

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

UNITED STATES OF AMERICA,

and

STATE OF CALIFORNIA,

Plaintiffs,

v.

TAIHEIYO CEMENT
CORPORATION,

CALPORTLAND COMPANY,

and

VULCAN MATERIALS
COMPANY,

Defendants.

PROPOSED FINAL JUDGMENT

WHEREAS, Plaintiffs, United States of America and the State of California, filed their Complaint on May 21, 2026;

AND WHEREAS, the United States, the State of California, and Defendants Taiheiyo Cement Corporation, CalPortland Company, and Vulcan Materials Company have consented to entry of this Final Judgment without the taking of testimony, without trial or adjudication of any issue of fact or law, and without this Final Judgment constituting any evidence against or admission by any party relating to any issue of fact or law;

AND WHEREAS, Defendants agree to make a certain divestiture and to undertake certain actions to address claims that Defendants' merger would allegedly violate Section 7 of the Clayton Act, 15 U.S.C. § 18;

AND WHEREAS, Defendants represent that the divestiture and other relief required by this Final Judgment can and will be made and that Defendants will not later raise a claim of hardship or difficulty as grounds for asking the Court to modify any provision of this Final Judgment;

NOW THEREFORE, it is ORDERED, ADJUDGED, AND DECREED:

I. JURISDICTION

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

II. DEFINITIONS

As used in this Final Judgment:

A. "CalPortland" means Defendant CalPortland Company, a California corporation with its headquarters in Las Vegas, Nevada, its successors and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships, and joint ventures, and their directors, officers, managers, agents, and employees.

B. "Taiheiyo" means Defendant Taiheiyo Cement Corporation, a Japanese corporation with its headquarters in Tokyo, Japan, its successors and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships, and joint ventures, and their directors, officers, managers, agents, and employees.

C. “Vulcan” means Defendant Vulcan Materials Company, a New Jersey corporation with its headquarters in Birmingham, Alabama, its successors and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships, and joint ventures, and their directors, officers, managers, agents, and employees.

D. “Holliday Rock” means Holliday Rock Co., Inc., a California corporation with its headquarters in Upland, California, its successors and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships, and joint ventures, and their directors, officers, managers, agents, and employees.

E. “Acquirer” means Holliday Rock or another entity approved by the United States in its sole discretion, after consultation with the State of California, to which Defendants divest the Divestiture Assets.

F. “Divestiture Assets” means all of Defendants’ rights, titles, and interests in and to the following property and assets used in connection with the design, production, development, distribution, and sale of Ready-Mix Concrete by CalPortland associated with the Escondido Plant and the Oceanside Plant, and by Vulcan associated with the Lakeside Plant:

1. the real property and CalPortland’s Ready-Mix Concrete plant located at 550 North Tulip Street, Escondido, California 92025 (the “Escondido Plant”), as described in Exhibit 1 to this Final Judgment;

2. CalPortland’s Ready-Mix Concrete plant located at 1050 West Airport Road, Oceanside, California 92054 (the “Oceanside Plant”), as described in Exhibit 1 to this Final Judgment;

3. leasehold interests that will be in effect during the entire period of this Final Judgment in the Ready-Mix Concrete plant located at 12494 CA-67, Lakeside, California,

92040, assessor's parcel number 375-041-18 and licensed portions of 375-041-19 and 375-171-05 (the "Lakeside Plant"), as described in Exhibit 1 to this Final Judgment;

4. leasehold interests in the real property on which the Oceanside Plant and Lakeside Plant are located that will be in effect during the entire period of this Final Judgment;

5. fifteen (15) CalPortland Ready-Mix Concrete trucks servicing the Escondido Plant and Oceanside Plant as of date of the entry of the Asset Preservation and Hold Separate Stipulation and Order in this matter;

6. to the extent permissible by law, all licenses, permits, certifications, approvals, consents, registrations, waivers, and authorizations, including those issued or granted by any governmental organization, and all pending applications or renewals that are utilized by the plants listed in Paragraphs II(F)(1)-(3);

7. the following records and data that are utilized by or related to the plants listed in Paragraphs II(F)(1)-(3): (a) production, repair, maintenance, and performance records, and (b) manuals and technical information Defendants provide to their own employees, customers, suppliers, agents, or licensees;

