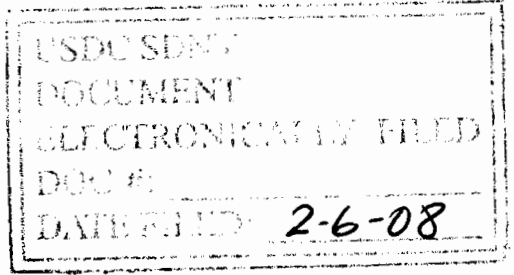


UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

----- X
AXA VERSICHERUNG AG, on its own :
behalf and as successor in interest :
to ALBINGIA VERISCHERUNGS AG, :
 :
Plaintiff, :
 :
-v- :
 :
NEW HAMPSHIRE INSURANCE COMPANY; :
AMERICAN HOME ASSURANCE COMPANY and :
NATIONAL UNION FIRE INSURANCE COMPANY :
OF PITTSBURGH, PENNSYLVANIA, :
 :
Defendants. :
----- X

05 Civ. 10180 (JSR)

FINAL JUDGMENT



JED S. RAKOFF, U.S.D.J.

On January 25, 2008, the Court dismissed with prejudice plaintiff's claims for negligent misrepresentation and breach of the duty of utmost good faith on the ground that they were barred by the applicable statute of limitations. At the same time, the Court also ruled that plaintiff's claim for material nondisclosure merged with plaintiff's claim for intentional misrepresentation into a single claim of fraudulent inducement. On January 30, 2008, the jury, following a trial, returned a verdict (attached hereto) finding that plaintiff had proved by clear and convincing evidence all the elements of its claim of fraudulent inducement with respect to both the 1997 Facility and the 1998 Facility, and that both of those contracts must therefore be rescinded. The parties are agreed that this requires the defendants to remit to plaintiff the sum of \$20,087,166 and interest of \$8,536,004. The jury also found defendants liable for punitive damages in the sum of \$5,750,000.

Accordingly, defendants New Hampshire Insurance Company, American Home Assurance Company, and National Union Fire Insurance Company of Pittsburgh, Pennsylvania, as well as their parent corporation, American International Group, are hereby adjudged liable, jointly and severally, to plaintiff AXA Versicherung AG in the total sum of \$34,373,170.

SO ORDERED.

Dated: New York, NY
February 6, 2008



JED S. RAKOFF, U.S.D.J.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

----- X
AXA VERSICHERUNG AG, or its own behalf and :
as successor in interest to ALBINGIA :
VERISCHERUNGS AG, : 05 Civ. 10180 (JSR)
: :
Plaintiff, :
: :
-v- :
: :
NEW HAMPSHIRE INSURANCE COMPANY; :
AMERICAN HOME ASSURANCE COMPANY :
and NATIONAL UNION FIRE INSURANCE :
COMPANY OF PITTSBURGH, PENNSYLVANIA, :
: :
Defendants. :
----- X

VERDICT

1. a. With respect to the 1997 Facility, do you find that AXA has proved by clear and convincing evidence its claim of fraudulent inducement?

Yes ✓ No _____

[If your answer is "yes," go to question 1(b). If your answer is "no," leave question 1(b) blank and go to question 2.]

- b. With respect to the 1997 Facility, do you find that AXA has proved by a preponderance of the evidence that it did not discover until after December 2, 2003, and could not with reasonable diligence have discovered until after December 2, 2003, the facts from which a reasonable insurer in AXA's position would have inferred that it was fraudulently induced to enter into the 1997 Facility?

Yes ✓ No _____

[If your answer is "yes" to questions 1(a) and question 1(b) you have found AIG liable for fraud as to the 1997 Facility. If your answer to either question is "no," you have found AIG not liable for fraud as to the 1997 Facility.]

