VOLKSWAGEN
GROUP ITALIA S.P.A.

Antitrust Guidelines

ABOUT THE RULES OF BEHAVIOUR
FOR COMPLIANCE WITH THE LAW AND PROTECTION OF COMPETITION

In its mission VGI respects rigorously the principles of open market economy and free competition in order to increase the competitiveness of Italian and European industry.

The safeguard and respect of principles of competition are part of VGI' strategy in order to increase the presence on the market offering professionalism and more competitive services.

This, for the interest of our clients, commercial partners and employees since the free competition means the offer of better products and services in better conditions. Therefore, the success in our business can and must be reached in full compliance with laws for the protection of competition.

The Antitrust Guidelines ensure that the fundamental values of the Group about the compliance with the rules for the protection of competition, are clearly defined for constructing a base element of the corporate culture and a standard behavior for the whole staff of the Group in the execution of the own activity.

The Antitrust Guidelines contain principles and behavior rules of Volkswagen Group about protection of competition. They are intended to illustrate, in easy and accessible way, the contents of the laws about the protection of competition and supply a practical information about how face concrete situations that can cause potential breach of antitrust law.

The Antitrust Guidelines have been defined considering the activity area in which is higher the risk that possible breaches of the law of the protection of competition happen in order to carefully prevent and valuate, in case, from legal point of view.

The Antitrust Guidelines provide exclusively a minimum standard about free and loyal competition, reflecting the best existing practice. However, they don't cover all the possible relevant cases or all the applicable laws in antitrust subject.

INDEX

1. AREA AND APPLICATION OF GENERAL PRINCIPLES

These Guidelines are directed to the all administrators, staff, collaborators and all the subjects that operate in the interest of VGI – defined in the Ethical Code as receivers – and they are referred to every commercial relationship with VGI about any product or service. The Guidelines are **binding for the behavior of the administrators, staff, collaborators and receivers.** For this reason, VGI has decided to assume the following commitments about the spread, application and updating of Antitrust Guidelines.

- ensure the timely **disclosure** of the Antitrust Guidelines, making them easily accessible to all receivers implementing proper programs of training of the own staff;
- ensure the periodic **review** and of the updating of the Antitrust Guidelines in order to adapt them to the development of the markets, social sensibility, environmental conditions and applicable laws;
- introduce proper instruments of **support** for providing clarifications about the interpretation and implementation of the provisions;
- provide elaboration of proper **fines** system in order to penalise any and incentives to collaboration for the full compliance of them;
- adopt proper **procedures** to report, investigate and management of any breaches;
- ensure **privacy** of identity and professional **protection** of the reporter of any breaches, except the legal obligations;
- **check** periodically the respect and compliance of Antitrust Guidelines;

The relations between VGI and other companies of Volkswagen Group in principle don't fall into the application area of the provisions regarding the protection of competition.

These Guidelines don't applied, therefore, to this agreements/relations. However, it is preferable to consult always the legal function before to conclude an agreement that could contain an anti-competitive restriction with a company not entirely owned by a company of Volkswagen Group.

2. LIABILITY AND CONSEQUENCES OF BREACHES IN *ANTITRUST* MATTER

It will not be tolerated breaches of law which protects competition. The non - compliance with antitrust laws could expose Volkswagen Group and its employees to:

- serious **reputational risks**,
- huge **fines** by antitrust authorities,
- **damages** request by third parties, included clients or competitors, and
- significant **payments and investment of time** of the management for the preparation of proper defenses.

The contractual provisions made in breach of the antitrust law can furthermore easily be declared **invalid and/or inapplicable** and potentially can cause the invalidity of the entire contract.

Moreover, the anti-competitive practices for their nature cause inefficiencies and limit the innovation, braking the VGI's capacity to respond efficiency to the market developments and to the new competitors increasingly aggressive.

The justification
“I didn’t know it was unlawful”
will be not considered as excuse by VGI and by Antitrust Authorities.

It is necessary being careful and ask clarifications rather than presume that a determinate behavior is lawful.

