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UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF KENTUCKY
AT LEXINGTON

UNITED STATES OF AMERICA,)
)
)
 Plaintiff,)
)
)
 v.)
)
)
 FIRST NATIONAL BANK AND TRUST COMPANY)
 OF LEXINGTON, SECURITY TRUST COMPANY,)
 and FIRST SECURITY NATIONAL BANK AND)
 TRUST COMPANY OF LEXINGTON,)
)
)
 Defendants)

Filed 12-29-67

CIVIL NO. LEX. 1424

FINAL JUDGMENT

Plaintiff, United States of America, having filed its complaint herein on March 1, 1961, pursuant to Section 4 of the Sherman Act seeking to enjoin alleged violations of Sections 1 and 2 of the Sherman Act, and defendant First Security National Bank and Trust Company of Lexington, having appeared and filed its answer to such complaint, denying the substantive allegations thereof, this Court (Judge Ford) on July 30, 1962, after trial, having entered judgment for defendants holding that no violation of the Sherman Act had been shown (208 F. Supp. 457), plaintiff having appealed to the Supreme Court of the United States, the Supreme Court having on April 6, 1964 reversed the judgment of this Court and having held that the merger of the defendants First National Bank and Trust Company of Lexington and Security Trust Company violated Section 1 of the Sherman Act and having declined to review the questions posed by the complaint under Section 2 of the Sherman Act, and having remanded the case to this Court for further proceedings in conformity with its opinion (376 U.S. 665), the Bank Merger Act (Public Law 86-463, 74 Stat. 129) having been amended on February 21, 1966 (Public Law 89-356, 80 Stat. 7), plaintiff on April 28, 1966 having filed its motion in this Court for

an adjudication that the aforesaid merger violates Section 2 of the Sherman Act, this Court on February 1, 1967, having filed its order denying said motion and having filed its opinion upholding said merger, plaintiff on March 30, 1967, having filed its notice of appeal to the Supreme Court of the United States, plaintiff and defendant First Security National Bank and Trust Company of Lexington, by their respective attorneys, having each consented to the making and entry of this Final Judgment without this Final Judgment constituting any evidence or an admission by either party hereto with respect to any issue of fact or law herein, and this Court having considered the matter and being duly advised.

Now, therefore, upon the consent of the parties hereto, it is hereby

Ordered, adjudged and decreed, as follows:

I.

This Court has jurisdiction of the subject matter of this action and of the parties hereto. The complaint states a claim upon which relief may be granted against First Security National Bank and Trust Company of Lexington under Section 2 of the Act of Congress of July 2, 1890 (15 U.S.C. §2), commonly known as the Sherman Act, as amended.

II.

As used in this Final Judgment:

(A) "First Security" means defendant First Security National Bank and Trust Company of Lexington which is a consolidation of defendant First National Bank and Trust Company of Lexington and defendant Security Trust Company.

(B) "Trust account" means any account held in the Trust Department of a commercial bank or trust company in Fayette County, Kentucky in its capacity as (1) trustee; (2) executor; or (3) custodian of securities or other property.

(C) "Non-testamentary trust account" means any account held in the Trust Department of a commercial bank or trust company in Fayette County, Kentucky in its capacity as trustee or custodian of securities or other property in which the trusteeship or custodianship was not created by Last Will and Testament.

III.

Defendant First Security is enjoined and restrained for ten (10) years from the effective date of this Final Judgment from acquiring control over or merging with any other commercial bank having one or more offices in Fayette County, Kentucky.

IV.

Defendant First Security is enjoined and restrained for five (5) years from the effective date of this Final Judgment from establishing any additional branch banking offices in Fayette County, Kentucky if, as a result of the establishment of such branch, defendant First Security would own or control more than one third of the total number of offices conducting a commercial banking business in Fayette County, Kentucky.

V.

Defendant First Security is enjoined and restrained for ten (10) years from the effective date of this Final Judgment from acting as trustee or custodian of any non-testamentary trust account created subsequent to the effective date of this Final Judgment; provided, however, that nothing in this Final Judgment shall prevent defendant First Security from acting as trustee or custodian of any assets pursuant to an agreement executed at any time by any person (or spouse of any person) who is or at any time hereafter becomes an officer, director (including advisory directors) or employee of defendant First Security.

VI..

Defendant First Security may petition this Court at any time for times after January 1, 1969 to modify this Final Judgment by striking Section V therefrom and any such petition shall be granted if

defendant First Security shall show to the satisfaction of this Court that in the year preceding the filing of such petition, it was acting as trustee, executor and/or custodian of either less than 25% by number, or less than 50% by dollar value of total assets (or both), of all trust accounts held by commercial banks in Fayette County, Kentucky. Plaintiff shall cooperate with defendant First Security in obtaining statistics showing the number and dollar value of trust accounts.

VII.

For the purpose of determining or securing compliance with this Final Judgment and for no other purpose, and subject to any legally recognized privilege, duly authorized representatives of the Department of Justice shall, upon written request of the Attorney General, or of the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice to First Security at its principal office, be permitted:

(1) Reasonable access, during office hours of First Security, to all books, ledgers, accounts, correspondence, memoranda and other records and documents in the possession or under the control of First Security relating to any matters contained in this Final Judgment; and

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

For the purpose of securing compliance with this Final Judgment, First Security, upon the written request of the Attorney General or of the Assistant Attorney General in charge of the Antitrust Division,

and upon reasonable notice made to its principal office, shall submit such reasonable reports in writing to the Department of Justice with respect to matters contained in this Final Judgment as may, from time to time, be requested for the enforcement of this Final Judgment. No information obtained by the means provided in this Section VII shall be divulged by any representative of the Department of Justice to any person other than a duly authorized representative of the executive branch of plaintiff except in the course of court proceedings to which the United States of America is a party for the purpose of securing compliance with this Final Judgment or as otherwise required by law.

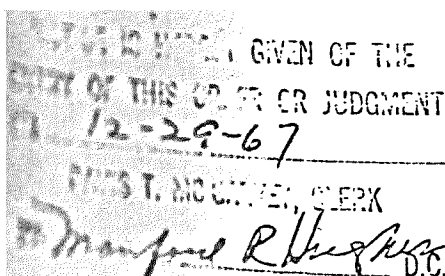
VIII.

Jurisdiction is retained by this Court for the purpose stated in the Section VI of this Final Judgment and for the purposes of enabling any party 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, the modification or termination of any provision thereof, for the enforcement of compliance herewith, and for the punishment of violations hereof.

MAC SWINFORD

United States District Judge

Dated: December 29, 1967



A True Copy Attest

Davis T. McGarvey, Clerk
U. S. District Court

By Macford R. Hughes
D. C.