

Antitrust Policy

Expert Education Institute
Adopted September 5, 2017

I. Expert Education Institute Policy.

THIS POLICY IS APPLICABLE TO ALL EXED EVENTS AND ACTIVITIES

This Antitrust Policy Statement ("Policy") is applicable to all Expert Education Institute events, activities and programs. It is required to be read and followed by all Members of the Corporation, the Corporate Staff, Agents, Board, Chairs and Members of all ExEd Committees, Councils and Divisions and all participants in ExEd-sponsored activities.

ExEd is committed to adhering to the antitrust laws and all of ExEd's activities must be conducted strictly in accordance with U.S. federal and state antitrust laws (including ExEd's obligations under the Federal Trade Commission's Decision and Order in *In re National Assoc. of Music Merchants, Inc.*, Docket No. C-4255, available at <http://www.ftc.gov/os/caselist/0010203/index.shtm> (hereinafter "FTC Order")) and foreign antitrust laws. This Antitrust Policy will familiarize you with the basics of antitrust law, but it is not a complete or definitive statement. Any specific questions related to antitrust compliance not addressed in this Policy should be forwarded to ExEd's counsel or to your company's legal counsel.

II. Antitrust Laws.

Violations of the antitrust laws can have very serious consequences for ExEd, its members and their employees.

- Antitrust violations may be prosecuted as felonies and are punishable by steep fines and imprisonment.
- In contrast to criminal actions, civil cases can be initiated by individuals, companies, and government officials. They can seek to recover three times the amount of the damages, plus attorney's fees. Even unfounded allegations can be a significant drain on ExEd and membership financial and human resources, and an unproductive distraction from ExEd's exempt purpose. For these reasons, ExEd strives to avoid even the appearance of impropriety in all its dealings and activities.

Antitrust laws are intended to promote and protect competition, which benefits consumers. Competition leads to lower prices, higher quality, and increased output of goods and services. Corporations like EXED can promote competition by engaging in a variety of activities, including standard-setting, educating the public, conveying information to the government, and collecting and disseminating certain information about the industries in which they operate. On the other hand, organizations like EXED often bring competitors together in person and through information sharing, and the antitrust laws are always suspicious that competitors might agree to engage in behavior that hurts consumers. For that reason, EXED has developed this Policy to help ensure that its activities are conducted consistently with the antitrust laws.

The United States, the individual states and many foreign countries have antitrust laws. The main antitrust laws at the federal level are the Sherman Act, the Clayton Act, the RobinsonPatman Act, and

the Federal Trade Commission Act. The Department of Justice prosecutes some violations of the Sherman Act criminally. Criminal antitrust violations are felonies, and an individual is subject to as much as ten years in prison and a \$1 million fine per violation. Almost all of the individual states have their own antitrust laws. More than 100 countries have their own antitrust laws (often referred to as "competition laws"). In addition, the European Union has its own antitrust laws and enforces them vigorously. Almost everywhere that people make music, there's an antitrust law governing business conduct.

III. Penalties.

Penalties are severe. Sherman Act violations are criminal, with jail terms of up to 3 years possible. Treble damages may also be awarded in civil suits.

IV. Four Easy Rules.

Don't collude. Don't abuse market power or talk as if you are. Don't illegally discriminate among customers. Don't engage in or unreasonable or deceptive practices.

V. One Even Easier Rule.

If you ever have a question, contact Expert Education Institute. Use the phone or send an e-mail to info@exedinstitute.com. There is no such thing as a dumb question.