

ANTI TRUST GUIDELINES

The Antitrust laws prohibit agreements or understandings between two or more individuals or businesses to regulate prices or quantities of goods or services, to allocate customers or territories, to hinder or limit a competitor or potential competitor's operations, or otherwise unreasonably to restrain business activity. Discriminatory pricing or servicing is also prohibited.

Ignoring these laws can be costly and dangerous. Violation of the Sherman Act is a felony; convicted individuals can be and have been imprisoned for up to three years; corporations are subject to heavy fines. Violators may also have substantial judgements for money damages entered against them. Every individual should, therefore, follow these rules:

- ❖ DO NOT discuss your prices or your competitors prices with a competitor (except when buying from or selling to that competitor) or anything which might affect prices such as costs, discounts, terms of sale or profit margins.
- ❖ DO NOT agree with competitors to uniform terms of sale, warranties or contract provisions.
- ❖ **DO NOT** agree with competitors to divide customers or territories.
- ❖ **DO NOT** act jointly with one or more competitors to put another competitor at a disadvantage.
- ❖ **DO NOT** try to prevent your supplier from selling to your competitor.
- ❖ DO NOT discuss your future pricing, marketing or policy plans with competitors.
- DO NOT discuss your customers with your competitors.

WITH RESPECT TO ASSOCIATION ACTIVITIES

- ❖ DO NOT make any statements regarding prices or matters affecting prices at Association meetings.
- ❖ DO NOT make statements about your future plans regarding pricing, expansion or other policies with competitive overtones. Do not participate in discussion where other members do.
- DO NOT propose or agree to any standardization which will injure your competitor.
- DO leave any meeting where any of the foregoing topics are being discussed and state why you are leaving.
- ❖ DO NOT assume you are protected by informal advice from a government official.
- ❖ DO consult with the Association's legal counsel before speaking for the Association.
- ❖ DO alert Association staff and legal counsel to anything inaccurate or improper. This includes a position the Association has taken or intends to take or a meeting or activity of which you have learned.
- ❖ DO consult your own legal counsel or the Association's legal counsel before raising any matter which you feel might be sensitive.
- ❖ DO send copies to an Association staff member of any communications or documents sent, received or developed by you when acting for the Association.
- DO NOT do anything before or after Association meetings, or at social events which would be improper a formal Association meeting.
- ❖ DO alert every employee in your Company who deals with the Association of these guidelines.
- ❖ **DO** be conservative. If you feel an activity might be improper, do not do it.