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# NONCOMPETE AGREEMENTS AND AMERICAN WORKERS

## **HEARING**

BEFORE THE

## COMMITTEE ON SMALL BUSINESS AND ENTREPRENEURSHIP UNITED STATES SENATE

ONE HUNDRED SIXTEENTH CONGRESS

FIRST SESSION

NOVEMBER 14, 2019

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## NONCOMPETE AGREEMENTS AND AMERICAN WORKERS

### THURSDAY, NOVEMBER 14, 2019

UNITED STATES SENATE,
COMMITTEE ON SMALL BUSINESS
AND ENTREPRENEURSHIP,
Washington, DC.

The Committee met, pursuant to notice, at 10:09 a.m., in Room 428A, Russell Senate Office Building, Hon. Marco Rubio, Chairman of the Committee, presiding.

Present: Senators Rubio, Ernst, Young, Kennedy, Romney, Hawley, Cardin, Cantwell, Shaheen, and Hirono.

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## OPENING STATEMENT OF HON. MARCO RUBIO, CHAIRMAN, A U.S. SENATOR FROM FLORIDA

Chairman Rubio. I apologize for the delay. This meeting of the Senate Committee on Small Business and Entrepreneurship will come to order.

I want to thank every single one of you for being here. I also want to welcome all of our witnesses, all three of our witnesses for your willingness to share your time and your perspective—it is incredibly useful—on an issue that I think many people are not really that aware of, the proliferation of noncompete agreements among American workers, across all sectors, all wage levels, and to examine today sort of the impact that this has, particularly on working Americans.

I have stated before my strong belief that American economic policy is not paying enough attention to the well-being of American workers. The foundation of our ability to grow and support strong families and thriving communities is, in my view, the availability of dignified work for the workforce.

And so you reach a point where we have seen what I think is very good news, which is three years of very strong economic growth, and yet—and yet we cannot ignore that there are still millions of people who are struggling to find dignified work in certain parts of the country, in certain sectors of the economy, and they feel forgotten and they feel left behind.

Our shared belief in this country has always been that if you work hard you should be able to support a family, to buy a home, potentially, to own a car, to live out the American dream as you define it. It was certainly the experience my parents had, coming to this country. And that dream is under strain as people face an economy whose structure has changed dramatically, an economy that does not seem, in some ways, in that new structure, to ade-

quately value the contributions that workers make, or the right that working people have to share in the value that they create for their employers.

So it is our job, I believe, to put forward policy solutions that address this challenge, to recognize that businesses do have a right to make a profit. At the same time, workers have a right to enjoy the fruits of their labor, and it is that balance, that joint obligation to each other, and rights, that helps our economy function when it

And so that brings us to the subject of noncompetes. In a noncompete agreement, everyone knows what they are, they prohibit an employee from joining or starting a competitor after they leave their current employer, and usually noncompetes have specified geographic or time boundaries—a couple few years, or in this area.

They have traditionally been justified as a way to protect a company's trade secrets, to prevent a former employee from taking these secrets to a competitor. They have also been justified as a way to protect a firm's investment in a given employee, say in jobspecific training where they spent a lot of money to capacitate someone and then they go off and work for someone else, using the training that they paid for.

So that is why the use of noncompetes, to most people, if you talk about, they think it is limited to senior employees, to people that have, you know, critical access to trade secrets or customer bases, and the like. But in recent years, noncompetes have become widespread across numerous sectors in our economy, numerous types of

jobs, a wide range of wage levels.

Today, about one in every five American workers is bound by a noncompete agreement. One out of every five American workers is bound by a noncompete agreement. As many as 40 percent of all American workers have been subject to a noncompete at some point in their career. So 4 out of 10 American workers have had a noncompete at some point.

This is where it gets really startling. Fourteen percent of all workers who learn less than \$40,000 a year are bound by a noncompete agreement. Fifteen percent of workers without a four-year college degree have a noncompete agreement. This proliferation of noncompete agreements has an impact on workers like that, ultimately, because it limits their options and, therefore, competition, it has an impact on depressing wages, it reduces a worker's mobility and it hinders their ability to form a new business, because if you cannot compete, not just working for someone else, you cannot even go out and work for yourself in that field.

By restricting someone's freedom to seek better employment elsewhere, these agreements reduce a worker's ability to increase their pay, by two things. It limits their ability to find higher-paying work with a new employer, and two, it gives their current employer greater leverage over their pay levels at their current job, because, ultimately, your bargaining power is taken away, if you cannot quit and go work for someone else in the same field where you have established expertise, because, you know, you are bound by this agreement. So it gives them tremendous leverage on not increasing your pay, and even, as we will hear today, on cutting it.

So one study that was conducted by one of our witnesses, Mr. Starr, used Oregon as a case study. Oregon banned noncompetes for lower-wage and hourly workers in 2008. The study found that after the ban, average wages increased by up to 6 percent. Among those hourly workers actually subject to noncompetes, the increase may have been as high as 14 to 21 percent.

There is story after story of American workers. I am talking about security guards, textile workers, construction workers, hairstylists, even minimum-wage sandwich-makers, having their financial and personal lives deeply disrupted and harmed when former employers sought to enforce noncompete agreements against them.

Oregon is not alone in having taken action on this. There are numerous states that have passed legislation to restrict the use of noncompete agreements. California, North Dakota, and Oklahoma actually ban them entirely. A growing number of other states have prohibited the applicability of noncompetes to workers who earn below a certain income.