3. POWERS OF COMPETENT AUTHORITIES

The companies which operate in Italy are subject to two levels of law for protecting competition:

- The rules of Treaty on the Functioning of the European Union (**TFUE**) applicable by European Commission (**CE**), by Italian Antitrust Authority (**AGCM**). It is primarily about provisions which forbid agreements and anti-competitive practices and dominant position abuse;
- the rules of the Italian antitrust law, which have quite similar content to the European ones.

Both CE and AGCM are in charge of investigate and punish the violation of that rules. The officers of both authorities have the power of:

- **appear without notice** at the seats of the Companies (in some cases also in private domicile)
- **inspect and copy** documents or electronic files
- **ask information** also in private interview with individual employees

If the antitrust authority establish with own decision that a determinate behavior made by the company violates the laws which protect the competition, they can impose a **fine for a value up to 10% of the consolidated turnover of the Group** of the company interested. The CE has also the power to ask to the recipient company of the measure the adoption of **structural or behavioral changings** considered necessary to eliminate the obstacles to the free competition.

In some Countries as the United States of America the anti-competitive behavior, also if it is made abroad, is a **crime punished with jail.** A similar risk there is also in Italy in case of anti-competitive agreement in the participation of public tender.

A company responsible of violation the laws which protect the competition can also be subjected to **compensation damages actions** by the competitors or consumers.

Therefore, all the contracts or agreements in contrast with laws which protect competition are **null.**

The anti-competition agreements

The law which protects competition forbids all the practices which determinate or can determinate a reduction of a company decision-making autonomy (also through the access to the reserved information), avoiding, shrinking or faking the competition. In order to not violate the law which protect competition, the companies of the VGI Group have to, in any moment, define and pursue their own commercial politic in autonomy from the competitors that there are on the market, operating exclusively according their own strategic and commercial choices.

4. ANTI-COMPETITIVE AGREEMENTS

The law which protects the competition forbids the agreements or practices agreed between the companies that don't belong to the same Group, which have the effect or also the aim or the abstract eligibility to obstacle or limit the free competition.

- The **anti-competitive agreement** can have the written or oral form, explicit or implicit, formal or informal nature. These agreements can be illicit **also if, in fact, they are never applied.** Therefore, it is legally irrelevant, for the assessment of infringement, the fact that the interested companies have or not taken advantage by the agreement.

- Also the **agreed practices,** namely parallel behaviors resulting by an aware as regard tacit coordination between the parties, are forbidden.

In particular, the limitations to the competition can be classified in two categories: "vertical restrictions" and "horizontal restrictions".

The **horizontal restrictions** are made by agreements or agreed practices restrictive of competition among the companies that operate on the same level of the production/sales chain (e.g. cars manufacturers).

The **vertical restrictions** are agreements or agreed practices made by the company active in different levels of the production/sale chain (e.g. cars manufacturers and independent dealers).

HORIZONTAL RESTRICTIONS TO COMPETITION CONCERNING THE RELATIONS (DIRECT OR INDIRECT) WITH COMPETITORS

- ***Determination of the conditions/objectives of sale.*** The VGI' s decisions about prices, volumes, objectives or results of sale don't have to be agreed for any reason or if only communicated or discussed with the competitors.
- **Participation to public tenders.** The participation (or not) to a public tender and the conditions concerning the offer don't have to be agreed or discussed with competitors (except the participation in ATI or RTI to discuss in advance with the legal function).
- **Exchanging information.** It does not have to be exchanged, directly or indirectly also through dealer and/or consultancy company any information that it is not genuinely public and that it is such as reduce uncertainty about the current or future commercial behavior.

ATTENTION TO:

- ***Direct or indirect contacts with competitors*****:** for more details go to letter a) point (v)
- ***Trade associations activities***
- ***Public announcements and statements.***

a) Horizontal restrictions

(i.) ***Autonomy determination of prices and other sale conditions***

Every company is free to establish and modify its own prices and other term and conditions of sale, as well as react to the behavior of the other active operator on the market.

It is also lawful to use publicly available information about the competitors (e.g. published by the competitors on their own financial statement or on the advertising material accessible to everybody, or by third parties, e.g. Ministry of Transport).