8. If Holliday Rock is not the Acquirer, at Acquirer's option:

a. all other real property, including fee simple interests, real property leasehold interests and renewal rights thereto, improvements to real property, and options to purchase any adjoining or other property, together with all buildings, facilities, and other structures;

b. all tangible personal property located in or utilized by the plants listed in Paragraphs II(F)(1)-(3), including fixed assets, machinery and manufacturing

equipment, tools, inventory, materials, office equipment and furniture, computer hardware, and supplies;

c. all contracts, contractual rights, and customer relationships, and all other agreements, commitments, and understandings, including supply agreements, teaming agreements, and leases, and all outstanding offers or solicitations to enter into a similar arrangement that are utilized by or related to the plants listed in Paragraphs II(F)(1)-(3);

d. the records and data that are utilized by or related to the plants listed in Paragraphs II(F)(1)-(3), including (a) customer lists, accounts, sales, and credit records, (b) records and research data concerning historic and current research and development activities, including designs of experiments and the results of successful and unsuccessful designs and experiments, and (c) drawings, blueprints, and designs.

e. all intellectual property owned, licensed, or sublicensed, either as licensor or licensee that is utilized by or related to the plants listed in Paragraphs II(F)(1)-(3), including (a) patents, patent applications, and inventions and discoveries that may be patentable, (b) registered and unregistered copyrights and copyright applications, (c) registered and unregistered trademarks, trade dress, service marks, trade names, and trademark applications, and (d) trade secrets; and

f. all other intangible property that is utilized by or related to the plants listed in Paragraphs II(F)(1)-(3), including (a) commercial names and d/b/a names, (b) technical information, (c) computer software and related documentation, know-how, trade secrets, design protocols, specifications for materials, specifications for parts, specifications for devices, safety procedures (e.g., for the handling of materials and substances), quality assurance

and control procedures, (d) design tools and simulation capabilities, and (e) rights in internet web sites and internet domain names.

G. “Divestiture Date” means the date on which the Divestiture Assets are divested to Acquirer pursuant to this Final Judgment.

H. “Including” means including, but not limited to.

I. “Person” means any natural person, corporation, firm, company, sole proprietorship, partnership, joint venture, association, institute, or other legal entity.

J. “Ready-Mix Concrete” means a building material used in the construction of buildings, highways, bridges, tunnels, and other projects that is produced by mixing cementitious material and aggregate with sufficient water to cause the cement to set and bind.

K. “Relevant Area” means the following counties in the State of California: Alameda, Contra Costa, El Dorado, Imperial, Marin, Napa, Riverside, Sacramento, San Diego, San Francisco, San Mateo, Santa Clara, Solano, Sonoma, and Yolo.

L. “Relevant Personnel” means all full-time, part-time, or contract employees of CalPortland and Vulcan located at, or who work out of, the Escondido Plant, Oceanside Plant and/or Lakeside Plant, holding the titles identified in Exhibit 2 or whose job responsibilities primarily relate to the Divestiture Assets or the design, production, development, distribution, and sale of Ready-Mix Concrete by CalPortland or Vulcan at the Escondido Plant, Oceanside Plant, or Lakeside Plant, at any time between October 27, 2025, and the Divestiture Date. The United States, in its sole discretion, will resolve any disagreement relating to which employees are Relevant Personnel. “Primarily” as used in this Paragraph II(L) means over 50 percent of the individual’s time.

M. “Transaction” means CalPortland’s proposed acquisition of Vulcan’s California Ready-Mix Concrete operations.

III. APPLICABILITY

A. This Final Judgment applies to Taiheiyo, CalPortland, and Vulcan, as defined above, and all other persons in active concert or participation with any Defendant who receive actual notice of this Final Judgment.

B. If, prior to complying with Section IV and Section V of this Final Judgment, Defendants sell or otherwise dispose of all or substantially all of their assets or of business units that include the Divestiture Assets, Defendants must require any purchaser to be bound by the provisions of this Final Judgment. Defendants need not obtain such an agreement from Acquirer.

IV. DIVESTITURES

A. Defendants are ordered and directed, within 15 calendar days after the Court’s entry of the Asset Preservation and Hold Separate Stipulation and Order in this matter, to divest the Divestiture Assets in a manner consistent with this Final Judgment to Holliday Rock or another Acquirer acceptable to the United States, in its sole discretion, after consultation with the State of California. The United States, in its sole discretion, may agree to one or more extensions of this time period not to exceed 90 calendar days in total and will notify the Court of any extensions.

B. For all contracts, agreements, and customer relationships (or portions of such contracts, agreements, and customer relationships) included in the Divestiture Assets, Defendants must assign or otherwise transfer all contracts, agreements, and customer relationships to Acquirer within the deadlines set forth in Paragraph IV(A); *provided, however*, that for any contract or agreement that requires the consent of another party to assign or

otherwise transfer, Defendants must use best efforts to accomplish the assignment or transfer.

Defendants must not interfere with any negotiations between Acquirer and a contracting party.

C. Defendants must use best efforts to divest the Divestiture Assets as expeditiously as possible. Defendants must take no action that would jeopardize the completion of the divestiture ordered by the Court, including any action to impede the permitting, operation, or divestiture of the Divestiture Assets.

