

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF NEW YORK
ROCHESTER DIVISION

UNITED STATES OF AMERICA,
STATE OF NEW YORK,
COMMONWEALTH OF PENNSYLVANIA and
STATE OF OHIO,

Plaintiffs,

v.

CARGILL INC.,
AKZO NOBEL, N.V.,
AKZO NOBEL, INC. and
AKZO NOBEL SALT, INC.,

Defendants.

Civil Action No.: 97-CV-616L

Filed:

Entered: 7/22/97

U.S. DISTRICT COURT
W.D.N.Y. - ROCHESTER

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FILED

FINAL JUDGMENT

WHEREAS, plaintiffs, the United States of America, the states of New York and Ohio, and the Commonwealth of Pennsylvania, having filed their Complaint herein on April 18, 1997, and plaintiffs and defendants and American 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 issue of law or fact herein;

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

AND WHEREAS, the purpose of this Final Judgment is prompt and certain divestiture of certain rights and assets to assure that competition is not substantially lessened;

AND WHEREAS, plaintiffs require defendants make certain divestitures for the purpose of remedying the loss of competition as alleged in the Complaint;

AND WHEREAS, defendants and American have represented to plaintiffs that the divestitures ordered herein can and will be made and that defendants and American will later raise no claims of hardship or difficulty as grounds for asking the Court to modify any of the divestiture provisions contained below;

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

II. DEFINITIONS

As used in this Final Judgment:

A. "Cargill" means defendant Cargill Inc., a Delaware corporation with its headquarters in Wayzata, Minnesota, and includes its successors and assigns, its subsidiaries, and directors, officers, managers, agents, and employees.

B. "Akzo" means defendant Akzo Nobel, N.V., based in Arnhem, The Netherlands, and includes its successors and assigns,

its subsidiaries and divisions (including Akzo Nobel, Inc. and Akzo Nobel Salt, Inc.), and directors, officers, managers, agents, and employees.

C. "American" means American Rock Salt Company LLC, a New York limited liability company with its headquarters in Rochester, New York, and includes its successors and assigns, its directors, officers, managers, agents, partners and employees.

D. "Relevant Evaporated Salt Assets" means:

(1) all of the tangible assets used in the operation of the Akzo evaporated salt plant in Watkins Glen, New York, including but not limited to: all real property (owned or leased) in Watkins Glen, New York and used in the operation of that plant, or storage of plant inventory; all manufacturing, packaging equipment, personal property, inventory, office furniture, fixed assets and fixtures, materials, supplies, on-site warehouses or storage facilities, and other tangible property or improvements used in the operation of that plant (but excluding Akzo's industrial service centers located outside New York and salt mining or manufacturing locations outside Watkins Glen, New York); all licenses, permits and authorizations issued by any governmental organization relating to that plant; all contracts, agreements, leases, commitments and understandings pertaining to that plant and its operations; all customer lists and credit records, and other records maintained by Akzo or Cargill in connection with the business of the Watkins Glen plant;

(2) at the acquirer's option, a nonexclusive license, for a term designated by the acquirer, to make, have made, use or sell under the label of any water conditioning salt product produced by Akzo at the Watkins Glen, New York plant, and any improvement to or line extension of that label, but excluding the Diamond Crystal label; and

(3) all intangible assets, wherever located, that relate in any way to the tangible assets and labels described above (including, but not limited to, production, packaging and distribution know-how); exclusive, assignable rights to make, have made, use or sell under any and all patents or proprietary technology that relate to the Watkins Glen plant exclusively; contracts to supply goods or services to the Watkins Glen plant exclusively and the prorated portion of any other contract to supply goods or services to the Watkins Glen plant; business information solely dedicated to the tangible assets or the labels described above; and nonexclusive, assignable rights to make, have made, use or sell under all related patents, proprietary technology and business information used in connection with, but not solely dedicated to the tangible assets or the labels described above.