However, it's absolutely **forbidden agree with competitors:**

- the **prices** of sale (included elements of the final price and/or discount),
- **volumes** of sale,
- **shares** of market
- however coordinate their sales **conditions**,

or **exchange directly or indirectly information** commercially relevant (for this, go to the point (iv) *infra*).

TO DO:

- ✓ Adopt autonomously decisions on the prices to be applied and the commercial objectives.
- ✓ Create and preserve a copy of internal documentation appropriate to show the autonomy of the commercial decisions taken, indicating the factors taken into consideration and documenting the timing of the decisional process.
- ✓ Consult the legal department before proceeding to a conclusion of any agreement with a competitor (that sometimes can be legal).

NOT TO DO:

- ✓ Discuss (and even less agree) with one or more competitors about price policies, included some components of the final price (including discounts, dealer margins, methods for calculating the price).

What does it mean in practice?

Example.

A competitor suggests to raise the prices of the alloy wheels of a minimum percentage. The company is under pressure to reach the prefixed aims, and the agreement is not binding. Can you catch the opportunity?
No. This is a "cartel", namely the most serious anticompetitive agreement (in any form, oral or written). To act in contrast with antitrust law is never a VGI interest, also if at first sight the opportunity to reach the aim of more profits seems to be attractive.

(ii.) ***Market sharing***

It is forbidden any agreement between competitors for:

- market division (in a geographical sense, but also the division of clients), and
- Predetermination or stabilization of market shares.

TO DO:

- ✓ Adopt autonomously its own decisions on how to structure its own commercial offer and objectives in the different geographical areas in relation to the different types of customers.

NOT TO DO:

- ✓ Discuss (even less agree) with one or more competitors the achievement or maintenance of certain market shares.

(iii.) **Bid-rigging**

The main characteristic of public tender execution is that the participants have to prepare the respective offers in autonomous and independent way.

Consequently is forbidden any coordination in this regard (e.g. bid-rigging).

The cooperation with competitors could in some cases be lawful if it is objectively justified (for example, the appeal to ATI or RTI to satisfy technical requirements required by the contract specifications). However they are exceptional cases that have to be in advance discussed with legal department.

It is forbidden to discuss with one or more competitors, directly or through an intermediary (e.g. a dealer or a consultancy company), the decision to participate or not to a tender or the offer conditions. They are not allowed offers of convenience, faked or "symbolic".

TO DO:

- ✓ Adopt autonomously its own decisions about the preparation of the offer of tender.
- ✓ Consult in advance with legal department to evaluate the possible risks of combined offers/participation to consortia/ATI/RTI with competitors.

NOT TO DO:

- ✓ Discuss (even less agree) with one or more competitors the intention to participate or not participate to a future tender.

What does it mean in practice?

A competitor offers you a meeting to discuss the characteristics of tender specification. Can you accept the meeting proposal?
No. Participate to this kind of meeting could be extremely serious.

(iv.) ***Information exchanges***

As general rule, **It must not be exchanged directly or indirectly** (through third parties such as providers of services/consultancy company, trade associations, dealer or other commercial partner) **any commercial relevant information,** namely:

- Information not freely available in the whole market and to the consumers (**public genuinely**) and
- That can **reduce the uncertainty** about the commercial behavior of VGI and/or its competitors.

Also the episodic receipt of sensitive information can constitute an antitrust violation, regardless of the fact that the aim pursued is to compete in an aggressive way, e.g. having ascertained the sales aims of a competitor. In case you are recipient of a sensitive commercial information **the only possible protection is to refuse in a clearly and unequivocal way that information,** indicating that they have been canceled and they don't want to receive others similar information in the future.

The exchange of information can raise antitrust critical issues depending on the reference context.

(v.) ***(Direct or indirect) contacts with competitors.***

The direct contacts with competitors aren't forbidden and in many circumstances can result lawful. However, these direct contacts can be approached with extreme cautions because they show an high risk for antitrust point of view.

In fact, as indicated above, information non genuinely public cannot be exchanged with competitors that allow to draw conclusions about the present or future market behavior, e.g.:

- Determination prices strategy,
- Number of contracts,
- Sales aims,
- Future trend markets evaluation,
- New products launch,
- Predisposition of promotional campaign that are not spread to the public.

