

UNITED STATES DISTRICT COURT

DISTRICT OF CONNECTICUT

UNITED STATES OF AMERICA,

Plaintiff,

v.

INTERNATIONAL TELEPHONE AND  
TELEGRAPH CORPORATION,

Defendant.

Civil Action No. 13,319

ORDER

1. Pursuant to paragraph (D) of Section IV of the Final Judgment herein dated September 24, 1971, the Court hereby appoints James H. Goss (hereinafter referred to as "the Trustee") to manage and dispose of "The Fire Protection Division of Grinnell" as that term is defined in Section II (D) of said Final Judgment, hereinafter referred to as the "trust property."

2. International Telephone and Telegraph Corporation ("ITT") is hereby ordered and directed immediately upon receipt of this Order to transfer said trust property to James H. Goss pursuant to a Deed of Trust in the form attached hereto and hereby made a part of this Order.

3. The Trustee shall discharge his duties in accordance with the terms of this Order, including the Deed of Trust.

4. The Trustee shall promptly take appropriate steps to review the condition and situation of the trust property, and shall report his conclusions and recommendations to the Court and to the parties within ninety days from his appointment. Among other things such report

shall embrace whether the property received by the Trustee from ITT comprises the trust property; whether such property is viable; and whether the Trustee has any information relating to Section IV(E) of the Final Judgment.

5. The Trustee shall have full authority to retain such consultants, attorneys or other representatives as are reasonably necessary to assist him in the management and disposition of the trust property.

6. Upon application to the Court from time to time, the Trustee shall be entitled to reasonable fees to be set by the Court and paid by ITT, after opportunity for ITT to be heard. The Trustee shall also be entitled to reimbursement from ITT for reasonable expenses incurred by him as Trustee in carrying out his duties, including expenses incurred pursuant to Section 5 of this Order, subject to ITT's right to be heard by this Court.

7. Following submission of the report required by Section 4 of this Order, the Trustee shall submit a report to this Court every sixty (60) days on the progress he has made in disposing of the trust property. The Trustee may at any time submit such additional reports to the Court as he may consider warranted pertaining to the viability of the trust property, the disposition of the trust property or his duties as a trustee.

8. For the purposes of carrying out his duties under this Order, the Trustee shall be entitled, upon reasonable notice, to access to those records and documents in the possession or under the control of ITT which relate

to the trust property or functions and duties of the Trustee; to interview officers or employees of ITT regarding such matters; and to secure from ITT reasonable written reports regarding such matters.

9. The plaintiff shall have the same rights with respect to the Trustee and the trust property as it has with respect to ITT pursuant to Section VII of the Final Judgment.

10. Any party may apply to this Court at any time for such further orders and directions as may be necessary or appropriate for the construction, modification, or termination of any of the provisions of this Order, including the Deed of Trust, for the enforcement of compliance therewith, and for the punishment of violations thereof.

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UNITED STATES DISTRICT COURT

Dated:

## DEED OF TRUST

By this Deed of Trust INTERNATIONAL TELEPHONE AND TELEGRAPH CORPORATION, a Delaware corporation having its principal place of business at 320 Park Avenue, New York, New York (the "Grantor") transfers to JAMES H. GOSS as Trustee (the "Trustee"), the "Fire Protection Division of Grinnell" (as defined in the Final Judgment in United States v. International Telephone and Telegraph Corporation, Civil Action No. 13,319, entered September 24, 1971) which property, together with all investments and reinvestments thereof and net income derived therefrom (all hereinafter referred to as the "trust property"), is, to be held in trust upon the following terms:

1. The Trustee shall have full authority to manage and dispose of the trust property subject to the supervision of the United States District Court for the District of Connecticut ("the Court") after hearing the Grantor and the Antitrust Division of the United States Department of Justice on any issue presented. The Trustee may delegate the management of the trust property as he sees fit, retaining, however, the authority conferred herein. The Grantor shall be entitled to designate a representative who shall have the right to consult with the management and employees of the trust property and the Trustee concerning the day-to-day operations, financial condition and short and long-term plans of the trust property, and to receive from the management and employees of the trust property and from the Trustee such information concerning such operations, condition and plans as such representative

shall reasonably request. The rights of the Grantor referred to in the preceding sentence shall in no way be in derogation of the authority of the Trustee to manage and dispose of the trust property.

