

UTRC's employees belong to and participate in a wide variety of trade associations, industry groups and contractual joint ventures. Such memberships and participation can be invaluable in many respects. However, where members in such trade associations, industry groups and contractual joint ventures (the latter are frequently multiparty “other transactions” or “cooperative agreements” and the like which are funded at least in part by an agency of the U.S. Government) are competitors of one another, and use their meetings or social contacts to go beyond the legitimate function of the group and deal with prices, prospective pricing information, costs, research and development plans, and pending bids they violate federal and state antitrust and anti-competition laws.

The U.S. Department of Justice and Federal Trade Commission, as well as the European Union, have increased their scrutiny of the activities of trade and industry associations and their members for antitrust violations. There has been a corresponding and dramatic rise in criminal fines and other sanctions for violations of such laws. Depending upon the character of the conduct, violations can result in fines for both the corporation and individual employee and imprisonment for the employee.

To protect against even the inadvertent risk of a violation, do not discuss or communicate the following with other members of trade associations, industry groups, and contractual joint ventures or competitors:

- Prices, pricing or methods of calculating price
- Costs
- Terms and conditions of sale
- Decisions to quote or not to quote
- Sales territories
- Discounts
- Timing or announcement of price changes
- Product or service offerings
- Production capacity
- Production volume
- Sales volume
- Other competitors

Following these simple rules will help ensure that both you and the Company are in full compliance with the law. If you have questions about your involvement as a UTRC employee in trade associations, industry groups or contractual joint ventures, you may contact UTRC Assistant Counsel at X 7947.