



3. **JP Morgan Chase Bank, National Association (hereinafter "JP Morgan")** is a national banking association and a foreign financial institution registered to do business in the State of Texas. JP Morgan may be served with process by serving its registered agent for service CT Corporation at 350 North St. Paul St., Dallas, TX 75201, or in the alternative by serving the Texas Secretary of State at P. O. Box 12079, Austin, Texas 78711-2079.

4. **FirstCity Financial Corporation** is a Delaware corporation, registered to do business in the State of Texas. FirstCity Financial Corporation may be served with process by serving its registered agent for service James T. Sartain, 6400 Imperial, Waco, TX 76712, or in the alternative by serving the Texas Secretary of State at P. O. Box 12079, Austin, Texas 78711-2079.

5. **First-City National Bank of Houston as Trustee of the First City Bancorporation Employee Retirement Trust** is a business entity organized and operating in the State of Texas and may be served with process by serving its President and/or General Counsel at 712 Main Street, Houston, TX 77002-3229 or in the alternative by serving the Texas Secretary of State at P. O. Box 12079, Austin, Texas 78711-2079.

6. **FCLT Loans Asset Corporation** is a Texas corporation, with principal place of business in Houston, Texas. FCLT Loans Asset Corporation may be served with process by serving its registered agent for service Robert W. Brown, 3730 FM 1960 West, Centra Atrium Building, Suite 300, Houston, TX 77068, or in the alternative by serving the Texas Secretary of State at P. O. Box 12079, Austin, Texas 78711-2079.

**III.**  
**Jurisdiction and Venue**

7. The Court has jurisdiction over this matter because the amount in controversy is in excess of the minimum jurisdictional limits of this Court. Venue is proper in Harris County, Texas pursuant to Texas Civil Practice & Remedies Code Section 15.002 because all or a substantial portion of the events giving rise to the claim occurred in Harris County, Texas and many, if not all, of the Defendants reside and/or operate their respective principal places of business in Harris County, Texas.

**IV.**  
**Background**

8. In or around 1988, First-City National Bank of Houston as Trustee of the First City Bancorporation Employee Retirement Trust purchased group annuity products from Prudential, which specifically included group annuity contracts numbered GA-5858, GA-5524 and GA-5523.

9. In or around December 2000, The Prudential Insurance Company of America ("PICA") reorganized its corporate structure through a process known as "demutualization." During this process PICA, then a mutual life insurance company, reorganized and Prudential was incorporated and became a public company. PICA notified every interested party of the demutualization and informed each interested party how the change affected their respective interests. Under the approved Plan of Reorganization, the contract owner of Group Annuity contracts GA-5858, GA-5524 and GA-5523, First-City National Bank of Houston as Trustee of the First City Bancorporation Employee Retirement Trust, was eligible for demutualization consideration of approximately 321,211 shares of Prudential common stock.

10. On October 29, 2001, Prudential received correspondence from Robert W. Brown, President of FCLT Loans Asset Corporation, advising Prudential that neither First City Bancorporation of Texas, Inc., First City Liquidating Trust, FCLT Loans Asset Corporation, FCLT REO One Asset Corporation, FCLT REO One, LP, FCLT REO Two, LP nor FCLT Loans, LP possessed any interest in the Prudential group annuity contracts as successor trustee. See R. Brown Letter Dated October 29, 2001, attached hereto and incorporated herein for all purposes as Exhibit "A." Mr. Brown suggested Prudential "either cancel the stock in question or place it in line for escheatment." *Id.*

11. Over two years later, on or about March 2004, Mr. Brown telephoned Prudential to discuss FCLT Loans Asset Corporation or one of its related entities making claim to the previously disavowed shares of Prudential common stock. Mr. Brown currently claims FCLT Loans Asset Corporation is the entity entitled to ownership of the approximately 321,211 shares of Prudential common stock.

12. On or about October 2004, JP Morgan contacted Prudential claiming JP Morgan is the entity entitled to ownership of the approximately 321,211 shares of Prudential common stock. See J. Hopwood Letter Dated October 5, 2004, attached hereto and incorporated herein for all purposes as Exhibit "B." Mr. Hopwood, on behalf of JP Morgan, has tendered numerous documents disputing the claims of other entities and allegedly establishing that JP Morgan, through a series of dissolutions, asset acquisitions, mergers and corporate re-identifications is the successor in interest to First City Bancorporation of Texas, Inc. and therefore the proper owner of the approximately 321,211 shares of Prudential common stock. *Id.*

13. On or about January 2005, another entity, First City Financial Corporation, contacted Prudential asserting its claim to the approximately 321,211 shares of Prudential common stock.

See R. Vander Woude Letter Dated January 3, 2005, attached hereto and incorporated herein for all purposes as Exhibit "C." Mr. Vander Woude, General Counsel of FirstCity Financial Corporation, claims that through bankruptcy, a Plan of Reorganization, and an amendment and restatement of incorporation, FirstCity Financial Corporation became the entity lawfully entitled to ownership of the approximately 321,211 shares of Prudential common stock. *Id.*

14. On January 12, 2005, Prudential received an updated claim from FirstCity Financial Corporation's counsel, Mr. Amiel, in which he further clarifies FirstCity Financial Corporation's claim to the approximately 321,211 shares of Prudential common stock. See P. Amiel Letter Dated January 12, 2005, attached hereto and incorporated herein for all purposes as Exhibit "D."