2. The Trustee shall endeavor to manage the trust property so as to maintain and enhance its value and competitive effectiveness as a going concern.

3. The Trustee shall dispose of the trust property pursuant to the terms of the Final Judgment. Such disposition shall be made at a price and on terms that are reasonable under all the circumstances. In making efforts to dispose of the trust property and in considering prospective purchasers, the Trustee shall give due attention to avoiding unnecessary disruption of the business affairs conducted by the trust property, and to disposing of the trust property in such a manner as to maintain and enhance its competitive effectiveness. Any arrangements for disposition of the trust property by the Trustee shall be subject to the approval of the Court, after hearing the Grantor and the Antitrust Division of the Department of Justice on any issue presented.

4. The Trustee shall from time to time make such reports to the Court as the Court shall by Order direct, and shall send copies of such reports to the Grantor and to the Antitrust Division of the Department of Justice.

5. Upon the disposition of less than all of the trust property, the Trustee shall, unless the Court otherwise directs, promptly distribute all proceeds from such disposition to the Grantor.

6. Upon the earliest of (i) the disposition of all of the trust property, (ii) order of the Court, or (iii) the second anniversary of the effective date of this Deed of Trust, the Trust shall terminate and the Trustee shall, unless the Court otherwise directs, distribute the then remaining principal of the Trust, with all undistributed and all accrued income pertaining thereto, to the Grantor. If this Trust should terminate other than by reason of the disposition of all the trust property, the Grantor shall promptly cause all of the trust property not then disposed of to be transferred to a trustee appointed by the Court after hearing the Grantor and the Antitrust Division of the Department of Justice.

7. The provisions of this Deed of Trust shall be subject to modification or amendment upon Order of the Court.

8. In addition to and not in derogation of any power, right and discretion conferred by law, the Trustee shall have the following powers, rights and discretions, subject, however, to the obligations imposed on the Trustee by all other Articles of this Deed of Trust:

A. To retain any property, real or personal, in the form received, without regard to diversification and whether or not income producing or of the kind in which trustees are or shall be legally authorized to invest; and to hold any moneys uninvested for any period deemed advisable.

B. To sell, exchange or otherwise dispose of any property, publicly or privately and for cash or on credit, with or without security, as deemed advisable; and to grant options to any such end, without regard to any legal restriction as to their duration or otherwise.

C. To invest or reinvest in any property, real or personal, including corporate stock of any class, and whether or not of the kind in which trustees are or shall be legally authorized to invest.

D. Insofar as legally permissible, to take and hold any property in the individual name of the Trustee, in the name of a nominee or in unregistered form, without in any such case disclosing the fiduciary relationship.

E. Insofar as legally permissible, to remove any part of the Trust from one jurisdiction to another.

F. To effect and keep in force title, fire, theft, liability, casualty or other insurance to protect any property against hazards.

G. To compromise, submit to arbitration, release or otherwise settle any claims.

H. To enter into, extend, renew or modify any contracts or other undertakings as deemed advisable.

I. To borrow money from any person, firm or corporation in order to pay debts, taxes or expenses or for any other fiduciary purpose and to mortgage or pledge any property to secure any such borrowing.

J. To participate in any plan of foreclosure, reorganization, recapitalization, consolidation, merger, combination, division, liquidation or dissolution or other comparable plan; to consent to or dissent from any such plan or any action thereunder or to or from any contract, lease, mortgage, pledge, purchase, sale, exchange or other action by any corporation; to deposit any property with any protective, reorganization or similar committee; to delegate discretionary powers thereto and to share in its expenses and compensation; and to take and hold any property derived under any such plan or action.

K. To pay calls, assessments and any other sums chargeable or accruing against or on account of stocks, bonds or other property, whenever such payment shall be legally enforceable or be deemed advisable.

