

8. Antitrust Compliance Policy and Member Guidelines

Through the adoption and issuance of the GACHA Antitrust Compliance Policy and Member Guidelines, GACHA affirms its commitment to abide by antitrust laws applicable to it. The antitrust laws prohibit agreements among trade associations or competitors that restrain trade or result in unfair trade practices. In interpreting the antitrust laws, courts sometimes consider businesses that do not operate in the same geographic areas or do not sell identical product lines to be actual or potential competitors. Consequently, GACHA members should treat all other GACHA or NACHA members as competitors for purposes of complying with this policy. The penalties for violations of the antitrust laws are severe for associations and their members.

In all GACHA activities, each member, as well as GACHA staff, shall be responsible for following GACHA's policy of strict compliance with the antitrust laws. GACHA officers, directors, committee chairs, and executive staff shall ensure that this policy is known and adhered to in the course of activities pursued under their leadership. In addition, GACHA's President is the senior management officer with oversight for GACHA's compliance activities.

General Antitrust Compliance Principles

GACHA will not become involved in the competitive business decisions of its individual members, nor will it take any action that would tend to restrain competition. GACHA is firmly committed to the principle of competition served by antitrust laws, and good business judgment demands that every effort be made to assure compliance with all applicable federal and state antitrust laws and trade regulations.

GACHA does not intend to provide and does not provide a forum for the discussion of any matter that could violate the anti-trust laws. GACHA members may not come to any understandings, make agreements, or otherwise concur on positions or activities that in any way tend to raise, lower, or stabilize prices, allocate or divide up markets, or encourage or facilitate boycotts at a GACHA-sponsored event or otherwise in connection with GACHA. Individual GACHA members must make business decisions on their own and without consultation with their competitors or with GACHA.

The antitrust laws are complicated and often unclear. If any member is concerned about being in a "gray area," the member should consult with their legal representative and should notify GACHA of the issue in writing. If the conversation among competitors at a GACHA meeting turns to anti-trust-sensitive issues, participants should discontinue the conversation until legal advice is sought and GACHA gives its permission for the conversation to continue. If no permission is forthcoming, the conversation shall not proceed. Members should understand that the nature of conspiracy law might render those who merely sit at a meeting while others engage in an illegal discussion liable even though they did not actively participate in the discussion. Mere attendance at these discussions may be enough to imply acquiescence in the scheme and make the passive person as liable as those who actively engaged in the discussion. Consequently, any

member participating in, hearing or otherwise witnessing such a conversation should report it in detail to the President of GACHA at 678-384-9791 and send a report by electronic mail to PGachesa@GACHA.org. Anonymous reports may also be mailed to the GACHA offices to the attention of the Hotline Concerns Representative, 3250 Riverwood Parkway Suite 150, Atlanta, Georgia 30339.

The U.S. Supreme Court has found that an association can be held liable for the statements or actions in antitrust-sensitive areas by volunteer leaders who claim to speak for the association, even if they are not authorized to speak in that area. Therefore, those in positions of responsibility for GACHA must be especially cautious. GACHA does not condone any speech, action or writing by any personnel, employee, agent, representative, director or leader that could violate the antitrust laws and hereby disclaims all such matters.

Any violation of this policy must be brought to the attention of the Board of Directors by the GACHA representative that received a report of unlawful conduct or potentially unlawful conduct or the person or entity that witnessed such violation. The Board of Directors will consult with legal counsel when questions arise as to the manner in which antitrust laws may apply to GACHA activities.

Specific Rules of Antitrust Compliance

- Agreements on prices or fees are clearly illegal and will not be condoned by GACHA. Members shall not agree on current or future prices or fees, price or fee changes, discounting, regulation of production, and other terms and conditions of sale or of providing professional services at any GACHA event or otherwise in connection with GACHA. Members should be extremely careful about any discussion of prices or fees. Even price or fee discussions by competitors, if followed by parallel action among competitors on pricing or fees can lead to antitrust investigations or challenges. Consequently, the following topics should be strictly avoided:
 - Current or future prices;
 - Any increase or decrease in price;
 - Pricing procedures;
 - Standardizing or stabilizing prices;
 - Controlling sales or allocating markets for any product;
 - Future design or marketing strategies.
- Members shall not allocate or monopolize territories or customers. Any agreement or discussion by competitors to “honor,” “protect” or “avoid invading” one another’s market areas or product lines could violate the law and would not be condoned or sanctioned by GACHA. Such discussions and agreements shall not take place at GACHA sponsored events or otherwise in connection with GACHA.
- There shall be no agreements or discussions about conducting or transacting, or refusals to conduct or transact, business with certain individual competitors, customers, suppliers, or institutions.

- GACHA shall not undertake or condone any activity that involves exchange, collection or dissemination among competitors of any information regarding prices, pricing methods, or cost of services without first obtaining the advice of legal counsel to ensure that only proper and lawful methods of such information exchange are undertaken, if permissible.
- Trade associations, by nature, call for companies to work together on various issues. In working together with GACHA or at any GACHA-sponsored event, no activities with tend to restrict competition or restrain trade are allowed. Neither GACHA or its facilities or systems may be used by any member for any improper or unlawful purpose.
- Those participating in GACHA activities at all levels need to proceed with caution to ensure against inadvertent violations of federal and state antitrust laws.
- Remember that any member or individual can be prosecuted for violations of the antitrust laws.

Conclusion

This policy statement is designed as a general statement of antitrust principles. Of course no policy statement can anticipate each issue that will arise in the course of a trade association's activities. When and if concerns arise, prompt consultation with counsel is always appropriate.

Guidelines for Discussions Between Competitors at GACHA Meetings

It is extremely important that association members, meeting attendees, and speakers understand that the provisions of the antitrust laws regulate their conduct at GACHA meetings. A thoughtless violation of the antitrust laws by a few members could result in expensive protracted litigation that could destroy the association and/or result in the prosecution of individual members. The most powerful Federal statute, the Sherman Act, provides substantial penalties for violation of the antitrust laws. Individuals can be fined as much as \$350,000 and imprisoned up to three years for violations. Corporations can be fined as much as \$10 million. In addition, defendants found guilty of violating the Sherman Act may be subject to treble civil damages.

What You Can't Do

1. Do not enter into any agreements with members or competitors regarding or affecting prices.
2. Do not discuss your company's current price with members or competitors.
3. Do not discuss with members or competitors on pricing or profit levels.
4. Do not agree with members or competitors to give or deny cash discounts or promotional allowances.
5. Do not agree with members or competitors to give or deny credit to a specific customer, or to establish uniform credit terms.
6. Do not agree with members or competitors to deal or not to deal with any customer or agree on the prices to be charged to a specific customer.
7. Do not discuss allocation of markets.
8. Do not enter into agreements with members or competitors' price quotations or bids.