It is important to understand that in many cases, especially when it comes to workers who are not at the top of their respective working environments, noncompete agreements are also not freely negotiated. Workers are often asked to sign agreements late, as they come on board, in the onboarding process. Sometimes they are pressured into signing after they have started a new job.

Nearly 70 percent of workers who have signed a noncompete receive the agreement after the offer letter, and approximately onequarter of these workers were asked to sign the agreement on their first day of work, not before they joined but on their first day of work, perhaps after having turned down other job opportunities.

So those who might defend noncompete agreements by pointing to the right to freely enter into contracts, that is true, but we must remember that these contracts, in some respects, in important respects, are actually often not freely entered into.

American workers have a right to compete in the market. They have a right to offer their labor to the highest bidder. It is wrong, both as a matter of smart economic policy and as a matter of basic morality and decency, to deny them that right. That is why I have introduced the Freedom to Compete Act, which would ban noncompetes for workers below a certain income level, an approach similar to that taken by numerous states.

Senator Young, who is with us here today, and also is a member of this Committee, has introduced a Workforce Mobility Act with Senator Murphy, which would ban noncompetes more broadly, in almost every case, at all income levels. That is more in the model of the three states that have done the same, and it is important

work that he has done and I thank him.

Senator Young, myself, and a bipartisan group of Senators have also asked the GAO, the General Accounting Office, to examine these trends and to report to us on what it all means, and that study is currently underway.

I think perhaps there is room to debate whether noncompete agreements are useful tools for executives and other high-level workers. People could debate that, and I imagine to some extent, but the broad harm that noncompetes have cost American working families is, in my view, beyond dispute. The need for Federal action on noncompete agreements is an idea whose, I believe, time has come.

And so I am pleased to welcome all of you to this important discussion, particularly its impact on small business and on entrepreneurship, which is a key part of our jurisdiction. This has a real impact on entrepreneurship as well. It keeps a lot of people from being able to go out and start their own business.

And with that I want to recognize the Ranking Member.

## OPENING STATEMENT OF HON. BENJAMIN L. CARDIN, RANKING MEMBER, A U.S. SENATOR FROM MARYLAND

Senator Cardin. Well, let me thank Chairman Rubio for calling this very, very important hearing on the abuse of noncompete clauses and agreements. I want to welcome all three of our very distinguished witnesses.

I am sure it is not going to surprise the Chairman that I will single out Dr. Starr. He probably believes because Dr. Starr is from the Robert H. Smith School of Business at the University of Maryland, which is absolutely true, or because the Chairman referred to Dr. Starr's research in the number of employees that are now covered by noncompete agreements, and that is also true. But I am singling him out because I have been told it is Dr. Starr's birthday today, so happy birthday, Dr. Starr.

Senator YOUNG. He is also your star witness.

[Laughter.]

Senator CARDIN. Thank you, Senator Young. For all those reasons we welcome you and we welcome all of our witnesses today.

I just really want to underscore the point that the Chairman mentioned, that the original intent of noncompete agreements was to protect industrial secrets, trade secrets, and to use that in a way to protect intellectual property and the way that companies could expand and use employees appropriately, but also restrict their use of company information. That clearly is not how it is being used today.

We saw that in the Jimmy John's case, in the fast food industry, that got a lot of national attention, or the number of hairstylists today that are subject to noncompete agreements, health care prac-

titioners. It has clearly been abuse.

The impact is pretty clear. You have taken away from employees their bargaining strength and it means that their wages are going to be depressed. They are not going to be able to earn as much as they should with these types of agreements. It limits mobility, which is something that we should not be doing for people that should be able to participate in our economy. It challenges small businesses to get the talented people they need in order to provide the needs of their company and the expansion of their companies. It discourages entrepreneurship and innovation, particularly in underserved communities. It hurts our economy. So for all those reasons, we need to take action.

Now the states, as Chairman Rubio has said, have taken action, and they have passed different types of restrictions on noncompete agreements. My State of Maryland has adopted an approach similar to Senator Rubio's suggestion. There have been other states

that have gone similar to Senator Young's suggestions. The point is that even with state action it needs Federal action, because for an employee to challenge what an employer has done, even if there is a law in the state, it is extremely difficult and challenging, and the economics of it and the impact, there is not an effective enforce-

ment at the state levels for these noncompete agreements.

So I agree with Senator Rubio. We need Federal legislation. And I thank Senator Rubio for putting forward legislation. I thank Senator Young, working with Senator Murphy, for putting forward legislation. Our question is, who should be covered by it? And it seems to me we should try to get a definition of those that are covered where there is not a need for a noncompete agreement. Obviously, the lower-wage workers, that should be an easy one, but I think we can go beyond that, because I hope we can carve out noncompete agreements to only where they are needed for the original intent in which they were used.

I think we also have to have effective transparency in this transaction, so that the employee knows what they are doing and really has an effective way to negotiate this and not being asked to sign an agreement on the first day of work. So I hope we can deal with

that.

And lastly, let's deal with enforcement. How do you enforce this so you do not put all the burden on an employee who does not have

the resources to challenge what a company is doing?

So the noncompete agreements are not the only issue. There are many issues that address the health of wage growth and protect workers, and I am just going to mention them very briefly. We need to strengthen collective bargaining. We need to close the wealth gap, and this Committee has looked at that, and there are tools of the SBA to help entrepreneurs deal particularly underserved communities. That would all be helpful. Expanding benefits for health care and retirement. Addressing the \$1.6 trillion of student loan debt. Raising the minimum wage. These are all issues that could help us protect the workers of America.

