Respectfully submitted,

Joe I. Klein,

Assistant Attorney General.

A. Douglas Melamed,

Principal Deputy Assistant Attorney General.

Constance K. Robinson,

Director of Operations and Merger Enforcement.

Donald J. Russell,

Chief, Telecommunications Task Force.

Laury E. Bobbish,

Assistant Chief, Telecommunications Task Force.

Hillary B. Burchuk, D.C. Bar #366755,

Lawrence M. Frankel, D.C. Bar #441532,

J. Philip Sauntry, Jr., D.C. Bar #142828,

Trial Attorneys, U.S. Department of Justice, Antitrust Division, Telecommunications Task Force, 1401 H Street, NW., Suite 8000, Washington, DC 20530, (202) 514–5621.

Certificate of Service

I hereby certify that copies of the foregoing Plaintiff United States' Competitive Impact Statement, were served via U.S. Mail, first class postage prepaid, on this 7th day of June, 1999 upon each of the parties listed below:

John Thorne, Senior Vice President & Deputy General Counsel, Bell Atlantic Corporation, 1320 North Court House Road, Eighth Floor, Arlington, VA 22201, Counsel for Bell Atlantic Corporation.

Steven G. Bradbury, Kirkland & Ellis, 655 Fifteenth Street, NW., Washington, DC 20005, Counsel for GTE Corporation.

Hillary B. Burchuk,

Counsel for Plaintiff.

[FR Doc. 99–15418 Filed 6–16–99; 8:45 am]

BILLING CODE 4410–11–M

DEPARTMENT OF JUSTICE

Antitrust Division

United States v. Computer Associates International, Inc.; Proposed Final Judgment and Competitive Impact Statement

Notice is hereby given pursuant to the Antitrust Procedures and Penalties Act, 15 U.S.C. 16(b)–(h), that a proposed Amended Final Judgment, Hold Separate Stipulation and Order and Competitive Impact Statement have been filed with the United States District Court for the District of Columbia in *United States of America* v. *Computer Associates, International, Inc. and PLATINUM Technology International, Inc.*, Civil Action No. 1:99CV01318. On May 25, 1999, the United States filed a Complaint and on June 8, 1999, the United States filed amendments to the Complaint. The Complaint, as amended, alleges that the proposed acquisition by Computer Associates International, Inc. (CA) of PLATINUM Technology International, Inc. (Platinum) would violate Section 7 of the Clayton Act, 15 U.S.C. 18, in the markets for the following systems management software products used on IBM and IBM-compatible mainframe computers with the MVS (now renamed OS/390) or VSE operating systems: (1) MVS (OS/390) job scheduling and rerun software; (2) VSE job scheduling and rerun software; (3) MVS (OS/390) tape management software; (4) VSE automated operations software; (5) MVS (OS/390) change management software; (6) MVS (OS/390) job accounting and chargeback software and (7) VSE job accounting and chargeback software. The proposed Amended Final Judgment, filed at the same time as the amendments to the Complaint, requires the appointment of a trustee to divest to a purchaser approved by the United States the software products that Platinum sells in each of these markets, along with certain related tangible and intangible assets. Copies of the Complaint, amendments to the Complaint, proposed Amended Final Judgment and Competitive Impact Statement are available for inspection at the Department of Justice in Washington, DC, in Room 200, 325 Seventh Street, NW., and at the Office of the Clerk of the United States District Court for the District of Columbia, Washington, DC.

Public comment is invited within 60 days of the date of this notice. Such comments, and responses thereto, will be published in the **Federal Register** and filed with the Court. Comments should be directed to Nancy M. Goodman, Chief, Computers & Finance Section, Antitrust Division, U.S. Department of Justice, 600 E Street, NW., Suite 9500, Washington, DC 20530 (telephone: (202) 307–6200).

Constance Robinson,

Director of Operations and Merger Enforcement.

United States of America, Plaintiff, v. Computer Associates International, Inc. and Platinum Technology International, Inc., Defendants.

[Civil Action No. _____; Filed: May 25, 1999]

Hold Separate Stipulation and Order

It is hereby stipulated and agreed by and between the undersigned parties, subject to approval and entry by the Court, that:

I. Definitions

As used in this Hold Separate Stipulation and Order:

A. ''Computer Associates'' means defendant Computer Associates International, Inc., a Delaware corporation with its headquarters in Islandia, New York, and includes its successors and assigns, subsidiaries, divisions, groups, affiliates, partnerships and joint ventures, and directors, officers, managers, agents, and employees.

B. ''Platinum'' means defendant PLATINUM technology International, inc., a Delaware corporation with its headquarters in Oakbrook Terrace, Illinois, and includes its successors and assigns, subsidiaries, divisions, groups, affiliates, partnerships and joint ventures, and directors, officers, managers, agents, and employees.

C. ''Defendants'' means, collectively or individually as the context requires, Computer Associates and/or Platinum.

D. ''Acquirer'' means acquirer or acquirers of any of the Platinum Assets ordered to be divested by Section IV.A of the proposed Final Judgment attached hereto.

E. ''Divested Product'' means each of the following software products supplied by Platinum for use with the OS/390 or MVS mainframe operating system: (a) AutoSys/Zeke (formerly Altai's Zeke), (b) AutoRerun (formerly Altai's Zebb), (c) AutoMedia (formerly Altai's Zara), (d) CCC/Life Cycle Manager; and each of the following software products supplied by Platinum for use with the VSE mainframe operating system, (e) AutoSys/Zeke (formerly Altai's Zeke), and (f) AutoAction (formerly Altai's Zack). With respect to each of the foregoing, a Divested Product includes each predecessor version of the product and each version that has been or is currently under development or that has been developed but has not been sold or distributed.

F. ''Platinum Assets'' means all tangible and intangible property or property rights owned or licensed by Platinum and reasonably required in developed, testing, producing, marketing, licensing, selling, or distributing any Divested Product, or in supplying any support or maintenance services for any Divested Product. The Platinum Assets include all of Platinum's rights, titles and interests in any asset which Platinum has the right to convey, license, sublicense or assign. If Platinum's rights in any Platinum Asset are licensed under terms that would prevent it from conveying, licensing, sublicensing or assigning

such rights to an Acquirer, defendants shall take no action (such as asserting or enforcing any exclusive rights included in Platinum's license of its rights to the asset) to bar the licensor of such asset from licensing rights in the asset to an Acquirer for use with any Divested Product, and defendants shall take all reasonable steps (including, but not limited to, promptly executing necessary documents or agreements with such licensor) to cooperate with and assist an Acqurier in obtaining such a license, provided, however, that nothing contained herein shall prevent defendants from asserting or enforcing any exclusive rights possessed by Platinum to prevent an Acquirer from using such licensed assets other than with a Divested Product. The Platinum Assets include, but are not limited to:

(1) Each Divested Product;

(2) All source code and object code for the version or versions of a Divested Product currently being sold or distributed anywhere in the world (including patches), all existing source code and object code for all prior versions previously sold or distributed anywhere in the world (including patches), and all other source code and object code for all versions of a Divested Product under development or developed but not yet being sold or distributed (including patches). Defendants shall not retain copies of any of the foregoing code, provided however, that to the extent at the time Computer Associates announced its proposed acquisition of Platinum any such code was also contained in Platinum products other than Divested Products (''retained code'') defendants shall retain a perpetual, irrevocable, fully paid-up worldwide license to retain and use such retained code in any products that are not Divested Products, except that defendants shall not use such retained code to develop a product that is substantially identical to a Divested Product or that competes in any market described in the Complaint. The proposed Final Judgment attached hereto imposes no restrictions on defendants with respect to products, or source and object code for such products, owned or controlled by Computer Associates at the time Computer Associates announced its proposed acquisition of Platinum;

(3) All software customizations, optional modules and add-ons for a Divested Product;

(4) All development tools, development environments, proprietary programming languages, know-how, designs, drawings, specifications, research data, trade secrets, copyrights, rights under patents, and all other intellectual property which Platinum has used to develop, upgrade, or maintain a Divested Product;

(5) All software programs, instructions, manuals, know-how, trade secrets, or documentation that Platinum has used or supplied to a user of a Divested Product to facilitate installation or operation of any Divested Product, or to facilitate migration or conversion to the use of any Divested Product from the use of any other product;

(6) All technical or development documentation, and all marketing information, sales training material, sales collateral, customer lists and credit reports and maintenance documentation used for a Divested Product;

(7) Assignment of license or maintenance agreements including a Divested Product. In the event any such license or maintenance agreement includes any products or services other than a Divested Product, defendants or such other persons holding ownership rights to such other products or services shall retain all contractual rights relating to such other products or services;

(8) With respect to all assigned licenses and maintenance agreements identified in Subsection I.F.(7) above, a sum of money equal to the pro rata amount of all maintenance fees for a Divested Product already paid to defendants pursuant to such maintenance agreements to the extent such fees paid relate to service periods after the date of such assignment. With respect to all such assigned licenses and maintenance agreements that include any products or services other than a Divested Product, the maintenance fees to be attributed to a Divested Product shall be calculated on a pro rata basis by apportioning the maintenance fees among the products and services subject to such agreements in a ratio derived from the list price of each product or service as of the date upon which such license and maintenance agreement became effective to the total of such list prices for all the products and services subject to such agreements. For any multi-year agreement assigned, the allocation described herein applies only to that portion of revenues attributable to maintenance fees. Defendants shall not allocate nor shall any Acquirer be entitled to receive any portion of revenues attributable to licensing of a Divested Product. This method of allocation of maintenance fees applies to both the allocation of maintenance fees already paid to defendants and payable in the future relating to service periods after the date of such assignment;

(9) All files and records maintained by Platinum for any customer licensee of any Divested Product, including customer licenses, maintenance agreements, and other agreements, all customer call reports (or portions thereof relating to any Divested Product), pricing information for the Divested Products, support and maintenance logs for the Divested Products; all customer leads, customer pipeline reports, customer proposals or other information maintained by defendants to license and support any Divested Product. Where any such information relates to both a Divested Product and other products and services, defendants shall use their best efforts to segregate the information that relates to the Divested Products and shall provide, and shall not retain, such segregated information to the Acquirer; and

(10) The trademarks ''Zeke'', ''Zebb'', ''Zara'', ''Zack'', ''AutoRerun'', and ''AutoMedia'', and for a period of eighteen (18) months from the time the Acquirer purchases the Divested Product, the Acquirer of AutoSys/Zeke may use the phrase ''formerly known as AutoSys/Zeke'' in connection with the marketing, sale, or distribution of that Divested Product; the Acquirer of AutoAction for VSE may use the phrase ''formerly known as AutoAction for VSE'' in connection with the marketing, sale, or distribution of that Divested Product; the Acquirer of CCC/Life Cycle Manager may use the phrases ''formerly known as CCC/Life Cycle Manager'' and ''formerly known as CCC/LCM'' in connection with the marketing, sale, or distribution of that Divested Product, and thereafter, defendants will not object to that Acquirer's use of ''Life Cycle Manager'' or ''LCM''.

