ANTITRUST COMPLIANCE POLICY

of

IAB TECHNOLOGY LABORATORY, INC.

(A District of Columbia Nonprofit Corporation)

(the "Corporation" or "Tech Lab")

1.0 Antitrust Compliance Policy

It is the policy of the Tech Lab to comply with all federal, state and local laws, including antitrust laws. It is expected that all company member representatives involved in Corporation activities and Corporation staff will be sensitive to the unique legal issues involving trade associations and accordingly, will take all measures necessary to comply with U.S. antitrust laws and similar foreign competition laws. Tech Lab recognizes the potentially severe consequences of failing to comply with these laws.

Tech Lab brings significant, procompetitive benefits to industry participants. It must not, however, be a vehicle for firms to reach unlawful agreements regarding prices or other aspects of competition.

2.0 Antitrust Violations Can Have Severe Consequences

Violations of the antitrust laws can have very serious consequences for the Corporation, its members and their employees.

2.1 Criminal Penalties

Antitrust violations may be prosecuted as felonies and are punishable by steep fines and imprisonment. Individual violators can fined up to $1 million and sentenced to up to 10 years in federal prison for each offense, and corporations can be fined up to $100 million for each offense. Under some circumstances, the maximum fines can go even higher than the Sherman Act maximums to twice the gain or loss involved. The events that give rise to an antitrust violation often provide the basis for other charges, such as wire fraud, mail fraud, and making false statements to the government. Those charges, if proven, carry additional penalties.

The consequences of a criminal antitrust violation for an association or corporation include: exposure to follow-on treble damages suits, exposure to enforcement actions in other jurisdictions or countries, disruption of normal activities, and the expense of defending against investigations and lawsuits. The consequences for an individual who commits an antitrust violation include: loss of freedom (jail), loss of job and benefits, loss of community status and reputation, loss of future employment opportunities, and exposure to litigation.

2.2 Civil Penalties

In contrast to criminal actions, civil cases can be initiated by individuals, companies, and government officials. They can seek to recover three times the amount of the damages, plus

attorney's fees. Even unfounded allegations can be a significant drain on Corporation and membership financial and human resources, and an unproductive distraction from the Corporation's mission. For these reasons, the Corporation strives to avoid even the appearance of impropriety in all its dealings and activities.

3.0 Basic Antitrust Principles and Prohibited Practices

3.1 Antitrust Statutes

The principal federal antitrust and competition laws are the Sherman Act, the Clayton Act, and the Federal Trade Commission Act.

- The Sherman Act in broad terms prohibits "every contract, combination . . . or conspiracy" in restraint of trade, as well as monopolizing, attempting to monopolize, or conspiring to monopolize any part of trade or commerce.

- The Clayton Act prohibits exclusive dealing and "tying" arrangements, as well as corporate mergers or acquisitions which may tend substantially to lessen competition.

- The Federal Trade Commission Act prohibits "unfair methods of competition" and "unfair or deceptive acts or practices" in or affecting commerce.

3.2 "Hard Core" Offenses (Criminal Prosecution Likely)

Certain antitrust violations are referred to as "hard core" or "per se" offenses. Conduct that falls within this category is automatically presumed to be illegal by the courts, and the absence of any actual harm to competition will not be a defense. Conspiracies falling within the hard core category are likely to be prosecuted as criminal offenses, and include the following:

- *Price-fixing agreements:* Agreements or understandings among competitors (or potential competitors) directly or indirectly to fix, alter, peg, stabilize, standardize, or otherwise regulate the prices paid by customers are automatically illegal under the Sherman Act ("illegal per se"). An agreement among buyers fixing the price they will pay for a product or service is likewise unlawful. "Price" is defined broadly to include all price-related terms, including discounts, rebates, commissions, and credit terms. Agreements among competitors to fix, restrict, or limit the amount of product that is produced, sold or purchased, or the amount or type of services provided, maybe treated the same as price-fixing agreements.

- *Bid-rigging agreements:* Agreements or understandings among competitors (or potential competitors) on any method by which prices or bids will be determined, submitted, or awarded are per se illegal. This includes rotating bids, agreements regarding who will bid or not bid, agreements establishing who will bid to particular customers, agreements establishing who will bid on specific assets or contracts, agreements regarding who will bid high and who will bid low, agreements that establish the prices firms will bid, and exchanging or advance signaling of the prices or other terms of bids.

- *Market or customer allocation agreements:* Agreements or understandings among competitors (or potential competitors) to allocate or divide markets, territories, or customers are always illegal.

3.3 Sensitive Activities

There are other activities that, though typically not subject to criminal prosecution, are nevertheless sensitive and may lead to investigations or litigation.

