



GCC of America, Inc.
& affiliate entities.

ANTITRUST COMPLIANCE POLICY

OUR ANTITRUST COMPLIANCE POLICY

It is an extremely important policy of the entire family of GCC of America companies that we and all of our employees will always obey all applicable laws. Because of the exceptional importance of the antitrust laws, we have a separate policy making it unmistakably clear that all employees are always to comply with those laws and avoid taking actions that might violate those laws or even give the appearance that there may be a violation. Any employee who knowingly violates this policy will be disciplined, up to and including by having their employment terminated.

Every employee is required to acknowledge receipt of and to read and retain this brochure. Managers, sales people, and certain other employees, especially those who have contact with competitors, are also required to acknowledge receipt of and to read and retain the Company's lengthier manual, *Understanding and Complying with U.S. Antitrust Law*. If asked to attend a program on how to comply with the antitrust laws, your attendance is mandatory, and if you are asked to be interviewed in connection with an antitrust compliance audit, you must participate.

If you are ever uncertain whether some act that you have been asked to do or are contemplating doing might be a violation, or if you see another employee doing something that you believe might be an antitrust violation, you are to contact your supervisor or the Company's legal department to seek clarification; and the Company guarantees that no adverse actions will be taken against you for doing so. Moreover, if you would prefer, you may leave an anonymous message to the Company's legal department representatives to report your concerns:

Sergio Saenz – ssaenz@gcc.com – (303)-739-5923
Cristopher Munoz – Lmunozp@gcc.com – (303)-739-5980

INTRODUCTION

The overall purpose of the U.S. antitrust laws is to guarantee that society will always enjoy all the benefits that free competition can provide in a capitalistic economy. Competition may be fierce, and competitors may fall by the wayside, but competition itself must never be weakened by such evils as price-fixing, other agreements unreasonably restraining trade, monopolies achieved by improper means, or any of the other anticompetitive acts that U.S. laws prohibit.

Some acts are plainly and undeniably wrong under any circumstances. Agreeing with a competitor that you will both raise your prices is an obvious example. If a competitor were to ask you to enter into such a clearly illegal agreement, you should know to refuse and to make your refusal emphatic. The legality of many other types of business conduct is less certain, but if conduct affects competition, it might have antitrust implications.

This brochure is intended to help you comply with our Antitrust Compliance Policy. It identifies business practices that could violate the antitrust laws, acts that you are forbidden to take.

THE IMPORTANCE OF COMPLIANCE

The consequences of a violation of the antitrust laws are extremely severe, and there are several types of penalties:

Criminal Penalties. Violation of the principal antitrust statute, the Sherman Act, is a felony. As of June 22, 2004, an individual may be imprisoned for up to 10 years and fined up to \$1 million, and a company may be fined up to \$100,000,000 for each violation. For some types of antitrust violations, the fines can be even higher.

Lawsuits by Private Parties. The law allows private parties to recover damages caused by anticompetitive conduct and even offers a special inducement for competitors, suppliers and customers injured by such conduct to sue; successful claimants receive an amount equal to three times their provable damages plus their attorneys' fees and costs.

Injunctions. In addition to criminal penalties and treble damage actions, courts can issue injunctions, which can impose substantial restrictions upon the violator's future business activities, including provisions that could place the Company at a substantial competitive disadvantage.

Government Contractor Debarment. A company may be prohibited ("debarred") from contracting with the U.S. government or with state and local governments following any criminal or civil violation of federal or state antitrust laws, particularly if the violation involved the submission of bids to the government.

Losing When You Win. The horrendous impact of a felony conviction cannot be overstated--the lives of persons convicted of such crimes will never be the same. The adverse impact on individuals who have been indicted and forced to stand trial is obvious, even when they prevail and are acquitted. The fear, worry, and embarrassment-- not to mention attorneys' fees--can be devastating. In a somewhat different way, a company facing criminal charges goes through a similar agony.

Civil suits and enforcement actions can be almost as bad. The worry and uncertainty that pending civil allegations cause, along with attorneys' fees and the other costs of litigation (which can be astronomical and which are almost never recoverable, even when you win) are only part of the toll. A company embroiled in antitrust litigation may have its business affairs disrupted for months and even years. Company personnel will spend huge amounts of time (which could be better spent promoting the company's business) helping to defend the case. The cost of the hours spent working with the lawyers, locating, reviewing and explaining documents in your files, giving depositions, and testifying in court can be staggering.

