

OpMan 25 - Anti-Trust Compliance Policy

Effective: March 19, 2017
Reviewed and Approved: May 2, 2022

I. RESPONSIBLE PARTY: The Executive Committee (EXCOM) is responsible for ensuring compliance with this policy.

II. OVERVIEW: Federal antitrust laws (or competition laws) are designed to promote fair and open competition for the benefit of consumers. This policy sets forth guidelines that all AOC officers, directors, employees, chapters, committees, entities, and/or task force members will follow to ensure that the Association does not violate them.

In construing existing antitrust laws, the courts have recognized the legitimacy of the primary function of trade associations to represent the common interests of their members. In representing our members, we will ensure that all are represented equally, in the spirit of the law. Neither the AOC nor any director, committee, chapter, entity, or activity of the Association shall be used to bring about or attempt to bring about any understanding, agreement, or arrangement, written or oral, formal or informal, expressed or implied, among competitors with regard to prices, fees or rates, terms or conditions, sales, production rates (and methods of computing same), production restrictions or volume, territories, meetings, events, or access to or relationships with customers. Discussions of such matters by and among AOC directors, officers, or staff are specifically prohibited.

- A. No AOC activity or communication shall include any discussion which might be construed in any way as an attempt to prevent any person or business entity from gaining access to any market, business opportunity, activity or event or meeting, or to any customer or to prevent any business entity from obtaining goods or services freely in the marketplace, which may or may not be deemed competitively beneficial.
- B. No person or company shall be unreasonably excluded from participation in an AOC committee, chapter, task force, event, or entity where such exclusion may impair said entity's ability to compete effectively, nor shall any AOC activity or communication include any discussion which might be construed as an agreement, arrangement, or understanding to refrain from dealing with any supplier of materials, equipment, services, or other supplies.

No officer, director, or employee of AOC, or committee or task force member, has the authority to deliberately take any action which might violate this policy statement. Moreover, no officer, director, employee, committee, or task force member has the authority to direct, approve, or condone any such action. To the contrary, all AOC personnel and representatives have the affirmative responsibility to ensure that those working under or with them comply with the law and this policy.

- C. AOC will not be a party to agreements, expressed or implied, which would restrict the members' freedom in any way to make independent decisions that affect competition or may result in anti-competitive effects. Activities such as allocation of customers, territories, price-fixing, and bid-rigging are specifically prohibited.
- D. Antitrust laws prohibit AOC from organizing or assisting a boycott of companies for any reason. Officers, directors, employees, or committees, and task force members shall avoid putting together any lists of companies to restrict access to AOC events, meetings, activities, products, or services and also avoid developing any lists of companies that may be engaged in disfavored business practices, since identifying them in this fashion may be perceived as a "blacklist" of those excluded.

- E. To ensure full compliance with this policy statement, no official AOC business meeting shall occur among AOC members or officers without the presence of the Executive Director, or one or more AOC staff members. Staff members' presence is designed to ensure an "objective third party" is present to ensure AOC's interests are protected, and to monitor legal, ethical, and antitrust issues at all AOC official business meetings. "Official business meetings" are defined as convened Board of Directors, Executive Committee, standing or *ad hoc* committee meetings, or other sessions expected to culminate in a commitment of resources, personnel, or contracts. AOC staff presence is not warranted and is impractical at chapter meetings.

All communications made on behalf of AOC including, without limitation, communications made to federal and state elected officials and policymakers, the media, and others—shall be made only by AOC's duly authorized spokespersons. The Board or the Executive Committee shall authorize staff members, directors, and/or officers to serve as spokespersons for AOC and shall set parameters on the types of matters for which such individuals may be spokespersons.

- F. AOC members, upon receiving the knowledge of violations of this antitrust policy and/or of any government investigation of AOC activities should:

1. Notify the Executive Director who shall notify the EXCOM

The EXCOM will verify all allegations and determine the proper action. The general policy of AOC with regard to investigations is full cooperation.

Many of the antitrust laws apply only to "concerted" action(s) or "agreements." However, an agreement can be found illegal even without a "handshake" or expressed words or writings indicating agreement. Tacit understanding of responding to pressure, exerting pressure, or doing "what is expected," can be sufficient. Antitrust laws can be violated merely by an informal verbal or implied understanding, or by mere parallel conduct; no written contract or expressed agreement is required.

III. SUMMARY: While it is impossible to cover every contingency that might arise, it is essential that AOC members, the Board, and the officers and staff have a basic understanding of the U.S. Federal antitrust laws and the related fines and penalties, through a posting on AOC's website, periodic briefings, and review/distribution of this document.