Today we have a chance to do that, at this hearing, to take on a very important issue dealing with the abuses of noncompete agreements, and I really look forward to our witnesses, our discus-

sion, and coming forward with a consensus bill.
Chairman Rubio. Thank you. We will now go to our witnesses. Mr. Bollinger, I am going to begin with you. First of all, I want to thank you for being here today and being a part of this. As I told you at the outset, when we met a few minutes ago, this hearing is nothing like the stuff you are seeing on television. You know, this is a very different setting in terms of the topic, and I think you will find it to be a place where your story is one that those who do not know it are going to be shocked by. And so I wanted to begin with you.

I just want to introduce you. You are a customer service manager at American Custom Finishing in Hickory, North Carolina, and you have worked in this industry, the textile industry, since you graduated from high school in 1982. And we thank you very much for being here today. Stories like yours we have heard from people all over the country, but I hope those who read the record or are watching this on television or are here today are going to hear your

story and be convinced that this is something we need to take action on. So thank you for being here.

### STATEMENT OF KEITH BOLLINGER, CONOVER, NC

Mr. BOLLINGER. Leaders, Senators, and Senator Marco Rubio, thank you for having this hearing and thank you for having me here today and giving me the opportunity to speak. I hope we can make a difference.

I began my career in textiles in 1982 as an entry-level worker. I worked hard and diligently and worked my way up to a supervisor, a salaried position. In 1992, the company that I worked for was bought out by the competition, TSG Finishing, and I started over there, put back on the clock, so I had to start over. Again, I worked my way up through the years and I finally worked my way up into management, to a quality control manager over their three finishing facilities they had in the Hickory, North Carolina, area.

In 2007, all salaried employees received noncompete agreements to sign with their raise and bonuses. I held out. I did not like it. I did not agree with it. I did not like the fact that it stated all of North America as the noncompete territory. It made me very uncomfortable.

But on January of 2008, I was told by the VP of Operators that I had to sign the noncompete agreement. He said, "Keith, you have to sign this." I felt my job was at risk. I had a family, a young son, a wonderful wife, so I signed it.

A little over a year later all of us that signed those received 35 to 40 percent pay cuts. At the end of that year, TSG filed for Chapter 11 bankruptcy protection, and they had a meeting with all of us, a conference call, and assured us that as soon as they came out of bankruptcy protection the first thing they would do was reinstate our pay. Of course, they came out of bankruptcy protection and that never happened. They reworded it that, "Oh, we said when business picks back up," which was not the case at all.

Later, in 2013, I was approached by another company, a competitor down the street, by a guy that I used to work with at the first place, and he was ready to retire and he wanted me to—want to know if I wanted to take his place running the operation. And I told him about the noncompete. And I met with the majority owner of that company as well, and they said, "Well, just go talk to an attorney and see what he has to say," and I did.

And he looked at me and said, "Well, I do not think it is enforce-

And he looked at me and said, "Well, I do not think it is enforceable, because the contract you signed was before they went into bankruptcy protection. They came out of bankruptcy protection as a new company, a new tax ID, a different company altogether, and that is who I was working for." He asked me, "Did you sign a noncompete with that company?" No, I did not. He said, "Well, I do not see where it is enforceable. You should be free to go wherever you want to go.

So I accepted the job and loved it. It was my dream job. I was Operations Manager. But they came after me. I won, initially, in business court, and my attorney said, "Congratulations. You do not have anything to worry about. They will try to appeal it, but there is no way an appeals court will overturn this." Well, he was wrong. They overturned it and I was immediately laid off, for fear that

they would be drug into the lawsuit. Well, they got drug into the lawsuit anyway.

I went to work part-time after that for a rigger, who moves heavy equipment, industrial equipment, just turning wrenches. A grunt. A gopher. They got wind of that and sued him. So later they

dropped him.

But I had no choice but to go along with the other people in the lawsuit and settle. I could not afford to fight it. My attorney bills had mounted to the point where there was just no way I could pay it. We wiped out our savings, relied on credit cards. I got loans from family members and friends. Otherwise, I would have lost everything.

I did not have the knowledge of chemical recipes or anything else. It is not like I had the Colonel's secret recipe. You know, I was just a working stiff who worked diligently to get ahead in life, and when an opportunity came for me to provide a better life for

my family, it was yanked out from under me.

I am now making about what I did 20 years ago, with no benefits, and honestly, I do not think that I will ever fully recover from

it, and neither will my family.

I hope that things do change. I know what happens today will not help undo what happened to me. It will not right the wrongs. But if my testimony today can help prevent somebody else from going through what I have gone through, I had to be here today, and I thank you very much.

[The prepared statement of Mr. Bollinger follows:]

Keith A Bollinger "Noncompete Agreements and American Workers"

Leaders, Senators, and Senator Marco Rubio:

Good morning and thank you for holding this hearing and for the opportunity to appear before you today on this matter. I hope we can make a difference.

My name is Keith Bollinger. I am 56 years old. I was never a rich man, but once I had a comfortable life style. The company I worked with for more than 20 years had a downturn and used fear to get the management team to sign non-compete agreements. They went through bankruptcy, cut pay and despite promises - never reinstated the pay of loyal employees even after the market returned. I had an opportunity to recover my losses by joining another company and for that I was punished. I was unemployed for almost 2 years, and my family suffered both financially and emotionally. My story is a prime example of the overreach of non-compete agreements.

I began my career in textile finishing in 1982 after high school and I have no college degree. In 1992 the company I worked for was purchased by one of their local competitors TSG Incorporated. They offered me an hourly position that I accepted. I advanced to quality control manager for TSG by the late 1990's.