In short, even when you win an antitrust case, the actual cost may be such that you really lose. For this reason, it is important not only to avoid violating the antitrust laws, but also to avoid ambiguous conduct that might incorrectly be found to be violative.

DO's AND DON'Ts WHEN DEALING WITH COMPETITORS

Section 1 of the Sherman Act makes it illegal to enter into a “combination, contract or conspiracy in restraint of trade.” Section 1 requires some agreement or understanding between two or more companies. Proof of violation does not, however, require an explicit contract; a tacit understanding will suffice. The safest way to avoid unlawful agreements is to avoid meetings and other communications with competitors unless it can be clearly demonstrated that they have a lawful purpose. Some such contacts are unavoidable and perfectly legitimate. For instance, when a competitor is also a customer or supplier, it is proper to carry on business dealings as you would with any other customer or supplier. However, your discussions should be limited to the terms of the transaction at hand.

Here are the rules to follow:

Do not agree upon or even discuss our prices--either what we charge or what we pay--or terms of sale with competitors. Examples of particular types of illegal agreements include:

- Agreements to use a common formula or method of calculation to determine prices.
- Agreements to use a common asking price or starting figure in negotiations with customers, even though downward revisions are likely to take place.
- Bid rigging, which may take the form of agreements to rotate jobs among potential bidders or to submit complementary bids (to make a bid knowing it is unacceptable).
- Agreements to establish uniform or similar discounts or to eliminate discounts.
- Agreements to establish standard credit, warranty or return policies.
- Agreements among purchasers to limit prices at which they will buy any materials.
- Agreements on the timing or announcement of price changes.

Never exchange future or even current price or other commercially sensitive data with a competitor except when negotiating a bona fide, arm's length purchase and sale.

Do not agree upon or even discuss any of the Company's confidential business plans with competitors.

Do not agree with competitors to split up territories or customers. Do not even discuss with competitors where we sell or who our customers are.

Do not agree or even discuss with any competitor whether it or the Company should decline to do business with any particular supplier, customer, or other competitor.

Be extremely careful to follow all of these rules when attending trade association meetings or any other functions where competitors are present.

DO'S AND DON'TS WHEN DEALING WITH CUSTOMERS

In general, you should leave customers who buy our goods and commodities free to resell at whatever price they choose.

Unless you have advance approval, do not require or even encourage customers to resell items they buy from us at any given price. No resale price program should be agreed to, instituted, or maintained with any customer without prior legal advice.

Unless you have advance approval, do not restrict customers from reselling wherever and to whomever they want.

Selection and Termination of Customers

You should avoid discussions with our customers as to our dealings or future intentions with respect to any other customer or potential customer.

In general, select new customers and decide which existing customers to retain based on their own merit. Will it benefit the Company to deal with this person? If so, do. If not, don't.

Don't base your decisions on what your customers' or dealers' competitors want you to do, even if they are also customers of yours: "We will decide unilaterally what is best for us."

In general, promote the sale of each separate item the Company sells on its own worth and do not require customers to purchase one item as a condition for being allowed to purchase a different item.

In general, sell items to people that they want in the quantities they want, regardless of what else they buy from others and regardless of what they do with our product.

It can sometimes be permissible to require our customers to buy all of their requirements of some item from us or to deal exclusively in our goods, but always check with the legal department before requiring any to do so.

Don't charge two customers different prices for the same goods unless:

- **You are meeting a competitive offer that you have attempted to verify your customer has received from some other supplier.**
- **You can verify that the lower price reflects actual cost savings based on volume or some other element of the sale.**
- **Market conditions have changed since the first sale was made.**

Keep written explanations whenever you grant one customer a price reduction not granted to others.

Whenever you obtain copies of or information about a competitor's price, such as when a customer gives you that information, make a note of how and when you were given that information.

In general, don't give any one customer a special allowance not offered to all our customers.

Don't pay brokers' fees or commissions except for actual services rendered by intermediaries not related to your customers or to you. (This does not prohibit making routine business gifts of nominal value if consistent with Company policy on such gifts.)

THE MOST IMPORTANT RULE OF ALL

***IF YOU HAVE ANY CONCERNS WHATSOEVER THAT SOMETHING MIGHT
POSSIBLY VIOLATE THE
ANTITRUST LAWS, CHECK WITH MANAGEMENT OR THE LEGAL
DEPARTMENT.***