

NATIONAL BIODIESEL BOARD
ANTITRUST POLICY AND MEETING GUIDELINES

The Antitrust Law. U.S. and state antitrust laws have as their general goal the promotion of free competition. Under the antitrust laws, competitors may not restrain competition via agreements or understandings regarding the price, production or distribution of products and services. Competitors may not engage in any activity intended to restrict the competitive capabilities of their customers, suppliers, or other competitors.

The antitrust laws are complex and often of unclear applicability. Unlawful agreements can be inferred from even circumstantial evidence. A conviction for violating the antitrust laws may result in severe penalties, both on corporations and individuals. Convicted individuals are subject to fines of up to \$100,000 and jail terms of as much as three years. Corporations may be punished by fines not exceeding \$1 million. Even if the antitrust case is won or settled, the demands upon the time of those involved can be very high.

Meeting Guidelines. At NBB meetings, the following subjects will not be discussed:

1. Current or future industry prices (great care must be taken in discussing past prices).
2. What constitutes a “fair” profit level.
3. Possible increases or decreases in industry prices.
4. Standardizing or stabilizing final prices.
5. Pricing procedures.
6. Cash discounts.
7. Credit terms.
8. Control of sales.
9. Allocation of markets or customers.
10. Refusals to deal with a corporation or an individual because of its pricing or marketing practices.
11. Whether or not the pricing practices of any industry member are unethical or constitute an unfair trade practice.

General Operating Procedures. To guard against unintentional conduct, all NBB meetings shall be conducted in accordance with the following procedures:

1. A written agenda will be prepared for each meeting, and will be reviewed in advance by legal counsel.
2. Accurate minutes providing a complete summary of each meeting will be prepared. The minutes of all meetings will be reviewed by legal counsel to ensure there is no misinterpretation.
3. Legal counsel will be available for consultation at all meetings of the Board of Directors and Executive Committee, as well as other meetings at which sensitive issues will be discussed.
4. All Board meetings will be properly and formally scheduled; members should never hold “rump” meetings.
5. In case of doubt concerning the propriety of any topic of discussion, members will consult NBB legal counsel prior to raising it at an NBB meeting.
6. Should a question arise as to the propriety of remarks or discussion at an NBB meeting, state the question. If the discussion is not terminated or the question not satisfactorily resolved, the chair shall adjourn the meeting temporarily to request advice of legal counsel. If the issue is not resolved to the satisfaction of the concerned member, that member should leave the meeting.

NBB Antitrust Compliance Policy to be Read at all Meetings:

“NBB and its officers, directors, and employees fully support and intend to comply with all applicable federal and state antitrust laws and shall not engage in anti-competitive conduct or practice, nor allow NBB to be used by any member or other party for anti-competitive or unlawful purposes, including but not limited to the following kinds of prohibited conduct:

- a. Any discussions or effort to directly or indirectly fix, raise, lower, control, recommend, suggest, or maintain prices on products.
- b. Any contract, combination, conspiracy, discussions or effort to divide or allocate markets or customers.
- c. Any discussions or effort to engage in any boycott or considered refusal to deal.

- d. Any discussions or joint effort to unlawfully injure the business or trade of anyone.

Minutes will be kept of all meetings of the Board of Directors, the Executive Committee and Standing Committees. These minutes shall summarize accurately and concisely the action taken at the meeting.”

Amended by a unanimous vote at a meeting of the Board of Directors this 22nd day of June, 2001.

Jack Hartman (signature on file)
President