

GENERAL GUIDES APPLICABLE TO ALL CTA ACTIVITIES

These general guides are applicable to all Consumer Technology Association activities. They are required to be read and followed by all members of the Association and staff, chairs and members of all committees, councils, sections, divisions and other CTA-sponsored groups.

I. IMPROPER ACTIVITIES AND PROGRAMS

CTA activities or programs relating to any of the following subjects are improper and are not permitted:

(1) Restraint of Trade Agreements. The establishment of prices, production quotas, or uniformity of conduct, the allocation of customers or markets, standard terms or conditions of sale, boycotts, or other competitive restraints are improper activities. Therefore, any activities within, or in conjunction with, Association meetings relating to any of these matters are improper and committee chairs, staff, and participants should take affirmative action to assure that no such discussions are initiated or pursued.

(2) Prices and Pricing Policies. Any consideration or discussion of product prices or industry pricing policies is improper and therefore not permitted. This applies to all discussion and casual remarks relating to individual company prices, changes in prices, or general price level whether involving formal or informal exchanges between participating representatives. Such discussions are improper and must be avoided.

(3) Terms and Conditions of Purchase and Sale. Any discussion at, or in conjunction with, CTA meetings of terms and conditions of purchase and sale, including but not limited to warranty and warranty periods, discounts, allowances, or terms of credit, or the formulation of uniform or standard terms and conditions of purchase or sale, uniform basing points or zoning prices, or the recommendation thereof for voluntary use by the membership also is improper and is prohibited. It is usually proper, however, to discuss and propose comments and recommendations to Government agencies.

(4) Costs. Programs or activities involving the exchange of information relating to individual company costs of production or distribution and any formulas for computing such costs are improper. Discussions at CTA meetings of industry costs are normally not permitted.

(5) Future Plans. Programs involving the exchange of company information relating to future plans affecting the design, research and development, production, and distribution or marketing of products are also improper. Any discussion at CTA meetings relating to such programs are not permitted.

(6) Boycotting Customers or Products. Any activity involving the black listing or boycotting of customers, competitors, suppliers, or other or establishment of patterns of uniform dealing is improper. Therefore, there shall be no activities relating to any form of boycotting or any activity which may be interpreted as such.

II. PROCEDURES FOR CONDUCTING ACTIVITIES

(1) Notices and Agendas. Notices and agendas for CTA meetings shall be prepared in advance and distributed prior to the date of the meeting. Agendas shall not include any subjects which are stated as improper for consideration or discussion under these guidelines. All agendas otherwise shall be in conformity with rules established or specifically approved by the General Counsel. Whenever feasible, background information which would be helpful in the consideration of items on the agenda should be distributed in advance of meetings.

(2) Conduct of Meetings. All meetings shall be conducted in such a way as to assure ample opportunity and freedom in the exchange of ideas and an equal voice in all decisions. Committee chairs and CTA staff personnel shall make sure that all actions and discussion at meetings are kept within the bounds of proper Association activity. Committee chairs should immediately rule out of order discussion deemed improper or questionable under the policies set forth herein until the propriety of such discussion has been determined by General Counsel. Committee chairs should follow the published agenda and not depart therefrom except for a good and legitimate reason, in which event the minutes should record the reasons for such departure.

(3) Voting in Committees. All Committees shall adopt rules consistent with these guidelines to ensure that each company represented shall be entitled to vote in a manner which will give equal weight to the vote of each company represented on the Committee, regardless of the number of representatives from any one company, if there should be more than one.

(4) Preparation and Review of Minutes. Minutes of all meetings shall be taken and recorded. Minutes shall include the time and place of the meeting, a list of all committee members and nonmembers attending, a statement of matters discussed and actions taken, and a record of all voting. All minutes of meetings shall be approved by general counsel before distribution. Upon approval, they should be distributed to all members of the committee and any other CTA members desiring or requesting copies.

(5) Fiduciary Responsibility. CTA members, especially members of any Board, have a fiduciary obligation to CTA. This obligation extends to maintaining confidentiality and disclosing any non-obvious conflicts of interest. Members have a duty to avoid specific interests that might prevent progress by CTA-sponsored groups and, if a conflict of interest arises, each member has a duty to disclose the conflict to the other members of the group and to CTA staff.

(6) Confidentiality. CTA members have a duty to keep information that is disclosed in CTA meetings in confidence. Confidential information is any visual, oral or written information that is designated as confidential or that a reasonable person would understand from the context to be confidential. CTA members must not disclose confidential information to any non-member or third-party, including the media. Issues discussed and agreed upon in CTA meetings should be disclosed to media only through CTA offices.