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IN THE UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF ILLINOIS
PEORIA DIVISION

FILED
MAY 13 1994
JOHN M. WATERS, Clerk
U.S. DISTRICT COURT
CENTRAL DISTRICT OF ILLINOIS

UNITED STATES OF AMERICA, Plaintiff, v. ALLIANT TECHSYSTEMS INC. and AEROJET-GENERAL CORPORATION, Defendants.	Civ. No. 94-1026 FINAL JUDGMENT

Plaintiff, United States of America, filed its Complaint on January 19, 1994. Plaintiff and defendants, by their respective attorneys, have consented to the entry of this Final Judgment without trial or adjudication of any issue of fact or law. This Final Judgment shall not be evidence against or an admission by any party with respect to any issue of fact or law. Therefore, before any testimony is taken, and without trial or adjudication of any issue of fact or law, and upon consent of the parties, it is hereby

ORDERED, ADJUDGED AND DECREED, as follows:

I.

JURISDICTION

This Court has jurisdiction of the subject matter of this action and of each of the parties consenting to this Final Judgment. The Complaint states a claim upon which relief may be granted against each defendant under Section 1 of the Sherman Act, 15 U.S.C. § 1.

II.

DEFINITIONS

As used in this Final Judgment:

(A) "Alliant" means defendant Alliant Techsystems Inc., each subsidiary and division thereof, and each officer, director, employee, agent, and other person acting for or on behalf of any of them.

(B) "Aerojet" means defendant Aerojet-General Corporation, each subsidiary and division thereof, including but not limited to Aerojet Ordnance Division, and each officer, director, employee, agent, and other person acting for or on behalf of any of them.

(C) "Combined Effects Munition ("CEM") system" means any unguided, air-delivered cluster bomb of the 1000-pound class designated by the United States Department of Defense as CBU-87, including but not limited to CBU-87/B, CBU-87(D-2)/B, CBU-87(T-1)/B, CBU-87(T-2)/B, CBU-87(T-3)/B, CBU-87A/B, CBU-87B/B, and CBU-87C/B. Each CEM system consists of a cluster of 202 anti-armor, anti-personnel and incendiary bomblets that disperse over a discrete area and explode upon impact; a tactical munitions dispenser; a proximity sensor; and a shipping and storage container.

(D) "Teaming arrangement" means an arrangement, as provided in Subpart 9.6 of the Federal Acquisition Regulations, in which: (a) two or more companies form a partnership or joint venture to act as a potential prime contractor; or (b) a potential prime contractor agrees with one or more other companies to have them act as its subcontractors under a specified Government contract or acquisition program.

III.

APPLICABILITY

(A) The provisions of this Final Judgment shall apply to defendants, to each of their successors and assigns, and to all other persons in active concert or participation with any of them who shall have received actual notice of this Final Judgment by personal service or otherwise.

(B) No portion of this Final Judgment is or has been created for the benefit of any third party and nothing herein shall be construed to provide any rights to any third party.

(C) Defendants shall each require, as a condition of the sale or other disposition of all or substantially all of their assets used in the production of CEM systems, whether by the sale of stock or otherwise, that the acquiring party or parties agree to be bound by the provisions of this Final Judgment.

IV.

PROHIBITED CONDUCT

Absent prior approval of the Department of Justice or this Court, Alliant and Aerojet are enjoined and restrained from adhering to, carrying out, enforcing, or entering into any agreement, contract, combination, or conspiracy, including but not limited to any teaming arrangement, the purpose or effect of which is to eliminate or suppress competition between the defendants in response to a request or invitation by the United States, or any agency thereof, for independent offers, quotations, bids or proposals for the supply of CEM systems issued after the date of entry of this Final Judgment. Nothing in this Final Judgment

shall prohibit subcontracting between Alliant and Aerojet so long as the purpose or effect is not to eliminate or suppress the aforesaid competition.

V.

PAYMENTS

(A) Defendant Alliant shall pay to the United States on or before April 6, 1994 the amount of TWO MILLION FORTY SEVEN THOUSAND FIVE HUNDRED DOLLARS ($2,047,500), plus interest accruing from the date of entry of this Final Judgment at the rate described in Section 1961, Title 28, United States Code. Payment shall be made by cashier's check payable to the United States Department of Justice, and delivered to Chief, San Francisco Field Office, Antitrust Division, Room 10-0101, Box 36046, 450 Golden Gate Avenue, San Francisco, California 94102, or as otherwise directed by the Department of Justice Antitrust Division.

