

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

UNITED STATES OF AMERICA,
c/o Department of Justice
Antitrust Division
Washington, D. C. 20530,
Plaintiff.

v.

FIRST CITY FINANCIAL CORPORATION
LTD.,
777 Hornsby Street, Suite 1800
Vancouver, British Columbia,
Canada V6Z 1S4;

and

ROXBORO INVESTMENTS (1976) LTD.,
777 Hornsby Street, Suite 1800
Vancouver, British Columbia,
Canada V6Z 1S4,
Defendants.

Civil Action No. 88-0895

Filed: April 1, 1988

COMPLAINT FOR CIVIL PENALTIES FOR VIOLATION OF PREMERGER
REPORTING REQUIREMENTS OF HART-SCOTT-RODINO ACT

The United States of America, plaintiff, by its attorneys,
acting under the direction of the Attorney General of the
United States and at the request of the Federal Trade
Commission, brings this civil action to obtain monetary relief
in the form of a civil penalty against the defendants named
herein, and alleges as follows:

JURISDICTION AND VENUE

1. This Complaint is filed and these proceedings are
instituted under Section 7A of the Clayton Act, 15 U.S.C.
§ 18a, commonly known as the Hart-Scott-Rodino Antitrust

Improvements Act of 1976 ("Hart-Scott-Rodino Act"), to recover a civil penalty for a violation of the Hart-Scott-Rodino Act.

2. This Court has jurisdiction over this action pursuant to 15 U.S.C. § 18a(g), and 28 U.S.C. §§ 1331, 1337, 1345 and 1355.

3. Each of the defendants is a Canadian corporation. Venue is properly based in this District under 28 U.S.C. §§ 1391(d). Venue in this District is also proper by virtue of defendants' consent, in the Stipulation relating hereto, to the maintenance of this action and entry of Final Judgment in this District. Venue is also proper under 28 U.S.C. §1395(a).

THE DEFENDANTS

4. First City Financial Corporation Ltd. ("First City") is made a defendant herein. First City is a British Columbia, Canada corporation with its principal place of business at 777 Hornsby Street, Suite 1800, Vancouver, British Columbia, Canada V6Z 1S4. First City provides diversified financial services, as well as general equipment leasing services. First City is an indirect subsidiary of (and an entity included within) Roxboro Investments (1976) Ltd. ("Roxboro").

5. Roxboro is made a defendant herein. Roxboro is an Alberta, Canada corporation with its principal place of business at 777 Hornsby Street, Suite 1800, Vancouver, British Columbia, Canada V6Z 1S4. At all times pertinent to this proceeding, Roxboro was the ultimate parent entity of First City.

ASHLAND OIL INC.

6. Ashland Oil Inc. ("Ashland") is a Kentucky corporation with its principal office at Ashland Drive, Russell, Kentucky 41169.

VIOLATION ALLEGED

7. The Hart-Scott-Rodino Act, 15 U.S.C. § 18a, prohibits certain acquisitions of voting securities or assets until a notification has been filed with the Department of Justice and the Federal Trade Commission and a waiting period has expired.

8. Ashland and each of the defendants at all times pertinent to this proceeding have been engaged in commerce, or in activities affecting commerce, within the meaning of Section 1 of the Clayton Act, 15 U.S.C. § 12.

9. Ashland and each of the defendants at all times pertinent to this proceeding had assets above the threshold established by Section (a) of the Hart-Scott-Rodino Act, 15 U.S.C. § 18a(a). Ashland had total assets in excess of \$100 million, and each of the defendants had total assets in excess of \$10 million.

10. During the period from February 11, 1986 through February 18, 1986, defendants acquired voting securities of Ashland.

11. On February 19, 1986, defendants acquired approximately 85,000 shares of Ashland common stock. As a result of that transaction, defendants held an aggregate total amount of voting securities of Ashland in excess of \$15 million.

12. Defendants continued to acquire additional voting securities of Ashland in the period from February 19, 1986 through February 28, 1986.

13. On March 3, 1986, Bear, Stearns & Co. ("Bear, Stearns"), acting as the agent of the defendants, began making purchases of shares of Ashland stock on behalf of the defendants.

14. Defendants through their agent Bear, Stearns continued to acquire additional voting securities of Ashland during the period from March 3, 1986 through March 25, 1986.

15. The transaction described in Paragraph 11, by which the defendants acquired an aggregate total amount of voting securities of Ashland in excess of \$15 million, and the transactions described in Paragraphs 12, 13, and 14 were subject to the notification and waiting period requirements of the Hart-Scott-Rodino Act and the regulations promulgated thereunder, 16 C.F.R. § 800 et seq. The Hart-Scott-Rodino Act and regulations required Roxboro, as the ultimate parent entity of First City, or First City, as an entity included within Roxboro and authorized by Roxboro to file on Roxboro's behalf, to file the notification and to observe a waiting period before acquiring an aggregate total amount of voting securities of Ashland in excess of \$15 million.

16. Defendants did not comply with the reporting and waiting period requirements of the Act before making the acquisitions described in Paragraphs 11, 12, 13, and 14 above.

17. On March 28, 1986, Roxboro submitted a notification and report form under the Hart-Scott-Rodino Act, stating an intention to acquire at least 50% of the voting securities of Ashland. The Hart-Scott-Rodino Act waiting period relating to that filing expired on April 27, 1986.

18. On April 2, 1986, defendants sold all their interest in Ashland stock.

19. Defendants were continuously in violation of the Hart-Scott-Rodino Act during the period from February 19, 1986 through April 2, 1986 (43 days).

20. Section (g)(1) of the Hart-Scott-Rodino Act, 15 U.S.C. § 18a(g)(1), provides that any person, or any officer, director, or partner thereof, who fails to comply with the Act shall be liable to the United States for a civil penalty of not more than \$10,000 for each day during which such person is in violation of the Act.

PRAYER

WHEREFORE, plaintiff prays:

1. That the Court adjudge and decree that defendants were in violation of the Hart-Scott-Rodino Act, 15 U.S.C. § 18a each day of the period from February 19, 1986 through April 2, 1986;

2. That defendants be ordered to pay to the United States an appropriate civil penalty as provided by Section (g)(1) of the Hart-Scott-Rodino Act, 15 U.S.C. § 18a(g)(1);


3. That the plaintiff have such other and further relief as the Court may deem just and proper; and

4. That the Court award plaintiff its costs of this suit.

DATED:




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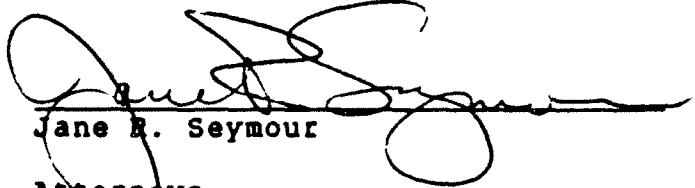
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