E. "Relevant Bulk Deicing Salt Assets" means:

(1) a four-year bulk deicing salt supply agreement that includes the following terms:

(a) for the first three years, the salt supply agreement shall be renewable annually, at American's (or its assignee's) option; the fourth year and final

year of the agreement shall take effect only if American (or its assignee) elects, and the United States, New York and Pennsylvania conclude, in their sole discretion, that substantial progress has not been made toward construction of a rock salt mine at Hampton Corners, New York, or that a continuation of the salt supply contract is necessary for other competitive reasons;

(b) for each of the first three years of the agreement, Cargill shall supply a maximum of 400,000 tons of specification-grade bulk deicing salt annually, at \$10/ton f.o.b. mine, as follows: 200,000 tons from its S. Lansing, New York mine, and 200,000 tons (with no force majeure clause) from Akzo's Cleveland, Ohio mine; in the fourth and final year of the supply contract, Cargill shall supply a maximum of 300,000 tons of specification-grade bulk deicing salt, at \$10/ton f.o.b. mine, as follows: 150,000 tons from its S. Lansing, New York mine and 150,000 tons (with no force majeure clause) from Akzo's Cleveland, Ohio mine; and

(2) all the right, title and interest conveyed by Akzo to Cargill in each of the following eleven bulk deicing salt terminals currently owned or leased by Akzo: University Heights, Schenectady, Whitehall, and Hudson, New York; Buttonwood, Falls Creek, Reading, and Cresson, Pennsylvania; Hartford, Connecticut; Middlesex, Vermont; and Columbus, Ohio.

F. "Additional Rock Salt Terminals" means all the right, title and interest conveyed by Akzo to Cargill in the following bulk deicing terminals currently owned or leased by Akzo: Bow, West Lebanon, Claremont and Littleton, New Hampshire; Taunton, Readville and N. Billerica, Massachusetts; Norwich and Waterbury, Connecticut; Staunton and Roanoke, Virginia; Brewer and Oakland, Maine; Long Island City, New York; and Baltimore, Maryland.

G. "Hampton Corners Mine Rights" means all right, title and interest in any land, equipment, mining rights, or other assets, tangible or intangible, to be conveyed by Akzo to American pursuant to the Asset Purchase Agreement, dated January 31, 1997.

H. "Default" means (a) with respect to the Hampton Corners Mine Rights, the failure by American to close, due to its failure to fulfill all conditions precedent to closing, on its purchase of the Hampton Corners Mine Rights from Akzo within 60 days after September 1, 1997, or such other closing date later agreed upon by Akzo and American, provided that in no event shall the closing date for that purchase take place after September 1, 1998; and (b) with respect to the Retsof Stockpile, the failure by American to close, due to its failure to fulfill all conditions precedent to closing, on its purchase of the Retsof Stockpile within 60 days after September 1, 1997, or such other closing date later agreed upon by American and Cargill, provided that in no event shall the closing date for that purchase take place after September 1, 1998.

I. "Retsof Stockpile" means all right, title and interest in the rock salt inventory outside Akzo's Retsof, New York rock salt mine in Livingston County, New York, which currently consists of approximately 870,000 tons of bulk deicing salt.

J. "Label" means all legal rights associated with a brand's trademarks, trade names, copyrights, designs, and trade dress (and any improvements, extensions or modifications); the brand's trade secrets; know-how or other proprietary information for making, having made, using and selling the brand, including, but not limited to, packaging, sales, marketing and distribution know-how and documentation, such as customer lists.

K. "Northeast United States" means any of the following areas: Vermont, western portions of Pennsylvania and Massachusetts, upstate New York, and eastern Ohio.

L. "Relevant Assets" means the Retsof Stockpile, Relevant Bulk Deicing Salt Assets, Relevant Evaporated Salt Assets, Hampton Corners Mine Rights, and Additional Rock Salt Terminals, as the context requires.

III. APPLICABILITY

A. The provisions of this Final Judgment apply to the defendants and American, their successors and assigns, their subsidiaries, directors, officers, managers, agents, and employees, and 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. Defendants Akzo and Cargill shall require, as a condition of the sale or other disposition of all or

substantially all of each of their respective salt assets that the acquirer or acquirers agree to be bound by the provisions of this Final Judgment; provided, however, that defendants need not obtain such an agreement from an acquirer of the assets to be divested pursuant to the Final Judgment.

IV. DIVESTITURES AND ASSIGNMENTS

A. Defendant Cargill is ordered and directed to divest the Retsof Stockpile to American, at a cost of \$10/ton for specification-grade bulk deicing salt, loaded f.o.b. at the Retsof Stockpile. Cargill is ordered and directed, within 120 days after filing of the Complaint in this action, to execute a contract to divest the Retsof Stockpile and to ensure the availability of salt from the Retsof Stockpile to American for the winter of 1997-1998.

B. Cargill is ordered and directed, within 150 days after filing of the Complaint in this action, or within five (5) days after notice of the entry of this Final Judgment by the Court, whichever is later, to divest the Relevant Evaporated Salt Assets to an acquirer acceptable to plaintiff United States, in its sole discretion.