L. To sell or to exercise any conversion, subscription or other rights or options as to any property.

M. To exercise voting rights and grant proxies, discretionary or otherwise, with respect thereto.

N. To execute and deliver any instrument incidental to the exercise of any power hereby or by law conferred.

O. To make distribution in kind or in cash or partly in each.

9. No one dealing with the Trustee need question his authority to enter into any transaction or need see to the application of the proceeds or avails thereof.

10. The Trustee, without regard to any legal restrictions that might otherwise be applicable, shall be entitled:

A. To act in any jurisdiction without giving bond or other security and without making any periodic accounting to ensure the faithful performance of fiduciary obligations.

B. To employ any persons, firms or corporations as depositaries, custodians, investment counsel, brokers, accountants, attorneys, experts and agents, to rely upon their conduct or advice and to pay them reasonable compensation.

C. To rely, in acting hereunder, upon any letter, notice or other paper and upon any telephone, telegraph or other message if believed to be genuine and to be signed, sealed, acknowledged, presented, sent or given by or on behalf of the proper person, firm or corporation, without incurring liability for any action or inaction based thereon.

D. To use its best judgment in exercising the powers, rights and discretions conferred or in performing the duties imposed hereby or by law and, in order to feel free in doing so, to be exempt from personal liability, to the maximum extent permitted by law, for any action taken or omitted in good faith.

E. To acquire and administer any property, if acceptable, which the Grantor or any other person may add to the Trust hereunder.

F. To continue to have and exercise, after the termination in whole or in part of the Trust hereunder and until the final distribution of the property thereof, all powers, rights and discretions conferred hereby or by law during the existence of such Trust.



11. Upon the Trustee's ceasing to act, the Court, after hearing the Grantor and the Antitrust Division of the Department of Justice, shall appoint a successor Trustee who shall have all the powers, rights, discretions and duties conferred or imposed herein upon the Trustee.

12. The Trustee shall be entitled to reasonable fees to be set by the Court and paid by the Grantor. The Trustee shall also be entitled to reimbursement from the Grantor for reasonable expenses incurred by him as Trustee in carrying out his duties.

13. To the extent not inconsistent with or covered by any existing or future Order of the Court, this Deed of Trust and the Trust thereby created shall be construed and regulated by the laws of the State of New York.

14. The Grantor shall execute and deliver to the Trustee any further instruments deemed advisable by the Trustee to effectuate the purposes hereof, and the Grantor shall instruct its officers, employees, accountants and legal counsel to cooperate with the Trustee in performing his duties hereunder.

15. This Deed of Trust shall be binding upon and inure to the benefit of the successors and assigns of the Grantor and of the Trustee.

16. This Deed of Trust is made in duplicate counterparts, either of which shall be deemed the sole original if the other be not produced.

IN WITNESS WHEREOF, the Grantor and the Trustee have hereunto set their respective hands and seals this       day of       , 1973.

INTERNATIONAL TELEPHONE AND  
TELEGRAPH CORPORATION

Attest:

By \_\_\_\_\_

[TRUSTEE]

Attest:

By \_\_\_\_\_

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## RESUME

James Hassell Goss  
325 Highland Road  
Rye, New York 10580

Summer/Week End Residence  
Pilots Point  
Westbrook, Connecticut

(914) WO. 7-5875

(203) 399-6763

Born: 9/22/07 - Paris, Arkansas

Married - 2 children

Education: University of Arkansas, 1930-B.S.M.E.  
Harvard Advanced Management Program

Experience: General Electric -- 1931-68

1931-47 Design Engineer, West Lynn, Mass.  
1947-51 Assistant Manager; Manager, Engineering --  
Industrial Controls -- Schenectady  
1951 Assistant to Division General Manager --  
Small Apparatus Division, Lynn, Mass.  
1951-53 Manager, Manufacturing -- Major Appliance  
Division, Louisville, Kentucky  
1953-55 Department General Manager, Home Laundry  
Division  
1955-57 President -- G.E. Canada  
1957-68 V.P. & Group Executive -- H.Q.

