



# Defendant's Opening Statement September 29, 2014

*Starr Int'l v. United States*

**104,383**

- Credit Agreement Class
- Reverse Stock Split Class

# Credit Agreement Class

# Dispositive Points

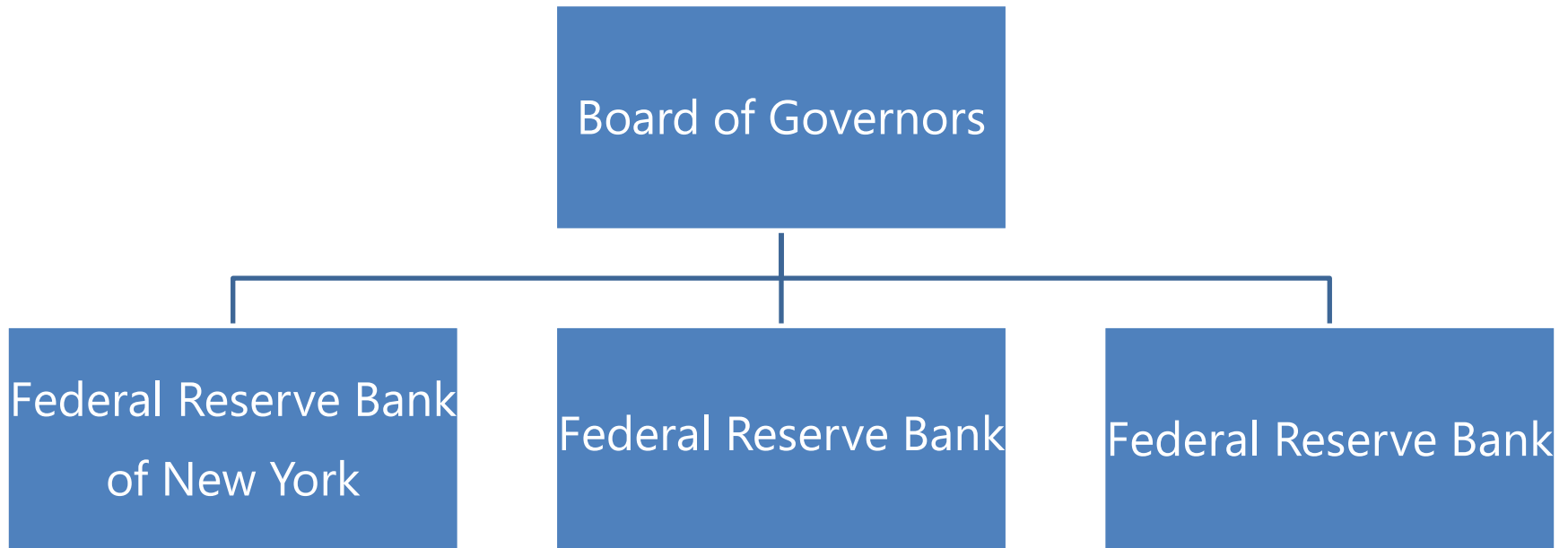
- Legal under 13(3)
- Deal was voluntary
- No harm to plaintiffs

