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17

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE  
IN AND FOR NEW CASTLE COUNTY

CITY CAPITAL ASSOCIATES	:	
LIMITED PARTNERSHIP,	:	
a Delaware limited partnership,	:	
CARDINAL HOLDINGS CORP., a Delaware	:	
corporation, and CARDINAL ACQUISITION	:	
CORP., a Delaware corporation,	:	
	:	
Plaintiffs,	:	C.A. No. 10105
v.	:	
	:	
INTERCO INCORPORATED,	:	
a Delaware corporation,	:	
Harvey Saligman, Richard B. Loynd,	:	
R. Stuart Moore, Charles J.	:	
Rothschild, Jr., Ronald L. Aylward,	:	
Donald E. Lasater, Harry M. Krogh,	:	
Lee Liberman, Mark H. Lieberman,	:	
Robert H. Quenon, William E. Cornelius,	:	
Marilyn S. Lewis and Thomas H. O'Leary,	:	
	:	
Defendants.	:	

MOTION FOR A PRELIMINARY INJUNCTION

Plaintiffs, pursuant to Rule 65 of the Court of Chancery Rules, hereby move the Court for entry of a preliminary injunction ordering the defendants to redeem the Rights distributable under Interco's Amended Rights Plan, to exempt Cardinal Acquisition's Tender Offer from 8 Del. C. § 203 and to provide the plaintiffs with, or access to, the same confidential information concerning Interco Incorporated that has been offered, or provided, to third parties and Interco's board of directors. The

grounds for this motion are as set forth below and as will be more fully stated in plaintiffs' memorandum of law in support of their motion.

Cardinal Acquisition has made a fully-priced \$70 a share tender offer for all of the outstanding shares of Interco stock. Interco's entrenchment-minded board of directors summarily rejected this offer without concern for their fiduciary duties to their stockholders.


In flagrant breach of their responsibilities, the defendants have refused to provide Cardinal Acquisition with confidential information unless it signs a standstill agreement that will prohibit Cardinal Acquisition from acquiring Interco's shares without the approval of Interco's board of directors. Defendants have also acted to preserve their positions of power by refusing to redeem, and announcing they will continue in the future to refuse to redeem, the Rights distributable under the Amended Rights Plan. In further breach of their fiduciary duties to their shareholders, defendants have not exempted the fully and fairly priced Tender Offer from 8 Del. C. § 203 and will continue to refuse to do so to the great detriment of their shareholders.

Defendants have had a full and fair opportunity to identify and propose an alternative business strategy

that would produce greater value than the plaintiffs would be able to provide. Defendants have not proposed any such option.

These actions have irreparably harmed the plaintiffs and Interco's shareholders. Without the requested injunctive relief, this injury cannot be cured.

SKADDEN, ARPS, SLATE, MEAGHER &  
FLOM

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Dated: September 6, 1988