

1 Robert D. Phillips, Jr. (SBN 82639)
Email: rphillips@reedsmith.com
2 Cristyn N. Chadwick (SBN 280705)
Email: cchadwick@reedsmith.com
3 REED SMITH LLP
355 South Grand Avenue, Suite 2900
4 Los Angeles, CA 90071-1514
Telephone: +1 213 457 8000
5 Facsimile: +1 213 457 8080

6 Attorneys for Plaintiff
MINNESOTA LIFE INSURANCE
7 COMPANY

8 UNITED STATES DISTRICT COURT
9 CENTRAL DISTRICT OF CALIFORNIA – EASTERN DIVISION
10

11 MINNESOTA LIFE INSURANCE
12 COMPANY,

13 Plaintiff,

14 vs.

15
16 RAFIA FAROOK, an Individual; SAIRA
KHAN an Individual; and the UNITED
17 STATES OF AMERICA,

18 Defendants.
19

No.:
Related Case Nos.: 5:16-cv-01129-RGK
and 5:15-cr-00093-JGB

**MINNESOTA LIFE INSURANCE
COMPANY’S COMPLAINT IN
INTERPLEADER**

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1 Plaintiff Minnesota Life Insurance Company (“Minnesota Life”) alleges as
2 follows:

3 **THE PARTIES**

4 1. Minnesota Life is and, at all times mentioned herein, was a corporation
5 organized and existing under the laws of the State of Minnesota, with its principal
6 place of business in Saint Paul, Minnesota, and is authorized to do business and is
7 doing business within the State of California.

8 2. Minnesota Life is informed and believes and thereon alleges that
9 decedent Syed Rizwan Farook (the “Insured”) was an individual domiciled in the
10 State of California, and was a resident of Redlands, California.

11 3. Minnesota Life is informed and believes and thereon alleges that
12 defendant Rafia Farook is an individual domiciled in the State of California, that her
13 residence is in Redlands, California, and that she is the mother of the Insured.

14 4. Minnesota Life is informed and believes and thereon alleges that
15 defendant Saira Khan is an individual domiciled in the State of California, that her
16 residence is in Riverside, California, and that she is the sister of the Insured.

17 5. Minnesota Life is informed and believes that the United States of
18 America is the Plaintiff in United States District Court, Central District of
19 California Case No. 5:16-CV-1129 seeking forfeiture of the proceeds of the life
20 insurance which is the subject of this complaint. The United States has requested
21 that Minnesota Life interplead the proceeds at issue rather than paying the benefit to
22 Ms. Farook.

23 **JURISDICTION**

24 6. The jurisdiction of this Court over the subject matter of this action is
25 predicated on 28 U.S.C. Section 1355 because the payment of the proceeds of the
26 life insurance which is the subject of this complaint involves a dispute among
27 defendants involving a federal question under 18 U.S.C. § 981(a)(1)(G)(iii).
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VENUE

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2 7. Venue is proper in this District pursuant to 28 U.S.C. Section 1391(b)
3 because at least one defendant resides in this judicial district and a substantial part
4 of the events, acts, and omissions giving rise to Minnesota Life’s claims occurred
5 within the District.

GENERAL ALLEGATIONS

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7 8. In or around January 2012, Minnesota Life issued a basic life insurance
8 policy on the life of Syed Rizwan Farook under the County of San Bernardino’s
9 group life insurance policy no. 33772-G (the “Basic Policy”). The face amount of
10 the Basic Policy is \$25,000.

11 9. The Insured designated his mother, defendant Rafia Farook (“Ms.
12 Farook”), as the primary beneficiary of the Basic Policy, and his sister, defendant
13 Saira Khan (“Ms. Khan”), as the contingent beneficiary. There has been no change
14 to the beneficiary designation on the Basic Policy.

15 10. On or about July 13, 2013, Minnesota Life issued a supplemental life
16 insurance policy on the life of Syed Rizwan Farook under San Bernardino County’s
17 group life insurance policy no. 33772-G (the “Supplemental Policy”). The face
18 amount of the Supplemental Policy is \$250,000.

19 11. In June 2013, the Insured logged onto the County of San Bernardino’s
20 employee benefits website and confirmed that the prior beneficiary election
21 designating Ms. Farook as the primary beneficiary and Ms. Khan as the contingent
22 beneficiary should apply to the Supplemental Policy.

23 12. In June 2015, the Insured again logged into the County of San
24 Bernardino’s employee benefits website and confirmed his life insurance coverage
25 and prior beneficiary designations.

26 13. Minnesota Life is informed and believes that, on December 2, 2015,
27 the Insured led an Islamic extremism-inspired terrorist attack in San Bernardino
28 County. The Insured, along with his wife, killed 14 people and injured 22 others.

