IRCA Antitrust Policy

In order to minimize the possibility of antitrust problems, the Indiana Roofing Contractors Association ("IRCA") requires its officers, directors, employees, volunteers, and members of all of its councils, committees, working groups, task forces and participants in its roundtables, panels and other meetings and discussions (collectively, "IRCA Participants") to abide by the terms of this antitrust policy ("IRCA Antitrust Policy").

1. IRCA Participants are not authorized to speak or act on behalf of IRCA unless specifically granted such authorization by IRCA in writing.

2. IRCA is the only party authorized to issue statements or adopt positions (public or otherwise) on behalf of IRCA. Responses to questions or complaints from the public or from private parties must be handled in accordance with NRCA's policies.

3. IRCA Participants are not authorized to use IRCA letterhead or NRCA's name or logo without the prior written consent of the NRCA's Board of Directors, or its designee(s).

4. Agendas for all IRCA meetings, including, without limitation, council, committee, working group, task force, roundtable, panel and other meetings (collectively, “committees”), shall be prepared in advance, with prior review by an appropriate IRCA staff member, and followed at the meeting. Topics not included on the agenda shall not be discussed.

5. Only meetings scheduled by IRCA shall be considered IRCA meetings. IRCA Participants shall not participate in “rump” sessions (e.g., private group meetings, impromptu or informal group gatherings) outside of regularly scheduled meetings to discuss items not on the agenda. No IRCA meeting may be held unless a member of the IRCA professional staff participates in person or by conference call.

6. A secretary shall be appointed to take minutes of all meetings. Minutes shall be submitted to the IRCA office and reviewed by an appropriate IRCA employee prior to distribution. Upon approval, such minutes shall become the “official minutes” retained by IRCA Participants should not keep their own minutes.

7. Committees can act only within the scope of their authority. Recommendations shall be made to IRCA for other actions to be taken. All committee correspondence must be sent out through the IRCA office.

8. All IRCA Participants shall adhere to the NRCA Antitrust Guidelines, a copy which are attached hereto as Exhibit A.

9. A copy of the NRCA Antitrust Policy (and attached NRCA Antitrust Guidelines) shall be made available to all NRCA Participants, and the need to comply with its terms shall be communicated regularly.

EXHIBIT A

ANTITRUST GUIDELINES
Indiana Roofing Contractors Association

Industry organizations and associations, although well recognized as valuable tools of American society, are subject to strict scrutiny by both federal and state governments. While such scrutiny should not prevent participation in, and support for, an industry association, members should be aware of, and comply with, certain relevant legal principles. Compliance with these laws does not prevent NRCA Participants (as defined in the NRCA Antitrust Policy) from lawfully engaging in a wide variety of group activities, as long as the purpose or intended effect of the activities is not to promote anticompetitive activities or to act in restraint of trade or commerce.

The single most significant law affecting organizations like NRCA is the Sherman Antitrust Act, which makes unlawful every contract, combination or conspiracy in restraint of trade or commerce. The Federal Trade Commission Act, the Clayton Antitrust Act and the Robinson-Patman Act also are applicable to societies, for they also forbid anticompetitive activities. Furthermore, virtually every state has enacted antitrust laws similar to the Sherman Act.

Between the state and federal laws, there is no organization too small or too localized to escape the possibility of a civil or criminal antitrust suit. It is thus imperative that every NRCA Participant refrain from indulging in any activity which may be the basis for a federal or state antitrust action.

There are four main areas of antitrust concern:
price fixing, membership, self-regulation, and standardization and certification. The area of greatest concern historically has been price fixing. The government may infer a violation of the Sherman Act by the mere fact that all or most of the participants in an industry organization or association are doing the same thing with respect to prices or other terms and conditions of trade. It is not required that there be an actual agreement, written or unwritten, to set prices. Rather, price fixing is a very broad term which includes any concerted effort or action which has an effect on prices, terms or conditions of trade, or on competition. Moreover, such concerted actions (affecting prices) cannot be justified by showing that they will benefit customers, or that the prices set are otherwise reasonable.

Accordingly, IRCA Participants should refrain from any discussion which may provide the basis for an inference that IRCA Participants agreed to take any action relating to prices, services, production, allocation of markets or any other matter having a market effect. These discussions should be avoided both at formal meetings and informal gatherings. In fact, informal gatherings of IRCA Participants would be looked upon with suspicion by the government.

The following topics are some examples of the subjects which should not be discussed at regular meetings or at so-called “rump sessions:”

1. Do not discuss current or future prices (be very careful of discussions of past prices).
2. Do not discuss what a fair profit level is or should be.
3. Do not discuss standardizing or stabilizing prices or pricing procedures.
4. Do not discuss cash discounts or credit terms.
5. Do not discuss controlling sales or production or allocating markets or customers. (This applies to services as well as products.)
6. Do not complain to a competitor that his or her prices constitute unfair trade practices and do not refuse to deal with a company or individual because of pricing or distribution practices.
7. Do not discuss anticipated wage rates.