II. Objectives

The Final Judgment filed in this case is meant to ensure defendants' prompt divestiture of the Platinum Assets for the purpose of preserving and maintaining competition that currently exists between Computer Associates and Platinum in the markets for the development, sale and maintenance of the mainframe software products described in the Complaint and thereby to remedy the anticompetitive effects that plaintiff alleges would otherwise result from Computer Associates' proposed acquisition of Platinum. This Hold Separate Stipulation and Order ensures, prior to such divestiture, that the Platinum Assets to be divested be maintained as an independent, economically viable, ongoing business concern during the pendency of the divestiture.

III. Jurisdiction and Venue

The Court has jurisdiction over the subject matter of this action and over each of the parties hereto, and venue of this action is proper in the United States District Court for the District of Columbia.

IV. Compliance With and Entry of Final Judgment

A. The parties stipulate that a Final Judgment in the form attached hereto as Exhibit A may be filed with and entered by the Court, upon the motion of any party or upon the Court's own motion, at any time after compliance with the requirements of the Antitrust Procedures and Penalties Act (15 U.S.C. 16), and without further notice to any party or other proceedings, provided that the United States has not withdrawn its consent, which it may do at any time before the entry of the proposed Final Judgment by serving notice thereof on defendants and by filing that notice with the Court.

B. Defendants shall abide by and comply with the provisions of the proposed Final Judgment, pending the Judgment's entry by the Court, or until expiration of time for all appeals of any Court ruling declining entry of the proposed Final Judgment, and shall, from the date of the signing of this Stipulation by the parties, comply with all the terms and provisions of the proposed Final Judgment as though the same were in full force and effect as an order of the Court.

C. Defendants shall abide by and comply with all provisions of this Hold Separate Stipulation and Order, pending the Order's entry by the Court, or until expiration of time for all appeals of any Court ruling declining entry of the Order, and shall, from the date of the signing of this Stipulation by the parties, comply with all the terms and provisions of the proposed Hold Separate Stipulation and Order as though the same were in full force and effect as an order of the Court.

D. This Stipulation shall apply with equal force and effect to any amended proposed Final Judgment agreed upon in writing by the parties and submitted to the Court.

E. In the event: (1) The United States has withdrawn its consent, as provided in Section IV.A. above, or (2) the proposed Final Judgment is not entered pursuant to this Stipulation, the time has expired for all appeals of any Court ruling declining entry of the proposed Final Judgment, and the Court has not otherwise ordered continued compliance with the terms and provisions of the proposed Final Judgment, then the parties are released from all further obligations under this Stipulation, and the making of this Stipulation shall be without prejudice to any party in this or any other proceeding.

V. Consent to Amendment

A. Contemporaneously with the acceptance for payment of the tendered shares of Platinum by Computer Associates, Computer Associates shall convey to CIMS Lab, Inc. all of its rights, titles and interests in the CIMS product line, which includes CIMS MVS Resource Accounting Systems; CIMS UNIX/NT; CIMS MVS Capacity Planner; CIMS VSE; CIMS VMS; CIMS Desktop; CIMS Report Writer (Spectrum Writer); and all products related to any of the foregoing (collectively, the ''CIMS product line''). Such conveyance shall be pursuant to contracts and licenses executed prior to the filing of the Complaint in this matter and approved by plaintiff, in its sole discretion.

B. If defendants do not effectuate the conveyance of the CIMS product line at the time and in the manner specified in Section V.A. above, defendants consent:

(1) To the filing of an Amended Complaint by the United States in this matter adding allegations relating to the product markets in which the CIMS product line is developed, marketed and sold, and such other allegations relating to the CIMS product line as plaintiff in its sole discretion deems necessary to effectuate full relief as regards the CIMS product line;

(2) To the filing of a proposed Amended Final Judgment in this matter adding the CIMS product line to the definition of ''Divested Product'' contained in Section II.E., and such other amendments to the proposed Amended Final Judgment as plaintiff in its sole discretion deems necessary to effectuate full relief as regards the CIMS product line;

(3) That the CIMS product line shall be incorporated within the definition of ''Divested Product'' contained in Section I.E. of this Hold Separate Stipulation and Order; and

(4) To be bound as fully in regards to the CIMS product line as defendants are regarding any other Divested Product presently incorporated in this Hold Separate Stipulation and Order and the proposed Final Judgment attached hereto.

VI. Hold Separate Provisions

Until the divestiture required by the Final Judgment has been accomplished:

A. Defendants shall use all reasonable efforts to preserve, maintain, and to the maximum extent feasible operate the Platinum Assets as an independent competitor with management, research, development, and operations of such assets held entirely separate, distinct and apart from those of defendants' other operations. Defendants shall not coordinate the development, production, marketing or sale of Divested Products with defendants' other operations. Within ten (10) calendar days of the filing of the Complaint in this matter, defendants will inform plaintiff of the steps taken to comply with this Hold Separate Stipulation and Order.

B. Within ten (10) days of the filing of the Complaint, defendants shall take all reasonable steps necessary to ensure: (1) That the Platinum Assets will be maintained and operated as an independent, ongoing and economically viable competitor in the development, production, marketing and sale of the Divested Products; (2) that management will be provided for the Platinum Assets that is separate from the management of defendants' other operations; (3) that the management of the Platinum Assets will not be influenced by defendants; and (4) that the books, records, competitively sensitive sales, marketing and pricing information, and decisionmaking associated with the Platinum Assets will to the maximum extent feasible be kept separate and apart from the defendants' other operations. The defendants' influence over the Platinum Assets shall be limited to that necessary to carry out defendants' obligations under this Stipulation and Order and the Final Judgment. Defendants shall receive all historical, aggregate financial information relating to the Platinum Assets only to the extent necessary to allow defendants to prepare financial reports, tax returns, personnel reports, and other necessary or legally required reports. Nothing herein shall preclude defendants from examining any and all agreements acquired from Platinum and administering all such agreements.

C. Except as is provided in this Hold Separate Stipulation and Order or is otherwise reasonably necessary to conduct the business of Platinum as it relates to products and services other than the Divested Products, defendants shall not collect or solicit competitively sensitive or other confidential information relating to the operations of the Platinum Assets from: (1) Information that currently is within the possession, custody or control of Platinum, (2) any current Platinum director, officer, manger, employee or other agent or (3) any former Platinum director, officer, manager, employee, or other agent who currently is subject to a nondisclosure agreement with

Platinum. All nondisclosure agreements to which Platinum is a party will continue in effect as to any information that relates to the Platinum Assets as if Computer Associates' proposed acquisition of Platinum did not occur, and the defendants will notify all of Platinum's employees as to their continuing obligations under such agreements. Information pertaining to the Platinum Assets that Computer Associates has obtained pursuant to its due diligence of Platinum of the extent feasible shall be segregated from the defendants' other information, kept confidential and not used by the defendants. Any nondisclosure agreements pursuant to which any information was collected during any due diligence review inspection will remain in effect as to any information that relates to the Platinum Assets as if Computer Associates' proposed acquisition of Platinum did not occur, and the defendants will notify all persons who received any due diligence information as to their continuing obligations under such agreements.

D. Defendants shall use all reasonable efforts to: (1) Maintain or increase the current sales of the Divested Products, and (2) maintain at current or previously approved levels, whichever are higher, internal research and development funding (including, but not limited to, any funding or approved funding for obtaining or assuring Year 2000 compliance), promotional, advertising, sales, technical assistance, marketing and merchandising support for the Divested Products.

E. Defendants shall provide and maintain sufficient working capital or other financial resources to maintain the Platinum Assets as an economically viable, ongoing business.

F. Defendants shall maintain in operable condition the development facilities for any of the Divested Products at no lower than the current level of equipment.

G. Defendants shall not, except as part of a divestiture approved by plaintiff, remove, sell, lease, assign, transfer, pledge or otherwise dispose of or pledge as collateral for loans, any of the Platinum Assets.

H. Until such time as the Platinum Assets are divested, except in the ordinary course of business or as is otherwise consistent with this Hold Separate Stipulation and Order, defendants shall not hire, transfer or terminate, or alter, to the detriment of any employee, any current employment or salary agreements for any employee who: (1) As of the date Computer Associates announced its proposed acquisition of Platinum, worked primarily on the Divested Products, or (2) is a member of management to be provided pursuant to Subparagraph VI.B. of this Hold Separate Stipulation and Order.