15. On January 13, 2005, Prudential again received correspondence from counsel for JP Morgan; however, this time the correspondence claimed that JP Morgan, FCLT Loans Asset Corp. and First City Financial Corporation had allegedly resolved that JP Morgan was entitled to ownership of the approximately 321,211 shares of Prudential Common stock as successor trustee. See J. Hopwood Letter Dated January 13, 2005, attached hereto and incorporated herein for all purposes as Exhibit "E."

16. The approximately 321,211 shares of Prudential common stock are non-certificated book entry shares maintained electronically by Equiserve. The current registered owner of the shares is First-City National Bank of Houston as Trustee of the First City Bancorporation Employee Retirement Trust. To date neither Prudential nor Equiserve has received sufficient documentation to determine which, if any, of these entities is entitled to ownership of the approximately 321,211 shares of Prudential common stock. Further, neither Prudential nor Equiserve has received reasonable assurance that any claimant's indorsement or instruction is effective under TEX. BUS. & COM. CODE ANN. § 8.402 (Vernon 2004). See TEX. BUS. & COM.

CODE ANN. § 8.402 cmt. 1 (Vernon 2004) (An issuer is absolutely liable for wrongful registration of transfer if the indorsement or instruction is ineffective). Rather, Prudential and Equiserve have received multiple claims from multiple parties all claiming First-City National Bank of Houston as Trustee of the First City Bancorporation Employee Retirement Trust's interest in the approximately 321,211 shares of Prudential common stock.

17. Each party has submitted a variety of documentation allegedly detailing the corporate transactions and reconfigurations entitling the various claimants to serve as successor trustee of First-City National Bank of Houston as Trustee of the First City Bancorporation Employee Retirement Trust's interest in the approximately 321,211 shares of Prudential common stock. After diligent review of all materials provided by the Defendants, Prudential is unable to determine who is the rightful owner of the 321,211 shares of Prudential stock.

V.  
Interpleader

18. Prudential is or may be subject to multiple liability with respect to approximately 321,211 shares of Prudential stock. Prudential is subject to or reasonably anticipates rival claims to the 321,211 shares of Prudential stock. Each Defendant has independently made claim to the 321,211 shares of Prudential stock. See Exhibits A, B, C, D and E. Defendants' claims are adverse and conflicting, and Plaintiff is unable to determine which, if any, Defendant is entitled to the 321,211 shares of Prudential stock. Therefore, with respect to the 321,211 shares of Prudential stock, Plaintiff remains in the position of an innocent stakeholder faced with the possibility of multiple liability and incidental costs.

**VI.**

19. At all times Prudential has properly maintained the shares in question. Plaintiff neither has, nor claims, any interest in the 321,211 shares of Prudential stock, which Plaintiff has, at all times, been willing to tender to the person, persons, entity or entities entitled to possession.

**VII.**

20. Plaintiff has in no way colluded with any Defendant concerning the matters of this cause. Plaintiff has not been, and will not be, indemnified in any manner by any Defendant. Plaintiff has filed this petition in interpleader of its own free will to avoid multiple liability and unnecessary suits and costs incidental to them.

**VIII.**

21. Plaintiff has not unreasonably delayed in filing this action for interpleader.

**IX.**

22. On the filing of this petition, Plaintiff offers to fully tender the 321,211 shares of Prudential stock and any associated dividends to the Clerk of this Court. The 321,211 shares of Prudential stock represent the total of the shares in dispute in this action.

**X.**

**Attorney's Fees**

23. Plaintiff further alleges that it is entitled to recover its reasonable attorney's fees, Court costs, and expenses as a result of these proceedings.

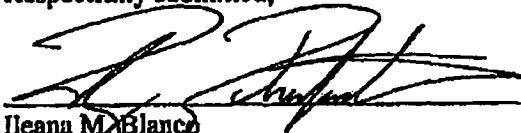
**CONCLUSION**

Upon approval of this Court, Plaintiff will tender the 321,211 shares of Prudential stock and any associated dividends into the registry of the Court. Thereafter, Plaintiff, as an innocent stakeholder, is entitled to a discharge from any and all further claims from either of the rival claimants and from this action.

WHEREFORE, PREMISES CONSIDERED, Plaintiff requests that Defendants be cited to appear and answer herein, this Court authorize Plaintiff to tender into the Court's registry the 321,211 shares of Prudential stock and any associated dividends in dispute in this action, and upon such tender, Plaintiff be discharged from liability to defendant claimants. Plaintiff further prays that it have and recover its attorney's fees, together with all costs of Court and expenses incurred by Plaintiff in this suit prior to any award to the prevailing Defendant. Plaintiff further prays for such other and further relief to which it may show itself justly entitled.

Dated: January 19, 2005

Respectfully submitted,



BRACEWELL & PATTERSON, L.L.P.

Heana M. Blanco  
State Bar No. 0244959  
Clay B. Scheitzach  
State Bar No. 24029826  
South Tower Pennzoil Place  
711 Louisiana Street, Suite 2900  
Houston, Texas 77002-2781  
(713) 223-2900 Telephone  
(713) 221-1212 Facsimile

**ATTORNEYS FOR PLAINTIFF**