TSG issued yearly raises and bonuses at the end of each year. At the end of 2007 all salaried employees received a non-compete agreement to sign with their raise and bonuses. I did not sign it. I did not understand it and did not agree with some of the terms – particularly listing all of North America as the non-compete territory. On January 14, 2008 I was told by the VP of Operations that I had to sign the non-compete agreement. I felt my job was at risk, so I signed it. I never thought it would lead to the destruction of my career, 2 years of unemployment, my current low income and damaged resume.

I received 2 pay cuts equaling 35% at the beginning of 2009. The end of that year, TSG filed for chapter 11 bankruptcy protection. Every person that had to sign the non-complete was given large pay cuts of 35% to 40%. Sometime during bankruptcy period, there was a conference call between the plant managers and TSG headquarters, letting all of us know that once the company was out of bankruptcy that our pay would be reinstated. Later this was reworded to "when business picks back up", the pay would be reinstated.

During bankruptcy, TSG Incorporated renamed itself to TSG Holding Company. Around April 2011, TSG Finishing LLC was created. After bankruptcy was over I repeatedly asked for my pay to be reinstated, but received only small increases never amounting to my previous salary.

In the fall of 2013, I was approached by a minority owner of American Custom Finishing (ACF) and an individual whom I had worked with at the first employer. He was planning to retire, and the position was for operations manager to replace him. I met with another owner about this opportunity and we discussed the non-compete agreement I had with TSG Finishing. I consulted an attorney and was advised that it was probably not enforceable because I signed the non-compete with TSG Incorporated not TSG Finishing, my current employer. The large pay cuts were also discussed. He did recommend other attorneys with larger firms if I needed one but thought I would be ok. An offer was made by (ACF) and I accepted the offer in November 2013 letting them know that I would need to give TSG a notice.

I submitted my notice in person with one of the company owners. He accepted and seemed to understand when I told him the offer from ACF was a substantial pay increase. He asked me to continue to perform my duties. I remember thinking that the owners may discuss reinstating my pay. I

remember calling my wife and discussing this possibility. She felt that if they reinstated my pay then I should stay as it shows good faith from them. Honestly, I struggled with this possibility. I had worked for TSG for more than 20 years and moving to a new company would be a risk. It was an exciting new opportunity, but I am a loyal guy and would probably have stayed if they had matched or come close to matching the offer from ACF. After about three hours, the plant manager came to my office. He was there to escort me off the property. He told me the owners had discussed my notice and I was to leave and they were going to "come after me".

So, I started at ACF the following week as operations manager and loved it. I felt this was the job I had worked my entire life for. It was a once in lifetime opportunity and my dream job. Then, on November 26, 2013, TSG Finishing sent both me and ACF cease and desist letters with a copy of my non-compete agreement. I hired an attorney right away. My attorney responded to the letter on December 9, 2013 with his arguments that the contract was not enforceable due to wrong company suing, proof of assignment along with other arguments. He reminded them I was not a chemist, engineer or a sales representative with a territory. He assured them that if they thought I possessed some sort of trade secrete knowledge or proprietary information that I would not use them, and we would be more than happy to discuss those matters further to help eliminate any of their concerns.

Instead of trying to discuss what sort of reasonable restrictions they wanted for their trade or other protections I was served with a lawsuit January 24, 2014. I was the only defendant at this time and the case was moved from Catawba County NC to North Carolina Business court.

TSG filed motion for preliminary injunction. I was not being accused of taking anything just that I had access to or had knowledge of customer preferences and that I ran trials to help determine processes. I did handle customer complaints and quality issues and trials to help satisfy customers. Nothing I could take with me that the customer would not know. I did not have knowledge of chemical recipes or anything else. I don't know how to make the goop, I just know how to apply the goop.

The non-compete territories included North Carolina and Pennsylvania as well as 16 other states that they considered their primary competition states. Also, both the United States and all North America. The duration was for two years and did not allow engaging as an employee or contractor in performance of textile finishing, engage in the manufacturing of textile finishing machinery or equipment, including but not limited to jobber, reseller, or dealers of used textile machinery or equipment or engage in sales, marketing or managerial services for any individual or entity that competes with TSG direct or indirectly in prohibited territory. The choice of Law was Pennsylvania. I never worked in Pennsylvania. I have lived and worked in the Hickory, NC area my entire life.

My attorney responded to their motion and I went through a brutal deposition from a very aggressive attorney. He seemed to keep asking the same questions over and over just rewording them trying to force me to choose the words he wanted to hear. Wanting my words to fit his agenda.

That night I had a panic attack or an anxiety attack. I was gasping for my breath. Felt like I could not breathe. Scared my wife and son. There were more of these through the course of all the legal battles. I went to my doctor and was tested for other possibilities, but we concluded it was probably stress.

A hearing was held February 5 for the preliminary injunction. I was present and Jack Rosenstein testified. Attorneys from both sides made their arguments. The preliminary Injunction was denied by the NC Business Court judge February 24, 2014. The order seems to agree with most of my attorneys'

arguments and stated something to the effect of enforcing a non-compete as articulated by the plaintiff's would bar me from working in the only profession I have known since high school throughout North America. I felt great and thought glad this is over.

TSG appealed to the NC Appeals Court and on December 31, 2014 NC Appeals court reversed the Business Courts decision.

Still today I cannot read the Appeals Court opinion all the way through. I do not understand how they made such absurd statements and acted as if facts and it is on the internet for all to see. If you did not know me, you may not give me a second chance after reading it. Anytime applying for jobs, I have to mention the lawsuit. It haunts me. North Carolina believes the public has the right to know and the Business Court, Appeals & Supreme Court all have my case on their websites. If you google my name you can find the Appeals Court opinion without going to their website and that's not been a lot of help when looking for employment. They make me out to be some awful ex-employee and they never even met me.