I. The management for the Platinum Assets to be provided pursuant to Subparagraph VI.B. of this Hold Separate Stipulation and Order shall be appointed by defendants, subject to plaintiff's approval, within two (2) business days following the filing of the Complaint. Until such time as the Platinum Assets are divested, the management for the Platinum Assets to be provided pursuant to Subparagraph VI.B. of this Hold Separate Stipulation and Order shall have complete managerial responsibility for the Platinum Assets, subject to the provisions of this Order and the Final Judgment. In the event that any member of the management is unable to perform his or her duties, defendants shall appoint, subject to plaintiff's approval, a replacement acceptable to plaintiff within ten (10) working days. Should defendants fail to appoint a replacement acceptable to plaintiff within ten (10) working days, plaintiff shall appoint a replacement. Within ten (10) days following the filing of the Complaint, and for thirty (30) consecutive days thereafter, for each of the Divested Products, management of the Platinum Assets shall post on the Platinum web site a notice that includes on the first page of the web site a summary heading with a link to the full notice. The notice must include text to which the plaintiff has agreed and shall explain that the Platinum Assets will be divested to a purchaser approved by the United States, explain how the Platinum Assets will be managed and operated pending consummation of the required divestiture, and assure customers that they will receive continuing maintenance and product support for the Divested Products pending consummation of the required divestiture.

J. Defendants shall take no action that would interfere with the ability of any trustee appointed pursuant to the Final Judgment to complete the divestiture pursuant to the Final Judgment to a purchaser acceptable to plaintiff.

K. This Hold Separate Stipulation and Order shall remain in effect until the divestiture required by the Final Judgment is complete, or until further Order of the Court.

Respectfully submitted, For Plaintiff United States of America:

N. Scott Sacks,

DC Bar #913087.

Kent Brown,

VA Bar #18300, Attorneys, Antitrust Division, Computers & Finance Section, U.S. Department of Justice, 600 E. Street, NW, Suite 9500, Washington, DC 20530, (202) 307–6200.

For Defendants, Computer Associates International, Inc.:

Richard L. Rosen,

DC Bar #307231, Arnold & Porter, 555 Twelfth Street, NW, Washington, DC 20004–1202, (202) 942–5000.

For Defendant, PLATINUM Technology International, Inc.:

Larry S. Freedman,

IL Bar #6198768, Senior Vice President and General Counsel, 1815 South Meyers Road, Oakbrook Terrace, Illinois 60181–5241, (630) 620–5000.

Dated: May 25, 1999.

Order

It is so ordered, this ____ day of _____, 1999.

_____

United States District Court Judge.

Exhibit A

United States of America, Plaintiff, v. Computer Associates International, Inc. and PLATINUM Technology International, Inc., Defendants.

[Civil Action No. 1:99CV01318; Judge: Gladys Kessler, Deck Type: Antitrust, Date Stamp: _____]

Amended Final Judgment

WHEREAS, plaintiff, the United States of America, having filed its Complaint in this action on May 25, 1999, and having filed amendments to the Complaint on June 8, 1999 (hereinafter the Complaint and the amendments to the Complaint are referred to collectively as ''Complaint''), and plaintiff and defendants, by their respective attorneys, having consented to the entry of this Amended Final Judgment without trial or adjudication of any issue of fact or law herein, and with this Amended Final Judgment constituting any evidence against or an admission by any party with respect to any issue of law or fact herein, and that this Amended Final Judgment shall settle all claims made by the plaintiff in its Complaint;

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

AND WHEREAS, the essence of this Amended Final Judgment is the prompt and certain divestiture of the identified software and associated assets to assure

that competition is not substantially lessened;

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

AND WHEREAS, plaintiff currently believes that entry of this Amended Final Judgment is in the public interest;

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. Venue is proper in this Court. The Complain 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 Amended Final Judgment:

A. ''Computer Associates'' means defendant Computer Associates International, Inc., a Delaware corporation with its headquarters in Islandia, New York, and includes its successors and assigns, subsidiaries, divisions, groups, affiliates, partnerships and joint ventures, and directors, officers, managers, agents, and employees.

B. ''Platinum'' means defendant PLATINUM technology International, inc., a Delaware corporation with its headquarters in Oakbrook Terrace, Illinois, and includes its successors and assigns, subsidiaries, divisions, groups, affiliates, partnerships and joint ventures, and directors, officers, managers, agents, and employees.

C. ''Defendants'' means, collectively or individually as the context requires, Computer Associates and/or Platinum.

D. ''Acquirer'' means acquirer of any of the Platinum Assets ordered to be divested by Section IV.A of this Amended Final Judgment.

E. ''Divested Product'' means each of the following software products supplied by Platinum for use with OS/390 or MVS mainframe operating system: (a) AutoSys/Zeke (formerly Altai's Zeke), (b) AutoRerun (formerly Altai's Zebb), (c) AutoMedia (formerly Altai's Zara), (d) CCC/Life Cycle Manager; each of the following software products supplied by Platinum for use with the VSE mainframe operating system, (e) AutoSys/Zeke (formerly Altai's Zeke), and (f) AutoAction (formerly Altai's Zack); and (g) the ''CIMS product line,'' which includes CIMS MVS Resource Accounting System; CIMS UNIX/NT; CIMS MVS Capacity Planner; CIMS VSE; CIMS VMS; CIMS Desktop; CIMS Report Writer (spectrum Writer); and all products related to any of the foregoing products in the CIMS product line. With respect to each of the foregoing, a Divested Product includes each predecessor version of the product and each version that has been or is currently under development or that has been developed but has not been sold or distributed. Any divestiture of Platinum's rights, titles and interests in the CIMS product line, pursuant to Section IV of this Amended Final Judgment, shall be subject to any rights held by CIMS Inc. as a result of the CIMS Distribution and Licensing Agreement, dated as of February 21, 1999, between PLATINUM technology IP, inc. and CIMS Inc.

F. ''Platinum Assets'' means all tangible and intangible property or property rights owned or licensed by Platinum and reasonable required in developing, testing, producing, marketing, licensing, selling, or distributing any Divested Product, or in supplying any support or maintenance services for any Divested Product. The Platinum Assets include all of Platinum's rights, titles and interests in any asset which Platinum has the right to convey, license, sublicense or assign. If Platinum's rights in any Platinum Asset are licensed under terms that would prevent it from conveying, licensing, sublicensing or assigning such rights to an Acquirer, defendants shall take no action (such as asserting or enforcing any exclusive rights included in Platinum's license of its rights to the asset) to bar the licensor of such asset from licensing rights in the asset to an Acquirer for use with any Divested Product, and defendants shall take all reasonable steps (including, but not limited to, promptly executing necessary documents or agreements with such licensor) to cooperate with and assist an Acquirer in obtaining such a license, provided, however, that nothing contained herein shall prevent defendants from asserting or enforcing any exclusive rights possessed by Platinum to prevent an Acquirer from using such licensed assets other than with a Divested Product. The Platinum Assets include, but are not limited to:

(1) Each Divested Product;

(2) All source code and object code for the version or versions or a Divested Product currently being sold or distributed anywhere in the world (including patches), all existing source code and object code for all prior versions previously sold or distributed anywhere in the world (including patches), and all other source code and object code for all versions of a Divested Product under development or developed but not yet being sold or distributed (including patches). Defendants shall not retain copies of any of the foregoing code, provided however, that to the extent at the time Computer Associates announced its proposed acquisition of Platinum any such code was also contained in Platinum products other than Divested Products (''retained code'') defendants shall retain a perpetual, irrevocable, fully paid-up worldwide license to retain and use such retained code in any products that are not Divested Products, except that defendants shall not use such retained code to develop a product that is substantially identical to a Divested Product or that competes in any market described in the Complaint. This Amended Final Judgment imposes no restrictions on defendants with respect to products, or source and object code for such products, owned or controlled by Computer Associates at the time Computer Associates announced its proposed acquisition of Platinum;

(3) All software customizations, optional modules and add-ons for a Divested Product;

(4) All development tools, development environments, proprietary programming languages, know-how, designs, drawings, specifications, research data, trade secrets, copyrights, rights under patents, and all other intellectual property which Platinum has used to develop, upgrade, or maintain a Divested Product;

(5) All software program, instructions, manuals, know-how, trade secrets, or documentation that Platinum has used or supplied to a user of Divested Product to facilitate installation or operation of any Divested Product, or to facilitate migration or conversion to the use of any Divested Product from the use of any other product;

(6) All technical or development documentation, and all marketing information, sales training materials, sales collateral, customer lists and credit reports and maintenance documentation used for a Divested Product;

(7) Assignment of license or maintenance agreements including a Divested Product. In the event any such license or maintenance agreement includes any products or services other than a Divested Product, defendants or

such other persons holding ownership rights to such other products or services shall retain all contractual rights relating to such other products or services;

(8) With respect to all assigned licenses and maintenance agreements identified in Subsection II.F.(7) above, a sum of money equal to the pro rata amount of all maintenance fees for a Divested Product (except the CIMS product line) already paid to defendants pursuant to such maintenance agreements to the extent such fees paid relate to service periods after their date of such assignment. With respect to all such assigned licenses and maintenance agreements that include any products or services other than a Divested Product, the maintenance fees to be attributed to a Divested Product shall be calculated on a pro rata basis by apportioning the maintenance fees among the products and services subjects to such agreements in a ratio derived from the list price of each product or service as of the date upon which such license and maintenance agreement became effective to the total of such list prices for all the products and services subject to such agreements. For any multi-year agreement assigned, the allocation described herein applies only to that portion of revenues attributable to maintenance fees. Defendants shall not allocate nor shall any Acquire be entitled to receive any portion of revenues attributable to licensing of a Divested Product. This method of allocation of maintenance fees applies to both the allocation of maintenances fees already paid to defendants and payable in the future relating to service periods after the date of such assignment;