C. Defendant Cargill is ordered and directed, within 30 days after the filing of the Complaint in this action, to divest the Relevant Bulk Deicing Assets to American. Cargill is further ordered and directed, within 12 months after filing of the Complaint in this action, or five (5) days after the entry of this Final Judgment by the Court, whichever is later, to grant American an irrevocable option to acquire, at book value or cost

(whichever is lowest), the Additional Rock Salt Terminals, or where Cargill does not own an Additional Rock Salt Terminal, Cargill must offer to assign to American its rights in that terminal. American must exercise its option to acquire or accept assignment of such rights and obligations in any or all of the Additional Rock Salt Terminals within seven (7) months after it has received such option or assignment offer from defendant Cargill.

D. Defendant Akzo is ordered and directed to divest the Hampton Corners Mine Rights to American. In the event that American defaults on its purchase of the Hampton Corners Mine Rights, Akzo is ordered and directed to divest the Hampton Corners Mine Rights, within 120 days after default, to an acquirer acceptable to the United States, New York and Pennsylvania, in their sole discretion.

E. In the event that American defaults on its purchase of the Retsof Stockpile, Cargill is ordered and directed to divest the Retsof Stockpile, within 120 days after default, to an acquirer acceptable to the United States, New York and Pennsylvania, in their sole discretion.

F. In the event that American decides to sell or otherwise assign its rights to the Relevant Bulk Deicing Assets or the Retsof Stockpile, American shall provide plaintiffs United States, New York and Pennsylvania with thirty days' written notice of the proposed sale or assignment. Any such a sale or assignment shall be made to an acquirer acceptable to the United States, New York and Pennsylvania, in their sole discretion.

G. Unless plaintiffs United States, New York and Pennsylvania otherwise consent in writing (or in the case of the Relevant Evaporated Salt Assets, the United States alone consents in writing), the divestitures pursuant to Section IV (B), (D) and (E) of this Final Judgment, or by the trustee appointed pursuant to Section V, shall include all of the Relevant Assets, and shall be accomplished in such a way as to satisfy: (a) the United States, New York and Pennsylvania, in their sole discretion, that the Retsof Stockpile and Hampton Corners Mine Rights can and will be used by an acquirer (or acquirers) as part of a viable, ongoing business engaged in the sale and distribution of bulk deicing salt in the Northeast United States; and (b) in the case of the Relevant Evaporated Salt Assets, the United States alone, in its sole discretion, that the Relevant Evaporated Salt Assets will be used as part of a viable, ongoing business engaged in the sale of food grade evaporated salt. The divestitures, whether pursuant to Section IV (B), (D) and (E) or V of the Final Judgment, shall be made (1) to an acquirer that, in the sole judgment of plaintiffs United States, New York and Pennsylvania (or in the case of the Relevant Evaporated Salt Assets, plaintiff United States's sole judgment), has the capability and intent of competing effectively, and has the managerial, operational and financial capability to compete effectively as a seller of bulk deicing or food grade salt; and (2) pursuant to agreements the terms of which shall not, in the sole judgment of plaintiffs United States, New York and Pennsylvania (or in the case of the Relevant Evaporated Salt Assets, plaintiff United States's sole

judgment), interfere with the ability of any acquirer to compete effectively.

H. Defendants Akzo (in the case of the Hampton Corners Mine Rights) and Cargill (in the case of the Retsof Stockpile, and Relevant Evaporated Salt Assets) are ordered and directed to use their best efforts to divest said assets or assign said rights, and to use their best efforts to obtain all regulatory approvals necessary for such divestitures, as expeditiously as possible. Plaintiffs United States, New York and Pennsylvania, in their sole discretion (or in the case of the Relevant Evaporated Salt Assets, the United States alone) may extend the time period for each such divestiture for two (2) additional thirty-day periods of time, not to exceed 60 calendar days in total.

I. In accomplishing the divestiture ordered by this Final Judgment, defendant Cargill promptly shall make known, by usual and customary means, the availability of the Relevant Evaporated Salt Assets. In the event of default on the Hampton Corners Mine Rights, Akzo promptly shall make known, by usual and customary means, the availability of the Hampton Corners Mine Rights. In the event of default on the Retsof Stockpile, Cargill promptly shall make known, by usual and customary means, the availability of the Retsof Stockpile.

