NYELSA

New York Electronic & Life Safety Association

Antitrust Policy Statement

The New York Electronic & Life Safety Association (NYELSA) is a trade association of member companies in the private security alarm industry. It is organized to promote the common interests of its members and of the members of the private security alarm industry, when such interests do not conflict with the common good. NYELSA is not intended to become involved, and will not become involved, in the competitive business decisions of its member companies, nor will it take any action which would tend to restrain competition in the burglar and fire alarm equipment and supply industries.

Nevertheless, it is recognized by the Board of Directors of NYELSA that the Association and its varied activities could be regarded by some as a forum or opportunity to promote anti-competitive conduct. For this reason, the Board of Directors has taken this occasion, through this statement of policy, to make clear its unequivocal support for the policy of competition served by the antitrust laws as well as its uncompromising intent to comply strictly in all respects with those laws.

In addition to the Association's firm commitment to the principle of competition served by the antitrust laws, the penalties which may be imposed upon both the Association and its individual and corporate members involved in any violation of such laws, are now so severe that good business judgment demands that every effort be made to void any such violation. Certain violations of the Sherman Act, such as price-fixing, are felony crimes for which individuals may now be imprisoned for up to three (3) years or fined up to$100,000 or both, and corporations can be fined up to $1,000,000 for each offense. In addition, treble damage claims by private parties (including class actions) for antitrust violations are extremely expensive to litigate and can result in judgments of a magnitude which could destroy the Association and seriously affect the financial interests of its individual members.

It shall be the responsibility of every member of NYELSA to be guided by NYELSA's policy of strict compliance with the antitrust laws in all NYELSA activities. It shall be the special responsibility of Association officers, directors and committee chairmen to ensure that this policy is known and adhered to in the course of activities pursued under their leadership. To assist the NYELSA staff and all its officers, directors and committee chairmen in recognizing situations which may raise the appearance of an antitrust problem, the Board of Directors will as a matter of policy furnish to each of such persons copies of the Association's General Rules of Antitrust Compliance. The Association will also make available general legal advice when questions arise as to the manner in which the antitrust laws may apply to the activities of NYBFA or to any committee thereof.

Antitrust compliance is the responsibility of every NYELSA member. Any violation of the NYELSA General Rules of Antitrust Compliance or of this general policy will result in immediate suspension from membership in the Association, and immediate removal from any Association office held by any official representative violating the same.

Adopted: February 4, 1993