

The JS-44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for use of the Clerk of Court for the purpose of indexing the civil docket sheet.

PLAINTIFFS

GREAT AMERICAN INSURANCE COMPANY

ATTORNEYS (FIRM NAME, ADDRESS, AND TELEPHONE NUMBER)
James T. Sandnes
BOUNDAS, SKARZYNSKI, WALSH & BLACK, LLC
One Battery Park Plaza, 32nd Floor
New York, NY 10004

DEFENDANTS

AMERICAN INTERNATIONAL GROUP, INC., et al.
(see attached List of Defendants)

ATTORNEYS (IF KNOWN)

CAUSE OF ACTION (CITE THE U.S. CIVIL STATUTE UNDER WHICH YOU ARE FILING AND WRITE A BRIEF STATEMENT OF CAUSE)
(DO NOT CITE JURISDICTIONAL STATUTES UNLESS DIVERSITY)

MAY 08 2009

28 U.S.C. §§ 1335, 2361 - Interpleader; 28 U.S.C. § 2201 - Declaratory Judgment

Has this or a similar case been previously filed in SDNY at any time? No? Yes? Judge Previously Assigned _____

If yes, was this case Vol. Invol. Dismissed. No Yes If yes, give date _____ & Case No. _____

(PLACE AN [x] IN ONE BOX ONLY)

NATURE OF SUIT

TORTS

ACTIONS UNDER STATUTES

CONTRACT

- 110 INSURANCE
- 120 MARINE
- 130 MILLER ACT
- 140 NEGOTIABLE INSTRUMENT
- 150 RECOVERY OF OVERPAYMENT & ENFORCEMENT OF JUDGMENT
- 151 MEDICARE ACT
- 152 RECOVERY OF DEFAULTED STUDENT LOANS (EXCL VETERANS)
- 153 RECOVERY OF OVERPAYMENT OF VETERAN'S BENEFITS
- 160 STOCKHOLDERS SUITS
- 190 OTHER CONTRACT
- 195 CONTRACT PRODUCT LIABILITY
- 196 FRANCHISE

- 310 AIRPLANE
- 315 AIRPLANE PRODUCT LIABILITY
- 320 ASSAULT, LIBEL & SLANDER
- 330 FEDERAL EMPLOYERS' LIABILITY
- 340 MARINE
- 345 MARINE PRODUCT LIABILITY
- 350 MOTOR VEHICLE
- 355 MOTOR VEHICLE PRODUCT LIABILITY
- 360 OTHER PERSONAL INJURY

ACTIONS UNDER STATUTES

- 441 VOTING
- 442 EMPLOYMENT
- 443 HOUSING/ ACCOMMODATIONS
- 444 WELFARE
- 445 AMERICANS WITH DISABILITIES - EMPLOYMENT
- 446 AMERICANS WITH DISABILITIES - OTHER
- 440 OTHER CIVIL RIGHTS

REAL PROPERTY

- 210 LAND CONDEMNATION
- 220 FORECLOSURE
- 230 RENT LEASE & EJECTMENT
- 240 TORTS TO LAND
- 245 TORT PRODUCT LIABILITY
- 290 ALL OTHER REAL PROPERTY

- 362 PERSONAL INJURY - MED MAL PRACTICE
- 365 PERSONAL INJURY PRODUCT LIABILITY
- 368 ASBESTOS PERSONAL INJURY PRODUCT LIABILITY
- 370 OTHER FRAUD
- 371 TRUTH IN LENDING
- 380 OTHER PERSONAL PROPERTY DAMAGE
- 385 PROPERTY DAMAGE PRODUCT LIABILITY

PERSONAL PROPERTY

PRISONER PETITIONS

- 510 MOTIONS TO VACATE SENTENCE
- 530 HABEAS CORPUS
- 535 DEATH PENALTY
- 540 MANDAMUS & OTHER
- 550 CIVIL RIGHTS
- 555 PRISON CONDITION

- 610 AGRICULTURE
- 620 OTHER FOOD & DRUG
- 625 DRUG RELATED SEIZURE OF PROPERTY
- 630 LIQUOR LAWS
- 640 RR & TRUCK
- 650 AIRLINE REGS
- 660 OCCUPATIONAL SAFETY/HEALTH
- 690 OTHER

LABOR

- 710 FAIR LABOR STANDARDS ACT
- 720 LABOR/MGMT RELATIONS
- 730 LABOR/MGMT REPORTING & DISCLOSURE ACT
- 740 RAILWAY LABOR ACT
- 790 OTHER LABOR LITIGATION
- 791 EMPL RET INC SECURITY ACT

IMMIGRATION

- 462 NATURALIZATION APPLICATION
- 463 HABEAS CORPUS- ALIEN DETAINEE
- 465 OTHER IMMIGRATION ACTIONS

- 422 APPEAL
- 423 WITHDRAWAL
- 820 COPYRIGHTS
- 830 PATENT
- 840 TRADEMARK
- 861 HIA (1395ff)
- 862 BLACK LUNG (923)
- 863 DIWC/DIWW (405(g))
- 864 SSID TITLE XVI
- 865 RSI (405(g))