(9) All files and records maintained by Platinum for any customer licensee of any Divested Product, including customer licenses, maintenance agreements, and other agreements, all customer call reports (or portions thereof relating to any Divested Product), pricing information for the Divested Products, support and maintenance logs for the Divested Products; all customer leads, customer pipeline reports, customer proposals or other formation maintained by defendants to license and support any Divested Product. Where any such information relates to both a Divested Product and other products and services, defendants shall use their best efforts to segregate the information that relates to the Divested Products and shall provide, and shall not retain, such segregated information to the Acquire; and

(10) The trademarks or pending trademarks ''Zeke'', ''Zebb'', ''Zara'', ''Zack'', ''AutoRerun'', ''AutoMedia'', ''CIMS Capacity Panner'', ''CIMS Chargeback'', and ''CIMS+'', and for a period of eighteen (18) months from the time the Acquire purchases the Divested Product, the Acquire of AutoSys/Zeke may use the phrase ''formerly known as AutoSys/Zeke'' in connection with the marketing, sale, or distribution of the Divested Product; the Acquire of AutoAction for VSE may use the phrase ''formerly known as AutoAction for VSE'' in connection with the marketing, sale, or distribution of that Divested Product; the Acquire of CCC/Life Cycle Manager may use the phrases ''formerly known as CCC/Life Cycle Manager'' and ''formerly known as CCC/LCM'' in connection with the marketing, sale or distribution of that divested Product, and thereafter, defendants will not object to the Acquirer's use of ''Life Cycle Manager'' or ''LCM''.

III. Applicability

A. The provisions of this Amended Final Judgment apply to defendants, their successors and assigns, subsidiaries, affiliates, 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 Amended Final Judgment by personal service or otherwise. Defendants and each person bound by this Amended Final Judgment shall cooperate in ensuring that the provisions of this Amended Final Judgment are carried out.

B. The Trustee appointed pursuant to Section IV of this Amended Final Judgment shall require, as a condition of the divestiture of the Platinum Assets required herein, that each Acquirer agree to be bound by the provisions of this Amended Final Judgment.

IV. Divestiture by Trustee

A. Defendants are hereby ordered to divest the Platinum Assets to an Acquirer approved by the plaintiff in accordance with the terms of this Amended Final Judgment. Divestiture shall be accomplished by a trustee to be selected by plaintiff at its sole discretion. Defendants shall not object to the selection of the trustee on any grounds other than irremediable conflict of interest. Defendants must make any such objection within five (5) business days after plaintiff notifies defendants of the trustee's selection.

B. Only the trustee shall have the right to divest the Platinum Assets. The trustee shall have the power and authority to accomplish any and all divestitures at the best price then obtainable upon all reasonable efforts of the trustee, subject to the provisions of this Amended Final Judgment, and shall have such other powers as the Court shall deem appropriate. The trustee shall the Platinum Assets in the manner that is most conducive to preserving and maintaining competition that currently exists between Computer Associates and Platinum in the markets for the development, sale and maintenance of the mainframe software products described in the Complaint. Subject to Section IV.C. of this Amended Final Judgment, the Trustee shall have the power and authority to hire at the cost and expense of Computer Associates any investment bankers, attorneys, or other agents reasonably necessary in the judgment of the trustee to assist in the divestitures, and such professional and agents shall be accountable solely to the trustee. The trustee shall have the power and authority to accomplish the divestitures at the earliest possible time to a purchaser or purchasers acceptable to the United States, and shall have such other powers as this Court shall deem appropriate.

C. The trustee shall serve at the cost and expense of Computer Associates, on such terms and conditions as the plaintiff approves, and shall account for all monies derived from the sale of each asset 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 money shall be paid to Computer Associates and the trust 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 divested business and based on a fee arrangement providing the trustee with an incentive based on the price obtained and the speed with which divestiture is accomplished.

D. Defendants shall take no action to interfere with or impede the trustee's accomplishment of the divestiture of the Platinum Assets, and shall assist the trustee in accomplishing the required divestitures. The trustee and any consultants, accountants, attorneys, and other persons retained by the trustee shall have full and complete access to the personnel, books, records, and facilities for the Platinum Assets, and to Platinum's overall businesses as is reasonably necessary to effectuate the divestiture. Defendants shall provide financial or other information relevant to the Platinum Assets customarily provided in a due diligence process as

the trust may reasonably request, subject to customary confidentiality assurances. Subject to customary confidentiality assurances, defendants shall permit prospective acquirers of any Platinum Assets to have reasonable access to the information provided to the trustee and to management personnel for the Platinum Assets, and to make inspection of any physical facilities for the Platinum Assets.

E. After the trustee's appointment, the trustee shall confer regularly with designated representatives of the parties and shall file biweekly reports with the parties and the Court setting forth the trustee's efforts to accomplish the divestitures ordered under this Amended 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 period, 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 business to be divested, 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 sell the businesses to be divested.

F. Any proposed divestiture of any of the Platinum Assets shall be accomplished in such a way as to satisfy plaintiff, in its sole discretion, that the Platinum Assets can and will be used by the Acquirer as part of a viable, ongoing business involving the sale or license of the Divested Products to customers, including a demonstration to plaintiff's satisfaction that: (1) The divestiture is for the purpose of competing effectively in the selling of the Divested Products to customers; (2) the Acquirer has the managerial, operational, technical and financial capability and intent to compete effectively in the selling of the Divested Products to customers; and (3) none of the terms of any divestiture agreement gives defendants the ability artificially to raise the Acquirer's costs, impairs the Acquirer's ability to maintain or innovate with respect to any of the Divested Products, impairs the Acquirer's ability to support customers, or otherwise interferes with the ability of the Acquirer to compete effectively. Plaintiff may object to a proposed divestiture in the manner prescribed in Section VI of this Amended Final Judgment. Defendants shall not object to a divestiture by the trustee on any grounds other than the trustee's malfeasance. Any such objections by defendants shall be made in the manner prescribed in Section VI of this Amended Final Judgment.

G. If the trustee has not accomplished such divestitures within one hundred and twenty (120) days after its appointment, the trustee thereupon shall file promptly with the Court a report setting forth: (1) The trustee's efforts to accomplish the required divestitures; (2) the reasons, in the trustee's judgment, why the required divestitures have not been accomplished; and (3) the trustee's recommendations for completing the required divestiture; provided, however, that to the extent such report contain information that the trustee deems confidential, such reports shall not be filed in the public docket of the Court. No less than three (3) days prior to filing such report with the Court, the trustee shall furnish a copy of such report to the parties. Upon the filing of such report with the Court, each party shall have the right to be heard and to make additional recommendations consistent with the purpose of the trust. The Court shall thereafter enter such orders as it shall deem appropriate in order to carry out the purpose of the trust which may, if necessary, include extending the trust and the term of the trustee's appointment by a period requested by plaintiff, or entering an order divesting any or all of the Platinum Assets to such Acquirer and upon such terms as the Court deems appropriate.

V. Divestiture Agreement

Any agreement for divestiture of the Platinum Assets shall, at minimum, convey the following:

A. All of Platinum's rights, titles and interests in all the Platinum Assets (subject to Subsection V.E. below and subject to any limitations on defendants' ability to convey, license, sublicense or assign any such rights, as described in Subsection II.F. above).

B. The full and complete assignment of rights under all customer licenses and maintenance agreements for the Divested Products, subject to pro-rated allocation of maintenance revenue as specified in Subsection II.F.(8) above; provided however, that in the event any such licenses or maintenance agreements also encompass other products or services, Acquirer shall not be entitled to receive any rights with respect to such other products or services.

C. The right to obtain the interface information relating to the integration of AutoSys/Zeke and AutoSys as it exists as of the date of the filing of the Complaint; and in the event interface information relating to any existing or future version of AutoSys under any name is made available to any software developer or vendor, the right to obtain such information by the same means and on the same terms and to the same extent as it is made available to such other software developer or vendor. No non-competition clause in or ancillary to any provision of such interface information that may impair the Acquirer's ability effectively to compete with defendants shall be enforceable in any court, except defendants may restrict the use of such interface information to establishing an interface between current and future versions of AutoSys/Zeke and current and future versions of AutoSys.

D. The right to negotiate, without interference by defendants, for the employment services of any of Platinum's employees who, prior to the announcement of the subject acquisition, had employment responsibilities relating to the Divested Products. If the Acquirer employs any such person, any employment-related non-competition clause, as it relates to the Divested Products, that runs in favor of defendants shall be unenforceable by defendants in any court, except for the persons identified on Exhibit 1 to the Amended Final Judgment, which is filed under seal.

E. At Acquirer's option, any tangible assets that are used in conjunction with the development, support or maintenance of the Divested Products, excluding defendants' interests in real property, fixtures and leases and shared equipment.

