

consequence of any financing transaction, except that a person shall not be deemed to have obtained a position in an issue as the result of having engaged in a financing transaction with a defendant entity.

14. "Treasury auction" means any auction of Treasury securities conducted by or on behalf of the United States Department of the Treasury.

15. "Treasury security" means any marketable United States Treasury bill, note, or bond.

16. "Withhold" means to decline to sell or finance for any period of time part or all of a position in any issue.

Use of either the singular or plural should not be deemed a limitation and the use of the singular should be construed to include, where applicable, the plural and vice versa.

III

Applicability

This Final Judgment shall apply to the defendant entities and each of their subsidiaries, officers, directors, employees, agents, successors, and assigns; to any entity for or in which any person who is a shareholder in a defendant entity as of the date of entry of this Final Judgment, whether directly or indirectly, conducts or directs asset management or investment advisory activities that involve transactions in the cash market or in the financing market (hereinafter "related entity"); and to all persons acting in concert with any defendant entity and having actual notice of this Final Judgment; provided, however, that this Final Judgment shall not apply to any fund or other entity whose assets are managed or invested in whole or in part by a defendant entity or by a related entity.

IV

Prohibited Conduct

A. The defendant entities are enjoined and restrained from agreeing with each other or with any other person to restrain trade in the cash or financing markets in violation of the antitrust laws of the United States.

B. The defendant entities are enjoined and restrained from agreeing with each other or with any other person:

1. to purchase or refrain from purchasing any issue from a particular person; or

2. to sell or refrain from selling any issue to or through a particular person.

C. The defendant entities are enjoined and restrained from agreeing with any other person:

1. to withhold, directly or indirectly, all or any part of such other person's position from the cash market; or

2. to withhold, directly or indirectly, all or any part of such other person's position from the financing market.

D. The defendant entities are enjoined and restrained from agreeing with any other person:

1. to withhold, directly or indirectly, all or part of a defendant entity's position from the cash market for the purpose of (a) maintaining the value of such other person's position or (b) causing the value of such other person's position to increase, for any period of time; or

2. to withhold, directly or indirectly, all or part of a defendant entity's position from the financing market for the purpose of (a) maintaining the value of such other person's position or (b) causing the value of such other person's position to increase, for any period of time.

E. Notwithstanding any provision of Section IV.B to the contrary, nothing in this Final Judgment shall prohibit a defendant entity:

1. from agreeing with its counterparty to enter into a transaction to purchase or sell an issue; or

2. from agreeing with another person that such other person tender a bid on behalf of such defendant entity at a Treasury action.

F. Notwithstanding any provision of either Section IV.B or Section IV.C to the contrary, nothing in this Final Judgment shall prohibit any defendant entity from agreeing with another person that such other person not increase or decrease its position in an issue while such other person is endeavoring to transact the purchase, sale or financing of a position in such issue with or on behalf of a defendant entity.

V

Compliance provisions

Each defendant entity is ordered to initiate and maintain an antitrust compliance program which shall include designating, within thirty (30) days of the entry of this Final Judgment, an Antitrust Compliance Officer, who shall monitor the activities of all persons responsible for trading or financing Treasury securities on behalf of the defendant entity and shall be responsible for establishing an antitrust compliance program designed to provide reasonable assurance of compliance with this Final Judgment and with the federal antitrust laws by the defendant entity. The Antitrust Compliance Officer shall also:

1. Distribute, within thirty (30) days from the entry of this Final Judgment, a copy of this Final Judgment to: (a) all

members of the Board of Directors and Officers of the defendant entity; (b) all traders or other employees of the defendant entity whose duties include the trading or financing of Treasury securities; and (c) all agents of the defendant entity whose responsibilities include the trading or financing of Treasury securities on behalf of such defendant entity (not including brokers or dealers who may occasionally act as agents of a defendant entity on a transaction-specific basis).

2. Distribute within thirty (30) days a copy of this Final Judgment to (a) any person who becomes a member of the Board of Directors or officers of the defendant entity and (b) to any employee of the defendant entity who is, in the future, given any duties which include the trading or financing of Treasury securities.

3. Brief annually those persons designated in Paragraphs 1 and 2 of this Section on the meaning and requirements of the federal antitrust laws and this Final Judgment and inform them that the Antitrust Compliance Officer or a designee of the Antitrust Compliance Officer is available to confer with them regarding compliance with such laws and with this Final Judgment.

4. Obtain from each person designated in Paragraphs 1 and 2 of this Section an annual written certification that he or she: (a) has read, understands, and agrees to abide by the terms of this Final Judgment; (b) has been advised and understands that noncompliance with this Final Judgment may result in his or her being found in civil or criminal contempt of court; and (c) is not aware of any violation of the federal antitrust laws or of this Final Judgment that he or she has not reported to the Antitrust Compliance Officer.

5. Maintain a record of persons to whom this Final Judgment has been distributed and from whom the certification required by Paragraph 4 of this Section has been obtained.

6. Certify to the Court and to the Assistant Attorney General in charge of the Antitrust Division, within forty-five (45) days after entry of this Final Judgment, that the defendant entity: (a) has designated an Antitrust Compliance Officer, specifying his or her name, business address, and telephone number; and (b) has distributed this Final Judgment, briefed the appropriate persons, and obtained certifications, as required by this Section V.