Akzo and Cargill shall inform any person making a bona fide inquiry regarding a possible purchase that the sale is being made pursuant to the Final Judgment and provide such person with a copy of the Final Judgment. Akzo and Cargill shall make known to

any person making an inquiry which Relevant Assets are available for sale. Akzo and Cargill also shall offer to furnish to all bona fide prospective acquirers, subject to customary confidentiality assurances, all information regarding the Relevant Assets customarily provided in a due diligence process, except such information that is subject to attorney-client privilege or attorney work-product privilege. Akzo and Cargill shall make available such information to plaintiffs at the same time that such information is made available to any other person.

J. Akzo and Cargill shall permit bona fide prospective acquirers of the Relevant Evaporated Salt Assets to have access to personnel and to make such inspection of all Relevant Evaporated Salt Assets, and any and all financial, operational or other documents and information, as is customary in a due diligence process.

K. Defendants Akzo and Cargill shall not interfere with any efforts by any acquirer to interview or employ the general manager or any other employee of Akzo's Watkins Glen, New York evaporated salt plant.

L. Akzo and Cargill shall not take any action, direct or indirect (not including otherwise lawful competitive price action, expansion of capacity or similar competitive conduct), that will impede in any way the development of the Hampton Corners Mine Rights.

V. APPOINTMENT OF TRUSTEE

A. In the event that Cargill has not divested the Retsof Stockpile or the Relevant Evaporated Salt Assets, or Akzo has not

divested the Hampton Corners Mine Rights, within the applicable time period specified in Section IV above, the Court shall appoint, on application of plaintiff United States, a trustee selected by the United States to effect the divestiture of the assets.

B. After the trustee's appointment has become effective, only the trustee shall have the right to sell the assets that have not been timely divested. The trustee shall have the power and authority to accomplish the divestiture at the best price then obtainable upon a reasonable effort by the trustee, subject to the provisions of Section IV and VI of this Final Judgment, and shall have such other powers as the Court shall deem appropriate. Subject to Section VI of this Final Judgment, the trustee shall have the power and authority to hire at the cost and expense of the party that has not made the pertinent divestiture any investment bankers, attorneys or other agents reasonably necessary in the judgment of the trustee to assist in the divestiture, and such professionals or agents shall be solely accountable to the trustee. The trustee shall have the power and authority to accomplish the divestiture at the earliest possible time to a purchaser acceptable to plaintiffs United States, New York and Pennsylvania, in their sole judgment (or in the case of the Relevant Evaporated Salt Assets, the United States alone), and shall have such other powers as this Court shall deem appropriate. Defendants shall not object to the sale of any of the Relevant Assets by the trustee on any grounds other than the trustee's malfeasance. Any such objection by defendants must be conveyed in writing to plaintiffs and the trustee no later than

15 calendar days after the trustee has provided the notice required under Section VII of this Final Judgment.

C. The trustee shall serve at the cost and expense of Cargill (in the case of the Retsof Stockpile or Relevant Evaporated Salt Assets) and Akzo (in the case of the Hampton Corners Mine Rights) on such terms and conditions as the Court may prescribe, and shall account for all monies derived from the sale of the assets sold by the trustee and all costs and expenses so incurred. After approval by the Court of the trustee's accounting, including fees for its services and those of any professionals and agents retained by the trustee, all remaining monies shall be paid to Cargill (in the case of the Retsof Stockpile or the Relevant Evaporated Salt Assets) and Akzo (in the case of the Hampton Corners Mine Rights), and the trustee's services shall then be terminated. The compensation of such trustee and of any professionals and agents retained by the trustee shall be reasonable in light of the value of the divestiture and based on a fee arrangement providing the trustee with an incentive based on the price and terms of the divestiture and the speed with which it is accomplished.

D. Defendants shall take no action to interfere with or impede the trustee's accomplishment of the divestiture of any assets, and shall use their best efforts to assist the trustee in accomplishing the required divestiture, including best efforts to effect all necessary regulatory approvals. Subject to a customary confidentiality agreement, the trustee shall have full and complete access to the personnel, books, records and

facilities related to the Relevant Evaporated Salt Assets, Retsof Stockpile, or Hampton Corners Mine Rights, and defendants shall develop such financial or other information as may be necessary for the divestiture of these assets. Defendants shall permit prospective acquirers of the assets to have access to personnel and to make such inspection of physical facilities and any and all financial, operational or other documents and information as may be relevant to the divestiture required by this Final Judgment.