This rule is applicable no matter the way in which the information are transmitted (phone call, email, etc.) and the occasion that has made this transmission (informal lunches, casual meetings in a conference etc.).

The Antitrust Authorities evaluate the indirect exchanges of information (namely through the dealers, commercial partners or consultancy companies) as absolutely equivalent to the direct exchanges of information. **The use of an intermediary don't exclude the eventual liability of VGI and involve the same intermediary in the liability for the breach.**

It's possible, at certain conditions, to use **statistics and/or market studies** made by third parties. The content of this information has to be however

(i) result of **mistery shopping,** or

(ii) duly **aggregated/anonymized** in order to made impossible the attribution of granular information to a specific competitor.

The use of similar sources has to be always objected of previous valuation by legal function.

In any case, **all the contacts with the competiton have to be documented, included the private and/or casual**.

TO DO:

- ✓ In case of contacts with competitors, they ensure that there is in advance an agenda to show that the purpose of the meeting has not anticompetitive aims.
- ✓ In case of meeting, it necessary to follow scrupulously the agenda.
- ✓ If it is received an inadequate communication by a competitor or a third party, as for example information about the contracts concluded in the current month or just an invite to exchange information, reject unequivocally this information (confirming that they have been canceled and they will not be considered).

NOT TO DO:

- ✓ Exchange sensitive commercial information with competitors (included discounts, dealer's margins, method for calculating the final price, sales objectives).
- ✓ Soliciting third parties to recover any type of information regarding the competitors (e.g. price strategy, technical circulars, sales aims).

What does it mean in practice?

Examples

A competitor's employee (former colleague) calls you to discuss the results achieved in the last month. Can you accept and/or share the information you have?
NO. You have to answer that VGI doesn't want to receive these information.

You know that a dealer is multi-brand and has commercial relationships also with a competitor. Can you ask to send you informally a copy of competitor's technical circulars?
NO. A similar behavior is equal to a direct exchange of sensitive commercial information among competitors.

(vi.) ***Trade associations activity***

The trade associations have as their object the legitimate aim to protect the interests of the sector and promote the development. They can contribute also to the development of the standard that can improve the general efficiency of the sector concerned, also through the spreading of the statistics analysis and data of the market. In principle, the participation to the meetings organized by the trade associations or the adhesion to the system of statistic detection don't constitute, by itself, a violation of the laws for the protection of competition.

However, the trade associations create for their nature meeting opportunities and the contact between subjects that are among them direct competitors. Therefore, **it's necessary to manage this meetings with extreme caution.**

During the associative meetings (or in the margin of them) they don't have to be exchanged, for any reason (or communicated or even just merely received also if they haven't been requested) sensitive commercial information. In particular:

- **Lacking a clear agenda or in doubt** about the compatibility with themes what will be presented/treated with the prohibition of exchanging with the competitors of commercial sensitive information, it's necessary to make a legal evaluation and refrain to participate;

- Where the participant to the meeting wants to make a written presentation or communicate the data and information about VGI or market, it is appropriate that the subject interested verify previously with the legal function the lacking of antitrust risks and/or way in which these risks are avoidable.

Furthermore, with specific reference to any statistic detection system or spread of data market by the trade association, considered that the exchange of sensitive commercial information determinates a violation of antitrust laws, it's necessary to make sure that the participation to this systems of statistic detection or spread of data has been object of previous approval by the legal function.

TO DO:

- ✓ It is important that during any association meeting is respected the agenda prepared and distributed before the beginning of it. If any themes show possible antitrust critical issues, they have to consult the legal function and avoid to participate.
- ✓ If you consider that it has been begun a discussion about risk themes of violation of antitrust law (or if you have only a doubt that this can happen), the only way that allows to VGI to not to be accused of participating to a forbidden agreement among the competitors is to show immediately its own disagreement asking the verbalization.
- ✓ If this is not sufficient and the discussion continues, it is necessary to leave immediately the meeting (asking again to verbalise this).
- ✓ In this situation, you don't have to be worried to be too prudent.
- ✓ The participant to the associate meeting will have to ask the report of it, if this document is not sent to every participant within a certain reasonable period of time.
- ✓ The participant to the meeting will have to read carefully the report and make sure that is true to what is happened and they haven't used expression that can be interpreted in contrast with antitrust law.