A.T.O. (Automatic Sprinkler Corporation) -- 1968-71

1968-71 President

Pantasote Co. -- 1972-present

1972-present Chairman

On Board of Directors of the following:

International Nickel Company of Canada Limited -- Toronto

Owner/Partner -- Hartford Electrical Contracting

Memberships: Association of Professional Engineers -- Ontario  
American Institute of Engineering

COVINGTON & BURLING

888 SIXTEENTH STREET, N.W.

WASHINGTON, D.C. 20006

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TELEPHONE  
(202) 293-3300

September 24, 1973

Charles F. B. McAleer, Esquire  
U. S. Department of Justice  
Washington, D.C. 20530

Re: United States v. International Telephone  
and Telegraph Corporation, Civil No. 13,319,  
U.S.D.C. Conn.

Dear Mr. McAleer:

As you know, ITT and the Department of Justice have entered into a Stipulation consenting to the entry of an Order providing that ITT shall transfer the "Fire Protection Division of Grinnell," as that term is defined in Section II(D) of the Final Judgment, to a Trustee, to be appointed by the Court pursuant to a Deed of Trust on the terms of which ITT and the Department have agreed.

ITT has prepared for this divestiture by transferring certain assets and operations of Grinnell Corporation to Grinnell Fire Protection Systems Company, Inc., a Delaware corporation, now owned by ITT. ITT believes that this Corporation contains those assets and operations which ITT is required to divest pursuant to Section II(D) of the Final Judgment and that GFPS is adequately capitalized with an appropriate debt structure in full compliance with the requirements of the Final Judgment. Accordingly, ITT intends to comply with the requirements of the Order and Deed of Trust referred to above by transferring the stock of GFPS to the Trustee.

We recognize, however, that the Antitrust Division has not yet had the opportunity to complete its review of the assets, operations and capitalization of GFPS, nor its review of whether ITT has complied with the requirements of Section IV(E) of the Final Judgment. Accordingly, we

Charles F. B. McAleer, Esquire  
September 24, 1973  
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acknowledge that the Antitrust Division reserves its right to continue its review of these matters and to take any future action that it may deem appropriate as a result of that review.

Very truly yours,

A handwritten signature in dark ink, appearing to read "H P Sailer". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

Henry P. Sailer  
Attorney for Defendant

ddg



UNITED STATES DEPARTMENT OF JUSTICE

WASHINGTON, D.C. 20530

Address Reply to the  
Division Indicated  
and Refer to Initials and Number

TEK:BMH:EIM  
60-149-037-1

September 25, 1973

Henry P. Sailer, Esquire  
Covington & Burling  
888 Sixteenth Street, N.W.  
Washington, D.C. 20006

Re: United States v. International Telephone  
and Telegraph Corporation, D. Conn., Civil  
Action No. 13,319

Dear Mr. Sailer:

This is in response to your letter dated September 24, 1973, advising us that ITT intends to transfer the stock of Grinnell Fire Protection Systems, Inc. (GFPS) as compliance with the stipulation, proposed order and deed of trust as referred to in your letter.

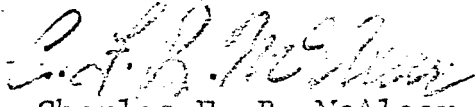
As you are aware, ITT did not consult with nor obtain the approval of the Department of Justice prior to the formation of GFPS or the transfer of any assets, liabilities or other businesses or operations to GFPS. Consequently, you understand that any acceptance by the Trustee of the stock of GFPS shall not be considered as resolving any issue as to what should be included in the Fire Protection Division of Grinnell as defined in the Judgment, nor as to the form in which it should be divested, nor as to liabilities, if any, which should be imposed on the business or businesses to be divested.

In addition, it is our understanding that you have agreed with us that under the stipulation and proposed order, there is reserved to us all rights to raise and secure adjudication of any and all issues regarding past and future compliance by ITT with the requirements of the

Judgment including the divestiture requirements and the provisions of Section IV(E) of the Judgment and that our consent to the stipulation is conditioned on such reservations.

Sincerely yours,

THOMAS E. KAUPER  
Assistant Attorney General  
Antitrust Division

  
By: Charles F. B. McAleer,  
Assistant Chief  
Judgments and Judgment  
Enforcement Section