- *Group boycotts or "Concerted Refusals to Deal":* Per se condemnation typically applies where there are joint efforts by firms with market power to boycott suppliers or customers in order to discourage them from doing business with a competitor. Other concerted refusals to deal can be unlawful depending on the economic effects of the conduct.

- *Exclusionary standard setting, certification or code of ethics:* Trade association standards-development, certification programs, and codes of ethics generally are procompetitive and lawful. Such activities may be found unlawful, however, if they have the effect of fixing prices, result in an unlawful group boycott or unreasonably exclude others from the market.

- *Vertical agreements concerning price:* Agreements between suppliers and resellers that establish minimum resale prices is per se unlawful under certain state antitrust statutes and, depending on the economic effect, may be unlawful under federal antitrust law.

- *Tie-in sales: A* supplier conditioning the sale of one product on the customer purchasing a second product may be unlawful.

- *Exclusionary membership criteria:* Membership criteria with the intent or effect of excluding and disadvantaging others is a red flag for careful legal review.

3.4 Other Activities

- *Joint research and development programs:* While not discouraged by the antitrust laws and potentially subject to some legislative protection, proposals for Corporation involvement in these types of programs must undergo legal clearance and executive approval.

- *Lobbying:* While the Corporation's right to lobby is subject to First Amendment protections, lobbying activities will be undertaken only after executive and legal review.

4.0 Guidelines for Meetings, Conference Calls and Other Corporation Functions

Tech Lab meetings, conference calls, and other activities by their very nature can bring competitors together, and although they generally are lawful and procompetitive, they also might provide opportunities to reach unlawful agreements. It is important to remember that an antitrust violation does not require proof of a formal agreement. A discussion among competitors of a

sensitive topic, such as the desirability of a price increase, followed by common action by those involved or present, could, depending on the circumstances, be enough to convince a jury there was an unlawful agreement.

In light of the costs involved in defending antitrust claims, even when they are without merit, it is necessary to conduct Corporation meetings in a manner that avoids even the appearance of improper conduct. Generally, the best way to accomplish this is by following regular procedures and avoiding competitively sensitive topics.

4.1 Meetings & Conference Calls

Meetings and conference calls conducted by Tech Lab between two or more members and/or industry participants will be conducted according to these procedures:

- Whenever feasible, written agendas will be prepared in advance. Agendas will not include any subjects that are identified in these Guidelines as improper for consideration or discussion.

- Meeting and conference call handouts and presentations should, whenever feasible, be distributed in advance.

- Meetings and conference calls should begin with reading and/or distributing the statement attached as Appendix A.

- Meetings and conference calls should follow the written agenda and not depart from the agenda except for legitimate reason, which should be recorded in the minutes.

- Accurate and complete minutes should be prepared. The minutes should include the time and place of the meeting, a list of all individuals present and their affiliations, a statement of all matters discussed and actions taken with a summary of the reasons therefor, and a record of any votes taken.

Because of their sensitive nature, certain topics will not be discussed at Corporation meetings or conference calls unless otherwise advised by legal counsel. These prohibitions apply equally to all Corporation sponsored social functions or other informal Corporation gatherings. Off-limit topics include:

- prices, pricing methods, or terms or conditions of sale;

- pricing practices or strategies, including methods, timing, or implementation of price changes;

- discounts, rebates, service charges, or other terms and conditions of purchase and sale;

- price advertising;

- costs, profits and profit margin;

- specific customers of your company or of any other company;
- business plans of your company or of any other company;
- whether to do business with certain suppliers, customers, or competitors;
- complaints about the business practices of individual firms;
- the validity of any patent or the terms of a patent license;
- confidential company plans regarding future product or service offerings; and
- any ongoing litigation.

Nothing herein restricts or otherwise applies to communications between Tech Lab and members and/or industry participants concerning Tech Lab dues and services or other terms of participation in the organization.

5.0 Document and E-Mail Guidelines

Many antitrust investigations and lawsuits are fueled by poorly phrased or exaggerated statements in internal documents, with e-mails being a leading culprit. Common sense should be used when composing documents and e-mails. No matter how informal or private a communication is intended to be, it must be assumed that anything written in a document or e-mail is potentially discoverable in an investigation or lawsuit. As a general rule, nothing should be put in writing that you would not want read aloud to a prosecutor, plaintiff's lawyer, or jury composed of people who know nothing about you or your business.

Examples of statements that should be avoided:

- Inflammatory language (such as "read and destroy").
- Words of competitive exclusion (such as "dominate the market," "kill the competition," or "get rid of the discounters").
- Statements or speculation regarding the legality or legal consequences of any action of the Corporation.
- Statements suggesting or advocating that members of the Corporation make joint decisions on pricing, production, capacity or other aspects of competition, such as references to "industry consensus," "industry understanding," "industry acceptance," or "rational competition."