No Entitlement to Loan

# Parties to the Loan

- The Federal Reserve
- AIG

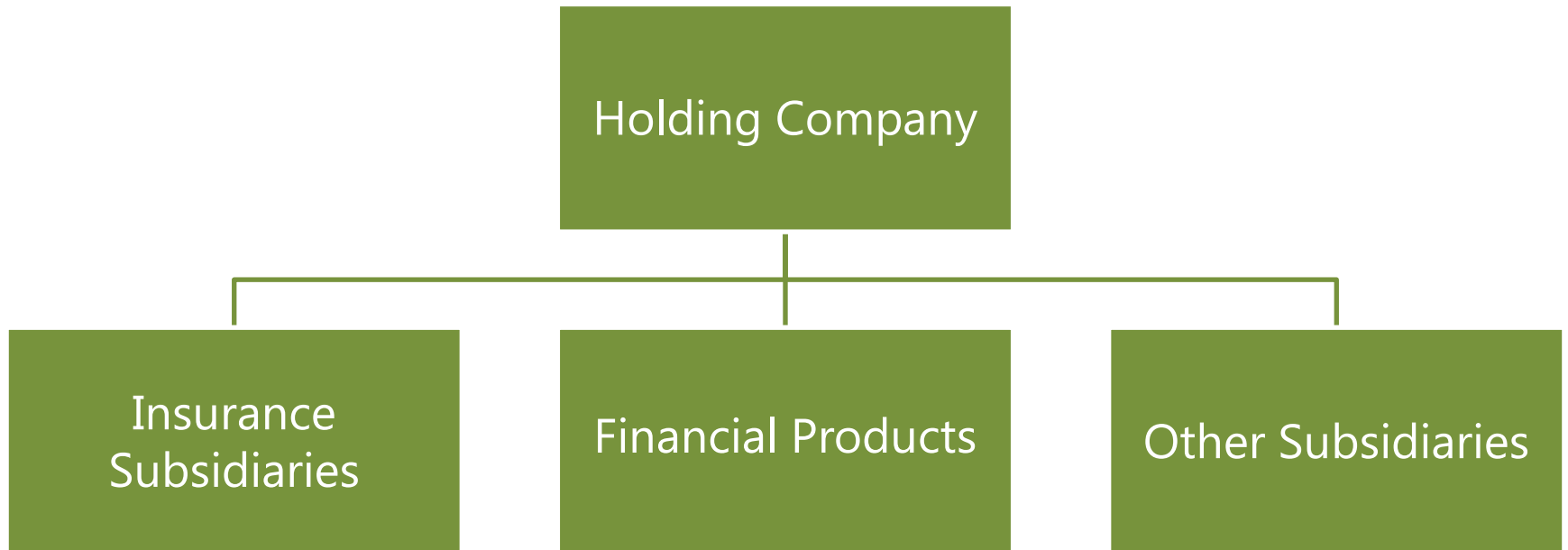
# The Federal Reserve





# 13(3): Non-Bank Assistance

# AIG



CDS Insurance Contracts  
&  
Securities Lending Program

“On September 16, 2008 AIG had been pushed to the brink of failure by the Government’s refusal to make liquidity available to AIG.”

Cragg rebuttal report at 36



Summer 2008

September 12

September 13-14

September 15

September 16

September 17

September 21

September 22



Summer 2008

**September 12**

September 13-14

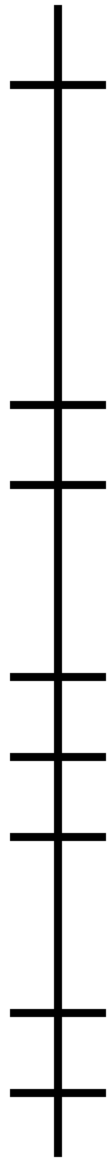
September 15

September 16

September 17

September 21

September 22



Summer 2008

September 12

September 13-14 (Lehman Weekend)

September 15

September 16

September 17

September 21

September 22

# Legal under 13(3)

- ✓ unusual and exigent circumstances
- unable to secure adequate credit accommodations
- secured to the satisfaction of the Federal reserve bank
- the affirmative vote of not less than five members





Summer 2008

September 12

September 13-14

**September 15**

September 16

September 17

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# Moral Hazard: A Critical Concern



Summer 2008

September 12

September 13-14

September 15

**September 16**

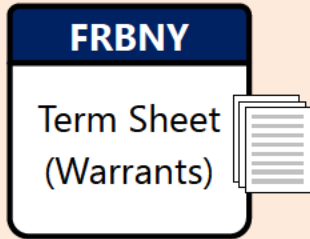
September 17

September 21

September 22

# Final Agreement for Equity

## Internal Drafts of Term Sheet



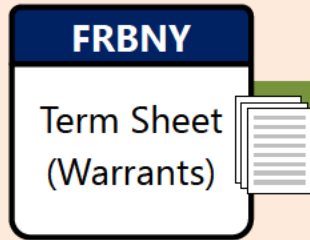
## The Terms Offered to AIG

| 1:00 pm | 2:00 pm | 3:00 pm | 4:00 pm | 5:00 pm | 6:00 pm | 7:00 pm | 8:00 pm | 9:00 pm |

Sept. 16, 2008

# Final Agreement for Equity

## Internal Drafts of Term Sheet



Federal Reserve  
Board of Governors  
votes to authorize  
13(3) loan



## The Terms Offered to AIG

| 1:00 pm | 2:00 pm | 3:00 pm | 4:00 pm | 5:00 pm | 6:00 pm | 7:00 pm | 8:00 pm | 9:00 pm |