The same day the Appeals court reversed my victory TSG's attorney notified ACF's attorney of the decision and I was immediately laid off. I lost my dream job and a good income.

My attorney filed to NC Supreme Court for a stay and we were granted it. Lucky me. My review was denied on August 20, 2015 and that dissolved the stay.

I remained unemployed for about 2 years during all of this. It is hard to find full time employment with no reference from longest employer and with companies now doing internet searches it seemed like a good idea to tell anyone I interview with about my situation. I had an interview with a Weaving company close by that asked me if I was allowed to work for them. I said I thought I was. No offer was ever made. I am unsure if they called TSG or just decided to play it safe.

I remember at one point I was being accused of still working for ACF and they subpoenaed our tax records. Our adjusted gross income was around \$27,000. Hard to pay a house payment and car payments and keep up with attorney fees with that. Unemployment benefits in NC are terrible.

There were multiple times my wife noticed traffic backed up in front of our house with someone taking pictures and on several occasions I saw the plaintiff's attorney following me.

TSG filed another lawsuit against ACF and other companies and individuals signed by their attorney the same day the Supreme Court's denial. TSG Finishing was even suing indirect competitors. Both cases were combined in NC Business Court. December of 2015 the preliminary injunction was placed on me.

We borrowed money from family and friends. We wiped out our savings and had to use credit cards and cut expenses the best way we could. No cable, Christmas gifts, eating out, movies, home repairs were left undone, and our son was starting college and had to take out college loans. After 3 ½ years in 2017 TSG accepted \$200,000 offer of judgment from all defendants. The lawsuit left a vaper trail internet and damaged my resume. I never got my day in court to determine whether the non-compete was legal. According to the appeals court the burden is on the employee. That's frustrating.

I am currently back working at ACF making about the same as I did 20 years ago with no insurance benefits or 401k. During my absence that position was filled and I don't blame them. I have applied and

interviewed for other positions with better pay and benefits but internet searches and unable to use a company I worked for over 20 years as a reference make it difficult.

I am 56 years old and have spent 3 ½ years of my life fighting to have a future. The one I had worked 30 plus years for and was taken from me. I lost a comfortable life style. The company I worked with had me sign a non-compete after 16 years then cut my pay - never reinstating it even after the market returned. I had an opportunity to recover my losses by joining another company and for that I was punished. My career has not recovered, and it may never. I went through three different courts one never gave the time to hear me, and the other two had the complete opposite opinions with only one ever meeting me. How is someone like me able to understand a contract when the courts interpretations are complete opposite. There are other contracts a business can use that does not destroy careers. I thought this was a free country and a land of opportunity.

Chairman Rubio. Thank you so much for sharing that story with the Committee. It was very impactful. It puts a real human face

on what we are trying to deal with here today.

Dr. Starr is the Assistant Professor of Management and Organization at the Smith School of Business at the University of Maryland, and he is also one of the Nation's leading researchers on the subject of noncompete agreements and their effect on employee mobility and earnings.

Thank you for being here today. You are recognized.

# STATEMENT OF EVAN STARR, Ph.D., ASSISTANT PROFESSOR OF MANAGEMENT AND ORGANIZATION, ROBERT H. SMITH SCHOOL OF BUSINESS, UNIVERSITY OF MARYLAND, COLLEGE PARK, MD

Mr. STARR. Thank you, Chairman Rubio and Ranking Member Cardin, and other members of the Committee. Thank you for the opportunity to testify on the important topic of noncompete agreements and American workers.

My name is Evan Starr and I am an Assistant Professor at the University of Maryland's Robert H. Smith School of Business, and today is my birthday, and there are few places I would rather be and few topics I would rather be discussing, so thank you.

A noncompete agreement is an employment provision that prohibits a departing worker from joining or starting a competing firm. As an example, I would like to read the text of a noncompete

signed in 2015, by a temporarily employed Amazon packer making \$12 an hour.

"During employment and for 18 months after the separation date, employee will not engage in or support the development, manufacture, marketing, or sale of any product or service that competes or is intended to compete with any product or service sold, offered, or otherwise provided by Amazon, that employee worked on or supported or about which employee obtained or received confidential information."

The reason noncompetes like this are important is because they may prevent workers from working where they want and earning

what they could in the labor market.

The last few years have seen a bevy of new laws seeking to ban noncompetes for all or a subset of workers, including in Massachusetts, Washington, Florida, New Hampshire, Illinois, Hawaii, New Jersey, my home State of Maryland, and across the whole United States.

In my research, I have sought to understand how common noncompetes are, how they influence workers and firms, and what of

effects banning them has on economic activity.

In my testimony today I would like to make the following points. First, noncompetes are everywhere. Doggie daycare workers, unpaid interns, volunteer coaches, janitors, and hairstylists are just some of the jobs in which noncompetes have been found. In a 2014 study of 11,500 U.S. workers, J.J. Prescott, Norman Bishara, and I estimate that approximately one in five private sector workers were bound by noncompetes, and that approximately 40 percent of labor force participants had ever signed one.

We also find that while noncompetes are more common among executives and managers, hourly paid workers actually make up the majority of noncompete signers because they represent such a large part of the labor force.

Second, noncompetes are negotiated over just 10 percent of the time and are regularly asked of workers when they have limited

bargaining power, such as on the first day of the job.