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1 14. Minnesota Life is informed and believes that, on the same day, the
2 Insured engaged in a shootout with law enforcement and was shot and killed.

3 15. By reason of the death of the Insured, the total payable benefit under
4 the Basic Policy and Supplemental Policy (collectively “the Policies”) has become
5 due and owing.

6 16. Minnesota Life is and, at all times herein mentioned, has been ready,
7 willing, and able to pay the death benefit due under the Policies to the person or
8 persons legally entitled thereto.

9 17. However, Minnesota Life is informed and believes, and based upon
10 such information and belief, alleges that there are actual or potentially conflicting
11 claims relating to the death benefit payable under the Policies, which can only be
12 resolved with the assistance of the Court.

13 18. On or about April 28, 2016, Minnesota Life received a Beneficiary
14 Statement from Ms. Farook seeking payment of the death benefit payable under the
15 Policies on the grounds that she is the designated primary beneficiary.

16 19. Minnesota Life is informed and believes that Ms. Farook had material
17 knowledge of, and/or participated in, the planning of the terrorist attack executed by
18 the Insured.

19 20. Minnesota Life is informed and believes that the Insured was living
20 with Ms. Farook at a home in Redlands, California at the time of the attack, and that
21 the Insured built improvised explosive devices (IEDs) and stockpiled weapons and
22 ammunition at their shared residence.

23 21. Specifically, Minnesota Life is informed and believes that FBI Agents
24 found bomb making materials in the garage, including explosive powder consistent
25 with the explosive powder used in the IED found at the site of the attack and other
26 bomb-making equipment and components.

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1 22. Minnesota Life is therefore uncertain as to whether it is obligated to
2 pay a death benefit to a beneficiary who had material knowledge of, and/or
3 participated in, the planning of the terrorist attack executed by the Insured.

4 23. Additionally, Minnesota Life is informed and believes that Ms. Khan,
5 on that basis, may also claim entitlement to the death benefit payable under the
6 Policies on the ground that she is the contingent beneficiary.

7 24. Minnesota Life currently lacks information or belief as to Ms. Khan's
8 involvement in the terrorist attack.

9 25. The United States of America is the Plaintiff in United States District
10 Court, Central District of California Case No. 5:16-CV-1129 seeking forfeiture of
11 the death benefit payable under the Policies. The United States of America alleges
12 that the proceeds of the Policies were derived from a Federal crime of terrorism
13 against the United States, citizens or residents of the United States, or their
14 property, rendering them subject to forfeiture to the United States pursuant to 18
15 U.S.C. 981(a)(1)(G)(iii).

16 26. Case No. 5:16-CV-1129 is pending in this Division.

17 27. Minnesota Life admits that the death benefit payable under the Policies
18 is \$275,000.00, plus statutory interest as calculated from the date of the Insured's
19 death. Minnesota Life has been, at all times, and is now ready, willing and able to
20 pay the death benefit under the Policy to the person or persons legally entitled
21 thereto. However, by reason of actual or potential conflicting claims to the
22 proceeds from defendants, and each of them, Minnesota Life does not know and
23 cannot determine the person or persons legally entitled to the death benefit.
24 Further, payment of such proceeds to any one of the named defendants would
25 subject Minnesota Life to the risk of multiple and/or inconsistent liabilities.

26 28. Minnesota Life files this complaint in good faith and without any
27 collusion with any of the parties hereto. Minnesota Life has no interest in the
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1 proceeds of the Policy, or any part thereof, and is a mere stakeholder of those
2 proceeds.

3 **NOTICE OF DEPOSIT**

4 29. Subsequent to the filing of this complaint, Minnesota Life will deposit
5 with the clerk of the United States District Court, Central District of California, the
6 sum of \$280,756.17, which represents the total payable benefit under the Policies in
7 dispute, together with statutory interest through June 10, 2016 (the “Disputed
8 Amount”).

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10 WHEREFORE, Minnesota Life prays for judgment as follows:

11 1. That this Court decree that the complaint is properly filed and that this is
12 a proper cause for interpleader;

13 2. That defendants each be compelled to interplead or settle among
14 themselves their respective rights or claims to the Disputed Amount due and payable
15 under the Policy by reason of the death of Syed Farook;

16 3. That, having deposited the Disputed Amount with the Clerk of the Court,
17 Minnesota Life be discharged from all liability to defendants, and each of them; and

18 4. For such other relief as the Court may deem proper.

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20 DATED: June 8, 2016

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By /s/ Cristyn N. Chadwick
Robert D. Phillips, Jr.
Cristyn N. Chadwick
Attorneys for Plaintiff
Minnesota Life Insurance Company

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