Sept. 16, 2008

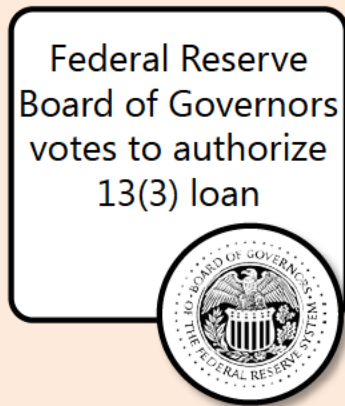
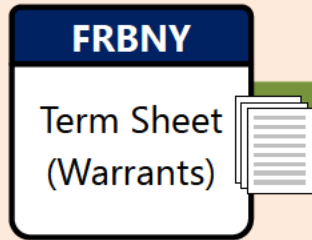
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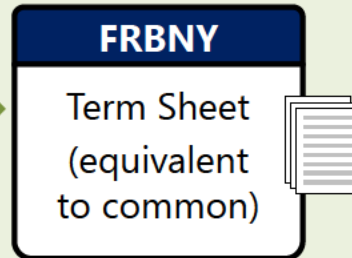


# Final Agreement for Equity

## Internal Drafts of Term Sheet



## The Terms Offered to AIG

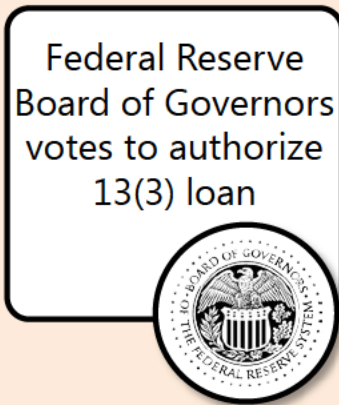
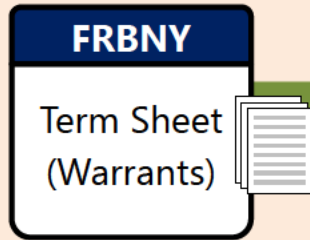


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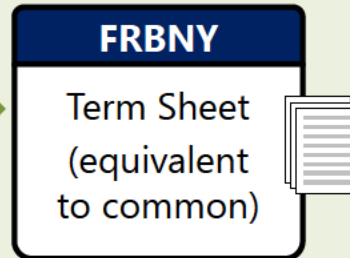
Sept. 16, 2008

# Final Agreement for Equity

## Internal Drafts of Term Sheet



## The Terms Offered to AIG

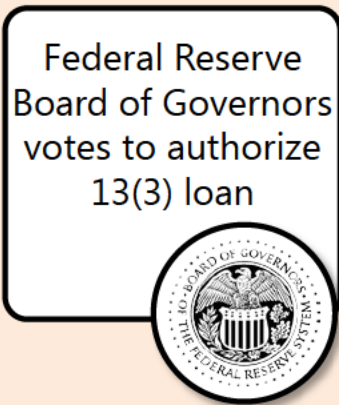
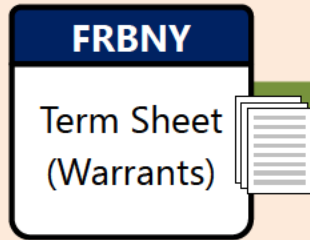


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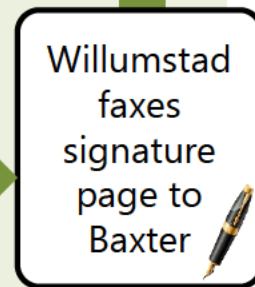
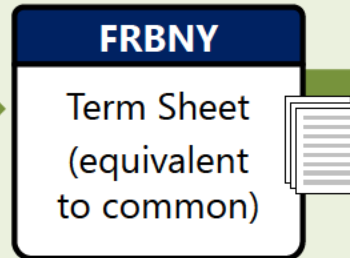
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# Final Agreement for Equity

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Sept. 16, 2008



Summer 2008

September 12

September 13-14

September 15

September 16

**September 17**

September 21

September 22

IN THE UNITED STATES COURT OF FEDERAL CLAIMS

STARR INTERNATIONAL COMPANY, INC.,  
Individually and on Behalf of All  
Others Similarly Situated,

Plaintiff,

Case No.

11-CV-00779C (TCW)

v.

UNITED STATES,

Defendant.