NOT TO DO:

- ✓ Exchange sensitive commercial information in the margin of associate meetings, also if this is happened in an episodic and informal way.

*(vii.) **Announcements and public statements***

Generally, the announcements to the press or the declaration published to its website about its own commercial future strategies (included the sales aims or possible price increase) should be avoided. Also generic declarations about the future trend of market have determined the antitrust investigation. **Before to make public statements is therefore appropriate to contact previously the legal function.**

VGI could be involved in an antitrust investigation only for having reacted to the public statements of a competitor about the future market trends, thus giving the possibility to support that the statements was a "signal" of coordination. It is, therefore, important **to abstain to do** (also internally) **the statements** of competitors, much less with competitors or in an associative context.

TO DO:

- ✓ Check any statements or announcements to the public about market themes with legal function to avoid possible critical antitrust issues.
- ✓ To keep track of the timing and of the reason of the implementation of own commercial decisions in order to show that they are taken independently by any public announces (potentially problematic in an antitrust context) of the competitors.

NOT TO DO:

- ✓ Make public statements in which are formulated suppositions about future market trends. In particular possible rise of the prices that are not irrevocably decided.
- ✓ Comment (also internally in VGI) any public statements of competitors.

What does it mean in practice?

Example

Regarding the newspaper you come across to a public statement of a competitor's CEO that indicate a probable future market recovery. How do you react?
Don't comment the statement. In particular the articles DON'T have to be forwarded internally or much less to a competitor speculating on the possibility to increase the profits.

VERTICAL RESTRICTIONS TO COMPETITION RELATED TO VGI RELATIONSHIP WITH SUPPLIERS, DEALERS AND COMMERCIAL PARTNERS

Vertical competition restrictions concern the freedom of commercial partner and supplier to determinate the respective conditions of purchasing and sales. However are forbidden:

- Setting the prices of sales of independent dealer (included the minimum prices, profits, maximum percentages of discount);
- In a selective distribution system (namely in which the dealers are selected according quality parameters that require the satisfaction of minimum standards) concerning the retail trade. Are forbidden the limitation to the sales to the final customer, both from a territorial point of view and with reference to categories of customers;
- Different treatment of the dealers not justifiable according objective parameters (principle of non-discrimination).

b) Vertical restrictions

The agreements with supplier, dealers or commercial partners upstream or downstream of the distribution chain (e.g. the service partners) can be critical from antitrust point of view if they circumscribe the freedom to determinate autonomously the conditions of purchasing or sales. The antitrust evaluation of these agreements can often be complex and depends on the market shares of the parties and, in general, from the market structure. **Before stipulating similar agreements is therefore necessary to involve the legal function.**

However it is important to take into account that the following behavior are generally forbidden:

- **Setting the price of sales** (or the minimum prices, profits, maximum percentage of discount) applicable by the independent dealer. Also the non-binding recommendation, if accompanied by the constant monitoring and by follow-up with the dealer that don't respect them, can be valuated critically by antitrust authority;

- **in the system of selective distribution regarding the retail, impose limitation to the sales to final customer** (from a territorial point of view or with reference to determinate customer category). Remain the possibility to forbid to the dealer that belong to a selective distribution system of (i) doing his own activity in a place not authorized, and (ii) resale to other distributors that don't belong to the authorized network. Outside the selective distribution system, the dealer have to remain free to accept request of purchase not actively solicited also if they come from different areas (or customer categories) from the other assigned (**possibility of so-called passive sales)**;

- **differentiated treatment of dealers** non justifiable on the basis of (documented) objectives parameters. For example, initiatives aimed at offer particular conditions to determinate dealers that could be interpreted as an alteration of the capacity of the dealer to compete with other dealer of the same brand. These initiative, if not justified on the basis of **objectives and verifiable criterions** (e.g. volumes, financial solidity of the dealer), can constitute a competition restriction that is forbidden. Consult preventively the legal function.