D. Unless the United States otherwise consents in writing, divestiture pursuant to this Final Judgment must include the entire Divestiture Assets and must be accomplished in such a way as to satisfy the United States, in its sole discretion, after consultation with the State of California, that the Divestiture Assets can and will be used by Acquirer as part of a viable, ongoing business of the production, distribution, and sale of Ready-Mix Concrete.

E. The divestiture must be made to an Acquirer that, in the United States' sole judgment, after consultation with the State of California, has the intent and capability, including the necessary managerial, operational, technical, and financial capability, to compete effectively in the production, distribution, and sale of Ready-Mix Concrete.

F. The divestiture must be accomplished in a manner that satisfies the United States, in its sole discretion, after consultation with the State of California, that none of the terms of any agreement between Acquirer and Defendants give Defendants the ability unreasonably to raise Acquirer's costs, to lower Acquirer's efficiency, or otherwise interfere in the ability of Acquirer to compete effectively in the production, distribution, and sale of Ready-Mix Concrete.

G. In the event Defendants are attempting to divest the Divestiture Assets to an Acquirer other than Holliday Rock, Defendants promptly must make known, by usual and customary means, the availability of the Divestiture Assets. Defendants must inform any person

making an inquiry relating to a possible purchase of the Divestiture Assets that the Divestiture Assets are being divested in accordance with this Final Judgment and must provide that person with a copy of this Final Judgment. Defendants must offer to furnish to all prospective Acquirers, subject to customary confidentiality assurances, all information and documents relating to the Divestiture Assets that are customarily provided in a due diligence process; *provided, however*, that Defendants need not provide information or documents subject to the attorney-client privilege or work-product doctrine. Defendants must make all information and documents available to the United States and the State of California at the same time that the information and documents are made available to any other person.

H. Defendants must provide prospective Acquirers with (1) access to make inspections of the Divestiture Assets; (2) access to all environmental, zoning, and other permitting documents and information relating to the Divestiture Assets; and (3) access to all financial, operational, or other documents and information relating to the Divestiture Assets that would customarily be provided as part of a due diligence process. Defendants also must disclose all encumbrances on any part of the Divestiture Assets, including on intangible property.

I. Defendants must cooperate with and assist Acquirer in identifying and, at the option of Acquirer, hiring all Relevant Personnel, including:

1. Within 10 business days following the entry of the Asset Preservation and Hold Separate Stipulation and Order in this matter, Defendants must identify all Relevant Personnel to Acquirer, the United States, and the State of California including by providing organization charts covering all Relevant Personnel.

2. Within 10 business days following receipt of a request by Acquirer or the United States, Defendants must provide to Acquirer, the United States, and the State of

California additional information relating to Relevant Personnel, including name, job title, reporting relationships, past experience, responsibilities, training and educational histories, relevant certifications, and job performance evaluations. Defendants must also provide to Acquirer, the United States, and the State of California information relating to current and accrued compensation and benefits of Relevant Personnel, including most recent bonuses paid, aggregate annual compensation, current target or guaranteed bonus, if any, any retention agreement or incentives, and any other payments due, compensation or benefits accrued, or promises made to the Relevant Personnel. If Defendants are barred by any applicable law from providing any of this information, Defendants must provide, within 10 business days following receipt of the request, the requested information to the full extent permitted by law and also must provide a written explanation of Defendants' inability to provide the remaining information, including specifically identifying the provisions of the applicable laws.

3. At the request of Acquirer, Defendants must promptly make Relevant Personnel available for private interviews with Acquirer during normal business hours at a mutually agreeable location.

4. Defendants must not interfere with any effort by Acquirer to employ any Relevant Personnel. Interference includes offering to increase the compensation or improve the benefits of Relevant Personnel unless (a) the offer is part of a company-wide increase in compensation or improvement in benefits that was announced prior to October 27, 2025, or (b) the offer is approved by the United States in its sole discretion. Defendants' obligations under this Paragraph IV(I)(4) will expire 180 days after the Divestiture Date.

5. For Relevant Personnel who elect employment with Acquirer within 180 days of the Divestiture Date, Defendants must waive all non-compete and non-disclosure

agreements; vest and pay to the Relevant Personnel (or to Acquirer for payment to the employee) on a prorated basis any bonuses, incentives, other salary, benefits, or other compensation fully or partially accrued at the time of the transfer of the employee to Acquirer; vest any unvested pension and other equity rights; and provide all other benefits that those Relevant Personnel otherwise would have been provided had the Relevant Personnel continued employment with Defendants, including any retention bonuses or payments. Defendants may maintain reasonable restrictions on disclosure by Relevant Personnel of Defendants' proprietary non-public information that is unrelated to the Divestiture Assets and not otherwise required to be disclosed by this Final Judgment.