\_\_\_\_ /

VIDEO DEPOSITION UPON ORAL EXAMINATION

\_\_\_\_ of JOHN STUDEINSKI  
on Wednesday, December 11, 2013

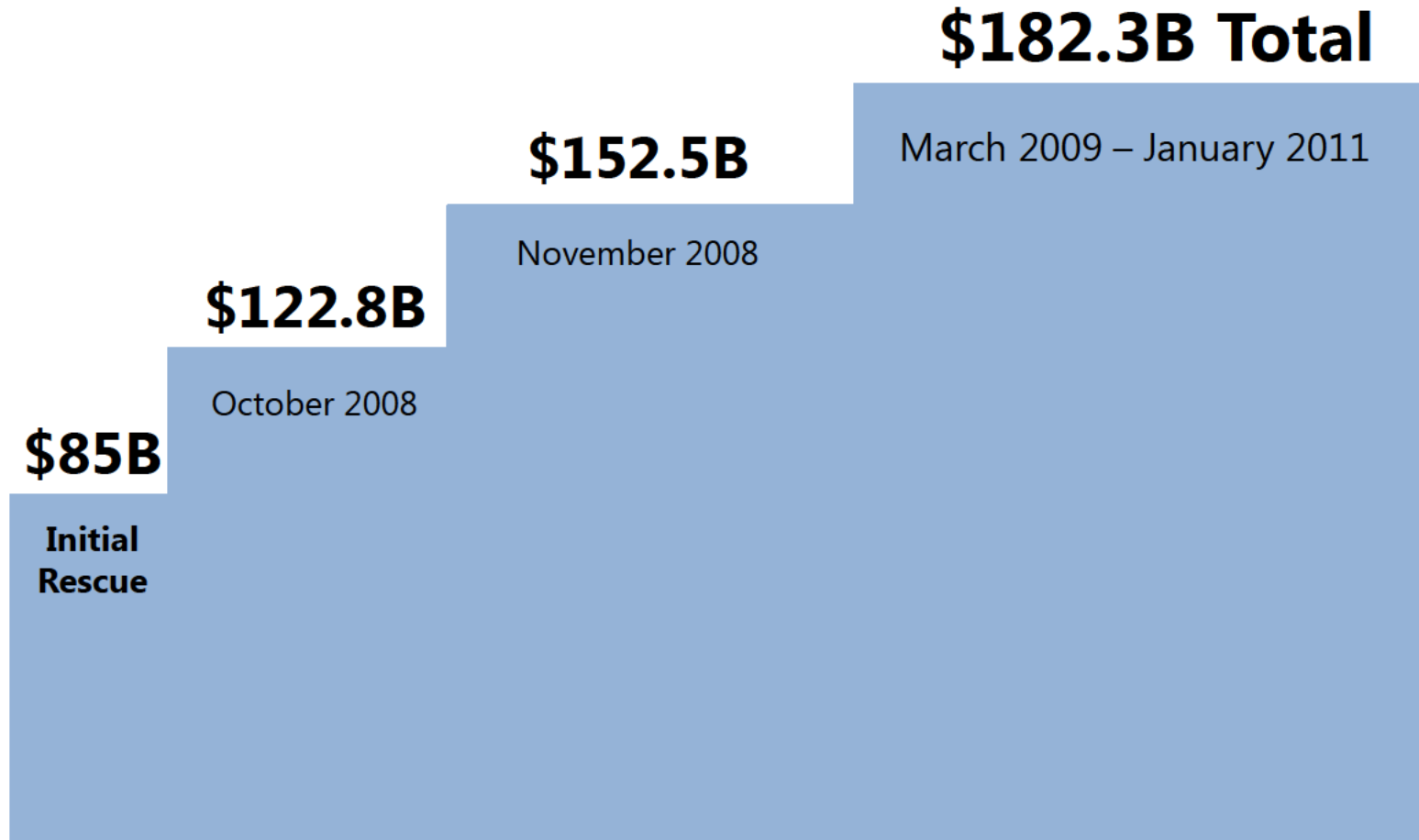
Taken at:

May Fair Hotel,  
Stratton Street  
Mayfair  
London W1J 8LT

Before Susan A. McIntyre, CSR, RPR, CRR, MEIVR

"20 percent of something  
was better than 100  
percent of nothing."

# Financial Assistance to AIG



# Reverse Stock Split Class

# Dispositive Points

- Legal under 13(3)



# Dispositive Points

- Legal under 13(3)
- Deal was voluntary

“Equivalent to 79.9% of the company's common stock”

# Dispositive Points

- Legal under 13(3)
- Deal was voluntary
- **No harm to plaintiffs**

Windfall