

**UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION**

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| In the Matter of |) | |
| |) | |
| Northrop Grumman Corporation, |) | |
| a corporation; |) | |
| |) | |
| and |) | File No. 181-0005 |
| |) | |
| Orbital ATK, Inc., |) | |
| a corporation. |) | |
| |) | |
| |) | |

AGREEMENT CONTAINING CONSENT ORDER

The Federal Trade Commission (“Commission”) has initiated an investigation of the proposed acquisition by Northrop Grumman Corporation, (“Northrop”) of the voting securities of Orbital ATK, Inc., (“Orbital”), collectively “Proposed Respondents.” The Commission’s Bureau of Competition has prepared a draft administrative complaint (“Draft Complaint”). The Bureau of Competition and Proposed Respondents enter into this Agreement Containing Consent Order (“Consent Agreement”) providing for certain relief to resolve the allegations in the Draft Complaint through a proposed Decision and Order (“Decision and Order”), both of which are attached, to present to the Commission.

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

1. Proposed Respondent Northrop Grumman Corporation, is a corporation organized, existing, and doing business under, and by virtue of, the laws of the State of Delaware with its executive offices and principal place of business located at 2980 Fairview Park Drive, Falls Church, Virginia 22042.
2. Proposed Respondent Orbital ATK, Inc. is a corporation organized, existing, and doing business under, and by virtue of, the laws of the State of Delaware with its executive offices and principal place of business located at 45101 Warp Drive, Dulles, Virginia 20166.
3. Proposed Respondents admit all the jurisdictional facts set forth in the Draft Complaint.

4. Proposed Respondents waive:
 - a. any further procedural steps;
 - b. the requirement that the Decision and Order contain a statement 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 entered pursuant to this Consent Agreement; and
 - d. any claim under the Equal Access to Justice Act.
5. This Consent Agreement is for settlement purposes only and does not constitute an admission by Proposed Respondents that the law has been violated as alleged in the Draft Complaint, or that the facts as alleged in the Draft Complaint, other than jurisdictional facts, are true.
6. Proposed Respondents shall submit an initial compliance report, pursuant to Commission Rule 2.33, 16 C.F.R. § 2.33, no later than 15 days after the date on which Proposed Respondents execute this Consent Agreement. After the Decision and Order becomes final, the reporting obligations contained in the Decision and Order shall control and the reporting obligations under this Consent Agreement shall cease. Each compliance report shall set forth in detail the manner in which Proposed Respondents have complied, have prepared to comply, are complying, and will comply with the Consent Agreement and the Decision and Order, including a detailed preliminary plan for complying with Paragraph III. of the Decision and Order. Proposed Respondents shall provide sufficient information and documentation to enable the Commission to determine independently whether Proposed Respondents are in compliance with the Consent Agreement and the Decision and Order.
7. Each compliance report submitted pursuant to Paragraph 6 above shall be verified in the manner set forth in 28 U.S.C. § 1746 by the Chief Executive Officer or other officer or employee of the relevant Proposed Respondent specifically authorized to perform this function. Commission Rule 2.41(a), 16 C.F.R. § 2.41(a), requires that the Commission receive an original and 2 copies of each compliance report. Proposed Respondents shall file a paper original of each compliance report with the Secretary of the Commission and electronic copies of each compliance report with the Secretary at ElectronicFilings@ftc.gov, and with the Compliance Division at bccompliance@ftc.gov. In addition, Proposed Respondents shall provide a copy of each compliance report to the Department of Defense as provided in the Decision and Order.
8. 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 Commission accepts the Consent Agreement. If the

Commission accepts this Consent Agreement, the Commission will place it, together with the Draft Complaint, the proposed Decision and Order, an explanation of the provisions of the proposed Decision and Order, and any other information that may help interested persons understand the order on the public record for the receipt of comments for 30 days.

9. This Consent Agreement contemplates that, if it is accepted by the Commission, the Commission may (a) immediately issue and serve its Complaint corresponding in form and substance with the draft of Complaint here attached, (b) immediately issue and serve the attached Decision and Order, and (c) make information public with respect thereto. If the Commission has not immediately issued and served its Complaint and Decision and Order, and 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 Respondents, thereupon issue its Complaint and its Decision and Order.
10. The Decision and Order shall become final upon service. Delivery of the Complaint and the Decision and Order to Proposed Respondents by any means provided in Commission Rule 4.4(a), 16 C.F.R. § 4.4(a), or by delivery to United States counsel for Proposed Respondents identified in this Consent Agreement, shall constitute service to Proposed Respondents. Proposed Respondents waive any rights they may have to any other manner of service. Proposed Respondents also waive any rights they may otherwise have to service of any Appendices attached or incorporated by reference into the Decision and Order, if Proposed Respondents are already in possession of such Appendices, and agree that they are bound to comply with and will comply with the Decision and Order to the same extent as if they had been served with copies of the Appendices.
11. The Complaint may be used in construing the terms of the Decision and Order and no agreement, understanding, representation, or interpretation not contained in the Decision and Order or the Consent Agreement may be used to vary or contradict the terms of the Decision and Order.
12. By signing this Consent Agreement, Proposed Respondents represent and warrant that:
 - a. they can fulfill all the terms of and accomplish the full relief contemplated by the Decision and Order; and
 - b. all parents, subsidiaries, affiliates, and successors necessary to effectuate the full relief contemplated by this Consent Agreement and the Decision and Order are parties to this Consent Agreement and are bound as if they had signed this Consent Agreement and were made parties to this proceeding, or are within the control of parties to this Consent Agreement and the Decision and Order, or will be after the acquisition.

13. Proposed Respondents have read the Draft Complaint and the proposed Decision and Order. Each of Proposed Respondents agrees to comply with its respective obligations under the proposed Decision and Order to the extent within each such party's control from the date they sign this Consent Agreement. Proposed Respondents understand that once the Commission has issued the Decision and Order, they will be required to file one or more compliance reports setting forth in detail the manner in which they have complied, have prepared to comply, are complying, and will comply with the Decision and Order. When final, the Decision and Order 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. Proposed Respondents further understand that they may be liable for civil penalties in the amount provided by law for each violation of the Decision and Order.

Northrop Grumman Corporation

By: Wesley G. Bush
Chairman and Chief Executive Officer
Northrop Grumman Corporation

Dated: _____

Deborah A. Garza
Covington & Burling LLP
Counsel for Northrop Grumman Corporation

Dated: _____

Orbital ATK, Inc.

By: David W. Thompson
President and Chief Executive Officer
Orbital ATK, Inc.

Dated: _____

Joseph G. Krauss
Hogan Lovells US LLP
Counsel for Orbital ATK, Inc.

Dated: _____

FEDERAL TRADE COMMISSION

By: James E. Southworth
Attorney
Bureau of Competition

James Weiss
Deputy Assistant Director
Bureau of Competition

Michael R. Moiseyev
Assistant Director
Bureau of Competition

Ian R. Conner
Deputy Director
Bureau of Competition

Dated: _____