



ANTITRUST POLICY & MEETING GUIDELINES

CIOMA MEETINGS

The antitrust laws seek to preserve a free competitive economy in the United States and in commerce with foreign countries. As a general rule, competitors may not restrain competition among themselves through understandings or agreements as to the price, the production, or the distribution of their products, or other agreements which unreasonably restrict competitive capabilities or opportunities of their competitors, their suppliers, or their customers.

The antitrust laws, however, are often of unclear applicability, and unlawful agreements can be inferred from circumstantial evidence. Furthermore, penalties for violating the antitrust laws are severe. The guidelines, set forth below, are designed to avoid even the appearance of questionable activity. At CIOMA meetings, the following will not be discussed:

1. Current or future prices.
2. What constitutes a “fair” profit level.
3. Possible increases or decreases in prices.
4. Standardization or stabilization of prices.
5. Pricing procedures.
6. Cash discounts.
7. Credit terms.
8. Control of sales.
9. Allocation of markets or geographical division of markets.
10. Refusal to deal with a corporation because of its pricing or distribution practices.
11. Whether or not the pricing practices of any industry member are unethical or constitute an unfair trade practice.

STATEMENT OF POLICY

It is the policy of the California Independent Oil Marketers Association (CIOMA) and its members to strictly comply with all laws applicable to CIOMA’s activities. Since CIOMA’s activities involve cooperative undertakings and meetings among competitors, the Board of Directors emphasizes the on-going commitment of CIOMA and its members to full compliance with federal and state antitrust laws. A statement explaining this policy will be distributed at all CIOMA meetings to remind each member of this commitment and will serve as a general guide for our activities and meetings.

RESPONSIBILITY FOR ANTITRUST COMPLIANCE

CIOMA’s programs have been carefully designed and reviewed to ensure their conformity with antitrust standards. Each CIOMA member has an equivalent responsibility for antitrust compliance. Each business enterprise and CIOMA depend upon good judgment by all to avoid discussions and activities which could involve improper subject matter or improper procedures - or even an appearance of improper activity. CIOMA staff members work conscientiously to avoid subjects for discussion which may have unintended implications, and counsel for CIOMA provides guidance with regard to these matters. Thus, all concerned have an important and individual responsibility for assuring antitrust compliance in CIOMA activities.

MEETING PROCEDURES

To avoid even the appearance of questionable activity, as well as to guard against inadvertent conduct, all CIOMA meetings will be conducted in accordance with the following procedures.

1. A written agenda will be prepared.
2. Accurate, detailed minutes of every meeting will be prepared and approved at the next meeting.
3. In case of doubt about the propriety of a topic of discussion, consult staff management or corporate counsel immediately.
4. If a member has a reservation concerning remarks or discussion of a topic at a CIOMA meeting, officially state the reservation; if the discussion is not terminated or resolved satisfactorily, the concerned member should leave the meeting.
5. Conversations involving the discussion of business matters in violation of CIOMA's Antitrust Policy and Meeting guidelines will not be tolerated at a CIOMA meeting.

CONCLUSION

Compliance with these guidelines requires avoidance of any behavior which might be considered improper. Antitrust laws are complex and far-reaching. This statement is not intended as a complete summary of all applicable laws or prohibited activities. In case of doubt, seek the guidance of staff management or CIOMA counsel or your own corporate counsel if antitrust questions arise.

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