(B) Defendant Aerojet shall pay to the United States on or before April 6, 1994 the amount of TWO MILLION FORTY SEVEN THOUSAND FIVE HUNDRED DOLLARS ($2,047,500), plus interest accruing from the date of entry of this Final Judgment at the rate described in Section 1961, Title 28, United States Code. Payment shall be made by cashier's check payable to the United States Department of Justice, and delivered to Chief, San Francisco Field Office, Antitrust Division, Room 10-0101, Box 36046, 450 Golden Gate Avenue, San Francisco, California 94102, or as otherwise directed by the Department of Justice Antitrust Division.

VI.

COMPLIANCE PROGRAM

(A) Each defendant is ordered to maintain an antitrust compliance program that shall include:

(1) Distributing, within sixty (60) days from the entry of this Final Judgment, a copy of this Final Judgment to all officers and to the employees who:

(a) have responsibility for certifying the independence of price determinations for, or

(b) have principal responsibility for recommending, approving, or disapproving,

any offer, quotation, bid or proposal to the United States, or any agency thereof, for the supply of CEM systems;

(2) Distributing in a timely manner a copy of this Final Judgment to any officer or employee who succeeds to a position described in Section VI(A)(1);

(3) Briefing annually those persons designated in Section VI(A)(1) on the meaning and requirements of this Final Judgment and the antitrust laws and advising them that the defendant's legal advisors are available to confer with them regarding compliance with the Final Judgment and the antitrust laws;

(4) Obtaining from each officer or employee designated in Section VI(A)(1) an annual written certification that he or she:

(a) has read, understands, and agrees to abide

by the terms of this Final Judgment; and

(b) has been advised and understands that his or her failure to comply with this Final Judgment may result in conviction for criminal contempt of court; and

(5) Maintaining a record of recipients to whom the Final Judgment has been distributed and from whom the certification in Section VI(A)(4) has been obtained.

(B) For ten (10) years after the entry of this Final Judgment, on or before its anniversary date, each defendant shall file with the plaintiff a statement as to the fact and manner of its compliance with the provisions of Section VI(A).

VII.

PLAINTIFF ACCESS

(A) To determine or secure compliance with this Final Judgment and for no other purpose, duly authorized representatives of the plaintiff shall, upon written request of the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice to any defendant, be permitted, subject to any legally recognized privilege:

(1) Access during that defendant's office hours to inspect and copy all records and documents in its possession or under its control relating to any matters contained in this Final Judgment; and

(2) To interview that defendant's officers, employees, trustees, or agents, who may have counsel present, regarding such matters. The interviews shall be

subject to the defendant's reasonable convenience and without restraint or interference from any defendant.

(B) Upon the written request of the Assistant Attorney General in charge of the Antitrust Division, any defendant shall submit such written reports, under oath if requested, relating to any of the matters contained in this Final Judgment as may be reasonably requested, subject to any legally recognized privilege.

(C) No information or documents obtained by the means provided in Section VII shall be divulged by the plaintiff to any person other than a duly authorized representative of the Executive Branch of the United States, except in the course of legal proceedings to which the United States is a party, or for the purpose of securing compliance with this Final Judgment, or as otherwise required by law.

VIII.

FURTHER ELEMENTS OF FINAL JUDGMENT

(A) This Final Judgment shall expire ten (10) years from the date of its entry.

(B) Jurisdiction is retained by this Court for the purpose of enabling any of the parties to this Final Judgment to apply to this Court at any time for further orders and directions as may be

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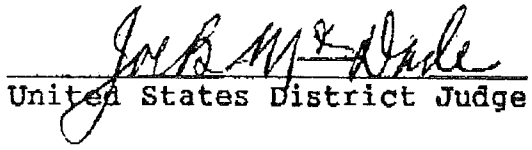
necessary or appropriate to carry out or construe this Final Judgment, to modify or terminate any of its provisions, to enforce compliance, and to punish violations of its provisions.

(C) Entry of this Final Judgment is in the public interest.

Dated: May 13, 1994



United States District Judge