E. After its appointment becomes effective, the trustee shall file monthly reports with Cargill (in the case of the Retsof Stockpile or the Relevant Evaporated Salt Assets), Akzo (in the case of the Hampton Corners Mine Rights), plaintiffs, and the Court, setting forth the trustee's efforts to accomplish divestiture of the assets as contemplated under this Final Judgment; provided, however, that to the extent such reports contain information that the trustee deems confidential, such reports shall not be filed in the public docket of the court. Such reports shall 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 Relevant Assets, and shall describe in detail each contact with any such person during that period. The trustee shall maintain full records of all efforts made to divest the Relevant Assets.

F. Within six (6) months after its appointment has become effective, if the trustee has not accomplished the divestiture required by Section IV of this Final Judgment, the trustee shall promptly file with the Court a report setting forth (1) the trustee's efforts to accomplish the required divestiture, (2) the reasons, in the trustee's judgment, why the required divestiture has not been accomplished, and (3) the trustee's recommendations, provided, however, that to the extent such reports contain information that the trustee deems confidential, such reports shall not be filed in the public docket of the Court. The trustee shall at the same time furnish such reports to plaintiffs and Cargill and Akzo, which shall each have the right to be heard and to make additional recommendations. The Court shall thereafter enter such orders as it shall deem appropriate to accomplish the purpose of this Final Judgment; which shall, if necessary, include extending the term of the trustee's appointment.

VI. PRESERVATION OF ASSETS/HOLD SEPARATE

Until the divestiture of the Relevant Evaporated Salt Assets required by Section IV of the Final Judgment has been accomplished:

A. Defendants Cargill and Akzo shall take all steps necessary to operate Akzo's Watkins Glen, New York evaporated salt plant as a separate, independent, ongoing, economically viable and active competitor to defendant Cargill's other evaporated salt plants and solar salt operations in the United States, and shall take all steps necessary to ensure that, except as necessary to comply with Section IV and paragraphs B and C of

this Section of the Final Judgment, management of the Watkins Glen, New York evaporated salt plant, including the performance of decision-making functions regarding marketing and pricing, will be kept separate and apart from, and not influenced by, defendant Cargill.

B. Defendant Cargill shall use all reasonable efforts to maintain and increase sales of evaporated salt products by Akzo's Watkins Glen, New York evaporated salt plant and shall maintain at 1996 or previously approved levels for 1997, whichever are higher, promotional advertising, sales, marketing and merchandising support for salt products produced by Akzo's Watkins Glen, New York evaporated salt plant.

C. Defendants Cargill and Akzo shall take all steps necessary to ensure that the assets used in the operation of Akzo's Watkins Glen, New York plant, and managers, technical and operating and employees of that plant shall not be transferred or reassigned to any other facility, except for transfer bids initiated by employees pursuant to a defendant's regular, established job posting policies, provided that the defendant gives plaintiff United States and the acquirer ten (10) days' notice of such transfer.

D. Defendants Cargill and Akzo shall not, except as part of a divestiture approved by plaintiffs United States, New York and Pennsylvania, sell any salt from the Retsof Stockpile.

E. Defendants Cargill and Akzo shall take no action, other than lawful competitive price action, expansion of capacity, or similar competitive conduct, that may jeopardize sale or assignment of the Retsof Stockpile, Relevant Evaporated Salt

Assets, Additional Rock Salt Terminals, or Hampton Corners Mine Rights.

F. Defendants Cargill and Akzo shall appoint a person or persons to oversee the assets to be held separate and who will be responsible for each defendant's compliance with Section VI of the Final Judgment.

VII. NOTIFICATION

Within two (2) business days following execution of a binding agreement to divest, including all contemplated ancillary agreements (e.g., financing), to effect any proposed divestiture pursuant to Section IV or V of the Final Judgment, Cargill or Akzo or the trustee, whichever is then responsible for effecting the divestiture, shall notify plaintiffs of the proposed divestiture. If the trustee is responsible for effecting the divestiture, it shall similarly notify Cargill and Akzo. The notice shall set forth the details of the proposed transaction and list the name, address, and telephone number of each person not previously identified who offered to, or expressed an interest in or a desire to, acquire any ownership interest in the Relevant Evaporated Salt Assets, together with full details of same. Within fifteen (15) calendar days of receipt by plaintiffs of such notice, plaintiffs may request from defendants, the proposed acquirer or acquirers, any other third party, or the trustee, if applicable, additional information concerning the proposed divestiture, the proposed acquirer, and any other potential acquirer. Defendants and the trustee shall furnish any additional information requested within fifteen (15) calendar days of the receipt of the request. Within thirty (30) calendar