6. For a period of 6 months from the Divestiture Date, Defendants may not solicit to re-hire Relevant Personnel who were hired by Acquirer within 3 months of the Divestiture Date unless (a) an individual is terminated or laid off by Acquirer or (b) Acquirer agrees in writing that Defendants may solicit to re-hire that individual. Nothing in this Paragraph IV(I)(6) prohibits Defendants from advertising employment openings using general solicitations or advertisements and re-hiring Relevant Personnel who apply for an employment opening through a general solicitation or advertisement.

J. Defendants will use their best efforts to assist Acquirer in interviewing and hiring at least one salesperson with existing responsibilities relating to the sale of Ready-Mix Concrete in San Diego County.

K. If the Acquirer is not Holliday Rock, Defendants must warrant to Acquirer that (1) the Divestiture Assets will be operational and without material defect on the date of their transfer to the Acquirer; (2) there are no material defects in the environmental, zoning, or other permits relating to the operation of the Divestiture Assets; and (3) Defendants have disclosed all

encumbrances on any part of the Divestiture Assets, including on intangible property. Following the sale of the Divestiture Assets, Defendants must not undertake, directly or indirectly, challenges to the environmental, zoning, or other permits relating to the operation of the Divestiture Assets.

L. Defendants must use best efforts to assist Acquirer to obtain all necessary licenses, registrations, and permits necessary for or utilized in the production, distribution, and sale of Ready-Mix Concrete. Until Acquirer obtains the necessary licenses, registrations, and permits, Defendants must provide Acquirer with the benefit of Defendants' licenses, registrations, and permits to the full extent permissible by law.

M. At the option of Acquirer, and subject to approval by the United States in its sole discretion, on or before the Divestiture Date, Defendant Vulcan must enter into a supply contract or contracts for aggregate sufficient to meet Acquirer's needs, as determined by Acquirer, for a period of up to 12 months, on terms and conditions reasonably related to market conditions for the supply of aggregate. At the option of the Acquirer, subject to approval by the United States in its sole discretion, Defendant Vulcan must enter into one or more extensions of any such contracts for a total of up to an additional 180 calendar days, on terms and conditions reasonably related to market conditions for the supply of aggregate. Any amendment to or modification of any provision of any such supply contract or supply contract extension is subject to approval by the United States, in its sole discretion. If Acquirer seeks an extension of the term of any supply contract, Defendant Vulcan must notify the United States in writing at least 60 calendar days prior to the date the supply contract expires. Acquirer may terminate a supply contract (including an extension of a supply contract), or any portion of a supply contract (including a portion of an

extension of a supply contract), without cost or penalty upon 30 calendar days' written notice to Defendant Vulcan.

N. If the Acquirer is not Holliday Rock, at the option of Acquirer, and subject to approval by the United States in its sole discretion, on or before the Divestiture Date, Defendants must enter into a contract to provide transition services for back office, human resources, accounting, employee health and safety, and information technology services and support for a period of up to six months on terms and conditions reasonably related to market conditions for the provision of the transition services. At the option of the Acquirer, subject to approval by the United States in its sole discretion, Defendants must enter into one or more extensions of any such contracts for a total of up to an additional 90 calendar days, on terms and conditions reasonably related to market conditions for the provision of the transition services. Any amendment to or modification of any transition services contract or extension to a transition services contract is subject to approval by the United States, in its sole discretion. If Acquirer seeks an extension of the term of any contract for transition services, Defendants must notify the United States in writing at least 30 calendar days prior to the date the contract expires. Acquirer may terminate a contract (including an extension) for transition services, or any portion of a contract (including an extension) for transition services, without cost or penalty at any time upon 30 calendar days' written notice to Defendants. The employees of Defendants tasked with providing transition services to Acquirer must not share any competitively sensitive information of Acquirer with any other employee of Defendants.

O. If any term of an agreement between Defendants and Acquirer, including an agreement to effectuate the divestiture required by this Final Judgment, varies from a term of this

Final Judgment, to the extent that Defendants cannot fully comply with both, this Final Judgment determines Defendants' obligations.

V. APPOINTMENT OF DIVESTITURE TRUSTEE

A. If all of the Divestiture Assets have not been divested within the period specified in Paragraph IV(A), Defendant CalPortland must immediately notify the United States and the State of California of that fact in writing. Upon application of the United States, which Defendants may not oppose, the Court will appoint a divestiture trustee selected by the United States and approved by the Court to effect the divestiture of the Divestiture Assets.

B. After the appointment of a divestiture trustee by the Court, only the divestiture trustee will have the right to sell those Divestiture Assets that the divestiture trustee has been appointed to sell. The divestiture trustee will have the power and authority to accomplish the divestiture to an Acquirer acceptable to the United States, in its sole discretion, after consultation with the State of California, at a price and on terms obtainable through reasonable effort by the divestiture trustee, subject to the provisions of Sections IV, V, and VI of this Final Judgment, and will have other powers as the Court deems appropriate. The divestiture trustee must sell the Divestiture Assets as quickly as possible.

