

AWO ANTITRUST POLICY

INTRODUCTION

It is the policy of AWO to comply with all applicable federal and state antitrust laws. The fundamental objective of the antitrust laws is to protect and promote free and fair competition. AWO understands and supports the public policies embodied in these laws. Through the adoption and issuance of the AWO Antitrust Policy, AWO affirms its commitment to abide by the spirit and the letter of all antitrust laws, and all members of AWO are required to do so as well in connection with their participation in AWO activities.

ANTITRUST RESTRICTIONS

U.S. antitrust laws prohibit agreements or understandings between two or more individuals or entities to unreasonably restrain business activity, such as by regulating prices or quantities of goods or services, allocating customers or territories, or hindering or limiting a competitor or potential competitor's operations. The criminal penalties for violating the antitrust laws are severe: corporations and other organizations may be fined up to \$10,000,000 per offense, and individuals face fines of up to \$350,000 and/or up to three years in jail. In addition, private parties injured by antitrust violations may sue for treble damages.

While there are numerous kinds of behaviors which can violate the antitrust laws, the general concept is two or more competitors at least tacitly agreeing to act together in an anti-competitive manner. Particularly condemned by the antitrust laws are the following:

Price-Fixing - Any agreement among competitors to raise, lower or stabilize prices, charges, or fees is unlawful, even if the agreed-upon amount is reasonable, and even if the agreement is never put into effect. Details like credit terms, discounts, and warranties are elements of price. Even an invitation to enter into such an agreement is a violation.

Allocating Customer or Dividing Territory - Customer, territorial, or market allocation involves an agreement among competitors to divide the market in such a way as to allow each party to serve its share of the market without competition from the others. Bid rigging is a form of this prohibited behavior.

Group Boycotts - A collective refusal to deal with some third party, sometimes called a "group boycott," raises serious antitrust concerns. It is dangerous for one company to agree with another company that neither one will do business with a particular supplier or customer, or that they will do business only with certain suppliers or customers or only on certain terms and conditions. Invitations to engage in boycotts are equally illegal.

AWO MEETINGS

To avoid even the appearance of questionable activity, as well as to guard against inadvertent misconduct, AWO meetings should observe the following guidelines and procedures to the extent practical:

- A written agenda should be prepared and followed.
- Accurate minutes of every meeting will be prepared, sent to the participants, and approved at the next succeeding meeting.
- In case of doubt about the propriety or a topic of discussion, AWO staff or counsel should be consulted.
- If a member has a reservation concerning remarks or discussion at an AWO meeting, that reservation should be stated.

ADVOCACY

Certain kinds of advocacy efforts are an important exception to the antitrust laws. Under the *Noerr-Pennington* doctrine, joint action by trade associations or groups of competitors to influence government policy generally does not violate the antitrust laws; these activities are protected under the First Amendment to the U.S. Constitution. This doctrine covers legislative activity, litigation in the courts, and proceedings before administrative bodies.

DISTRIBUTION OF THIS POLICY

All officers, directors, committee chairs and vice chairs, and employees of AWO will receive a copy of this Policy. This Policy will also be included in AWO meeting materials, and will be available to all members on the AWO website.