days after receipt of the notice or within twenty (20) calendar days after plaintiffs have been provided the additional information, whichever is later, plaintiffs United States, New York and Pennsylvania shall provide written notice to defendants and the trustee, if there is one, stating whether or not they object to the proposed divestiture. If plaintiffs United States, New York and Pennsylvania fail to object within the period specified, or if they provide written notice to defendants and the trustee, if there is one, that they do not object, then the divestiture may be consummated, subject only to a defendant's limited right to object to the sale under Section V(B) of this Final Judgment. A divestiture proposed under Section IV (A), (C) or (D) shall not be consummated if plaintiffs United States, New York or Pennsylvania object to it. A divestiture proposed under Section IV (B) shall not be consummated if plaintiff United States objects to it. Upon objection by the United States, or by Cargill or Akzo under the proviso in Section V(B), a divestiture proposed under Section V shall not be consummated unless approved by the Court.

VIII. FINANCING

Defendants are ordered and directed not to finance all or any part of any purchase by an acquirer made pursuant to Sections IV or V of this Final Judgment without the prior written consent of plaintiffs United States, New York and Pennsylvania.

IX. AFFIDAVITS

A. Within twenty (20) calendar days of the filing of this Final Judgment and every thirty (30) calendar days thereafter until the divestiture has been completed, whether pursuant to

Section IV or Section V of this Final Judgment, defendants shall deliver to plaintiffs an affidavit as to the fact and manner of defendants' compliance with Section IV or V of this Final Judgment. Each such affidavit shall include, inter alia, the name, address and telephone number of each person who, at any time after the period covered by the last such report, was contacted by defendants, or their representatives, made an offer to acquire, expressed an interest in acquiring, entered into negotiations to acquire, or made an inquiry about acquiring, any interest in the Relevant Assets, and shall describe in detail each contact with any such person during that period. Each such affidavit shall also include a description of the efforts that defendants have taken to solicit a buyer for the Relevant Assets.

B. Within twenty (20) calendar days of the filing of this Final Judgment, Cargill shall deliver to the United States an affidavit which describes in reasonable detail all actions defendants have taken and all steps defendants have implemented on an on-going basis to preserve the Relevant Assets pursuant to Section VI of this Final Judgment. Cargill shall deliver to plaintiffs an affidavit describing any changes to the efforts and actions outlined in their earlier affidavit(s) filed pursuant to the Section within fifteen (15) calendar days after such change is implemented.

C. Cargill and Akzo shall preserve all records of all efforts made to preserve and to divest the Relevant Assets.

X. COMPLIANCE INSPECTION

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

A. Duly authorized representatives of plaintiff United States, including consultants and other persons retained by the United States, shall, upon written request of the United States Attorney General, or of the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice to defendants or American made to their principal offices, be permitted:

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

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

B. Upon the written request of the United States Attorney General, or of the Assistant Attorney General in charge of the Antitrust Division, made to defendants' principal offices, defendants 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.

C. No information or documents obtained by the means provided in Section IX or this Section X shall be divulged by any representative of the United States 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 (including grand jury proceedings), or for the purpose of securing compliance with this Final Judgment, or as otherwise required by law.

D. If at the time information or documents are furnished by a defendant to plaintiffs, and such 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 such 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) calendar days' notice shall be given by plaintiffs to such defendant prior to divulging such material in any legal proceeding (other than a grand jury proceeding) to which such defendant is not a party.

XI. RETENTION OF JURISDICTION

Jurisdiction is retained by this Court at any time for such further orders and directions as may be necessary or appropriate for the construction, implementation or modification of any provisions of this Final Judgment, for the enforcement of compliance herewith, and for the punishment of any violation hereof.

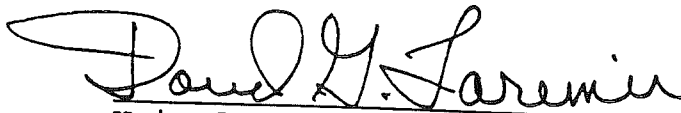
XII. TERMINATION

Unless this Court grants an extension, this Final Judgment will expire upon the tenth anniversary of the date of its entry.

XIII. PUBLIC INTEREST

Entry of this Final Judgment is in the public interest.

Dated July 22, 1997.


United States District Judge
DAVID G. LARIMER