

CALIFORNIA LEAGUE OF FOOD PRODUCERS (CLFP)

ANTITRUST COMPLIANCE GUIDELINES FOR BOARD AND COMMITTEE MEETINGS

The federal and state antitrust laws promote free and open competition as the most efficient means of allocating resources and fostering improvements in goods and services. CLFP's programs and activities are consistent with this goal because they are intended to increase the efficiency and quality of the products and processes of the California food processing industry.

It is the policy of the CLFP and the responsibility of its members to comply in all respects with federal and state antitrust laws. The following guidelines are designed to assist directors, committee participants and staff compliance with the antitrust laws.

- a. CLFP offers its programs for the consideration of its members. Each individual owner company makes its own decision whether or not to participate in a CLFP program.
- b. Members are not obligated to participate in CLFP's programs to the exclusion of programs or services provided by other companies. If any member wishes to use such other programs or services, CLFP does not preclude or interfere with that choice.
- c. An agenda shall be established for each meeting of the CLFP Board of Directors and each meeting of any CLFP committee (including subcommittees and working groups). These agendas shall be followed in the conduct of all such meetings. Minutes of the results of actions taken at each meeting shall be prepared, approved by the committee or group, and kept on file with the CLFP office for no less than four years.
- d. Where a vote of the member participants is required or desired for any matter, each company eligible to vote on the matter shall cast a single vote; in other words, the voting power of each entity shall not be based on the number of its representatives who attend a meeting at which a vote is sought.
- e. Participants in CLFP meetings and activities shall not engage in any discussions that:
 - i. Concern prices, price or profit levels or other terms of sale; current company cost data or production levels; bidding for contracts; plans concerning the marketing of products; credit terms; market allocation or industry pricing procedures.
 - ii. Result in preventing any person or entity from gaining access to any customer, or to goods and services; or
 - iii. Result in the boycott of any person or entity, or prevent any person or entity from purchasing goods freely in the market.
 - iv. In particular, the participants shall not disclose or exchange their confidential information except under arrangements approved by legal counsel.