F. Such usual and customary warranties as are necessary to effect the purposes of the trust.

VI. Notification

Two (2) days before proposing any divestiture, the trustee shall notify plaintiff and defendants of the proposed divestiture and proposed terms and conditions thereof. Defendants shall, within two (2) days after receiving such notice, have an opportunity to confer with the trustee and Acquirer, to state their opposition to terms and conditions that they consider to be inconsistent with this Amended Final Judgment, and to make such recommendations as to different or additional terms and conditions that they believe are consistent with this Amended Final Judgment. Within two (2) business days following execution of a definitive agreement, contingent upon compliance with the terms of this Amended Final Judgment, to effect, in whole or in part, any proposed divestiture pursuant to this Amended Final Judgment, the trustee shall notify plaintiff and

defendants of the proposed divestiture. 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 business to be divested that is the subject of the definitive agreement, together with full details of same. Within fifteen (15) calendar days of receipt by plaintiff of such notice, plaintiff in its sole discretion may request from defendants, the proposed Acquirer, or any other third party additional information concerning the proposed divestiture and the proposed Acquirer. Defendants and the trustee shall furnish any additional information requested from them within ten (10) calendar days of the receipt of the request, unless the parties shall otherwise agree. Within thirty (30) calendar days after receipt of the notice or within twenty (20) calendar days after plaintiff has been provided the additional information requested from defendants, the proposed Acquirer, and any third party, whichever is later, plaintiff shall provide written notice to defendants and the trustee stating whether or not it objects to the proposed divestiture. Any such notice objecting to a proposed divestiture shall state the reasons therefore. If plaintiff provides written notice to defendants and the trustee that it does not object, then the divestiture may be consummated, subject only to defendants' limited right to object to the sale under Section IV.F. of this Amended Final Judgment. Upon objection by plaintiff, the divestiture proposed under Section IV shall not be consummated. Any objection by defendants under Section IV.F. of this Amended Final Judgment must be conveyed in writing to plaintiff and the trustee within ten (10) calendar days after the trustee has provided the notice of execution of a definitive agreement required under this Section VI of this Amended Final Judgment. Upon such objection by defendants, the proposed divestiture shall not be consummated unless approved by the Court.

VII. Affidavits

A. Within ten (10) calendar days of the filing of the Hold Separate Stipulation and Order in this matter, defendants shall deliver to plaintiff an affidavit which describes in detail all actions defendants have taken and all steps implemented on an on-going basis to preserve the Platinum Assets pursuant to Section VIII of this Amended Final Judgment and the Hold Separate Stipulation and Order entered by the Court. The affidavit also shall describe, but not be limited to, defendants' efforts to maintain the Platinum Assets as an active competitor; to maintain at current levels the management, staffing, sales, marketing and pricing of the Platinum Assets; and to commit resources, development and support to the Platinum Assets at a level not materially less than that committed prior to the announcement of Computer Associates' proposed acquisition of Platinum. Defendants shall deliver to plaintiff an affidavit describing any changes to the efforts and actions outlined in defendants' earlier affidavit(s) filed pursuant to this Section within ten (10) calendar days after such change is implemented.

B. Until one year after such divestiture has been completed, defendants shall preserve all records of all efforts made to preserve the Platinum Assets and to effect the ordered divestitures.

VIII. Hold Separate Order

Until the divestitures required by the Amended Final Judgment have been accomplished, defendants shall take all steps necessary to comply with the Hold Separate Stipulation and Order entered by this Court. Defendants shall take no action that would jeopardize the divestiture of the Platinum Assets.

IX. Financing

Computer Associates is ordered and directed not to finance all or any part of any divestiture to any person made pursuant to this Amended Final Judgment, or to enter into any agreement requiring or permitting the reporting to defendants of sales units or revenues of the products included in the Platinum Assets by the Acquirer or the payment of continuing royalties to defendants by the Acquirer.

X. Compliance Inspection

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

A. Duly authorized representatives of the United States Department of Justice, upon written request of the Attorney General of the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice to defendants made to their principal offices, shall 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 the matters contained in this Amended Final Judgment and the Hold Separate Stipulation and Order; and

(2) Subject to the reasonable convenience of defendants and without restraint or interference from them, to interview informally or to dispose under oath and on the record, their officers, employees, and agents, who may have counsel present, regarding any such matters.

B. Upon the written request of the Attorney General or of the Assistant Attorney General in charge of the Antitrust Division, defendants shall submit such written reports, under oath if requested, with respect to any matter contained in the Amended Final Judgment and the Hold Separate Stipulation and Order.

C. No information or documents obtained by the means provided in this Section shall be divulged by a representative of plaintiff 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 grant jury proceedings), or for the purpose of securing compliance with this Amended Final Judgment, or as otherwise required by law.

D. If at the time information or documents are furnished by defendants to plaintiff, defendants represent and identify 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 to Civil Procedure, and defendants mark 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 plaintiff to defendants prior to divulging such material in any legal proceeding (other than a grand jury proceeding) to which defendants are not a party.

XI. Retention of Jurisdiction

Jurisdiction is retained by this Court for the purpose of enabling any of the parties of this Amended 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 Amended Final Judgment, for the modification of any of the provisions hereof, for the enforcement of compliance herewith, and for the punishment of any violations hereof.

XII. Termination

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

XIII. Public Interest

Entry of this Amended Final Judgment is in the public interest.

Dated: _____.

_____

United States District Judge.

Documents Under Seal

United States of America, Plaintiff, v. Computer Associates International, Inc. and Platinum Technology International, Inc., Defendants.

[Civil Action No. 1:99CV01318; Judge: Gladys Kessler, Deck Type: Antitrust, Date Stamp: _____]

Exhibit One to Proposed Amended Final Judgment, Pursuant to Order To Place Exhibit One to Final Judgment Under Seal

Order Entered May 27, 1999

Order To Substitute Amended Final Judgment

The Court ORDERS as follows:

The proposed Amended Final Judgment filed by the United States as Exhibit A to the Uncontested Motion to Substitute Amended Final Judgment shall replace and supersede for all purposes the proposed Final Judgment attached as Exhibit A to the Hold Separate Stipulation and Order filed by the parties on May 25, 1999, and entered by the Court on May 26, 1999;

PROVIDED, HOWEVER, THAT the document filed as Exhibit 1 to the aforementioned proposed Final Judgment that was placed under seal by the Clerk of the Court pursuant to the Court's Order to Place Exhibit One to Final Judgment Under Seal, entered on May 27, 1999, shall remain under seal and in effect as Exhibit 1 to the proposed Amended Final Judgment.

Dated: _____.

_____

United States District Judge.

United States of America, Plaintiff, v. Computer Associates International, Inc. and PLATINUM Technology International, Inc., Defendants.

[Civil Action No. 1:99CV01318; Judge Gladys Kessler, Deck Type: Antitrust, Date Stamp: _____]

Competitive Impact Statement

The United States, pursuant to Section 2(b) of the Antitrust Procedures and Penalties Act (''APPA''), 15 U.S.C. 16 (b)–(h), files this Competitive Impact Statement relating to the proposed Amended Final Judgment submitted for entry in this civil antitrust proceeding.

I. Nature and Purpose of the Proceeding

On May 25, 1999 the United States filed a civil antitrust Complaint, and on June 8, 1999, the United States filed amendments to the Complaint (hereinafter the Complaint and the amendments to the Complaint will be referred to collectively as ''Complaint, as amended''). The Complaint, as amended, alleges that the proposed acquisition by Computer Associates International, Inc. (''CA'') of PLATINUM Technology International, Inc. (''Platinum'') would violate Section 7 of the Clayton Act, 15 U.S.C. 18. CA is the document competitor with market shares of 70% or more in a number of mainframe systems management software products for the MVS (now named OS/390) and VSE operating systems that run on IBM and IBM-compatible mainframe computers. Platinum is either the only substantial competitor or is among the most significant of a very few competitors attempting to challenge CA's dominance in the sale of these mainframe systems management software products. Platinum has aggressively marketed its products to CA's customers by offering better pricing and more responsive customer service.

The Complaint, as amended, alleges that the acquisition would eliminate substantial competition, and result in higher prices, lower quality product support, and less innovation, in seven product markets for systems management software used with mainframe computers: MVS (OS/390) job scheduling and rerun software; MVS (OS/390) tape management software; MVS (OS/390) change management software, MVS (OS390) job accounting and chargeback software, VSE job scheduling and rerun software; VSE automated operations software, and VSE job accounting and chargeback software. The Complaint, as amended, seeks adjudication that CA's acquisition of Platinum would violate Section 7 of the Clayton Act, 15 U.S.C. 18, and requests that the Court grant preliminary and permanent injunctive relief, and such other relief as the Court deems appropriate.

Simultaneously with the filing of the amendments to the Complaint, the United States filed the proposed Amended Final Judgment. At the time the original Complaint was filed on May 25, 1999, the United States also filed a proposed Final Judgment and a Hold Separate Stipulation and Order (''Hold Separate''); the Court entered the Hold Separate on May 26, 1999. The proposed Amended Final Judgment that is the subject of this Competitive Impact Statement supercedes the initial proposed Final Judgment and provides for relief in all of the markets that are the subject of allegations in the Complaint, as amended.

Prior to the announcement of CA's proposed acquisition of Platinum, Platinum granted to another firm, CIMS Inc., an exclusive license, together with an option to purchase, certain products, collectively known as the ''CIMS product line,'' that Platinum had developed, marketed and sold in the markets for MVS (OS/390) job accounting and chargeback software and VSE job accounting and chargeback software. The defendants proposed to complete the divestiture of the CIMS product line by conveying to CIMS Inc. all of Platinum's remaining rights, titles, and interests in the CIMS product line in a ''fix-it-first'' transaction to be approved by the United States and to be consummated contemporaneously with CA's acceptance for payment of the tendered shares of Platinum. Because such a conveyance would have resolved any competitive problems that would otherwise arise if CA were to acquire the CIMS product line, the original Complaint did not contain allegations pertaining to the effect of the proposed acquisition in the markets for MVS (OS/390) job accounting and chargeback software and VSE job accounting and chargeback software. However, the United States insisted and defendants agreed in the Hold Separate that the United States could amend the Complaint and file a proposed Amended Final Judgment if the defendants were unable to convey the CIMS product line in the manner described above. The parties agreed that an amended Complaint would add allegations in the product markets in which the CIMS product line is developed, marketed and sold and an Amended Final Judgment would add the CIMS product line to the group of products to be divested and such additional provisions as the United States deems necessary to obtain relief from the additional violations alleged in the amended Complaint.