C. Defendants may not object to a sale by the divestiture trustee on any ground other than malfeasance by the divestiture trustee. Objections by Defendants must be conveyed in writing to the United States, the State of California, and the divestiture trustee within 10 calendar days after the divestiture trustee has provided the notice of proposed divestiture required by Section VI.

D. The divestiture trustee will serve at the cost and expense of Defendants Taiheiyo and CalPortland pursuant to a written agreement, on terms and conditions, including

confidentiality requirements and conflict of interest certifications, approved by the United States in its sole discretion.

E. The divestiture trustee may hire at the cost and expense of Defendants Taiheiyo and CalPortland any agents or consultants, including investment bankers, attorneys, and accountants, that are reasonably necessary in the divestiture trustee's judgment to assist with the divestiture trustee's duties. These agents or consultants will be accountable solely to the divestiture trustee and will serve on terms and conditions, including confidentiality requirements and conflict-of-interest certifications, approved by the United States in its sole discretion.

F. The compensation of the divestiture trustee and agents or consultants hired by the divestiture trustee must be reasonable in light of the value of the Divestiture Assets and based on a fee arrangement that provides the divestiture trustee with incentives based on the price and terms of the divestiture and the speed with which it is accomplished. If the divestiture trustee and Defendants Taiheiyo and CalPortland are unable to reach agreement on the divestiture trustee's compensation or other terms and conditions of engagement within 14 calendar days of the appointment of the divestiture trustee by the Court, the United States, in its sole discretion, may take appropriate action, including by making a recommendation to the Court. Within three business days of hiring an agent or consultant, the divestiture trustee must provide written notice of the hiring and rate of compensation to Defendants Taiheiyo and CalPortland, the United States, and the State of California.

G. The divestiture trustee must account for all monies derived from the sale of the Divestiture Assets by the divestiture trustee and all costs and expenses incurred. Within 30 calendar days of the Divestiture Date, the divestiture trustee must submit that accounting to the Court for approval. After approval by the Court of the divestiture trustee's accounting, including

fees for unpaid services and those of agents or consultants hired by the divestiture trustee, all remaining money must be paid to Defendants Taiheiyo and CalPortland, and the trust will then be terminated.

H. Defendants must use best efforts to assist the divestiture trustee to accomplish the required divestiture. Subject to reasonable protection for trade secrets, other confidential research, development, or commercial information, or any applicable privileges, Defendants must provide the divestiture trustee and agents or consultants retained by the divestiture trustee with full and complete access to all personnel, books, records, and facilities of the Divestiture Assets. Defendants also must provide or develop financial and other information relevant to the Divestiture Assets that the divestiture trustee may reasonably request. Defendants must not take any action to interfere with or to impede the divestiture trustee's accomplishment of the divestiture.

I. The divestiture trustee must maintain complete records of all efforts made to sell the Divestiture Assets, including by filing monthly reports with the United States and the State of California setting forth the divestiture trustee's efforts to accomplish the divestiture ordered by this Final Judgment. The reports must include the name, address, and telephone number of each person who, during the preceding month, made an offer to acquire, expressed an interest in acquiring, entered into negotiations to acquire, or was contacted or made an inquiry about acquiring any interest in the Divestiture Assets and must describe in detail each contact.

J. If the divestiture trustee has not accomplished the divestiture ordered by this Final Judgment within 180 calendar days of appointment, the divestiture trustee must promptly provide the United States and the State of California with a report setting forth: (1) the divestiture trustee's efforts to accomplish the required divestiture; (2) the reasons, in the

divestiture trustee's judgment, why the required divestiture has not been accomplished; and (3) the divestiture trustee's recommendations for completing the divestiture. Following receipt of that report, the United States may make additional recommendations to the Court. The Court thereafter may enter such orders as it deems appropriate to carry out the purpose of this Final Judgment, which may include extending the trust and the term of the divestiture trustee's appointment by a period requested by the United States.

K. The divestiture trustee will serve until divestiture of all Divestiture Assets is completed or for a term otherwise ordered by the Court.

L. If the United States determines that the divestiture trustee is not acting diligently or in a reasonably cost-effective manner, the United States may recommend that the Court appoint a substitute divestiture trustee.

VI. NOTICE OF PROPOSED DIVESTITURE

A. Within two business days following execution of a definitive agreement with an Acquirer other than Holliday Rock to divest the Divestiture Assets, Defendants or the divestiture trustee, whichever is then responsible for effecting the divestiture, must notify the United States and the State of California of the proposed divestiture. If the divestiture trustee is responsible for completing the divestiture, the divestiture trustee also must notify Defendants. The notice must set forth the details of the proposed divestiture and list the name, address, and telephone number of each person not previously identified who offered or expressed an interest in or desire to acquire any ownership interest in the Divestiture Assets.