PROPERTY RIGHTS

SOCIAL SECURITY

FEDERAL TAX SUITS

- 870 TAXES (U.S. Plaintiff or Defendant)
- 871 IRS-THIRD PARTY

- 400 STATE REAPPORTIONMENT
- 410 ANTITRUST
- 430 BANKS & BANKING
- 450 COMMERCE
- 460 DEPORTATION
- 470 RACKETEER INFLUENCED & CORRUPT ORGANIZATION ACT (RICO)
- 480 CONSUMER CREDIT
- 490 CABLE/SATELLITE TV
- 810 SELECTIVE SERVICE
- 850 SECURITIES/ COMMODITIES/ EXCHANGE
- 875 CUSTOMER CHALLENGE
- 890 OTHER STATUTORY ACTIONS
- 891 AGRICULTURAL ACTS
- 892 ECONOMIC STABILIZATION ACT
- 893 ENVIRONMENTAL MATTERS
- 894 ENERGY ALLOCATION ACT
- 895 FREEDOM OF INFORMATION ACT
- 900 APPEAL OF FEE DETERMINATION UNDER EQUAL ACCESS TO JUSTICE
- 950 CONSTITUTIONALITY OF STATE STATUTES

687540

Check if demanded in complaint:

CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23

DO YOU CLAIM THIS CASE IS RELATED TO A CIVIL CASE NOW PENDING IN S.D.N.Y.? IF SO, STATE:

DEMAND \$ _____ OTHER _____ JUDGE _____ DOCKET NUMBER _____

Check YES only if demanded in complaint
JURY DEMAND: YES NO

NOTE: Please submit at the time of filing an explanation of why cases are deemed related.

(PLACE AN x IN ONE BOX ONLY)

ORIGIN

- 1 Original Proceeding
- 2a. Removed from State Court
- 2b. Removed from State Court AND at least one party is pro se.
- 3 Remanded from Appellate Court
- 4 Reinstated or Reopened
- 5 Transferred from (Specify District)
- 6 Multidistrict Litigation
- 7 Appeal to District Judge from Magistrate Judge Judgment

(PLACE AN x IN ONE BOX ONLY)

BASIS OF JURISDICTION

IF DIVERSITY, INDICATE CITIZENSHIP BELOW. (28 USC 1322, 1441)

- 1 U.S. PLAINTIFF
- 2 U.S. DEFENDANT
- 3 FEDERAL QUESTION (U.S. NOT A PARTY)
- 4 DIVERSITY

CITIZENSHIP OF PRINCIPAL PARTIES (FOR DIVERSITY CASES ONLY)

(Place an [X] in one box for Plaintiff and one box for Defendant)

	PTF	DEF		PTF	DEF		PTF	DEF
CITIZEN OF THIS STATE	[]	[]	CITIZEN OR SUBJECT OF A FOREIGN COUNTRY	[]	[]	INCORPORATED and PRINCIPAL PLACE OF BUSINESS IN ANOTHER STATE	[]	[]
CITIZEN OF ANOTHER STATE	[]	[]	INCORPORATED or PRINCIPAL PLACE OF BUSINESS IN THIS STATE	[]	[]	FOREIGN NATION	[]	[]

PLAINTIFF(S) ADDRESS(ES) AND COUNTY(IES)

GREAT AMERICAN INSURANCE COMPANY
580 Walnut Street
Cincinnati, OH 45202

DEFENDANT(S) ADDRESS(ES) AND COUNTY(IES)

AMERICAN INTERNATIONAL GROUP, INC., et al.
(see attached List of Defendants)

DEFENDANT(S) ADDRESS UNKNOWN

REPRESENTATION IS HEREBY MADE THAT, AT THIS TIME, I HAVE BEEN UNABLE, WITH REASONABLE DILIGENCE, TO ASCERTAIN THE RESIDENCE ADDRESSES OF THE FOLLOWING DEFENDANTS:

Check one: THIS ACTION SHOULD BE ASSIGNED TO: WHITE PLAINS MANHATTAN
(DO NOT check either box if this a PRISONER PETITION.)

DATE 5/8/09 SIGNATURE OF ATTORNEY OF RECORD ADMITTED TO PRACTICE IN THIS DISTRICT
 NO
 YES (DATE ADMITTED Mo. 09 Yr. 1987)
 RECEIPT #  Attorney Bar Code # JS-8944

Magistrate Judge is to be designated by the Clerk of the Court.

Magistrate Judge FREEMAN is so Designated.

J. Michael McMahon, Clerk of Court by _____ Deputy Clerk, DATED _____

UNITED STATES DISTRICT COURT (NEW YORK SOUTHERN)

List of Defendants
(Great American v. AIG, et al.)

American International Group, Inc.
70 Pine Street, New York, New York

Maurice R. Greenberg
New York, New York

Starr International Company, Inc.
Zug, Switzerland

C.V. Starr & Co., Inc.
399 Park Avenue, New York, New York

Edward E. Matthews
New Jersey

Howard I. Smith
New York, New York

Bernard M. Aidinoff
(address not currently known)

Steven Bensinger
(address not currently known)

Eli Broad
1346 The Alameda #7
San Jose, CA 95126

Vincent Cantwell
(address not currently known)

Michael J. Castelli
66 Deer Hill Ct
Carmel, NY 10512

Pei-Yuan Chia
298 Bedford-banksville Rd
Bedford, NY 10506

Marshall A. Cohen
(address not currently known)

William S. Cohen
4 W 103rd St
New York, NY 10025

Robert Crandall
(address not currently known)