TO DO:

- ✓ Consult the legal function before proceeding to the conclusion of a vertical restrictive agreement of the freedom of purchasing or selling, especially if it contains an exclusivity clause or directions about the mode of determinations of prices of sales.
- ✓ Accompany any indication to the dealers in prices of sales area, mentioning unequivocally the fact that they are suggested prices notwithstanding the full discretion of the dealer in the determination of prices of sales.
- ✓ It is possible to conduct in independent way a monitoring of prices practiced actually by the dealer, but without interfering in the freedom determination in this respect.
- ✓ It is generally possible to set the maximum prices of sales.
- ✓ Limit the detail of information that every dealer can obtain about the performances of other dealers (or its competitors).
- ✓ Make sure that entirely there is track of the objective criterions used for the identification of the dealers who receive offers particularly favorable (e.g. criterion based on solidity economic parametres.

NOT TO DO:

- ✓ Set the minimum prices of sales or the profits or the maximum discount applicable by the dealers.
- ✓ Explicitly or implicitly "call up to order" a dealer because it has refused to join the recommendations made about the prices of sales. Also the merely communication of the results of monitoring made by VGI can be valuated negatively by the antitrust authority in presence of other evidence.
- ✓ Use in the communications (also internal) any expression that can be misunderstood by the antitrust authority as limitation to the freedom of the dealer to determinate the prices of sales, as for example the reference to "fixed margins" or "minimum prices".
- ✓ Use incentives/disincentives to induce a dealer to applicate the prices of sales suggested.
- ✓ Limit (also de facto, e.g. through a "call up to order") the possibility for the dealer to answer positively to the orders which come from customers based outside its geographic area of reference.
- ✓ Treat in different manner the dealers. If this is not justifiable on the basis of objective demonstrable parameters (e.g. volumes/model purchased, economical/financial solidity).

What does it mean in practice?

Examples

A dealer refers you that another dealer VGI has begun to sell vehicles outside their habitual geographic area of reference, asking to you to do something to stuck it. Can you act?
NO. The dealers have to remain completely free to sell to their customer localized outside their geographical area in which they usually focus their commercial efforts. It has to be avoided any term that can be misunderstood by the antitrust authority e.g. references to the "invasion" by a dealer to a certain geographic area.

To achieve the volume targets you want to launch a "push action", that establishes particular incentives of purchase – with a limited temporal validity – exclusively for that dealers that have shown a particular financial solidity. Can you purpose a similar initiative?
YES. However the "push action" have to be purposed to all dealers that are in similar economic/financial conditions, previously identified in written form according objective verifiable parameters.

It is forbidden the abuse of dominant position

The markets are defined by the Antitrust Authority with reference to all goods or services that the customer consider, in a determinate homogeneous geographic area, replaceable in case of price variation.

Generally, specifically to the automotive sector, the Antitrust Authorities segment the market on the basis of the performances, dimensions and price, distinguishing for example between: minicar; small cars; medium cars; big cars; prestigious and representation cars; luxury car; sport car; multipurpose car; suv and off road.

If in a relevant market VGI gets a significant market share that can allow to adopt commercial policies only relatively conditioned by competitor's strategies and by the customer's choices (so called market power) It should be subject to a "special liability" that would forbid to adopt determinate behavior (prejudicial for the development of competition or for the consumer) that instead the other companies are free to realize.

5. DOMINANT POSITION ABUSE

The companies that have dominant position in a determinate market have a special liability that limits the commercial autonomy. This implies that behaviors normally perfectly lawful can constitute a breach of antitrust law if realized by a dominant subject (typically, a dominant position is improbable under a market share of 40%).

In principle, to the companies in dominant position is forbidden, for example and non-exhaustive:

- oblige a client to purchase more products and services than the quantity he wanted to purchase (so called tying or bundling);
- refuse a supply of a determinate product or service if it is not on the basis of objective reasons:
- practice prices artificially high or low in order to obstacle the entry or expansion of competitors;
- apply discounts that create loyalty or exclude, however non-justifiable on the basis of objective parameters (e.g. in relation to purchased volumes).

