UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

AXA VERSICHERUNG AG, on its own behalf and as successor in interest to ALBINGIA VERISCHERUNGS AG,

Plaintiff,

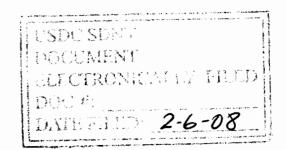
-v-

NEW HAMPSHIRE INSURANCE COMPANY; :
AMERICAN HOME ASSURANCE COMPANY and :
NATIONAL UNION FIRE INSURANCE COMPANY :
OF PITTSBURGH, PENNSYLVANIA, :

Defendants

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 imitations. 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with respect to both the 1997 Facility and the 1998 Facility, and that both of those contracts must therefore be rescinded.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.

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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

UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK	V					
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	: : : : A, :					
Defendants.	· ;					
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 differed 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.]

2.	with respect to the 1998 Facility, do you find that AXA has proved by clear and convincing evidence its claim of fraudulent inducement?					
		Yes		No		
	[If your answeblank and go			ation 2(b). If your ar	nswer is "no," leave question 2(b)	
	b. With respect to the 1998 Facility, do you find that AXA has proved by a preponderance of the evidence that it did not discover until after December 2, 200 could not with reasonable diligence have discovered until after December 2, 200 facts from which a reasonable insurer in AXA's position would have inferred that fraudulently induced to enter into the 1997 Facility, until after December 2, 2003					
		Yes		No		
		d as to the	e 1998 Facil	lity. If your answer	tion 2(b), you have found AIG is "no," you have found AIG not	
on to c		herwise, l			y or the 1998 Facility, or both, go n your verdict form, signed by the	
3.	Having found that AIG is liable for fraud as to one or both Facilities, and having further concluded that AXA has established by clear and convincing evidence that AIG has acte with a high degree of immorality and with such reckless dishonesty as to imply a crimin indifference to civil obligations, do you wish to award punitive damages to AXA?					
		Yes		No		
	[If you choose to award punitive damages, fill in below the amount of such damage award. If you choose not to award punitive damages, leave the space blank and retuyour verdict form, signed by the foreperson, to the Court.]					
	Punitive Dam	ages \$	1600	0: \$5,750,	000.00	
				Buran	IM aus	
					REPERSON	
				Date: Jan	vary, 30, 2008	