William Dooley
602 Martins Ln
Red Bank, NJ 07701

Martin S. Feldstein
(address not currently known)
Ellen V. Futter
(address not currently known)

Leslie L. Gonda
719 N Elm Dr
Beverly Hills, CA 90210

John Graf
(address not currently known)

Evan G. Greenberg
300 E 4th St #27C
New York, NY 10009

Carla A. Hills
(address not currently known)

Frank J. Hoenemeyer
(address not currently known)

Richard C. Holbrooke
2909 N St NW
Washington, DC 20007

Robert P. Jacobson
146 W 46th St #4
New York, NY 10036

Donald P. Kanak
(address not currently known)

Christian M. Milton
(address not currently known)

Kristian T. Moor
(address not currently known)

Michael L. Murphy
(address not currently known)

Win Neuger
60 Sutton Pl S #11CS
New York, NY 10022

Frank Petralito
(address not currently known)

Karen Radke
(address not currently known)

John J. Roberts
(address not currently known)

Ernest E. Stempel
(address not currently known)

Martin J. Sullivan
(address not currently known)

Jean-Baptist Tateossian
(address not currently known)

Thomas R. Tizzio
10 Deepdale Dr
Middletown, NJ 07748

Edmund S.W. Tse
(address not currently known)

Joseph H. Umansky
(address not currently known)

Jay S. Wintrob
(address not currently known)

Frank G. Wisner
480 Park Ave #18H
New York, NY 10022
or
164 E 72nd St
New York, NY 10021

Frank G. Zarb
(address not currently known)

James A. Skarzynski
James T. Sandnes (JS-8944)
Jennifer A. Dowd
Aron M. Zimmerman
BOUNDAS, SKARZYNSKI,
WALSH & BLACK, LLC
One Battery Park Plaza
New York, New York 10004
(212) 820-7700
jsandnes@bswb.com

Attorneys for Interpleader-Plaintiff
GREAT AMERICAN INSURANCE COMPANY

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

Great American Insurance Company,

Interpleader-Plaintiff,

- v. -

American International Group, Inc., Maurice R. Greenberg,
Starr International Company, Inc., C.V. Starr & Co., Inc.,
Edward E. Matthews, Howard I. Smith, Bernard M.
Aidinoff, Steven Bensinger, Eli Broad, Vincent Cantwell,
Michael J. Castelli, Pei-Yuan Chia, Marshall A. Cohen,
William S. Cohen, Robert Crandall, William Dooley,
Martin S. Feldstein, Ellen V. Futter, Leslie L. Gonda, John
Graf, Evan G. Greenberg, Carla A. Hills, Frank J.
Hoenemeyer, Richard C. Holbrooke, Robert P. Jacobson,
Donald P. Kanak, Christian M. Milton, Kristian T. Moor,
Michael L. Murphy, Win Neuger, Frank Petralito, Karen
Radke, John J. Roberts, Ernest E. Stempel, Martin J.
Sullivan, Jean-Baptist Tateossian, Thomas R. Tizzio,
Edmund S.W. Tse, Joseph H. Umansky, Jay S. Wintrob,
Frank G. Wisner, and Frank G. Zarb,

Interpleader-Defendants.

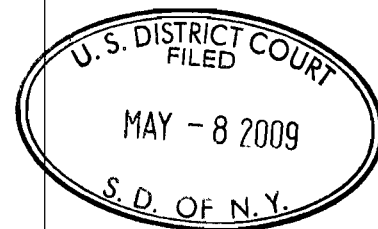
JUDGE SWAIN

09 CIV 4476

RECEIVED
09 MAY -8 PM 5:44
U.S. DISTRICT COURT
S.D.N.Y.
09-Civ-_____ ()

**INTERPLEADER
COMPLAINT**

**(JURY TRIAL
DEMANDED)**



Interpleader-Plaintiff, Great American Insurance Company ("Great American"), brings this action pursuant to 28 U.S.C. § 1335 (or in the alternative 28 U.S.C. § 2201 and 9 U.S.C. §§ 2-4), through its attorneys, Boundas, Skarzynski, Walsh & Black, LLC, against American International Group, Inc., Maurice R. Greenberg, Starr International Company, Inc., C.V. Starr & Co., Inc., Edward E. Matthews, Howard I. Smith, Bernard M. Aidinoff, Steven Bensinger, Eli Broad, Vincent Cantwell, Michael J. Castelli, Pei-Yuan Chia, Marshall A. Cohen, William S. Cohen, Robert Crandall, William Dooley, Martin S. Feldstein, Ellen V. Futter, Leslie L. Gonda, John Graf, Evan G. Greenberg, Carla A. Hills, Frank J. Hoenemeyer, Richard C. Holbrooke, Robert P. Jacobson, Donald P. Kanak, Christian M. Milton, Kristian T. Moor, Michael L. Murphy, Win Neuger, Frank Petralito, Karen Radke, John J. Roberts, Ernest E. Stempel, Martin J. Sullivan, Jean-Baptist Tateossian, Thomas R. Tizzio, Edmund S.W. Tse, Joseph H. Umansky, Jay S. Wintrob, Frank G. Wisner, and Frank G. Zarb (collectively the "Interpleader-Defendants"), and alleges as follows:

NATURE OF THE ACTION

1. Great American issued a directors and officers insurance policy (the "Policy,"), Number DOL8811693, to American International Group, Inc. ("AIG"), a true and correct copy of which is attached hereto as Exhibit A. As the Court likely knows from media reports and extensive statements by public officials, from the President of the United States on down, AIG is at the center of a firestorm.

