

General Operating Procedures

To guard against unintentional conduct, all EMA 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 which provide a complete summary of each meeting will be prepared. The minutes of all meetings will be reviewed by legal counsel.
3. Legal counsel will be present at all meetings of the board of directors and management committee, as well as other meetings at which sensitive issues will be discussed.
4. All association meetings should be properly and formally scheduled; members should never hold "rump" meetings.
5. In case of doubt concerning the propriety of any topic of discussion, consult EMA legal counsel or staff prior to raising it at an EMA meeting.
6. Should reservations arise as to the propriety of remarks or discussion at an EMA meeting, state the reservation. If the discussion is not terminated or the question not resolved satisfactorily, the Chair or EMA staff person present should adjourn the meeting temporarily to request advice of legal counsel. If the issue is not resolved to the concerned member's satisfaction, that member should leave the meeting.



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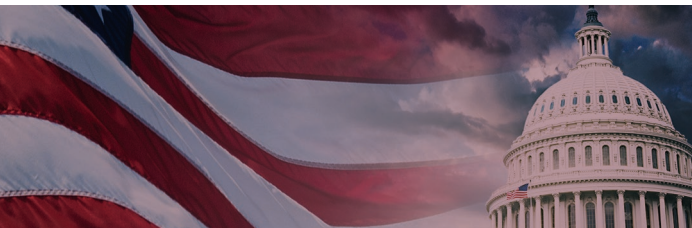
ANTITRUST POLICY & MEETING GUIDELINES

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Antitrust Guidelines

The antitrust laws are a comprehensive charter of economic controls aimed at promoting free competition. These laws rest upon the premise that the preservation of free competition will yield the best allocation of economic resources, the lowest prices, the highest quality and the greatest material progress for the public welfare. 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 immensely complex and are often of unclear applicability. Unlawful agreements can be inferred from circumstantial evidence. A conviction for violating the antitrust laws may result in stiff fines, extended jail sentences for individuals who participated in the violation and forced disbanding of their trade association. Even if an antitrust case is won or settled, the demands upon the time of those involved can be tremendous. Legal fees and costs can easily run to six figures or more.



The guidelines that follow are designed to assist you in avoiding even the appearance of questionable activity. At EMA meetings, the following will not be discussed:

1. Current or future prices. (Great care must be taken in discussing past 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.
10. Freight allowances.
11. Refusal to deal with a corporation or an individual because of its pricing or marketing practices.

The Antitrust Laws

The most important antitrust statutes applicable to EMA activities are Section 1 of the Sherman Act which prohibits contracts, combinations and conspiracies in restraint of trade, and Section 5 of the Federal Trade Commission Act, which establishes broad prohibitions against unfair methods of competition and unfair or deceptive business acts or practices.

The Sherman Act prohibits any joint agreement or understanding affecting the price of a product regardless of the purpose of the understanding. A price fixing violation may be inferred from similar price behavior by competitors, even in the absence of an oral or written agreement. And mere attendance at meetings in which illegal price fixing is discussed may be sufficient to imply acquiescence to the plans discussed and thereby make the individual liable to as great a penalty as those who were active participants.

The Federal Trade Commission Act, unlike the Sherman Act, reaches anticompetitive acts committed by single persons or companies, whether or not there is any agreement or "combination," like the Sherman Act, it also covers joint actions.

Since EMA, in its regular course of business, conducts meetings and other cooperative activities for and between competitors, EMA emphasizes its commitment to comply strictly and in all respects with the antitrust laws. As a practical matter, such compliance is almost always a safeguard against violation of state or federal antitrust statutes.

Conclusion

This statement is not a complete summary of all applicable laws, rather it is intended to highlight the basic principles of Federal antitrust laws. Any questions concerning these guidelines and procedures or any other antitrust related concerns should be addressed to EMA legal counsel or staff.