On May 28, 1999, subsequent to the filing of the original Complaint, CA announced the expiration of its tender offer for Platinum shares and acceptance for payment of all validly tendered shares, but the defendants failed to make the requisite conveyance of the CIMS product line. The United States therefore filed its amendments to the Complaint on June 8, 1999, adding allegations pertaining to the markets for MVS (OS/390) job accounting and

chargeback software and VSE job accounting and chargeback software.

The proposed Amended Final Judgment is designed to eliminate the anticompetitive effects of CA's acquisition of Platinum, and requires the defendants to divest, through a trustee to be appointed by the United States, Platinum's products in the seven mainframe systems management software product markets named in the Complaint, as amended (''Divested Products''), together with certain related assets (collectively, the ''Platinum Assets''). The defendants are required to assist the trustee in accomplishing the required divestitures and may not impede or interfere with the trustee's work. If the trustee is unable to complete the required divestitures within 120 days after appointment, the Court is authorized to enter such orders as it shall deem appropriate to carry out the purpose of the trust, which may, if necessary, include extending the trustee's appointment by a period requested by the United States, or directly ordering the divestiture of the Platinum Assets on such terms as the Court deems appropriate.

The Hold Separate includes a stipulation by the United States and the defendants that the proposed Amended Final Judgment may be entered after compliance with the APPA. The Hold Separate also obligates the defendants to comply with the terms of the proposed Amended Final Judgment until it is entered by the Court, or until all appeals have been completed stemming from any court ruling declining entry of the proposed Amended Final Judgment. Until all divestitures have been completed, the Hold Separate specifies that the defendants will take certain steps to ensure that the Platinum Assets will be held and operated separate and part from the defendants' and assets and businesses. The defendants must appoint an interim, separate and independent management acceptable to the United States to manage the business operations relating the Platinum Assets until the divestitures have been completed. Confidential business information relating to the Platinum Assets will, to the maximum extent feasible, be screened from the defendants. The defendants must maintain promotional and sales efforts, development funding, and technical support for the Divested Products. In particular, the defendants are required to maintain at current or previously approved levels, whichever are higher, research and development funding for the Divested Products and to continue to serve the needs of existing customers. The purpose of these interim steps is to ensure that the Platinum Assets will continue to be maintained and operated, until the divestitures are completed, as an independent, ongoing and economically viable concern, free from defendants' control and influence.

Entry of the proposed Amended Final Judgment would terminate this action, except that the Court would retain jurisdiction to construe, modify, or enforce the provisions of the proposed Amended Final Judgment and to punish violations thereof.

II. Description of the Events Giving Rise to the Alleged Violation

A. The Defendants and the Proposed Transaction

CA is a Delaware corporation with its principal place of business in Islandia, New York. In its 1998 fiscal year, CA had revenues in excess of $4.7 billion and net profits of $1.17 billion. CA produces and markets software for a variety of computers and operating systems, including systems management software for mainframe computers running the two most popular operating systems, IBM's MVS (now renamed ''OS/390'' by IBM), and VSE operating systems. Aside from IBM, which writes the operating system software that runs almost all mainframe computers, CA is the largest vendor of software for IBM and IBM-compatible mainframe computers. CA is also a significant vendor of systems management software and other software for computers and computer networks running UNIX or Windows NT (recently renamed Windows 2000) operating systems.

Platinum is a Delaware corporation with its principal place of business in Oakbrook Terrace, Illinois. Platinum's fiscal year 1998 revenues exceeded $968 million. Platinum sells a variety of computer software and related services for mainframe, UNIX, and Windows NT computer systems and is also a leading vendor of systems management software for IMB and IMB-compatible mainframe computers.

On March 31, 1999, CA filed with the United States a premerger notification stating that it had entered into a definitive agreement with Platinum to purchase all issued and outstanding shares of Platinum's common stock through a $3.5 billion cash tender offer. CA announced on May 28, 1999, that it had accepted for payment all validly tendered shares, which comprise about 98% of Platinum's outstanding common stock. This acquisition forms the basis of the government's suit.

B. Mainframe Systems Management Software

Mainframe computers are the large and powerful computers used by industrial, commercial, educational, and governmental enterprises for large scale data processing applications. Mainframe computers provide unique storage, throughput, and security features and functions that make them superior data processing devices for large corporate and institutional computer users throughout the world.

An operating system is software that controls the operational resources of the computer (including the central processor unit, memory, data storage devices, and other hardware components) and allows ''applications'' software (programs that perform user-directed tasks requested of the computer, such as programs that perform transactions or maintain payroll, inventory, sales, and other business accounts of a company) to run on the computer. The vast majority of the world's mainframe computers run with operating systems developed by IBM, of which the two most widely used are the MVS (OS/390) and VSE operating systems. MVS (OS/390) is generally used by users of larger mainframes and those needing the highest levels of performance and functionality. VSE is a significantly less costly operating system that has less capability and fewer features. VSE is a significantly less costly operating system that has less capability and fewer features. VSE is generally used with smaller mainframes, with fewer users and smaller data sets.

Systems management software is used to help manage, control, or enhance the performance of mainframe computers. While IBM's mainframe operating systems contain some limited systems management capabilities, separate systems management software programs such as the products offered by CA and Platinum provide additional functionality that is demanded by most mainframe users. Mainframe systems management software generally is designed to function only with a specific operating system. Therefore, users of MVS (OS/390) must purchase systems management software designed specifically for that operating system, while VSE users are limited to buying systems management software designed for the VSE operating system. Users generally cannot switch between the MVS (OS/390) and VSE operating systems without facing very substantial costs. Therefore, customers using one mainframe operating system are unlikely to switch to another to escape

even a very substantial increase in price of the systems management software on their present mainframe operating system platform.

In recent years, some mainframe computer systems users have transferred applications from their mainframes to distributed client/server computing environments. However, most users continue to remain highly dependent on their mainframe computers for other ''mission-critical'' business applications which cannot be switched at all or in an economically viable manner. Moreover, conversion of applications from mainframe to distributed client/server computing environments entails substantial costs and time, is generally disruptive of business operations and is fraught with risks. The cost of the mainframe systems management software that is the subject of the violation alleged in the Complaint, as amended, constitutes only a small portion of the overall operating costs of a mainframe computer system. Therefore, users would not switch from mainframe computer systems to distributed client/server computing systems to escape even a very substantial increase in the price of these mainframe systems management software products.

CA and Platinum both develop and sell a variety of mainframe computer systems management software products and are direct competitors in the development and sale to mainframe users of each of the products that is the subject of the violation alleged in the Complaint, as amended, and described below. Each specific product or product combination solves particular problems or meets specific needs of mainframe users, and users cannot economically switch to different products to obtain the same functionality.

(1) Job scheduling and rerun software for the MVS (OS/390) operating system. Job scheduling and rerun software directs a mainframe to prioritize and run particular ''batch'' processing operations (called ''jobs'') based on user requirements as to time, date, and other parameters, to link jobs together so that they are performed in the correct sequence, and to organize the results of these jobs. Rerun software interfaces with the job scheduler and automatically collects the data on jobs that were not operated successfully and performs the necessary remedial operations and reruns the job or alerts the operator that intervention is necessary. Rerun software is almost always sold to those users who need it for use together with the specific job scheduling software product for which it was designed to inter operate.

(2) Job scheduling and rerun software for VSE operating system. These VSE products perform essentially the same functions as MVS (OS/390) job scheduling software.

(3) Tape management software for the MVS (OS/390) operating system. Tape management software is used to control the cataloguing, loading, formatting, and reading of the magnetic tapes used for archival storage of data processed by mainframes. Many mainframe computer system users store information on hundreds or thousands of tapes, and tape management software specifies which tapes, and which information on the tapes, need to be loaded for particular operations. Tape management software also protects the information on the tape by ensuring that active information is not overwritten or erased.

(4) Change management software for the MVS (OS/390) operating system. Change software tracks, manages, and archives versions of computer programs while those programs are being developed, modified, and tested. It also helps to control the versions of the programs as they are used in normal business activities by the customer, when there may be a need to modify, repair, or update the programs, or to uninstall the programs and reinstall a prior version that is known to work.

(5) Automated operations software for the VSE operating system. Automated operations software is used to automate computer management to reduce human interaction with the system and thereby improve efficiency and minimize errors. Among the functions of automated operations software is automating computer console operations, message and error handling, and enabling systems management from remote locations or computers.

(6) MVS and OS/390 job accounting and chargeback software. Job accounting and chargeback software monitors the use of computer resources so that computer resource costs may be allocated and charged among internal corporate divisions and/or third party client users. The software collects data that shows which computer resources were being by whom, when, and for how long. This data is then used to measure, allocate and charge shared costs to internal corporate divisions and/or third party client users. Job accounting and chargeback software, including such software sold by CA and Platinum, is often combined with a capacity planning software feature, which uses the data compiled by the job accounting and chargeback software to report on measures such as system response performance, system availability, resource utilization, and future utilization projections.

(7) VSE job accounting and chargeback software. These VSE products perform essentially the same functions as MVS and OS/390 job accounting and chargeback software.

