

## Antitrust Statement and Summary

The American Association For Debt Resolution (AADR) is a not-for-profit corporation organized to serve and advance the profession of debt settlement. Through its Executive Board, various committees, conferences, and other activities, its purpose is to provide a common place where providers of debt settlement services and their suppliers can learn of new developments in the industry and share professional interests and best practices. The AADR is not intended to, and may not, play any role in the competitive decisions of its member companies, nor in any way restrict competition among any companies in the industry it serves.

Trade Associations may conduct many activities that have pro-competitive effects, enhance consumer welfare, and are perfectly acceptable under antitrust laws. However, joint activity by competitors, including committee meetings, conferences, and other activities, can have anti-competitive effects and therefore may raise antitrust concerns.

The antitrust laws prohibit agreements in restraint of trade where competition is reduced by design. Examples of illegal agreements include agreements to fix prices, standardize discounts, rig bids, or limit competition in bidding, divide territorial markets or customers, or promote group boycotts. These illegal agreements can result in serious criminal and civil penalties for businesses and their employees. Antitrust investigations and lawsuits are lengthy, complex, disruptive, and damaging to credibility.

Illegal agreements do not have to be in writing; they can be inferred from the circumstances. For example, discussions among competitors about competitively sensitive subjects may be misconstrued as being in furtherance of an illegal agreement. Therefore, it is necessary to avoid discussions or activities that involve competitively sensitive topics.

Because the existence of unlawful agreements may be inferred from circumstantial evidence, the following topics carry antitrust risks and must be avoided at AADR meetings, conferences, and other functions:

- Members' current or future prices or components thereof, including discounts, rebates, and credit terms;
- Members' operating costs or wage and labor rates;
- The possibility or desirability of members' limiting their sales of any product in any geographic area;
- What is a "fair" profit or margin;
- Allocation or division of customers or territories among competing companies;
- Reasons why AADR members should refuse to deal with a particular supplier, customer, or competitor;

- Whether the pricing or distribution practices of a competitor are “unethical” or constitute an unfair trade practice,
- Efforts to influence supplier prices;
- What constitutes a “fair” profit margin;
- Price lists or procedures for coordinating price changes

These antitrust guidelines apply before and after any meeting or conference and not only in formal AADR meetings but also in casual conversations in hallways, elevators or lobbies, phone calls, e-mails, text messages, social events, or any other setting that is related in any way to the AADR.