2. There are presently pending numerous litigations naming AIG and/or its past and present officers and directors as defendants that AIG and the Greenberg

Group noticed to Great American as Claims under the Policy (the "Lawsuits"). The Lawsuits seek billions of dollars in damages.

3. But even before the current issues at AIG became front page news, a very public split occurred between AIG and its former Chairman, Maurice R. Greenberg ("Greenberg"). Since then, Greenberg and AIG have, at times, taken strongly adversarial positions in litigation. Greenberg is also affiliated with Interpleader-Defendants Starr International Company, Inc. ("SICO"), C.V. Starr & Co., Inc. ("C.V. Starr"), Edward E. Matthews ("Matthews"), and Howard I. Smith ("Smith," and collectively with Greenberg, SICO, C.V. Starr and Matthews, the "Greenberg Group").

4. As a result of the pending litigations, on information and belief, the Greenberg Group and AIG have all been forced to expend money in defense of those actions. The Greenberg Group have demanded that Great American advance the Policy proceeds to reimburse the Greenberg Group for those expenses. AIG, on its own behalf and on behalf of the other individual Interpleader-Defendants (the "Additional Claimants," as defined below), on the other hand, has demanded that Great American not advance any of the Greenberg Groups' expenses, asserting that AIG is entitled under the Policy to decide whether any defense expenses should be advanced. Thus, the Interpleader-Defendants have stated competing adverse claims to the proceeds of the Policy.

5. Great American has initiated this interpleader action, pursuant to 28 U.S.C. § 1335 and Fed. R. Civ. P. 22 to resolve multiple and competing demands to the proceeds of the Policy by the Interpleader-Defendants which may expose Great

American to multiple litigation and potential liability with respect to its duties under the Policy absent Court resolution.

6. Great American also seeks to permanently restrain and enjoin an arbitration proceeding currently pending before the American Arbitration Association's International Center For Dispute Resolution ("ICDR") by the Greenberg Group against Great American seeking to obtain the Policy proceeds (the "Arbitration"). The Arbitration was brought only against Great American pursuant to a provision in the Policy. The Greenberg Group chose not to name AIG in the Arbitration.

7. The Greenberg Group have purported to name an arbitrator to serve on the panel, but the arbitration provision of the Policy states that the arbitrator is to be named by the "Corporation," which is defined as AIG.¹ AIG has written to Great American and the Greenberg Group asserting that the Arbitration is not properly constituted.

8. Therefore, Great American seeks, as alternative relief, a declaratory judgment pursuant to 28 U.S.C. § 2201, and 9 U.S.C. §§ 2-4, specifying whether Great American is required to arbitrate and, if so, specifying whether AIG is a necessary party to the Arbitration and what party (AIG or the Greenberg Group) is entitled to name the arbitrator.

¹ Capitalized terms used in this Interpleader Action have the same meaning that is ascribed to them in the Policy.

THE PARTIES

9. Interpleader-Plaintiff, Great American, is a corporation existing under the laws of the State of Ohio and with its principal place of business in the State of Ohio. Great American is licensed to conduct an insurance business throughout the United States.

10. Interpleader-Defendant AIG is, on information and belief, a Delaware corporation with its registered office and its principal place of business at 70 Pine Street, New York, New York. AIG purchased the Policy from Great American and is an Insured Entity under the Policy. AIG is also empowered to act on behalf of all other Insureds under the Policy with respect to the Policy.

11. On information and belief, Interpleader-Defendant Greenberg is and was at all relevant times a citizen and domiciliary of New York. Greenberg is a former director and officer of AIG and is an Insured Person under the Policy.

12. On information and belief, Interpleader-Defendant SICO is a Panama corporation with its principal place of business in Zug, Switzerland. SICO is an Insured Entity under the Policy pursuant to Endorsement No. 26 (the "Addition of Subsidiary" endorsement).

13. On information and belief, Interpleader-Defendant C.V. Starr is a Delaware corporation with its principal place of business at 399 Park Avenue, New York, New York. C.V. Starr is an Insured Entity under the Policy pursuant to Endorsement No. 26 (the "Addition of Subsidiary" endorsement).

14. On information and belief, Interpleader-Defendant Matthews is and was

at all relevant times a citizen and domiciliary of New Jersey. Matthews is a former director of AIG and is an Insured Person under the Policy.

15. On information and belief, Interpleader-Defendant Smith is and was at all relevant times a citizen and domiciliary of New York. Smith is a former director and officer of AIG and is an Insured Person under the Policy.

16. While the exact domicile of Interpleader-Defendant Bernard M. Aidinoff is unknown to Great American at this time, on information and belief, at all relevant times he was not a citizen or domiciliary of Ohio. Aidinoff is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

17. While the exact domicile of Interpleader-Defendant Steven Bensinger is unknown to Great American at this time, on information and belief, at all relevant times he was not a citizen or domiciliary of Ohio. Bensinger is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

18. On information and belief, Interpleader-Defendant Eli Broad is and was at all relevant times a citizen and domiciliary of California. Broad is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

19. On information and belief, Interpleader-Defendant Vincent Cantwell is and was at all relevant times a citizen and domiciliary of New York. Cantwell is, on information and belief, an Insured Person under the Policy and is named as a defendant

in one or more of the Lawsuits.