The possibility that VGI has a dominant position in a specific market requires an analysis case by case. Higher is the market share and its concentration, higher it has to be the attention. In case of doubts contact the legal function.

Drafting the documents

When you draft a document or write or answer to an email imagine that an antitrust employee is behind you and reads what and how you communicate!

6. CREATION AND STORAGE OF DOCUMENTS

Low attention to the expressions used in the commercial communication and/in correspondence and internal documentation could damage very seriously VGI, creating the **false perception that unlawful behaviors have been put in place.**

The Antitrust Authorities have wide powers of inspection (see point 7) and can obtain copy of documents many years later their creation.

Also if the use of an appropriate terminology will not protect the group companies in case of the activity described is effectively unlawful, the adoption of a unprecise language could make it seem unlawful some behaviors that really are not unlawful.

It is extremely difficult convince ex – post the Authorities that an inappropriate expression does not reflect the effective behavior of VGI. Therefore, it is necessary to **pay much attention to the draft of documents, considering always that could subsequently be used by Antitrust Authorities during the investigations.**

However it is always advisable to not destroy documents o electronic files only because it is believed that they can contain harmful or dangerous information.

This destruction can aggravate more the position of VGI in its relationships with Antitrust Authorities.

TO DO:

- ✓ In any case a document or presentation – also if it is a draft or for internal use – indicate always the source (right) of the information/data used.
- ✓ Draft any document (also the drafts not definitive) as if it should been provided later a copy to Antitrust Authority
- ✓ Pay attention to the email and attachments. Also if they have been canceled, the IT expert of Antitrust Authorities can recover them. Furthermore, the recipient can have kept it and/or subsequently forwarded.

NOT TO DO:

- ✓ Use expression unclear on ambiguous that can create false impression that the information have been got by, or with consent of, a competitor (e.g. "I have known from a safe source...")
- ✓ Speculate about the lawfulness or not of a determinate behavior.

What does it mean in practice?

Examples

A dealer transmits a competitor's estimate after it anticipates you on the phone that the aim of the forward is to obtain sales conditions more favorable by VGI in order to be able to formulate a competitive offer to the final client. How do you document the legal nature of this information exchange?
It is essential to take note at the moment of the reception how and who the estimate has been obtained, giving notice of the legal dynamic pro-competition.

You took advantage by the "open day" of a competitor dealer in order to get information about their commercial prices/offers currently applied. You do a presentation for internal use to show the results of this activity. How do you prepare the document?
It is essential to indicate always the source of own information and clarify when are estimates and/or projection made on the basis of publicly available information.

7. ANTITRUST AUTHORITY INSPECTIONS

The Antitrust Authorities make use of penetrating powers to ensure the full respect of the law which protect the competition.

In particular, they can:

- **formulate written requests** of information, to which a complete and truthful answer must be provided;
- **inspect** the places and company cars without notice (the CE can also inspect the private domicile, if authorized by a judge).

The **fines** to hinder an inspection can be very significant (in case of inspections of CE they can be millions of euro) and there is a risk of criminal liability. If it has hindered the inspection, this can involve more aggravated liability/pecuniary fines in antitrust proceeding.

In case of inspection, the Antitrust Authorities officers appear without notice, generally at the beginning of the morning. Typically they are accompanied by plainclothes agents of financial police.

When they arrive, the officers, normally, require to speak with a legal representative of the company, of in lack, another chief officer, in order to notify a copy of the decision of competent authority that authorize the inspection and the inspection authorization measures with nominative assignments to the functionary (and military of Financial police) that are doing the operation.

The officers can ask to the Financial Police, to use the powers that the fiscal law gives them in case of difficult access to the headquarter of the company objected to the inspection.

The company objected to the inspection has the right to contact its extern attorneys, that can be present during the investigations.

During the inspection, the officers can:

- Inspect the company books and any documents relevant to the object of inspection (and **don't covered by professional secrecy because objected of correspondence with extern legal consultants**) present in the company places, on any type of format (paper, informatics, etc.):
- **Make copy** of these documents (without keeping the original);
- In case of inspection that goes over a day, affix **seal** to places/cabinets;
- Formulate **questions** or clarification requests to the employees in oral way.