Third, despite reasonable arguments that noncompetes might benefit workers and firms, most research suggests that the use and enforceability of noncompetes reduces wages, entrepreneurship, and job-to-job mobility, making it harder for firms to hire and creating negative spillovers in the market.

For example, after Oregon banned noncompetes for low-wage workers in 2008, my colleague, Michael Lipsitz, and I find that hourly worker wages rose up to 6 percent five years after the ban, while job-to-job mobility rose 17 percent. We also find that the

wage gains were stronger for women than for men.

In another study, my co-authors and I examined a ban on non-competes that Hawaii implemented in 2015, for only high-tech workers, an occupation in which the potential benefits of investment are very salient. Yet similar to the low-wage study, we find that this ban raised quarterly earnings for new hires by 4 percent and increased job mobility by 11 percent.

Other studies find that where it is easier to enforce noncompetes,

the startup rate is lower and businesses struggle to hire.

Taken together, these results suggest that noncompetes do indeed prevent both low-wage and high-tech workers from working where they want and earning what they could.

Fourth, bans on noncompetes do not tell the whole story. In states where noncompetes are unenforceable, they still cover 19 percent of the workforce. Moreover, these unenforceable noncompetes also appear to chill employee mobility.

Fifth, two recent studies suggest that the negative effects of noncompetes are borne not only by those who sign them but are also

shared by others in the labor market.

Sixth, other tools can do similar jobs for the firm without constraining worker options so severely. For example, nondisclosure agreements and trade secret laws can protect trade secrets, while non-solicitation agreements can protect clients. Yet neither of these provisions limit job options for departing workers. So the efficacy of noncompetes should be judged based on their value relative to these less-restrictive alternatives.

Finally, I would like to note that this is not a classic firm-versusworker issue, because firms are on both sides of the equation here. Firms may not want to lose workers to competitors but they would like to hire from their competitors.

I would also like to note that it has been uplifting to see bipartisan interest in this space, including recent bills from Chairman Rubio, Senator Young, and Senator Murphy.

I look forward to your questions. Thank you. [The prepared statement of Mr. Starr follows:]

### Written Testimony for the Senate Committee on Small Business and Entrepreneurship Hearing on "Noncompete Agreements and American Workers"

## Evan Starr Assistant Professor of Management and Organization University of Maryland Robert H Smith School of Business\*

November 14, 2019

Chairman Rubio, Ranking Member Cardin, and Members of the Committee:

Thank you for the opportunity to testify on the important topic of noncompete agreements and American workers. My name is Evan Starr and I am an Assistant Professor at the University of Maryland's Robert H. Smith School of Business.

If you are unfamiliar with noncompete agreements, they are employment provisions that prohibit departing workers from starting or joining another firm in the industry within particular time and geographic boundaries. Here is an example of one, signed by a temporarily-employed packer at Amazon in 2015:

During employment and for 18 months after the Separation Date, Employee will not, directly or indirectly, whether on Employee's own behalf or on behalf of any other entity (for example, as an employee, agent, partner, or consultant), engage in or support the development, manufacture, marketing, or sale of any product or service that competes or is intended to compete with any product or service sold, offered, or otherwise provided by Amazon (or intended to be sold, offered, or otherwise provided by Amazon in the future) that Employee worked on or supported, or about which Employee obtained or received Confidential Information.

The reason that noncompetes like this are important is because they can prevent workers from working where they want and earning what they could in a competitive market. In addition, recent evidence suggests that noncompetes may have negative spillover effects that reduce economic dynamism generally.

The last few years have seen a bevy of new laws seeking to ban noncompetes for all or a subset of workers, including in Massachusetts, Washington, Florida, New Hampshire, Illinois, Hawaii, New Jersey, my home state of Maryland, and across the whole United States.

In my research I have sought to understand how common noncompetes are, how they influence workers and firms, and what sort of effects banning them has on economic activity.

<sup>•</sup> This testimony represents my own views and not necessarily those of the University of Maryland or the Robert H. Smith School of Business.

<sup>1</sup> The text of this noncompete is provided by Spencer Woodman in his article "Exclusive: Amazon makes even temporary warehouse workers sign 18-month non-competes." The article is available at <a href="https://www.theyerge.com/2015/3/26/8280309/amazon-warehouse-jobs-exclusive-noncompete-contracts">https://www.theyerge.com/2015/3/26/8280309/amazon-warehouse-jobs-exclusive-noncompete-contracts.</a> After this contract was made public, Amazon reportedly withdrew these provisions from hourly workers' contracts.

In my testimony today, I'd like to make the following points:

- Noncompetes are everywhere. They are found most frequently in high-wage jobs, but they are also found regularly in low-wage jobs.
- (2) Noncompetes are rarely negotiated over, and are regularly presented to workers when they have limited outside options—to the worker's detriment.
- (3) Despite reasonable arguments that noncompetes might benefit workers and firms, most research suggests that the use and enforceability of noncompetes reduces wages, entrepreneurship, and job-to-job mobility, making it harder for firms to hire, and creating negative spillovers in the market.
- (4) Women and non-white workers appear to be particularly harmed by noncompetes.
- (5) Noncompetes are still common in states that do not enforce them, and even unenforceable noncompetes appear to limit employee mobility.
- (6) Other, less restrictive employment practices can often do the same jobs for the firm as noncompetes. The efficacy of noncompetes should be judged based on their relative value compared to these less restrictive alternatives.
- (7) Recent research on other mobility-restricting employment practices, such as no-poach agreements and non-solicitation (of clients) agreements suggest that they too hurt workers.