20. On information and belief, Interpleader-Defendant Michael J. Castelli is and was at all relevant times a citizen and domiciliary of New York. Castelli is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

21. On information and belief, Interpleader-Defendant Pei-Yuan Chia is and was at all relevant times a citizen and domiciliary of New York. Chia is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

22. While the exact domicile of Interpleader-Defendant Marshall A. Cohen is unknown to Great American at this time, on information and belief, at all relevant times he was not a citizen or domiciliary of Ohio. Cohen is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

23. On information and belief, Interpleader-Defendant William S. Cohen is and was at all relevant times a citizen and domiciliary of New York. Cohen is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

24. While the exact domicile of Interpleader-Defendant Robert Crandall is unknown to Great American at this time, on information and belief, at all relevant times he was not a citizen or domiciliary of Ohio. Crandall is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the

Lawsuits.

25. On information and belief, Interpleader-Defendant William Dooley is and was at all relevant times a citizen and domiciliary of New Jersey. Dooley is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

26. While the exact domicile of Interpleader-Defendant Martin S. Feldstein is unknown to Great American at this time, on information and belief, at all relevant times he was not a citizen or domiciliary of Ohio. Feldstein is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

27. While the exact domicile of Interpleader-Defendant Ellen V. Futter is unknown to Great American at this time, on information and belief, at all relevant times she was not a citizen or domiciliary of Ohio. Futter is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

28. On information and belief, Interpleader-Defendant Leslie L. Gonda is and was at all relevant times a citizen and domiciliary of California. Gonda is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

29. While the exact domicile of Interpleader-Defendant John Graf is unknown to Great American at this time, on information and belief, at all relevant times he was not a citizen or domiciliary of Ohio. Graf is, on information and belief, an Insured

Person under the Policy and is named as a defendant in one or more of the Lawsuits.

30. On information and belief, Interpleader-Defendant Evan G. Greenberg is and was at all relevant times a citizen and domiciliary of New York. Greenberg is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

31. While the exact domicile of Interpleader-Defendant Carla A. Hills is unknown to Great American at this time, on information and belief, at all relevant times she was not a citizen or domiciliary of Ohio. Hills is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

32. While the exact domicile of Interpleader-Defendant Frank J. Hoenemeyer is unknown to Great American at this time, on information and belief, at all relevant times he was not a citizen or domiciliary of Ohio. Hoenemeyer is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

33. On information and belief, Interpleader-Defendant Richard C. Holbrooke is and was at all relevant times a citizen and domiciliary of Washington, DC. Holbrooke is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

34. On information and belief, Interpleader-Defendant Robert P. Jacobson is and was at all relevant times a citizen and domiciliary of New York. Jacobson is, on information and belief, an Insured Person under the Policy and is named as a defendant

in one or more of the Lawsuits.

35. While the exact domicile of Interpleader-Defendant Donald P. Kanak is unknown to Great American at this time, on information and belief, at all relevant times he was not a citizen or domiciliary of Ohio. Kanak is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

36. While the exact domicile of Interpleader-Defendant Christian M. Milton is unknown to Great American at this time, on information and belief, at all relevant times he was not a citizen or domiciliary of Ohio. Milton is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

37. While the exact domicile of Interpleader-Defendant Kristian T. Moor is unknown to Great American at this time, on information and belief, at all relevant times he was not a citizen or domiciliary of Ohio. Moor is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

38. While the exact domicile of Interpleader-Defendant Michael L. Murphy is unknown to Great American at this time, on information and belief, at all relevant times he was not a citizen or domiciliary of Ohio. Murphy is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

39. On information and belief, Interpleader-Defendant Win Neuger is and

was at all relevant times a citizen and domiciliary of New York. Neuger is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

40. While the exact domicile of Interpleader-Defendant Frank Petralito is unknown to Great American at this time, on information and belief, at all relevant times he was not a citizen or domiciliary of Ohio. Petralito is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

41. While the exact domicile of Interpleader-Defendant Karen Radke is unknown to Great American at this time, on information and belief, at all relevant times she was not a citizen or domiciliary of Ohio. Radke is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

42. While the exact domicile of Interpleader-Defendant John J. Roberts is unknown to Great American at this time, on information and belief, at all relevant times he was not a citizen or domiciliary of Ohio. Roberts is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

43. While the exact domicile of Interpleader-Defendant Ernest E. Stempel is unknown to Great American at this time, on information and belief, at all relevant times he was not a citizen or domiciliary of Ohio. Stempel is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the

Lawsuits.

44. While the exact domicile of Interpleader-Defendant Martin J. Sullivan is unknown to Great American at this time, on information and belief, at all relevant times he was not a citizen or domiciliary of Ohio. Sullivan is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

45. While the exact domicile of Interpleader-Defendant Jean-Baptist Tateossian is unknown to Great American at this time, on information and belief, at all relevant times he was not a citizen or domiciliary of Ohio. Tateossian is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

46. On information and belief, Interpleader-Defendant Thomas R. Tizzio is and was at all relevant times a citizen and domiciliary of New Jersey. Tizzio is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

47. While the exact domicile of Interpleader-Defendant Edmund S.W. Tse is unknown to Great American at this time, on information and belief, at all relevant times he was not a citizen or domiciliary of Ohio. Tse is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

48. While the exact domicile of Interpleader-Defendant Joseph H. Umansky is unknown to Great American at this time, on information and belief, at all relevant times

he was not a citizen or domiciliary of Ohio. Umansky is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

49. While the exact domicile of Interpleader-Defendant Jay S. Wintrob is unknown to Great American at this time, on information and belief, at all relevant times he was not a citizen or domiciliary of Ohio. Wintrob is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

50. On information and belief, Interpleader-Defendant Frank G. Wisner is and was at all relevant times a citizen and domiciliary of New York. Wisner is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

51. While the exact domicile of Interpleader-Defendant Frank G. Zarb is and unknown to Great American at this time, on information and belief, at all relevant times he was not a citizen or domiciliary of Ohio. Zarb is, on information and belief, an Insured Person under the Policy and is named as a defendant in one or more of the Lawsuits.

