

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

FILED

SEP 30 1993

CLERK, DISTRICT COURT
DISTRICT OF COLUMBIA

93 0530

UNITED STATES OF AMERICA

Plaintiff,

v.

USAIR GROUP, INC.,

Defendant.

Civil Action No. 93 0530

Entered: September 30, 1993

FINAL JUDGMENT

WHEREAS, plaintiff, United States of America, having filed its Complaint here on March 15, 1993, and plaintiff and defendant, by their respective attorneys, having consented to the entry of this Final Judgment without trial or adjudication of any issue of fact or law herein and without this Final Judgment constituting any evidence against or an admission by any party with respect to any such issue;

AND WHEREAS, defendants have agreed to be bound by the provisions of this Final Judgment pending its approval by the Court;

NOW, THEREFORE, before the taking of any testimony and without trial or adjudication of any issue of fact or law herein, and upon consent of the parties hereto, it is hereby

ORDERED, ADJUDGED AND DECREED as follows:

I.

JURISDICTION

This Court has jurisdiction over the subject matter of this action and over each of the parties hereto. The Complaint states a claim upon which relief may be granted against the defendant under Section 7 of the Clayton Act, as amended (15 U.S.C. § 18).

II.

DEFINITIONS

As used in this Final Judgment:

A. "USAir" means USAir Group, Incorporated, a Delaware corporation with headquarters in Arlington, Virginia.

B. The "U.S.-U.K. Routes" means USAir's existing rights to operate scheduled airline passenger service on airline routes between Philadelphia and London, Baltimore-Washington International and London, and Charlotte, North Carolina and London.

C. The "Transaction" means the Investment Agreement between USAir Group, Inc. and British Airways Plc, dated as of January 21, 1993.

D. The "Commencement Date" means, with respect to each U.S.-U.K. Route, the date upon which USAir and British Airways Plc begin holding out to the public code-sharing service at the U.S. gateway for that route.

E. "Code-Sharing Service" means scheduled airline passenger service between cities, all or part of which is operated by one airline but which is identified with the airline designator code of another airline.

III.

APPLICABILITY

A. The provisions of this Final Judgment shall apply to the defendant, to its successors and assigns, to its subsidiaries, affiliates, directors, officers, managers, agents, and employees, 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. Defendant shall require, as a condition of the sale or other disposition of all or substantially all of its assets or stock, that the acquiring party agree to be bound by the provisions of this Final Judgment.

C. Nothing herein shall suggest that any 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.

IV.

DIVESTITURE OF U.S.-U.K. ROUTES

A. USAir is hereby ordered and directed to divest each U.S.-U.K. Route to a purchaser and on terms approved by plaintiff within 45 days of that route's Commencement Date or such additional time as may be granted pursuant to Section IV.B of this Final Judgment.

B. USAir shall take all reasonable steps to comply with Section IV.A of this Final Judgment. USAir's obligation to complete the divestiture of each U.S.-U.K. Route as required by Section IV.A of this Final Judgment shall be tolled during the period commencing on the filing by USAir with the U.S. Department of Transportation of an application for approval of the transfer of that route to the approved purchaser, and ending upon the issuance by the U.S. Department of Transportation of a final order approving or disapproving such transfer, dismissing the petition, or otherwise discontinuing the proceeding. In its sole discretion, plaintiff may extend, upon USAir's request, the date by which USAir must divest any of the U.S.-U.K. Routes.

V.

RELINQUISHMENT OF U.S.-U.K. ROUTES

In the event that USAir does not divest a U.S.-U.K. Route within the period prescribed by Section IV of this Final Judgment, USAir is hereby ordered and directed to relinquish all licenses, certificates, and authorities for that U.S.-U.K. Route to the U.S. Department of Transportation.

VI.

NOTIFICATION

Immediately following entry of a binding contract to effect any proposed divestiture pursuant to Section IV of the Final Judgment, defendant shall notify plaintiff of the proposed divestiture. The notice shall set forth the details of the proposed transaction. Plaintiff shall notify the defendant in writing, stating whether or not the plaintiff objects to the proposed divestiture, (1) within fifteen (15) days after the receipt of the notice from the defendant, or (2) within fifteen (15) days of the receipt of additional information from the defendant or purchaser, if the plaintiff deems it necessary to obtain additional information to evaluate the transaction and if the plaintiff requests such information from the defendant or purchaser within ten (10) days of the receipt of the notice. If plaintiff provides written notice to defendant that it does not object, then the divestiture may be consummated. Upon objection by plaintiff, a divestiture proposed under Section IV shall not be consummated unless approved by the Court.

VII.

PRESERVATION OF ASSETS

Until the divestiture or relinquishment required by the Final Judgment has been accomplished, defendant shall refrain from taking any action that would jeopardize the divestiture of the divestiture assets.

VIII.

VISITORIAL CLAUSE

For the purpose of determining or securing compliance with this Final Judgment, and subject to any legally recognized privilege, from time to time:

A. Upon written notice of the Attorney General or of the Assistant Attorney General in charge of the Antitrust Division and after reasonable notice made to defendant's principal office, duly authorized representatives of the Department of Justice shall be permitted;

1. Access during office hours of defendant to inspect and copy all non-privileged books, ledgers, accounts, correspondence, memoranda and other records and documents in the possession or under the control of defendant, who may have counsel present, relating to any matters contained in this Final Judgment; and

2. Subject to the reasonable convenience of defendant and without restraint or interference from it, to interview officers, employees and agents of defendant, who may have counsel present, regarding any such matters.

B. Upon the written request of the Attorney General or of the Assistant Attorney General in charge of the Antitrust Division made to defendant's principal office, defendant shall submit such written reports, under oath if requested, with respect to any of the matters contained in this Final Judgment as may be requested.

No information or documents obtained by the means provided in this Section shall be divulged by any representative of the Department of Justice to any person except in the course of legal proceedings to which the United States is a party (including grand jury proceedings), or for the purpose of securing compliance with this Final Judgment, or as otherwise required by law.

C. If at the time information or documents are furnished by defendant to plaintiff, defendant represents and identifies in writing the material in any such information or documents to which a claim of protection may be asserted under Rule 26(c)(7) of the Federal Rules of Civil Procedure, and defendant marks each pertinent page of such material, "Subject to claim of protection under Rule 26(c)(7) of the Federal Rules of Civil Procedure," then ten (10) days notice shall be given by plaintiff to defendant prior to divulging such material in any legal proceeding (other than a grand jury proceeding) to which defendant is not a party.

IX.

RETENTION OF JURISDICTION

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 such further orders and directions as may be necessary or appropriate for the construction or

carrying out of this Final Judgment, for the modification of any of the provisions hereof, for the enforcement of compliance herewith, and for the punishment of any violations hereof.

X.

TERMINATION

This Final Judgment will expire on the fifth anniversary of the date of its entry.

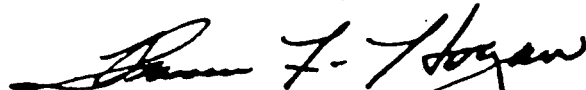
XI.

PUBLIC INTEREST

Entry of this Final Judgment is in the public interest.

Dated:

9/30/93



UNITED STATES DISTRICT JUDGE