Before I elaborate on each of these points, I'd like to make two additional comments. From a conceptual perspective, it is important to note that this is not a classic firm vs. worker issue because firms are on both sides of the equation: Firms would clearly not like their workers to leave for competitors, but they would like to hire from their competitors. It is also not a conservative vs. liberal issue, as we've seen several recent bills proposed by both Republicans and Democrats, including recently by Chairman Rubio, Senator Young, and Senator Murphy.

I will now elaborate on each of my main points:

## Point 1. Noncompetes are everywhere. They are found most frequently in high-paid jobs, but they are also found regularly in low-wage jobs.

Doggy daycare workers, unpaid interns, volunteer coaches, janitors, yoga instructors, and hair stylists are just some of the types of jobs in which noncompetes have been found. In a study of 11,500 US workers, my colleagues JJ Prescott, Norman Bishara, and I estimate that in 2014 approximately 1 in 5 private sector workers were bound by noncompetes, and that approximately

<sup>2</sup> See Greenhouse, Steven "Noncompete Clauses Increasingly Pop Up in Array of Jobs," New York Times, June 8, 2014 at https://www.nytimes.com/2014/06/09/business/noncompete-clauses-increasingly-pop-up-in-array-of-jobs.html.

40% of labor force participants have ever signed one.3 Noncompetes are most common among executives,4 as one might expect. Yet, hourly-paid workers actually make up the majority of noncompete signers because they represent such a large part of the labor force.5

## Point 2. Noncompetes are rarely negotiated over, and are regularly presented to workers when they have limited outside options—to the worker's detriment.

In my study with Prescott and Bishara, we find that only 10% of workers report negotiating over their noncompete or for other benefits in exchange for signing. Furthermore, 86% of workers report that they were not promised any benefits for agreeing not to compete. These findings do not imply that noncompetes are bad for workers per se, since additional compensation might be baked into the initial employment offer. But they do suggest that workers generally sign noncompetes when they are asked without requiring additional compensation beyond what is offered.

Furthermore, evidence from two studies finds that approximately 33-45% of workers who have signed noncompetes are asked to sign them *after* the worker has accepted the job offer, but without a promotion, raise, or other change in responsibilities. The issue of timing is important because noncompetes give the firm *future* product and labor market power. For example, if a worker gets a job offer from a competitor, or has an idea to start a new firm in the industry, the employer can use the noncompete as a shield to prevent the worker from taking those opportunities. Given that noncompetes operate in the future, a key question is whether workers are compensated for what they give up *when they agree to these provisions*. The delay of noncompetes until after the worker has accepted the job may erode worker bargaining power if, for example, workers have turned down other offers or have already made important investments in the new job. My research with Prescott and Bishara finds that workers are worse off under these delays relative to workers who receive noncompetes with the job offer.8

Point 3. Despite reasonable arguments that noncompetes might benefit workers and firms, most research suggests that the use and enforceability of noncompetes reduces wages, entrepreneurship, and job-to-job mobility, making it harder for firms to hire, and creating negative spillovers in the market.

While noncompetes appear to be prima facie anticompetitive in that they can be used as a shield to protect the firm from future labor and product market competition, there are reasonable

- <sup>3</sup> This evidence is reported in Starr, Evan, James J. Prescott, and Norman Bishara. "Noncompetes in the US labor force." *U of Michigan Law & Econ Research Paper* 18-013 (2019).
- 4 See, for example, Bishara, Norman, Kenneth J. Martin, and Randall S. Thomas. "When do CEOs have covenants not to compete in their employment contracts?." *Vanderbilt Law Review* 68, no. 1 (2015): 12-33. They find that 70% of executives sign noncompetes (See Table 3).
- 5 See, Lipsitz, Michael, and Evan Starr. "Low-Wage Workers and the Enforceability of Non-Compete Agreements." Available at SSRN 3452240 (2019), finding that 53% of noncompete signers are hourly workers.
   6 See Starr et al. (2019 at 3; Table 5 shows the negotiation propensities and Table B13 shows what workers report their employers promised them in exchange for signing ag noncompete.
- <sup>7</sup> See Table 4 in Marx, Matt. "The firm strikes back: non-compete agreements and the mobility of technical professionals." *American Sociological Review 76.5* (2011): 695-712.
- 8 See Starr et al. (2019) at 3, Table 7.

justifications for their use. These justifications typically include encouraging firms to invest in the development of trade secrets or valuable worker skills that firms fear would otherwise end up subsidizing their competitors. Theoretically, workers would be willing to agree to these restrictions when they are better off relative to their outside option, which might occur if firms share the returns made from these investments.

Given that it's unclear whether noncompetes (or the laws that regulate them) will hurt or benefit workers, the question is ultimately empirical. Tests of these competing arguments tend to find that when states ban noncompetes (or relax enforcement), workers tend to benefit.9 For example, a recent study of mine with Michael Lipsitz examines Oregon's 2008 low-wage ban on noncompetes. We find that hourly-worker wages rose up to 6% 5 years after the ban, while job-to-job mobility rose 12-18% on average. The fact that wages rose following a ban suggests that they were being held down by noncompetes.

Low-wage workers are unique, however, in that they likely do not have access to the traditionally protectable interests, and so may not be a great test of the investment theory. In another study, my coauthors and I examine a ban on noncompetes that Hawaii implemented in 2015 for *only* high-tech workers—an occupation in which the potential benefits of investment are more salient. 10 Yet similar to the low-wage study, we find that Hawaii's ban on noncompetes for high-tech workers raised quarterly earnings for new hires by 4% and increased job mobility by 11%.11 That is, even in the precise jobs where the investment story ought to be most plausible, we still find that noncompetes were holding down worker wages and mobility.