6.0 Standards, Certification, and Codes of Ethics

Trade association standard-setting and certification programs and codes of ethics can be highly procompetitive and beneficial to suppliers and customers. Antitrust problems may arise, however, if a standards or certification program or a code of ethics is used as a device for fixing

prices, restraining output, or chilling innovation, or if it has the effect of unreasonably excluding competitors from the market.

Standards and certification programs and codes of ethics must serve identifiable public interests, such as preventing fraudulent or deceptive marketing practices, and they must do so in a manner that does not unreasonably restrict competition. Standards and certification programs and codes of ethics should adhere to principles of *voluntariness* and *due process.* Due process means that all companies with a direct and material stake have a right to participate through the standards development organization in the formation of the standard, certification criteria, or code of ethics; the process is open and free from dominance by any particular industry segment or company; and there is a right to appeal from adverse actions.

More specifically, any standard, certification, or code of ethics activity of the Corporation will be conducted in accordance with the following basic rules:

- Participation in the creation of a standard, certification program, or code of ethics will be voluntary and will be open on reasonable terms to all persons who are directly and materially affected.

- Timely notice of standards-setting, certification or code of ethics activities should be provided to all parties known to be directly and materially affected.

- No industry segment, interest group, or company should be allowed to dominate the process. All views and objections should receive fair and equitable consideration.

- Written procedures should govern the methods used to develop standards or certification criteria, and these procedures should be available for review by any interested person.

- The written procedures should specify realistic, readily available, and timely appeals procedures for the impartial handling of complaints concerning any action or inaction with regard to the Corporation's standards, certification, or code of ethics activities.

7.0 Executive and Board Responsibilities

The Board of Directors will be knowledgeable about content of this compliance policy and the operation of Tech Lab's antitrust training and compliance activities, and will exercise reasonable oversight thereof. The General Manger of Tech Lab shall be responsible for its day-to-day management and implementation.

8.0 Training

All staff members will receive a copy of this compliance policy and be given an opportunity to ask questions. In addition, staff members will attend an antitrust orientation session presented by the Corporation's General Counsel.

Member companies will be sent a copy of this compliance policy, which shall also be available on Tech Lab's website. Tech Lab's orientation for new directors and officers will include a presentation on antitrust compliance.

9.0 Complaint Investigation and Internal Enforcement

Reports of noncompliance or other complaints should be quickly sent to the General Manager. If there is reason to believe that an antitrust violation may have been committed, an investigation will be undertaken promptly. If an instance of questionable conduct is presented, the General Manager will consult with Corporation counsel promptly to determine whether an investigation is appropriate.

Employees that violate or fail to comply with this compliance program are subject to disciplinary action, ranging from adverse reviews to termination.

Members that violate or fail to comply with this policy will receive a letter from Tech Lab's counsel and it may result in that company's termination.

APPENDIX A

Antitrust Statement for Tech Lab Meetings & Conference Calls Involving Two or More Members and/or Industry Participants

Tech Lab is pledged to conduct its business in compliance with the antitrust laws. This guidance is intended to reduce the risks of adverse legal action on competition grounds, and therefore is intended to be conservative in nature. This guidance also is necessarily general, and participants should consult their own companies' counsel for more specific guidance as necessary. By participating in this meeting, each participant is acknowledging and agreeing to abide by this guidance.

The participants in this meeting understand that, in certain lines of business, the companies they represent may be direct competitors. Sharing of information among such companies, therefore, is a sensitive issue.

Communication among participants at this meeting or conference call (whether in person or by phone) and in all Tech Lab-related emails should be limited to Tech Lab activities.

Participants should avoid discussing any existing or future commercial relationships among each other, except with regard to Tech Lab.

Participants may share public information, including aggregate information.

Participants should avoid discussing or revealing to other participants non-public competitive information about themselves, including pricing or other terms or conditions of sale of its own products or services, at either wholesale or retail. By way of example, you should avoid disclosing or discussing any of your own company's proprietary information about:

- proprietary and/or non-public information about current or future prices or discounts of your own company or any other individual participant(s);
- proprietary and/or non-public information about pricing practices of your own company or of any other individual participant(s);
- proprietary and/or non-public information about specific customers of your own company or of any other individual participant(s);
- proprietary and/or non-public marketing, product, or service plans of your own company or of any other individual participant(s);
- proprietary and/or non-public information on costs, profits or customers of your own company or of any other individual participant(s);
- whether or not to deal with a specific company, as either a customer or supplier; and
- your company's methods or channels of distribution.