Inasmuch as an industry organization’s antitrust violations can subject all participants to criminal and civil liability, IRCA Participants should be aware of the legal risks in regard to participation policies and industry self-regulation. Because participating in an organization can be of substantial benefit, participants must ensure that they do not in any way restrict or prejudice competitors from participating or illegally discriminate against non-participants. Participation policies should avoid:

1. Restrictions on dealing with non-participants.
2. Excluding from participation any qualified participant.
3. Limitations on access to information created by the organization.

There is a substantial risk that standardization programs will be used to restrict competition or discriminate against certain competitors. Thus, the following guidelines should be followed:

1. IRCA Participants or committees may agree to a product, safety or other standard. In some cases, IRCA may participate in standard setting activities of government regulatory bodies and private voluntary standard-setting organizations by providing comments and suggestions.
2. When standardization activities are under consideration, the discussion must be confined to technical, engineering, safety, and regulatory factors. Competitive and marketplace issues are not proper factors to be considered. IRCA legal counsel should be consulted before participation in standard-setting activities and should be present for at least initial discussions regarding NRCA’s role in such activities.

An organization may be held strictly liable for the illegal conduct of its participants and agents acting under its name even if the organization has not authorized the activity. Thus, IRCA must ensure that the IRCA Participants and NRCA’s agents are not using NRCA’s legitimate activities for anticompetitive purposes.

The penalties for violating federal and state antitrust laws are severe. The Sherman Act is a criminal conspiracy statute. Therefore, active participants, as well as individuals who silently acquiesce in illegal activity, can be held criminally responsible. Each individual and each corporation which is found guilty of a criminal violation of the Sherman Act may be faced with substantial fines. Individuals and corporate officers may be imprisoned for up to ten years.

The greater likelihood of occurrence, and possibly
the more severe penalty, may be civil suits brought by competitors or even consumers. Civil antitrust actions result in treble damage awards.

The government’s attitude towards industry organizations requires such organizations and their participants to at all times conduct their business openly and avoid any semblance of activity which might lead to the belief that participants had agreed, even informally, to something that could have an effect on prices or competition. Strict compliance with the antitrust laws by IRCA Participants is critical.
Members of the board of directors (the “board”), officers and members of committees of the Indiana Roofing Contractors Association (“IRCA”) must act at all times in the best interests of IRCA. The purpose of this policy is to help inform directors, officers and committee members about what constitutes a conflict of interest, assist the board in identifying and disclosing actual and potential conflicts, and help ensure the avoidance of conflicts of interest where necessary. This policy may be enforced against individual board and committee members as described below:

1. Board members, officers and committee members have a fiduciary duty to conduct themselves without conflict to the interests of IRCA. In their capacity as IRCA representatives, they must subordinate personal, individual business, third-party and other interests to the welfare and best interests of IRCA.

2. A conflict of interest is a transaction or relationship that presents or may present a conflict between the obligations of a board member, officer or committee member to IRCA and such person’s personal, business or other interests. Conflicts of interest may arise because of the involvement in a transaction or relationship by the board member, officer, committee member, or a member of his or her immediate family or household.

3. All conflicts of interest are not necessarily prohibited or harmful to IRCA. However, full disclosure of all actual and potential conflicts and a determination by the disinterested board or the applicable IRCA committee members with the interested board member, officer or committee member(s) recused from participating in debates and voting on the matter—are required. The interested board member, officer or committee member agrees to participate and cooperate with any inquiries from the board or the applicable committee to make their respective determination.

4. All actual and potential conflicts of interests shall be disclosed by all board members, officers and committee members to the IRCA Executive Committee through the annual disclosure form and/or whenever a conflict arises. The disinterested members of the board or the applicable IRCA committee shall make a determination as to whether a conflict exists and what subsequent action is appropriate (if any). The IRCA Executive Committee shall inform the board of such determination and action. The board shall retain the right to modify or reverse such determination and action and shall retain the ultimate enforcement authority with respect to the interpretation and application of this policy.

5. On an annual basis, all board members, officers and committee members shall be provided with a copy of this policy and required to complete and sign the acknowledgment and disclosure form below. All completed forms shall be provided to and reviewed by the IRCA Executive Committee, as well as all other conflict information provided by board members, officers and committee members.
I have read the NRCA Conflict of Interest Policy set forth above and agree to comply fully with its terms and conditions at all times during my service as a board member, officer or committee member for NRCA. If at any time following the submission of this form I become aware of any actual or potential conflicts of interest or if the information provided below becomes inaccurate or incomplete, I will promptly notify NRCA’s chairman of the board and chief executive officer in writing.

Disclosure of Actual or Potential Conflicts of Interest:

____________________________________________________________________________________________________________
____________________________________________________________________________________________________________
____________________________________________________________________________________________________________
____________________________________________________________________________________________________________
____________________________________________________________________________________________________________
____________________________________________________________________________________________________________

Member Signature: ____________________________________________________________

Member Printed Name: __________________________________________________________

Date: ________________________________