52. Interpleader-Defendants Bernard M. Aidinoff, Steven Bensinger, Eli Broad, Vincent Cantwell, Michael J. Castelli, Pei-Yuan Chia, Marshall A. Cohen, William S. Cohen, Robert Crandall, William Dooley, Martin S. Feldstein, Ellen V. Futter, Leslie L. Gonda, John Graf, Evan G. Greenberg, Carla A. Hills, Frank J. Hoenemeyer, Richard C. Holbrooke, Robert P. Jacobson, Donald P. Kanak, Christian M. Milton,

Kristian T. Moor, Michael L. Murphy, Win Neuger, Frank Petralito, Karen Radke, John J. Roberts, Ernest E. Stempel, Martin J. Sullivan, Jean-Baptist Tateossian, Thomas R. Tizzio, Edmund S.W. Tse, Joseph H. Umansky, Jay S. Wintrob, Frank G. Wisner, and Frank G. Zarb are the "Additional Claimants."

JURISDICTION AND VENUE

53. This Court has jurisdiction over this action in the nature of interpleader pursuant to 28 U.S.C. § 1335 in that the amount in controversy, the \$15 million Policy limit, exceeds the sum of \$500, exclusive of interest and costs, and at least two of the claimants are of diverse citizenship to one another. Specifically, for example, Interpleader-Defendant SICO is a Panama corporation with its principal place of business in Zug, Switzerland, and Interpleader-Defendant AIG is a Delaware corporation with its principal place of business in New York, New York.

54. This Court has jurisdiction over the Third Claim for relief pursuant to 28 U.S.C. § 1367 because the Third Claim for relief is so related to the interpleader claim as to form part of the same case or controversy. In the alternative, this Court has jurisdiction over the Third Claim (and the entire complaint) because there is complete diversity of citizenship between Great American, as Interpleader-Plaintiff, and the Interpleader-Defendants and the amount in controversy exceeds \$75,000, exclusive of interest and costs.

55. Venue is proper in this District pursuant to 28 U.S.C. § 1397 since Interpleader-Defendants Greenberg and Smith reside in this judicial district and AIG and C.V. Starr each have their principal place of business in New York.

56. Pursuant to 28 U.S.C. § 2361 and Fed. R. Civ. P. 65, this Court may issue its process for all claimants to the Policy and enter an Order restraining Interpleader-Defendants from instituting or prosecuting any proceeding in any State or United States Court, or in any arbitral proceeding of the American Arbitration Association, affecting Great American's obligations under the Policy.

FACTS

57. AIG purchased the Policy from Great American. The Policy covers Claims first made against Insured Persons and Insured Entities during the Policy Period of May 24, 2004 to May 24, 2005, subject to a \$15 million Limit of Liability and a \$10 million Retention, and subject to various other exclusions and limitations.

58. The proceeds of the Policy are the property that is the subject of this interpleader action.

59. Great American is the stakeholder of the Policy.

60. AIG is the Corporation named on the Policy's declarations page and is an Insured Entity under the Policy.

61. AIG, the Greenberg Group and the Additional Claimants are defendants in the Lawsuits.

62. On information and belief, AIG initially advanced to the Greenberg Group the attorney's fees and expenses incurred by the Greenberg Group in defending the Lawsuits pursuant to AIG's indemnification obligation.

63. On information and belief, AIG terminated that advancement in mid-2007.

64. On information and belief, SICO and/or C.V. Starr have been advancing

the attorney's fees and costs incurred by Greenberg, Smith and Matthews in connection with the Lawsuits since AIG stopped advancing in mid-2007.

65. On information and belief, AIG has paid tens of millions of dollars in attorney's fees and expenses on behalf of the Greenberg Group.

66. On information and belief, AIG has also paid tens of millions of dollars in attorney's fees and costs on its own behalf and on behalf of the Additional Claimants pursuant to its indemnification obligations in connection with the Lawsuits. On information and belief, the attorney's fees and costs advanced by AIG on behalf of the Greenberg Group and the Additional Claimants exceed the Policy's \$10 million Retention and \$15 million Limit of Liability.

67. By letter dated January 27, 2009 to Great American, the Greenberg Group demanded reimbursement and advancement of Costs of Defense under the Policy in the full amount of the \$15 million Policy limit. A true and correct copy of the January 27, 2009 letter from the Greenberg Group is annexed hereto as Exhibit B.

68. By letter dated February 10, 2009 to the Greenberg Group, Great American advised that AIG had competing claims to the Policy and if Great American made any payment to the Greenberg Group, Great American could face a claim by AIG for improper erosion of the Policy limits. A true and correct copy of the February 10, 2009 letter from Great American is annexed hereto as Exhibit C.