Even substantial price increases for the software products described above would not cause users to switch to any other types of mainframe software products or software products for different operating systems. Each of the systems management products for each operating system, therefore, constitutes a separate relevant product market in which to assess the competitive effects of CA's acquisition of Platinum. Vendors sell these products to customers located throughout the United States, and for each of the product markets, the United States constitutes a relevant geographic market in which to assess the competitive effects of the proposed acquisition.

D. Competition Between CA and Platinum

CA and Platinum compete against each other for sales of the above-described MVS (OS/390) and VSE systems management software products throughout the United States. They compete with respect to license royalties they charge users of systems management products and the flexibility of the license terms they offer. Both firms market their products under license that require royalty payments for the right to use the product and payments for maintenance of and upgrades to the products.

Moreover, CA and Platinum compete in providing product support and service to their customers. Due to the ''mission-critical'' nature of the work done with mainframe computers, users highly value the speed and effectiveness of a vendor's installation, maintenance, and technical support of systems management products. CA and Platinum also compete to improve, upgrade, and enhance their systems management products, both in terms of developing products of greater performance or functionality and in terms of improving operability so that the products become easier to install, use, and maintain.

In addition to competition for new users, substantial competition in the markets for these mainframe systems management software products primarily occurs when current users, and particularly current users of CA's products, consider whether they should convert to a different product. Platinum has aggressively marketed its products in competition with CA by offering better pricing, more responsive

customer services, and improved product features. Because conversion from one product to another product is costly, difficult, time-consuming, and potentially disruptive to a firm's ongoing mainframe computer operations and overall business, most users are relevant to incur the costs and risks of switching. In particular, Platinum has invested significant resources in demonstrating that, notwithstanding the costs and risks of conversion, Platinum's products are superior alternatives for current users of CA's products. This competition from Platinum has caused CA to respond with lower prices, better service, and improved product features for its own products.

E. Anticompetitive Consequences of the Acquisition

The Complaint, as amended, alleges that CA's acquisition of Platinum would substantially lessen competition in each of the markets of the systems management software products described above. The combined annual U.S. sales of all competitors in the relevant product markets exceed $590 million. Each of the relevant markets already is highly concentrated, and the acquisition would substantially increase concentration. In each market, CA already has a dominant share of 70% to 90%. Platinum is the only substantial competitor or among the most significant of only a few competitors in these markets.

The Complaint, as amended, alleges that in the markets for each of the products described above, the reduction or elimination of competition from CA's acquisition of Platinum would likely lead to higher prices, lower levels of product service and support, and a lessening of product innovations and development. The Complaint, as amended, further alleges that the competitive harm resulting from the acquisition is not likely to be mitigated by the possibility of new entry. Entry into any of the markets would entail expenditures of substantial costs and time for the development of a competitive product that would be acceptable to mainframe customers. A new entrant would also be required to invest significant time and resources to develop a reputation as a reliable vendor of these products to attract significant sales in what are substantially product replacement markets. Such entry would not be timely, likely, or sufficient in scale to counteract or deter a price increase or a reduction in service or product quality in any of the relevant markets.

III. Explanation of the Proposed Amended Final Judgment

The proposed Amended Final Judgment is designed to preserve competition in each of the mainframe systems management software markets in which CA's acquisition of Platinum would be anticompetitive. The proposed Amended Final Judgment will remain in effect for ten years and requires CA to divest all of the Platinum Assets through a trustee selected by the United States, and imposes obligations on CA to cooperate in the trustee's sale efforts.

The propose Amended Final Judgment provides that the assets must be divested in such a way as to satisfy the United States that the Platinum Assets can and will be operated by the purchaser or purchasers as part of a viable, ongoing business or businesses that can compete effectively in the selling of the Divested Products. The CIMS product line will be sold subject to any rights in those Divested Products held by CIMS Inc. as a result of the licensing agreement and option to purchase that it obtained from Platinum prior to CA's announcement of its proposed acquisition of Platinum. The proposed Amended Final Judgment provides that CA will pay all costs and expenses of the trustee. The trustee's commission will be structured so as to provide an incentive for the trustee based on the price obtained and the speed with which divestiture is accomplished. After the trustee's appointment becomes effective, the trustee will confer regularly with the parties and file biweekly reports with the parties and the Court setting forth the trustee's efforts to accomplish divestiture. At the end of 120 days, if the divestiture has not been accomplished, the trustee and the parties will make recommendations to the Court, which shall enter such orders as appropriate in order to carry out the purpose of the trust, including extending the trust or the term of the trustee's appointment or ordering the divestiture of any or all of the Platinum Assets to such purchasers and on such terms as the Court deems appropriate.

The proposed Amended Final Judgment sets forth the minimum assets and rights that must be conveyed in a divestiture. These include requiring the transfer to the purchaser or purchasers of: all of Platinum's transferrable ownership rights in the Divested Products, as well as Platinum's rights in other assets included in the Platinum Assets that are used in conjunction with the development, support or maintenance of the Divested Products; all customer licenses and maintenance agreements for the Divested Products; broad rights to the information necessary to service customers, to interface Platinum's job scheduling products with the Platinum UNIX/NT job scheduling product to be acquired by CA, and generally to compete with CA and other vendors of software products in the markets described above; and the right to negotiate, without interference from CA, for the employment services of the Platinum employees who have job responsibilities relating to the Divested Products.

The proposed Amended Final Judgment also prohibits CA from financing the purchase of the Platinum Assets or entering into continuing royalty payment arrangements with any purchaser of the Divested Products. This provision prevents CA from having a relationship with its new competitor that might impair competition between the new competitor and CA.

IV. Remedies Available to Potential Private Litigants

Section 4 of the Clayton Act (15 U.S.C. 15) provides that any person who has been injured as a result of conduct prohibited by the antitrust laws may bring suit in federal court to recover three times the damages the person has suffered, as well as costs and reasonable attorney's fees. Entry of the proposed Amended Final Judgment will neither impair nor assist the bringing of any private antitrust damage action. Under the provisions of Section 5(a) of the Clayton Act (15 U.S.C. 16(a)), the proposed Amended Final Judgment has no *prima facie* effect in any subsequent private lawsuit that may be brought against the defendants.

V. Procedures Available for Modification of the Proposed Amended Final Judgment

A. APPA Procedures

The United States and defendants have stipulated that the proposed Amended Final Judgment may be entered by the Court after compliance with the provisions of the APPA, provided that the United States has not withdrawn its consent. The APPA conditions entry upon the Court's determination that the proposed Amended Final Judgment is in the public interest.

The APPA provides a period of at least 60 days preceding the effective date of the proposed Amended Final Judgment within which any person may submit to the United States written comments regarding the proposed Amended Final Judgment. Any person who wishes to comment should do so

within (60) days of the date of publication of this Competitive Impact Statement in the **Federal Register.** The United States will evaluate and respond to the comments. All comments will be given due consideration by the Department of Justice, which remains free to withdraw its consent to the proposed Amended Final Judgment at any time prior to entry. The comments and the response of the United States will be filed with the Court and published in the **Federal Register.**

Written comments should be submitted to: Nancy M. Goodman, Chief, Computers and Finance Section, Antitrust Division, United States Department of Justice, 600 E Street, N.W., Suite 9500, Washington, DC 20530.

B. The Court's Continuing Jurisdiction

The proposed Amended Final Judgment provides that the Court retains jurisdiction over this action, and the parties may apply to the Court for any order necessary or appropriate for the modification, interpretation, or enforcement of the Amended Final Judgment.

VI. Alternatives to the Proposed Amended Final Judgment

The United States considered, as an alternative to the proposed Amended Final Judgment, litigation against defendants CA and Platinum. The United States could have brought suit and sought preliminary and permanent injunctions against CA's acquisition of Platinum. The United States is satisfied, however, that the complete, and irrevocable divestiture of the Platinum Assets to a suitable purchaser and the other relief outlined in the proposed Amended Final Judgment will preserve competition in the relevant mainframe systems management product markets alleged in the Complaint, as amended, that would otherwise have been impaired by the acquisition. The relief specified in the proposed Amended Final Judgment will achieve all of the competitive benefits that the United States could have obtained through protracted litigation, but avoids the time, expense, and uncertainty of a full trial on the merits of the government's Complaint, as amended.

VII. Standard of Review Under the APPA for the Proposed Amended Final Judgment

The APPA requires that proposed final judgments in antitrust cases brought by the United States be subject to a sixty-day comment period, after which the Court shall determine whether entry of the proposed final judgment ''is in the public interest.'' In making that determination:

> [T]he court *may* consider—
>
> (1) The competitive impact of such judgment, including termination of alleged violations, provisions for enforcement and modification, duration or relief sought, anticipated effects of alternative remedies actually considered, and any other considerations bearing upon the adequacy of such judgment;
>
> (2) The impact of entry of such judgment upon the public generally and individuals alleging specific injury from the violations set forth in the complaint including consideration of the public benefit, if any, to be derived from a determination of the issues at trial.

