

## Item 1.2

### **Conference for Food Protection, Inc.**

#### **Antitrust Statement**

This Antitrust Statement is to inform the Conference for Food Protection (CFP) Executive Board members and the general membership of CFP that whenever competitors within an industry gather together, appropriate care must be exercised to assure that violations of antitrust laws do not take place.

CFP functions, be they conferences, board, or committee meetings, by their very nature, bring competitors together. To avoid antitrust allegations it is necessary to avoid discussions of sensitive topics. Agreements to engage in product boycotts, restrictive market allocations, refusal to deal with third parties, and price restraining activities are automatically illegal under antitrust laws.

An antitrust violation does not require proof of a formal agreement. There need not be written or verbal agreement to collude. Also, conversations regarding any of these sensitive areas may be construed as implicit violations. As a result, those attending any CFP-sponsored functions should remember the importance of avoiding not only unlawful activities but even the appearance of unlawful activity.

The antitrust laws - the Sherman Act, Clayton Act and the Federal Trade Commission Act - are intended to ensure free and open competition. Violations of these laws can have serious consequences for CFP and its members. Violations are felonies that can result in severe penalties and significant litigation expenses for CFP and its members. Even if a government or private suit is successfully defended, the cost and disruption of the litigation can be overwhelming. Taking antitrust precautions, therefore, is not only advisable but imperative.

For your protection, the Conference for Food Protection recommends that, should one of these subjects be brought up, it would be in your best interest to voice your objection and disassociate yourself from the discussion if it continues.

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A copy of the foregoing antitrust statement shall be provided to each Executive Board member and shall be included in a policy compendium of the organization.

Adopted by the Conference for Food Protection Executive Board on August 24, 2001.

Enacted September 21, 2001