B. After receipt by the United States and the State of California of the notice required by Paragraph VI(A), the United States may make one or more requests to Defendants or the divestiture trustee for additional information concerning the proposed divestiture, the

proposed Acquirer, and other prospective Acquirers. Defendants and the divestiture trustee must furnish any additional information requested within 15 calendar days of the receipt of each request unless the United States provides written agreement to a different period.

C. Within 45 calendar days after receipt of the notice required by Paragraph VI(A) or within 20 calendar days after the United States and the State of California has been provided the additional information requested pursuant to Paragraph VI(B), whichever is later, the United States will provide written notice to Defendants and any divestiture trustee that states whether the United States, in its sole discretion, after consultation with the State of California, objects to the proposed Acquirer or any other aspect of the proposed divestiture. Without written notice that the United States does not object, a divestiture may not be consummated. If the United States provides written notice that it does not object, the divestiture may be consummated, subject only to Defendants' limited right to object to the sale under Paragraph V(C) of this Final Judgment. Upon objection by Defendants pursuant to Paragraph V(C), a divestiture by the divestiture trustee may not be consummated unless approved by the Court.

VII. FINANCING

Defendants may not finance all or any part of Acquirer's purchase of all or part of the Divestiture Assets.

VIII. ASSET PRESERVATION AND HOLD SEPARATE OBLIGATIONS

Defendants must take all steps necessary to comply with the Asset Preservation and Hold Separate Stipulation and Order entered by the Court.

IX. AFFIDAVITS

A. Within 20 calendar days of entry of the Asset Preservation and Hold Separate Stipulation and Order, and every 30 calendar days thereafter until the divestiture required by this

Final Judgment has been completed, each Defendant must deliver to the United States and the State of California an affidavit, signed by each Defendant's Chief Financial Officer and General Counsel, describing in reasonable detail the fact and manner of that Defendant's compliance with this Final Judgment. The United States, in its sole discretion, may approve different signatories for the affidavits.

B. In the event Defendants are attempting to divest the Divestiture Assets to an Acquirer other than Holliday Rock, each affidavit required by Paragraph IX(A) must include: (1) the name, address, and telephone number of each person who, during the preceding 30 calendar days, made an offer to acquire, expressed an interest in acquiring, entered into negotiations to acquire, or was contacted or made an inquiry about acquiring, an interest in the Divestiture Assets and describe in detail each contact with such persons during that period; (2) a description of the efforts Defendants have taken to solicit buyers for and complete the sale of the Divestiture Assets and to provide required information to prospective Acquirers; and (3) a description of any limitations placed by Defendants on information provided to prospective Acquirers. Objection by the United States to information provided by Defendants to prospective Acquirers must be made within 14 calendar days of receipt of the affidavit, except that the United States may object at any time if the information set forth in the affidavit is not true or complete.

C. Defendants must keep all records of any efforts made to divest the Divestiture Assets until one year after the Divestiture Date.

D. Within 20 calendar days of entry of the Asset Preservation and Hold Separate Stipulation and Order, each Defendant must deliver to the United States and the State of California an affidavit signed by each Defendant's Chief Financial Officer and General Counsel that describes in reasonable detail all actions that Defendant has taken and all steps that

Defendant has implemented on an ongoing basis to comply with Section VIII of this Final Judgment. The United States, in its sole discretion, may approve different signatories for the affidavits.

E. If a Defendant makes any changes to actions and steps described in affidavits provided pursuant to Paragraph IX(D), the Defendant must, within 15 calendar days after any change is implemented, deliver to the United States and the State of California an affidavit describing those changes.

F. Defendants must keep all records of any efforts made to comply with Section VIII until one year after the Divestiture Date.

X. COMPLIANCE INSPECTION

A. For the purposes of determining or securing compliance with this Final Judgment or of related orders such as the Asset Preservation and Hold Separate Stipulation and Order or of determining whether this Final Judgment should be modified or vacated, upon the written request of an authorized representative of the Assistant Attorney General for the Antitrust Division and reasonable notice to Defendants, Defendants must permit, from time to time and subject to legally recognized privileges, authorized representatives, including agents retained by the United States:

1. to have access during Defendants' business hours to inspect and copy, or at the option of the United States, to require Defendants to provide electronic copies of all books, ledgers, accounts, records, data, and documents, wherever located, in the possession, custody, or control of Defendants relating to any matters contained in this Final Judgment; and

2. to interview, either informally or on the record, Defendants' officers, employees, or agents, wherever located, who may have their individual counsel present, relating

to any matters contained in this Final Judgment. The interviews must be subject to the reasonable convenience of the interviewee and without restraint or interference by Defendants.

