

UTC'S TRADE ASSOCIATION GUIDANCE

Some employees participate from time to time in various trade associations and professional organizations. Trade associations may perform legitimate functions like monitoring government regulations, proposed legislation or health and safety codes affecting the industry or improving product safety. However, these organizations, if used improperly, can provide an opportunity for competitors to discuss matters that might be considered competitively sensitive. Therefore, it is important that any communications with actual or potential competitors at trade association meetings or other joint industry activities contain only that information needed for the legitimate functioning of the group. Avoid discussions that in retrospect could result in allegations that an unlawful agreement took place. Mere presence at any meeting in which competitively sensitive subjects are discussed can be used as evidence that you and UTC are parties to a restrictive arrangement, even if you did not participate in those discussions.

First, it is the policy of UTC that any trade association to which UTC or an employee belongs shall have legal counsel advising the association on antitrust law issues. Any deviation from this policy requires clearance from the Legal Department.

Second, the following procedures must be observed with respect to all meetings among trade association members concerning subjects of common industry interest:

- An agenda should be circulated in advance of each meeting and, if feasible, reviewed by the Legal Department to determine whether it includes competitively sensitive subjects. Do not attend the meeting if inappropriate topics are included on the agenda. If it is not practical to circulate an agenda in advance of a meeting, you should aim to forward the agenda to the Legal Department after the meeting to allow the Legal Department to keep a record of the association's activities. The trade association should also maintain meeting minutes and the company representative should forward these minutes to the Legal Department, where feasible, upon receipt.
- In the event any competitively sensitive issue is raised at a meeting, the company representative shall immediately and publicly distance himself or herself and the company from that discussion, ask that this be noted in the minutes of the meeting, leave the meeting immediately thereafter and promptly inform the Legal Department.
- Most importantly, no company representative shall enter into any agreement or understanding, formal or informal, concerning prices, margins, terms and conditions of sale, production volumes, research and development projects, customers or markets. In addition, no information may be exchanged relating to an individual company's prices or costs, marketing, production, or research plans or any recent sales or shipment statistics. It may be permissible to provide certain historical data to the trade association in order to assemble general industry statistics, provided that any such data that is disclosed to competitors is aggregated and anonymous. Before any data is shared with a trade association, you should obtain Legal Department review and approval of the data sharing.
- Any membership in a trade association must be approved in advance by the relevant business unit and Legal Department and must comply with these guidelines and any trade association guidelines issued by the business unit.

Competitor contact is the most serious and sensitive antitrust concern, and great care must be taken whenever the occasion for such contact exists. Any question regarding appropriate communications with competitors or participation in a trade association should be referred to the Legal Department.