15 U.S.C. 16(e) (emphasis added). As the Court of Appeals for the District of Columbia Circuit held, the APPA permits a court to consider, among other things, the relationship between the remedy secured and the specific allegations set forth in the government's complaint, whether the decree is sufficiently clear, whether enforcement mechanisms are sufficient, and whether the decree may positively harm third parties. *United States* v. *Microsoft,* 56 F.3d 1448, 1458–62 (D.C. Cir. 1995). The courts have recognized that the term '' 'public interest' take[s] meaning from the purposes of the regulatory legislation.'' *NAACP* v. *Federal Power Comm'n,* 425 U.S. 662, 669 (1976). Since the purpose of the antitrust laws is to preserve ''free and unfettered competition as the rule of trade,'' *Northern Pacific Railway* Co. v. *United States,* 356 U.S. 1, 4 (1958), the focus of the ''public interest'' inquiry under the APPA is whether the proposed Amended Final Judgment would serve the public interest in free and unfettered competition. *United States* v. *American Cyanamid Co.* 719 F.2d 558, 565 (2d Cir. 1983), *cert. denied,* 465 U.S. 1101 (1984); *United States* v. *Waste Management, Inc.,* 1985–2 Trade Cas. ¶ 66,651, at 63,046 (D.D.C. 1985). In conducting this inquiry, ''the Court is no where compelled to go to trial or to engage in extended proceedings which might have the effect of vitiating the benefits of prompt and less costly settlement through the consent decree process.'' [1] Rather,

> [a]bsent a showing of corrupt failure of the government to discharge its duty, the Court, in making its public interest finding, should * * * carefully consider the explanations of the government in the competitive impact statement and its responses to comments in order to determine whether those explanations are reasonable under the circumstances.

United States **v.** Mid-America Dairymen, Inc., 1977–1 Trade Cas. ¶61.508, at 71,980 (W.D. Mo. 1977).

Accordingly, with respect to the adequacy of the relief secured by the decree, a court may not ''engage in an unrestricted evaluation of what relief would best serve the public.'' *United States* **v.** BNS, Inc., 858 F.2d 456, 462 (9th Cir. 1988) *quoting United States* **v.** Bechtel Corp., 648 F.2d 660, 666 (9th Cir.), *cert. denied,* 454 U.S. 1083 (1981). *See also Microsoft,* 56 F.3d 1448 (D.C. Cir. 1995). Precedent requires that:

> the balancing of competing social and political interests affected by a proposed antitrust consent decree must be left, in the first instance, to the discretion of the Attorney General. The court's role in protecting the public interest is one of insuring that the government has not breached its duty to the public in consenting to the decree. The court is required to determine not whether a particular decree is the one that will best serve society, but whether the settlement is *''within the reaches of the public interest.''* More elaborate requirements might undermine the effectiveness of antitrust enforcement by consent decree.[2]

A proposed final judgment is an agreement between the parties which is reached after exhaustive negotiations and discussions. Parties do not hastily and thoughtlessly stipulate to a decree because, in doing so, they

> waive their right to litigate the issues involved in the case and thus save themselves the time, expense, and inevitable risk of litigation. Naturally, the agreement reached normally embodies a compromise; in exchange for the saving of cost and the elimination of risk, the parties each give up something they might have won had they proceeded with the litigation.

United States **v.** Armour & Co., 402 U.S. 673, 681 (1971).

the proposed Amended Final Judgment therefore, should not be reviewed under a standard of whether it is certain to eliminate every anticompetitive effect of a particular practice or whether it mandates

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[1] 119 Cong. Rec. 24598 (1973), *See United States* v. *Gillette Co.,* 406 F. Supp. 713, 715 (D. Mass. 1975). A ''public interest'' determination can be made properly on the basis of the Competitive Impact Statement and Response to Comments filed pursuant to the APPA. Although the APPA authorizes the use of additional procedures, 15 U.S.C. 16(f), those procedures are discretionary. A court need not invoke any of them unless it believes that the comments have raised significant issues and that further proceedings would aid the court in resolving those issues. *See* H.R. 93–1463, 93rd Cong. 2d Sess. 8–9, *reprinted in* (1974) U.S. Code Cong. & Ad. News 6535, 6538.

[2] *United States* **v.** Bechtel, 648 F.2d at 666 (citations omitted) (emphasis added); *see United States* **v.** BNS, Inc., 858 F.2d at 463; *United States* **v.** National Broadcasting Co., 449 F. Supp. 1127, 1143 (C.D. Cal. 1978); *United States* **v.** Gillette Co., 406 F. Supp. at 716. *See also United States* **v.** American Cyanamid Co., 719 F.2d at 565.

certainty of free competition in the future. Court approval of a final judgment requires a standard more flexible and less strict than the standard required for a finding of liability. ''[A] proposed decree must be approved even if it falls short of the remedy the court would impose on its own, as long as it falls within the range of acceptability or is 'within the reaches of public interest.' (citations omitted).''[3]

VIII. Determinative Documents

In deciding to consent to the proposed Amended Final Judgment, the United States considered no documents that were determinative within the meaning of the APPA. Consequently, no such documents have been filed with this Competitive Impact Statement.

Dated: June 8, 1999.

Respectfully submitted,

Kent Brown, VA Bar #18300; Kenneth W. Gaul, D.C. Bar #415456; Weeun Wang; Sanford M. Adler; Jeremy W. Eisenberg; Richard Koffman; Melinda Foster; Jeremy Feinstein,

Attorneys, Antitrust Division, U.S. Department of Justice, Computers & Finance Section, Suite 9500, 600 E Street, NW., Washington, DC 20530, (202) 307–6200.

Certificate of Service

The undersigned certifies that she is a paralegal employed by the United States Department of Justice, and is a person of such age and discretion to be competent to serve papers. The undersigned further certifies that on June 8, 1999, she caused true copies of the

1. Amendments to Complaint (together with attached Exhibit)
2. Uncontested Motion to Substitute Amended Final Judgment (together with the attached Exhibit)
3. Competitive Impact Statement

to be served upon the person in the manner stated below:

Counsel for Computer Associates International, Inc. and PLATINUM technology International, Inc.—Richard L. Rosen, Esq., Arnold & Porter, 555 12th Street, NW., Washington, DC 20004.

(by hand delivery)

Pursuant to 28 U.S.C. 1746, I declare under penalty of perjury that the foregoing is true and correct.

Executed in Washington, DC, this 8th day of June 1999.

Joann Maguire.

[FR Doc. 99–15419 Filed 6–16–99; 8:45 am]

BILLING CODE 4410–11–M

[3] *United States* **v.** American Tel. and Tel Co., 552 F. Supp. 131, 150 (D.D.C. 1983), *aff'd sub nom. Maryland* **v.** United States, 460 U.S. 1001 (1983) *quoting United States* **v.** Gillette Co., supra, 406 F. Supp. at 716; *United States* **v.** Alcan Aluminum, Ltd., 605 F. Supp. 619, 622 (W.D. Ky. 1985).

DEPARTMENT OF JUSTICE

Office of Juvenile Justice and Delinquency Prevention

[OJP (OJJDP)–1236]

RIN 1121–ZB69

Internet Crimes Against Children Task Force Program

AGENCY: Office of Justice Programs, Office of Juvenile Justice and Delinquency Prevention, Justice.

ACTION: Notice of extension of the deadline for applying for discretionary competitive assistance for the Internet Crimes Against Children Task Force Program.

SUMMARY: Notice is hereby given that the Office of Juvenile Justice and Delinquency Prevention (OJJDP) is extending the deadline for applications from State and local law enforcement agencies interested in participating in the Internet Crimes Against Children Task Force (ICAC Task Force) Program. The ICAC Task Force Program encourages communities to develop regional multidisciplinary, multijurisdictional task forces to prevent, interdict, and investigate sexual exploitation offenses against children by offenders using online technology.

DATES: The new deadline for applications to be received is Monday, July 19, 1999. (The original deadline was June 21, 1999).

ADDRESSES: Interested applicants must obtain an application kit from the Juvenile Justice Clearinghouse at 800–638–8736. The application kit is also available at OJJDP's Web site at www.ojjdp.ncjrs.org. Copies of the complete program announcement, which appeared in the **Federal Register** on May 7, 1999, 64 FR 24856, are also available from the Juvenile Justice Clearinghouse and on OJJDP's Web site.

FOR FURTHER INFORMATION CONTACT: Michael Medaris, ICAC Task Force Program Manager, Office of Juvenile Justice and Delinquency Prevention, 202–616–8937. [This is not a toll-free number.]

Dated: June 14, 1999.

Shay Bilchik,

Administrator, Office of Juvenile Justice and Delinquency Prevention.

[FR Doc. 99–15456 Filed 6–16–99; 8:45 am]

BILLING CODE 4410–18–P

DEPARTMENT OF LABOR

Mine Safety and Health Administration

Petitions for Modification

The following parties have filed petitions to modify the application of mandatory safety standards under section 101(c) of the Federal Mine Safety and Health Act of 1977.

1. Snyder Coal Company

[Docket No. M–1999–030–C]

Snyder Coal Company, 66 Snyder Lane, Hegins, Pennsylvania 17938 has filed a petition to modify the application of 30 CFR 75.360 (preshift examination) to its Rattling Run Slope (I.D. No. 36–08713) located in Schuylkill County, Pennsylvania. The petitioner requests a modification of the mandatory standard to permit: (i) An alternative method of examination and evaluation including a visual examination of each seal for physical damage from the slope gunboat during the preshift examination after an air quantity reading is taken just inby the intake portal; (ii) an additional air reading and gas test for methane, carbon dioxide and oxygen deficiency to be taken at the intake air split location(s) just off the slope in the gangway portion of the working section; and (iii) the examiner reading the air and gas test to record the date, time, his/her initials, and the results of the readings at these locations prior to anyone entering the mine. The petitioner states that regardless of conditions found at the section evaluation point, the slope will be traveled and physically examined in its entirety on a monthly basis with the dates, times, and initials placed at sufficient locations, the results of the examination will be maintained on the surface, and all hazards will be corrected prior to transporting personnel into the slope. The petitioner asserts that the proposed alternative method would provide at least the same measure of protection as would the mandatory standard.

2. Snyder Coal Company

[Docket No. M–1999–031–C]

Snyder Coal Company, 66 Snyder Lane, Hegins, Pennsylvania 17938 has filed a petition to modify the application of 30 CFR 75.364(b)(1), (4)