ANTITRUST STATEMENT

The Retail Industry Leaders Association (RILA), believes strongly in competition. Our antitrust laws are the rules under which our competitive system operates. It is RILA's policy to comply with both the letter and the spirit of antitrust laws. This Antitrust Statement has been adopted to avoid even the appearance of impropriety under the antitrust laws.

There are many activities conducted by trade associations, including RILA, that have procompetitive effects, enhance consumer welfare, and are perfectly acceptable under the antitrust laws. However, joint activities by competitors - including association meetings or workshops - can have anticompetitive effects and therefore may raise antitrust concerns. Accordingly, it is necessary to avoid discussions of sensitive topics.

Some agreements among competitors are automatically illegal under the antitrust laws, including agreements among competitors to (a) fix prices, terms or conditions related to pricing, or levels of output, (b) allocate markets or customers, (c) rig bids or limit competition in bidding, or (d) engage in product boycotts or refusals to deal with third parties. The fact of an agreement in any of these areas may be sufficient to subject the participants to severe penalties under the antitrust laws, including both criminal and civil penalties. Moreover, an antitrust violation does not require direct proof of a formal agreement; rather, the existence of an agreement can be inferred based on indirect proof. In this regard, discussions among competitors about competitively sensitive subjects can easily be misconstrued as being in furtherance of an illegal agreement.

Violations of the antitrust laws can have serious consequences for a company and its employees. The Sherman Act is a criminal statute. Violations are felonies punishable by steep fines and imprisonment for individuals. Damages in civil antitrust cases are automatically trebled. Moreover, antitrust investigations and litigations are lengthy, complex, and disruptive.

Accordingly, at any association meeting, participants must avoid any discussion of the following subjects in order to avoid even an appearance of impropriety:

- **Do not** discuss current or future prices, price quotations or bids, pricing policies, discounts, rebates, or credit terms.
- **Do not** discuss cost information such as production costs, operating costs, or wage and labor rates.
- **Do not** discuss profits or profit margins, including what is a "fair" profit margin.
- **Do not** discuss allocating markets, territories, or customers.
- **Do not** discuss current or future production or purchasing plans, including plans to take facility downtime, production quotas, or limits on output.
- **Do not** discuss refusing to deal with any suppliers, customers, or competitors (or any class or type of suppliers or customers).
- **Do not** require or pressure any supplier, customer, or competitor to adopt any particular actions or policies.
- **Never** agree on any aspect of future pricing or output.

Do not engage in prohibited discussions before a meeting or after a meeting is over. These antitrust guidelines apply not only in formal RILA meetings, but also in hallways, casual conversations, phone calls, emails, text messages, cocktail parties, golf outings, or any other setting that is related in any way to the RILA. If you have questions or concerns, or if you are uncertain about the propriety of any subject of discussion or proposed activity, you should stop the discussion immediately and bring the issue to the attention of RILA staff or consult your company's general counsel.