

WELCOME!

We are so glad you could join us for the *Urner Barry Executive Conference!*

We would like to take this opportunity as you sign in to remind you of Urner Barry's commitment to ensuring that individuals attending this event understand and comply with applicable federal antitrust statutes and regulations.

Antitrust Warnings

Section 1 of the Sherman Act, a key U.S. antitrust law, prohibits any agreement between two or more companies that results in an unreasonable restraint of trade. There is no safe harbor under the antitrust laws for conferences or trade association activities. Dealings among competitors that violate the federal antitrust laws still violate the law if done through such meetings. Violating the Sherman Act is a felony that can result in imprisonment for up to 10 years, in addition to civil penalties and reputational damage.

Attendance at the Urner Barry sessions does not constitute an antitrust violation since competitors may legitimately meet and discuss matters concerning their industry. However, the very fact that conferences such as this bring together industry competitors and other market participants makes attendees vulnerable to antitrust scrutiny and can expose them to antitrust claims. Accordingly, the following warnings, which apply to all contacts with a company's competitors, should be heeded by all company employees when attending this conference in order to avoid running afoul of the antitrust laws:

You should **avoid** discussing the company's non-public, competitively-sensitive information with competitors, including:

- Strategic plans.
- Current or future pricing and discounts.
- Bid amounts and terms, including decisions whether to bid or not bid.
- Customers and key contract or sale terms.
- Salaries and wages, or limitations on hiring a competitor's employees.
- Planned geographic growth.
- Limits on sales levels or sales of certain products to certain regions.
- Output or capacity levels.
- Business expansion or contraction plans.

In addition, **do not**:

- Agree to, or discuss, refusing to do business with any competitor, customer, or company in the supply chain.
- Agree to, or discuss, any limitations on your company's activities or independent decision-making, such as changing the way you adjust pricing or make output decisions.
- Exchange non-public, competitively sensitive information with competitors.

Any type of joint effort with attendees should be first vetted by counsel, including data exchanges, joint ventures, or lobbying efforts. We also want to avoid creating the appearance of illegal

collusion, or that inappropriate communications or information exchanges are taking place. Any meeting with a competitor could later be interpreted as evidence of an illegal information exchange or of cartel activity. As much as possible, avoid side-meetings and conversations with your competitors during this conference.

Stopping the Conversation

Cartel agreements are agreements between competitors to fix prices, alter output, allocate markets or customers, or rig bids. This type of behavior is *per se* illegal, meaning there can be *no justifications and is automatically illegal*. If these topics come up during the meeting:

- Interrupt the meeting and suggest pausing the conversation until it can be vetted by the legal counsel of ROCK, FUSCO & CONNELLY, LLC.
- If, after vocally objecting, the conversation continues, state that you are leaving the meeting and ask that the minutes reflect your concern and departure.
- Promptly leave and immediately contact ROCK, FUSCO & CONNELLY, LLC.

It is possible that, if discussion steers towards a sensitive topic, it will be less obvious or overt than the *per se* violations discussed above. For this or other reasons, it may not be feasible to immediately interrupt or leave the discussion. If that happens:

- Avoid participating in the discussion.
- If you feel uncomfortable, suggest that the discussion be delayed until vetted by counsel.
- If the discussion continues, leave as soon as possible.
- Immediately contact the legal counsel of ROCK, FUSCO & CONNELLY, LLC.

If an inappropriate discussion arises during a side conversation in which you are involved, insist that it end immediately. If it continues, announce your intent to leave because you feel it violates the law. Leave, and immediately contact ROCK, FUSCO & CONNELLY, LLC.

Permissible Conduct and Information Exchanges

Lawmakers and regulators recognize that conferences and trade associations and standard-setting organizations often facilitate competitively benign or procompetitive activities, such as:

- Collecting publicly available information about the industry, organizing it, and disseminating it to industry participants.
- Setting industry standards that increase product interoperability, compatibility, or safety.
- Creating a public website that informs customers about a complicated industry.
- Lobbying efforts.
- Coordinating collection and exchange of historical, aggregated industry data.
- Sharing non-strategic technical or scientific data that results in consumer benefits.

To that end, not all information exchanges with competitors are prohibited. There are safe harbors to guide information exchanges with procompetitive or benign purposes. Generally, information is not considered competitively sensitive if it is:

- Three or more months old.
- Collected and aggregated by a third party.
- Data aggregated from five or more firms, where no firm counts for more than 25% of the aggregated value, and it is impossible to identify any individual firm.
- Highly technical and non-strategic.

Procompetitive or benign information exchanges that reduce fraud or confer consumer benefits are particularly encouraged. Nonetheless, all information exchanges with meeting attendees or trade association members should be cleared in advance with ROCK, FUSCO & CONNELLY, LLC.

If you receive any documents containing non-public, competitor or industry information at a trade association meeting (for example, if a customer gives you a document that includes information about a competitor), make a notation on the document listing the source, date, and context in which you received it, so that it is clear to a reader that the document is not evidence of an anticompetitive information exchange. Contact ROCK, FUSCO & CONNELLY, LLC if you think the document could be viewed as evidence of prohibited activity.

After the Meeting

If, after the meeting you become concerned about a topic that was discussed, immediately contact ROCK, FUSCO & CONNELLY, LLC. Do not discuss the topic further with other participants.

ROCK, FUSCO & CONNELLY, LLC
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These guidelines are not intended to be legal advice or to be a comprehensive summary of all antitrust problem areas. These guidelines are intended only as a reminder to attendees of broad antitrust concerns so that antitrust compliance policies may be achieved. You should consult with your own legal counsel about specific questions or concerns that you may have regarding your interactions with competitors or other attendees at the conference.