B. Upon the written request of an authorized representative of the Assistant Attorney General for the Antitrust Division, Defendants must submit written reports or respond to written interrogatories, under oath if requested, relating to any matters contained in this Final Judgment.

XI. NOTIFICATION

A. Unless a transaction is otherwise subject to the reporting and waiting period requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, 15 U.S.C. § 18a (the “HSR Act”), Defendants CalPortland and Taiheiyo may not, without first providing at least 30 calendar days advance notification to the United States and to the State of California, directly or indirectly acquire any financial or management interest in any plant or facility that produces Ready-Mix Concrete in the Relevant Area during the term of this Final Judgment.

B. Defendant CalPortland must provide the notification required by this Section XI in the same format as, and in accordance with the Federal Trade Commission’s instructions relating to, the Notification and Report Form set forth in the Appendix to Part 803 of Title 16 of the Code of Federal Regulations, as amended, except Defendant CalPortland will not be required to provide the information requested in the Additional Information section.

C. Notification must include, beyond the information required by the instructions, the names of the principal representatives who negotiated the transaction on behalf of each party, and all CalPortland management or strategic plans discussing the proposed transaction. If, within the 30 calendar days following notification, representatives of the United States or the State of

California make a written request for additional information, Defendants may not consummate the proposed transaction until 30 calendar days after submitting all requested information.

D. Early termination of the waiting periods set forth in this Section XI may be requested and, where appropriate, granted in the same manner as is applicable under the requirements and provisions of the HSR Act and rules promulgated thereunder. This Section XI must be broadly construed, and any ambiguity or uncertainty relating to whether to file a notice under this Section XI must be resolved in favor of filing notice.

XII. NO REACQUISITION

Defendants CalPortland and Taiheiyo may not reacquire any part of, any interest in, or any form of control over the Divestiture Assets during the term of this Final Judgment without prior written authorization of the United States.

XIII. PUBLIC DISCLOSURE

A. No information or documents obtained pursuant to any provision in this Final Judgment may be divulged by the United States or the State of California to any person other than an authorized representative of the executive branch of the United States or an authorized representative of the State of California, except in the course of legal proceedings to which the United States or the State of California is a party, including grand-jury proceedings, for the purpose of evaluating a proposed Acquirer or securing compliance with this Final Judgment, or as otherwise required by law.

B. In the event of a request by a third party, pursuant to the Freedom of Information Act, 5 U.S.C. § 552, for disclosure of information obtained pursuant to any provision of this Final Judgment, the United States will act in accordance with that statute and the Department of Justice regulations at 28 C.F.R. part 16, including the provision on confidential commercial

information at 28 C.F.R. § 16.7, and the State of California will act in accordance with its applicable disclosure laws. Defendants submitting information to the Antitrust Division should designate the confidential commercial information portions of all applicable documents and information under 28 C.F.R. § 16.7. Designations of confidentiality expire 10 years after submission, “unless the submitter requests and provides justification for a longer designation period.” *See* 28 C.F.R. § 16.7(b).

C. If at the time that Defendants furnish information or documents to the United States and the State of California pursuant to any provision of this Final Judgment, Defendants represent and identify in writing information or documents for which a claim of protection may be asserted under Rule 26(c)(1)(G) of the Federal Rules of Civil Procedure, and Defendants mark each pertinent page of such material, “Subject to claim of protection under Rule 26(c)(1)(G) of the Federal Rules of Civil Procedure,” the United States and the State of California must give Defendants 10 calendar days’ notice before divulging the material in any legal proceeding (other than a grand jury proceeding).

XIV. RETENTION OF JURISDICTION

The Court retains jurisdiction to enable any party to this Final Judgment to apply to the Court at any time for further orders and directions as may be necessary or appropriate to carry out or construe this Final Judgment, to modify any of its provisions, to enforce compliance, and to punish violations of its provisions.

XV. ENFORCEMENT OF FINAL JUDGMENT

A. If at any time during the five-year period following entry of this Final Judgment, the United States determines in its sole discretion that the Final Judgment has failed to fully redress the violations alleged in the Complaint, then the United States may re-open this

proceeding to seek additional relief, including divestiture of additional assets. Such additional relief may be ordered by this Court upon a finding by a preponderance of the evidence that there is a reasonable probability that the proposed Final Judgment did not fully redress the violations alleged in the Complaint.

B. The United States retains and reserves all rights to enforce the provisions of this Final Judgment, including the right to seek an order of contempt from the Court. In a civil contempt action, a motion to show cause, or a similar action brought by the United States relating to an alleged violation of this Final Judgment, the United States may establish a violation of this Final Judgment and the appropriateness of a remedy therefor by a preponderance of the evidence, and Defendants waive any argument that a different standard of proof should apply.