69. By letter dated February 23, 2009 to Great American, the Greenberg Group reiterated their demand for the Policy limit as advancement of Costs of Defense. A true and correct copy of the February 23, 2009 letter from the Greenberg Group is annexed

hereto as Exhibit D.

70. By letter dated March 9, 2009 to the Greenberg Group, Great American responded that it could not make any advancement under the Policy without AIG's written request pursuant to Endorsement 32 of the Policy (the "Order of Payments" endorsement), which requires that any payment under the Policy be made "at the written request of the Corporation [AIG]." A true and correct copy of the March 9, 2009 letter from Great American is annexed hereto as Exhibit E.

71. On March 31, 2009, the Greenberg Group filed a Demand for Arbitration and Statement of Claims ("Arbitration Demand") with the International Centre for Dispute Resolution of the American Arbitration Association, Case: 50 195 T 00151 09 (*i.e.*, the "Arbitration"), naming Great American as respondent and seeking an order directing Great American to advance Costs of Defense to the Greenberg Group in the amount of the full limit of the Policy. A true and correct copy of the Arbitration Demand is annexed hereto as Exhibit F.

72. AIG is not a party to the Arbitration.

73. By letter dated April 27, 2009, AIG directed Great American not to make any payment under the Policy to the Greenberg Group and requested that Great American "take all necessary steps ... so that the rights of AIG and all Insureds under the Policy will not be prejudiced." A true and correct copy of the April 27, 2009 letter from AIG to Great American is annexed hereto as Exhibit G.

74. In their Arbitration Demand, the Greenberg Group collectively nominated a party-appointed arbitrator.

75. Section IX.I. of the Policy states, with respect to any arbitration under the policy that “[t]he panel shall consist of one arbitrator selected by the Corporation [AIG], one arbitrator selected by the Insurer [Great American] and a third independent arbitrator selected by the first two arbitrators.”

76. Section IX.M. of the Policy (“Corporation Represents Insureds”) provides that “the Corporation [AIG] shall be designated to act on behalf of all of the Insureds for all purposes including, but not limited to, the giving and receiving of all notices and correspondence, the cancellation or non-renewal of this Policy, the payment of premiums, and the receipt of any return premium that may be due under this Policy.”

77. Pursuant to Section IX.M. of the Policy (“Corporation Represents Insureds”), AIG purports to be acting on behalf of the Additional Claimants. Great American acknowledges AIG’s right to do so, but has named the Additional Claimants in order to assure that they are bound by the outcome of this action.

78. In a separate letter dated April 27, 2009 to the Greenberg Group and attached to the April 27 letter to Great American (Exhibit G), AIG demanded that the Greenberg Group withdraw their Arbitration Demand, because only AIG has the right to commence an arbitration and appoint an arbitrator under the Policy. A true and correct copy of the April 27, 2009 letter from AIG to the Greenberg Group is annexed hereto as Exhibit H.

79. In the event that Great American makes any payment to the Greenberg Group for their defense expenses related to the Lawsuits, such payment would constitute “advancement” under the Policy. Pursuant to Endorsement No. 21 of the

Policy (the “Cost of Defense and Settlements” endorsement), the Greenberg Group would be required to repay the monies advanced in certain circumstances. Any such money returned to Great American would, in turn, reinstate Great American’s Policy limits, *pro tanto*. Accordingly, even in the event that Great American is required to advance to the Greenberg Group, it cannot and does not surrender its right (and obligation to other Insureds under the Policy), to recoup any monies paid.

80. Subject to the foregoing, the Policy limits are available for payment if appropriate. Great American seeks to interplead AIG and the Greenberg Group because the Court is in the best position to determine any and all rights and duties under the Policy.

**FIRST CLAIM FOR RELIEF
(Interpleader Against All Interpleader-Defendants)**

81. Great American incorporates by reference all of the preceding paragraphs of this complaint as though fully set forth herein.

82. Great American is the stakeholder of the Policy.

83. Great American faces conflicting, adverse claims with respect to the Policy, thereby exposing Great American to multiple litigation and liability absent resolution of all such claims in one proceeding.

84. Great American has available to it and is prepared to deposit into the Registry of the Court its full \$15 million limit, which is the most that Great American could be liable to pay to all Interpleader-Defendants, pending the Court’s determination of the Interpleader-Defendants’ entitlement thereto.

85. Pursuant to Endorsement No. 21 to the Policy (“Costs of Defense and Settlement”), Great American has a right to recoup all amounts advanced under the Policy in the event it is finally established that Great American has no liability under the Policy.

86. Great American demands that the Interpleader-Defendants interplead pursuant to 28 U.S.C. § 1335 and Fed. R. Civ. P. 22 concerning their competing claims to the Policy and that Great American have judgment that it have no liability to any of the claimants, under the Policy or otherwise, except as the Court may determine in resolving the claimants’ competing claims.

**SECOND CLAIM FOR RELIEF
(Injunctive Relief Against all Interpleader-Defendants)**

87. Great American incorporates by reference all of the preceding paragraphs of this complaint as though fully set forth herein.

88. On March 31, 2009, the Greenberg Group commenced the Arbitration against Great American seeking an order directing Great American to advance Costs of Defense to the Greenberg Group.

