

UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION

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| In the Matter of |) | |
| |) | |
| SERVICE CORPORATION INTERNATIONAL |) | |
| a corporation, |) | File No. 1010013 |
| |) | |
| and |) | |
| |) | |
| KEYSTONE NORTH AMERICA INC. |) | |
| a corporation |) | |
| <hr/> |) | |

AGREEMENT CONTAINING CONSENT ORDERS

The Federal Trade Commission (“Commission”), having initiated an investigation of the proposed acquisition by Service Corporation International of Keystone North America Inc., collectively the Proposed Respondents, and it now appearing that Proposed Respondents are willing to enter into this Agreement Containing Consent Orders (“Consent Agreement”) to divest certain assets and providing for other relief;

IT IS HEREBY AGREED by and between Proposed Respondents, their duly authorized officers and attorneys, and counsel for the Commission that:

1. Proposed Respondent Service Corporation International is a corporation organized, existing and doing business under and by virtue of the laws of the State of Texas, with its corporate head office and principal place of business located at 1929 Allen Parkway, Houston, Texas 77019.
2. Respondent Keystone North America Inc. is a corporation organized, existing and doing business under and by virtue of the laws of Canada, with its registered and head office at Suite 2400, 250 Yonge Street, Toronto, Ontario, M5B 2M6. Respondent Keystone North America Inc. does business in the United States through its headquarters, which is located at 400 North Ashley Drive, Suite 1900, Tampa, Florida 33602.
3. Proposed Respondents admit all the jurisdictional facts set forth in the draft Complaint here attached.

4. Proposed Respondents waive:
 - a. Any further procedural steps;
 - b. The requirement that the Commission's Decision and Order and Order to Hold Separate and Maintain Assets, both attached hereto and made a part hereof, contain statements of findings of fact and conclusions of law;
 - c. All rights to seek judicial review or otherwise to challenge or contest the validity of the Decision and Order and Order to Hold Separate and Maintain Assets entered pursuant to this Consent Agreement; and
 - d. Any claim under the Equal Access to Justice Act.
5. Because there may be interim competitive harm, the Commission may issue its Complaint and Order to Hold Separate and Maintain Assets in this matter at any time after it accepts this Consent Agreement for public comment.
6. Not later than thirty (30) days after this Consent Agreement is signed by the Proposed Respondents, each Proposed Respondent shall submit an initial compliance report, pursuant to Section 2.33 of the Commission Rules, 16 C.F.R. § 2.33, and thereafter, shall submit a compliance report every thirty (30) days until the Order to Hold Separate and Maintain Assets becomes final. Each compliance report shall set forth in detail the manner in which the Proposed Respondent submitting such report has complied, is complying and will comply with the Consent Agreement, the Order to Hold Separate and Maintain Assets and the Decision and Order, and shall provide sufficient information and documentation to enable the Commission to determine independently that such Proposed Respondent is in compliance with the Consent Agreement and each of the Orders. Each compliance report shall be either verified by a notarized signature or sworn statement of the Chief Executive Officer or other officer or director of the Proposed Respondent submitting the report who is specifically authorized to perform this function; or self-verified in a manner set forth in 28 U.S.C. § 1746. Section 2.41(a) of the Commission's Rules of Practice requires that an original and two copies of all compliance reports be filed with the Commission. Proposed Respondent shall file an original report and one copy with the Secretary of the Commission, and shall send at least one copy directly to the Bureau of Competition's Compliance Division.
7. This Consent Agreement, and any compliance reports filed pursuant to this Consent Agreement, shall not become part of the public record of the proceeding unless and until the Consent Agreement is accepted by the Commission. This Consent Agreement, if it is accepted by the Commission, will be placed on the public record for a period of thirty (30) days and information in respect thereto publicly released. The Commission thereafter may either withdraw its acceptance of this Consent Agreement and so notify each Proposed Respondent, in which event the Commission will take such action as it

may consider appropriate, or issue and amend its Complaint (in such form as the circumstances may require) and issue its Decision and Order, in disposition of the proceeding.