C. This Final Judgment should be interpreted to give full effect to the procompetitive purposes of the antitrust laws and to restore the competition the United States and the State of California allege was harmed by the challenged conduct. Defendants may be held in contempt of, and the Court may enforce, any provision of this Final Judgment that, as interpreted by the Court in light of these procompetitive principles and applying ordinary tools of interpretation, is stated specifically and in reasonable detail, whether or not it is clear and unambiguous on its face. In any such interpretation, the terms of this Final Judgment should not be construed against either party as the drafter.

D. In an enforcement proceeding in which the Court finds that Defendants have violated this Final Judgment, the United States may apply to the Court for an extension of this Final Judgment, together with other relief that may be appropriate. In connection with a successful effort by the United States to enforce this Final Judgment against a Defendant, whether litigated or resolved before litigation, that Defendant must reimburse the United States

for the fees and expenses of its attorneys, as well as all other costs including experts' fees, incurred in connection with that effort to enforce this Final Judgment, including during the investigation of the potential violation.

E. For a period of four years following the expiration of this Final Judgment, if the United States has evidence that a Defendant violated this Final Judgment before it expired, the United States may file an action against that Defendant in this Court requesting that the Court order: (1) Defendant to comply with the terms of this Final Judgment for an additional term of at least four years following the filing of the enforcement action; (2) all appropriate contempt remedies; (3) additional relief needed to ensure the Defendant complies with the terms of this Final Judgment; and (4) fees or expenses as called for by this Section XIV.

XVI. EXPIRATION OF FINAL JUDGMENT

Unless the Court grants an extension, this Final Judgment will expire 10 years from the date of its entry, except that after five years from the date of its entry, this Final Judgment may be terminated upon motion by the United States to the Court and notice by the United States to Defendants and the State of California that the divestiture has been completed and continuation of this Final Judgment is no longer necessary or in the public interest.

XVII. PUBLIC INTEREST DETERMINATION

Entry of this Final Judgment is in the public interest. The parties have complied with the requirements of the Antitrust Procedures and Penalties Act, 15 U.S.C. § 16, including by making available to the public copies of this Final Judgment and the Competitive Impact Statement, public comments thereon, and any response to comments by the United States. Based upon the record before the Court, which includes the Competitive Impact Statement and, if applicable, any

comments and response to comments filed with the Court, entry of this Final Judgment is in the public interest.

Date: _____

[Court approval subject to procedures of Antitrust Procedures and Penalties Act, 15 U.S.C. § 16]

United States District Judge

Exhibit 1

1. Escondido Plant:
 - a. Escondido 4.27 Acres
 - b. Escondido gate trench drains
 - c. Silos and structure
 - d. 314R air compressor & air dryer
 - e. 314R air compressor & air dryer
 - f. Dry batch plant
 - g. 3 bay shop and office with 2 ton crane and all furnishings
 - h. Batch office with computers, control systems, and furnishings
 - i. Concrete reclaimer (non-op)
 - j. 40 ft conex parts storage
 - k. 2 water tanks

2. Oceanside Plant:
 - a. Oceanside ready mix yard
 - b. Oceanside non-operating
 - c. Oceanside plant slump racks
 - d. Agg silos and structure
 - e. Air compressor & air dryer
 - f. Wet batch plant
 - g. 3 bay shop and office with 3 ton crane and all furnishings
 - h. Batch office with computers, control systems, and furnishings
 - i. Concrete reclaimer (non-op)
 - j. 40 ft conex parts storage
 - k. 2 water tanks

3. Lakeside Plant:
 - a. Batch plant at TTT new portion
 - b. Dispatch building
 - c. Cement blower
 - d. 10000 gal. fuel tank
 - e. 40 ft. steel storage container
 - f. 20 ft. steel storage container
 - g. Washout pit TTT
 - h. Fencing TTT
 - i. 40 ft. aluminum cargo container
 - j. Curtis Masterline air compressor 12E100009AP
 - k. Gantry 6000lb crane S513093
 - l. Ice machine at TTT shop
 - m. Water and sewer for TTT plant
 - n. Coneco Lo Pro 12 Batchplant C-8560
 - o. 150 ton auxiliary silo
 - p. 3 water tanks

Exhibit 2

Relevant Personnel Job Titles

Escondido and Oceanside Plants

1. Batch Plant Operator
2. Diesel Mechanic
3. Operator
4. Plant Repairperson
5. Ready Mix Driver
6. Ready Mix Plant Manager

Lakeside Plant

1. Diesel Specialist
2. Diesel Technician Senior
3. Driver – Mobile Lube Truck
4. Driver – Ready Mix Truck I
5. General Support I
6. Leadperson II
7. Operator – Equipment II
8. Supv – RM Plant III