89. By letter dated April 27, 2009, AIG directed Great American not to make any payment under the Policy to the Greenberg Group and requested that Great American “take all necessary steps ... so that the rights of AIG and all Insureds under the Policy will not be prejudiced.”

90. Great American seeks an order pursuant to 28 U.S.C. § 2361 and Fed. R. Civ. P. 65, permanently restraining and enjoining the Interpleader-Defendants and their

agents, attorneys, servants, and employees and all persons in active concert or participation with any of them, from instituting or prosecuting any proceeding in any State or United States court or in any arbitral proceeding of the American Arbitration Association and/or International Center for Dispute Resolution, including the Arbitration, affecting the Policy or the proceeds thereof, pending the outcome of the instant action.

THIRD CLAIM FOR RELIEF
(Declaratory Judgment Against the Interpleader-Defendants)

91. Great American incorporates by reference all of the preceding paragraphs of this complaint as though fully set forth herein.

92. The Court has jurisdiction over this claim for relief pursuant to 28 U.S.C. § 1367 because it arises under the same set of circumstances giving rise to the competing claims to the Policy. In the alternative, there is complete diversity as between Great American, as Interpleader-Plaintiff, and the Interpleader-Defendants and the amount in controversy exceeds \$75,000, exclusive of interest and costs.

93. On March 31, 2009, the Greenberg Group commenced the Arbitration against Great American seeking an order directing Great American to advance Costs of Defense to the Greenberg Group.

94. Great American recognizes that normally the scope of a broad arbitration clause is to be interpreted by the arbitrators. However, the dispute presented here goes directly to whether the Greenberg Group are entitled to utilize the arbitration provision of the Policy at all, and even if they are, whether they are entitled to appoint an

arbitrator. In the absence of a resolution of those threshold issues, it does not appear possible to form an arbitration panel able to interpret the arbitration provision.

95. Title 9 of the United State Code provides for the enforceability of arbitration provisions only when the parties have agreed to arbitrate.

96. As explained above, Great American seeks herein an order permanently restraining and enjoining each of the Interpleader-Defendants from instituting or prosecuting any proceeding in any State or United States court or in any arbitral proceeding affecting the Policy or the proceeds thereof pursuant to 28 U.S.C. § 2361 and Fed. R. Civ. P. 65.

97. However, in the event the Court declines to permanently restrain and enjoin the Arbitration pending the outcome of the instant action, Great American seeks a declaration of its rights and relationships with respect to the Policy and the arbitration provision, including a judgment:

- a. Declaring whether the Greenberg Group have a right to commence arbitration under the Policy;
- b. Declaring that AIG is a necessary party to the Arbitration and directing that AIG must be joined to the Arbitration as a party;
- c. Declaring whether the Greenberg Group have a right to appoint an arbitrator;
- d. Declaring, in the event that the Greenberg Group do not have a right to appoint an arbitrator, the proper process under the Policy to proceed with the arbitrator selection process; and

e. Directing how the \$15 million Policy proceeds are to be held pending the outcome of the Arbitration.

98. Absent Court resolution of these issues, Great American will be subject to multiple litigation and/or arbitration and potential liability with respect to its obligations under the Policy. Great American does not have an adequate remedy at law.

99. It is just and equitable that the Court declare the rights and legal relationships of the parties.

WHEREFORE, Interpleader-Plaintiff respectfully demands judgment as follows:

- (1) Interpleading the Interpleader-Defendants pursuant to 28 U.S.C. § 1335 for the purpose of determining their entitlement to the Policy proceeds and discharging Great American from and against any liability to any of the Interpleader-Defendants in respect of the Policy or Great American's issuance thereof, except as determined in the interpleader action;
- (2) Authorizing and directing Great American to deposit \$15 million, the limits of the Policy (*i.e.*, funds in the amount equal to the largest potential claim of the Interpleader-Defendants) into the Registry of the Court;
- (3) Permanently restraining and enjoining each of the Interpleader-Defendants, pursuant to 28 U.S.C. § 2361, from instituting or prosecuting any proceeding in any State or United States court or in any arbitral proceeding of the American Arbitration Association affecting the Policy or the proceeds thereof;

- (4) Alternatively, in the event the Court declines to permanently restrain and enjoin the Arbitration pending the outcome of the instant action, declaring that AIG is a necessary party to the Arbitration, declaring that AIG and the Greenberg Group must resolve their competing claims to the Policy limits in one arbitration proceeding, and declaring the proper procedure for the appointment of the arbitrators; and
- (5) Granting such other and further relief that the Court may deem just and equitable, including an award of Great American's costs and attorney's fees incurred in prosecuting this action up to and including the time this Court authorizes Great American to deposit the Funds into the Registry of the Court, or to post a bond payable to the Clerk of the Court in the amount of the Policy limits, and discharges Great American from any and all liability with respect to the Policy or the proceeds thereof.

Jury Demand

Interpleader-Plaintiff demands trial by Jury on all claims for which a trial by Jury is available.

Dated: New York, New York
May 8, 2009

BOUNDAS, SKARZYNSKI,
WALSH & BLACK, LLC

By: 

James T. Sandnes (JS-8944)

Of Counsel:
James A. Skarzynski
Jennifer A. Dowd
Aron M. Zimmerman

One Battery Park Plaza
New York, NY 10004
(212) 820-7700

Attorneys for Interpleader-Plaintiff
GREAT AMERICAN INSURANCE COMPANY