8. This Consent Agreement is for settlement purposes only and does not constitute an admission by either Proposed Respondent that any law has been violated as alleged in the draft Complaint here attached, or that the facts as alleged in the draft Complaint, other than jurisdictional facts, are true.
9. This Consent Agreement contemplates that, if it is accepted by the Commission, the Commission may (a) issue and serve its Complaint corresponding in form and substance with the draft Complaint here attached; (b) issue and serve its Order to Hold Separate and Maintain Assets; and (c) make information public with respect thereto. If such acceptance is not subsequently withdrawn by the Commission pursuant to the provisions of Commission Rule 2.34, 16 C.F.R. § 2.34, the Commission may, without further notice to Proposed Respondent, issue the attached Decision and Order containing an order to divest and providing for other relief in the disposition of the proceeding.
10. When final, the Decision and Order and Order to Hold Separate and Maintain Assets shall have the same force and effect and may be altered, modified, or set aside in the same manner and within the same time as provided by statute for other orders. The Decision and Order and Order to Hold Separate and Maintain Assets shall become final upon service. Delivery of the Complaint, the Decision and Order and the Order to Hold Separate and Maintain Assets to a Proposed Respondent by any means provided in Commission Rule 4.4(a), 16 C.F.R. § 4.4(a), including without limitation, delivery to an office within the United States of the counsel for a Proposed Respondent identified on this Consent Agreement, shall constitute service. Proposed Respondents waive any rights they may have to any other manner of service. Proposed Respondents also waive any right they may otherwise have to service of any Appendices attached or incorporated by reference into the Decision and Order or Order to Hold Separate and Maintain Assets, if Proposed Respondents are already in possession of copies of such Appendices, and agree that each is bound to comply with and will comply with the Decision and Order and the Order to Hold Separate and Maintain Assets to the same extent as if it had been served with copies of such Appendices.
11. The Complaint may be used in construing the terms of the Decision and Order and the Order to Hold Separate and Maintain Assets, and no agreement, understanding, representation, or interpretation not contained in the Decision and Order, the Order to Hold Separate and Maintain Assets, or the Consent Agreement may be used to vary or contradict the terms of the Decision and Order or the Order to Hold Separate and Maintain Assets.
12. By signing this Consent Agreement, Proposed Respondents represent and warrant that they can fulfill all the terms of the Order to Hold Separate and Maintain Assets and

accomplish the full relief contemplated by the attached Decision and Order (including effectuating all required divestitures, assignments, and transfers) and that all parents, subsidiaries, affiliates, and successors necessary to effectuate the full relief contemplated by this Consent Agreement are parties to this Consent Agreement or within the control of parties to this Consent Agreement.

13. Proposed Respondents agree that they shall interpret each Divestiture Agreement, as that term is used in the Decision and Order, in a manner that is fully consistent with all of the relevant provisions and remedial purposes of the Decision and Order.
14. Proposed Respondents have read the draft of the Complaint, the Decision and Order, and the Order to Hold Separate and Maintain Assets. Proposed Respondents understand that once the Decision and Order and Order to Maintain Assets have been issued, each Proposed Respondent will be required to file one or more compliance reports showing that such Respondent has fully complied with the Decision and Order and the Order to Hold Separate and Maintain Assets.
15. Proposed Respondents agree to comply with the terms of the proposed Decision and Order and Order to Hold Separate and Maintain Assets from the date Respondents sign this Consent Agreement. Proposed Respondents further understand that each may be liable for civil penalties in the amount provided by law for each violation of the Decision and Order and of the Order to Hold Separate and Maintain Assets after such Orders become final.

**SERVICE CORPORATION
INTERNATIONAL**

By: _____
Gregory T. Sangalis
Senior Vice President, General
Counsel, and Secretary
Service Corporation International
Date: _____

James R. Weiss
K&L Gates LLP.
Counsel for Service Corporation
International

KEYSTONE NORTH AMERICA INC.

By: _____
Steven A. Tidwell
President and CEO
Keystone North America Inc.
Date: _____

Alan D. Rutenberg
Foley & Lardner LLP
Counsel for Keystone North America
Inc.

FEDERAL TRADE COMMISSION

By: _____
Andrea Ryan
Attorney
Bureau of Competition

APPROVED:

By: _____
Matthew J. Reilly
Assistant Director
Bureau of Competition

Richard A. Feinstein
Director
Bureau of Competition
Date: _____

Norman A. Armstrong, Jr.
Deputy Director
Bureau of Competition
Date: _____