## 3.5 Competition Policy

### 3.5.1 The *Competition Act* and Competitively Sensitive Information

It is a criminal offence under the *Competition Act* for potential competitors to arrange to: (i) fix prices; (ii) allocate markets or customers; (iii) limit or control the production or supply of a product; or (iv) rig bids.

Other arrangements may also be prohibited where they are likely to prevent or lessen competition substantially.

A violation of the *Competition Act*, especially a criminal violation, can result in serious consequences (*e.g.* fines, imprisonment, civil liability, reputational harm).

Violations may be proved by circumstantial evidence, including the inappropriate sharing of competitively sensitive information.

*Competitively sensitive information* is any information capable of affecting market behaviour, including information relating to, for example: production or output supply; pricing or elements of pricing; markets or customers; potential bids or tenders; costs or elements of cost; suppliers, contractors or contract terms; intentions or forecasts regarding any of these; and other commercial strategies or plans.

### 3.5.2 PRAMP Committee Goal

The goal of the PRAMP Committee is as set out in the PRAMP Committee’s bylaws (Goal).

While the Goal of the PRAMP Committee does not intend any discussions or information sharing that could facilitate a violation of the *Competition Act*, this Policy is to help ensure that actions of those participating in the PRAMP Committee do not stray into areas that could give rise to competition-related concerns.

### 3.5.3 Competition Law Compliance

This Policy sets out the competition law compliance requirements for all persons (including for example: members and their representatives, PRAMP Committee Members, Directors, Officers, Workings Group members, contractors and third parties) participating in any meeting or other activity of the PRAMP Committee.

If any question arises regarding compliance with the *Competition Act* or this Policy, contact legal counsel.

### 3.5.4 General Dos & Don’ts

***Dos***

* DO ensure that all discussions and information sharing are in accordance with the PRAMP Committee’s Goal.
* DO ensure that all information that is shared is reasonably necessary to achieve the legitimate purposes for its sharing.

***Don’ts***

* DON’T share any information not directly connected to and in furtherance of the PRAMP Committee’s Goal.
* DON’T discuss or share competitively sensitive information.
* In particular, DON’T discuss or reach any agreement or arrangement – including any tacit understanding – dealing with any of the following:
	+ Production or supply (*e.g.* production or output supply levels, capacity utilization, capacity increase or reduction, timing and length of planned downtime, adoption or non-adoption of technologies, research and development or innovation limitations);
	+ Sales, territories, markets or customers (*e.g.* customer information, selling or not selling in certain territories or markets or to certain customers);
	+ Pricing (*e.g.* list prices, pricing methodology, any element of prices such as discounts, rebates, surcharges or promotions);
	+ Responding to requests for bids or tenders (*e.g.* bidding, non-bidding, bid withdrawal);
	+ Costs, remuneration or benefits, suppliers, profit levels or profit margins;
	+ Contract negotiations or trade, credit or other contractual terms and conditions.

### 3.5.5 Training

It is the responsibility of each member to ensure that he or she is, or that each of its representatives (including those on the board or working groups) is, familiar with the requirements of the *Competition Act*, receives appropriate competition-law training, and seeks legal counsel where appropriate.

### 3.5.6 Meetings

***Application*** – For certainty, this section applies to all PRAMP Committee meetings, whether membership, board, committee, working group or otherwise.

***Secretary Responsibility*** – The secretary of the PRAMP Committee is responsible for causing the Agenda to be prepared and circulated, the Competition Law Compliance Reminder to be read, and the Minutes to be prepared and circulated (and if applicable, corrected) in accordance with this section.

***Agenda*** – An agenda, clearly stating all matters to be discussed, is to be circulated in advance of each meeting.

***Competition Law Compliance Reminder*** – At the beginning of the first meeting in each quarter of the calendar year (as well as at each meeting involving a new participant), the following is to be read out to the meeting’s participants (and the fact that it was read is to be recorded in the Minutes):

*“As meeting participants include those representing companies that may be competitors, it is critical for meeting participants to comply with the federal Competition Act and the PRAMP Committee Competition Law Compliance Policy. To this end, participants must not discuss or share any competitively sensitive information which could allow competitors to coordinate. For example, participants must not discuss or share information relating to:*

* *Production or output supply*
* *Pricing*
* *Customers or markets*
* *Responding to potential bids or tenders, or*
* *Commercial intentions or strategies*

*Any participant who becomes concerned that discussion may be moving in an inappropriate direction is to interrupt the discussion immediately and raise the concern. All participants need to be vigilant to ensure their compliance with competition law.”*

***Discussions*** – If during a meeting any participant becomes concerned that discussion may be moving in an inappropriate direction, the participant is to immediately interrupt the discussion and raise the concern. If the concern is not able to be resolved, discussion of that matter is to be discontinued.

***Minutes*** – Proper minutes are to be taken of each meeting. Minutes are to include attendees (including entries and exits), agenda items discussed, and decisions made. Minutes are to be promptly circulated to attendees (and absentees, except as requested) for review, and possible correction.