEMBER 30, 2010

[Millions of dollars]³⁹

	Total Invested	% of Total AIFP	Total Repaid	% of Investment Repaid	Total Lost Extinguished	Assistance Currently Obligated
GMAC/Ally Financial	\$17,174	21	–	0	–	⁴⁰ \$17,174
General Motors	49,861	61	\$(22,717)	46	–	27,144
Chrysler Financial	1,500	2	(1,500)	100	–	–
Chrysler	12,810	16	(2,180)	17	(\$3,488)	7,142
Total AIFP	\$81,345	–	(\$26,397)	–	(\$3,488)	\$51,459

³⁹Treasury Transactions Report, *supra* note 24, at 18.

⁴⁰As of December 30, 2010, Treasury had converted \$9.4 billion of its investment in GMAC/Ally Financial into common stock. For further information regarding these conversions, see Section F.2.b of this report.

Figure 2 illustrates the proportion of TARP funds expended and repaid in support of the auto industry compared to the amounts used for other purposes.

³⁸This figure is composed of the \$81.3 billion in total assistance provided to the automotive companies less the \$26.4 billion in repayments and less the \$3.5 billion in losses associated with the AIFP. Treasury Transactions Report, *supra* note 24, at 18–19.