Other studies recognize that noncompetes do not just prohibit moving to another firm within the industry, but also extend to *starting* a new firm within the industry as well. Most studies find that the vigorous enforcement of noncompetes reduces entrepreneurship and makes it difficult for new firms to hire. 12

<sup>9</sup> In addition to the studies described herein, Starr, Evan. "Consider this: Training, wages, and the enforceability of covenants not to compete." *ILR Review* 72.4 (2019): 783-817, also finds that workers earn less in higher enforceability states. Johnson, Matthew S., Kurt Lavetti, and Michael Lipsitz. "The Labor Market Effects of Legal Restrictions on Worker Mobility," *Available at SSRN* 3455381 (2019), finds similar results. For a broad overview see Starr, Evan. "The Use, Abuse, and Enforceability of Non-Compete and No-Poach Agreements." *Economic Importation Group, February* 2019 https://eig.org/poacompete/shripf

Innovation Group. February 2019 <a href="https://eig.org/noncompetesbrief">https://eig.org/noncompetesbrief</a>. 10 See, Balasubramanian, N., Chang, J. W., Sakakibara, M., Sivadasan, J., & Starr, E. (2018). Locked in? the enforceability of covenants not to compete and the careers of high-tech workers. US Census Bureau Center for Economic Studies Paper No. CES-WP-17-09.

<sup>11</sup> Early studies in this literature documented that enforcing noncompetes reduces and redirects inventor mobility. See Marx, Matt, Deborah Strumsky, and Lee Fleming. "Mobility, skills, and the Michigan non-compete experiment." Management Science 55.6 (2009): 875-889, and Marx, Matt, Jasjit Singh, and Lee Fleming. "Regional disadvantage? Employee non-compete agreements and brain drain." Research Policy 44.2 (2015): 394-404.

12 On reductions in entrepreneurship and challenges in hiring, see Starr, Evan, Natarajan Balasubramanian, and Mariko Sakakibara. "Screening spinouts? How noncompete enforceability affects the creation, growth, and survival of new firms." Management Science 64.2 (2017): 552-572. See also Starr, Evan, Martin Ganco, and Benjamin A. Campbell. "Strategic human capital management in the context of cross-industry and within-industry mobility frictions." Strategic Management Journal 39.8 (2018): 2226-2254. See also Stuart, Toby E., and Olav Sorenson. "Liquidity events and the geographic distribution of entrepreneurial activity." Administrative Science Quarterly 48.2 (2003): 175-201. Finally, see Jeffers, Jessica. "The impact of restricting labor mobility on corporate investment and entrepreneurship." Available at SSRN 3040393 (2019).

Taken together, these results are hard to square with theories that suggest workers should benefit from noncompetes.

It's important to note that these studies do not generally have information on the use of noncompetes—rather, they examine differences in state law and average across those who are and are not bound by noncompetes. Accordingly, it may be the case that enforcing noncompetes results in negative spillovers in the market (i.e., the wage losses are borne not only by those bound by noncompetes but also by others in the market). A recent study of mine with Justin Frake and Rajshree Agarwal finds evidence consistent with negative spillovers: in state-industry combinations where noncompetes are used *en masse* and are vigorously enforced by courts, the whole labor market is less dynamic, with lower mobility and wages, even for those not bound by noncompetes. 13 Another recent study by Johnson, Lipsitz, and Lavetti finds similar evidence of negative externalities. 14

It's also important to note that not all studies in this literature find negative effects of noncompetes, and that this research stream is still reaching consensus on some points. For example, there is contrasting evidence on the effects of noncompetes for CEOs.15 And there are two studies finding evidence that those bound by noncompetes have higher earnings, though both studies acknowledge that they are unable to determine whether it is the noncompete or some other aspect of the worker or firm that causes higher earnings.16 Other studies look directly at the investment margin, and some do find evidence that firms invest in riskier innovation, more firmsponsored training, or more investment, though again there is some dispute on these points.17 Most notable among these points is that California banned noncompetes in 1872, and some scholars note that this may be an important reason why Silicon Valley came to be such a thriving technology hub.18

## Point 4. Recent research also finds that noncompetes have particularly negative effects on women and on non-white workers.

<sup>13</sup> Starr, Evan, Justin Frake, and Rajshree Agarwal. "Mobility Constraint Externalities." Organization Science 30.5 (2019): 961-980.

<sup>14</sup> Johnson, Matthew S., Kurt Lavetti, and Michael Lipsitz. "The Labor Market Effects of Legal Restrictions on Worker Mobility," *Available at SSRN 3455381* (2019).

<sup>15</sup> On the contrasting effects on executives, see Garmaise, Mark J. "Ties that truly bind: Noncompetition agreements, executive compensation, and firm investment." *The Journal of Law, Economics, and Organization* 27.2 (2011): 376-425. For the alternative result, see Kini, O., R. Williams, and D. Yin. *CEO Mobility, Performance-Turnover Sensitivity, and Compensation: Evidence from Non-Compete Agreements.* Working Paper, 2017.

16 Starr et al. (2019) at 3. And, Lavetti, Kurt, Carol Simon, and William D. White. "The impacts of restricting

<sup>16</sup> Starr et al. (2019) at 3. And, Lavetti, Kurt, Carol Simon, and William D. White. "The impacts of restricting mobility of skilled service workers: Evidence from physicians." Journal of Human Resources (2019): 0617-8840R5. 17 On firm-sponsored training, see Starr, Evan. "Consider this: Training, wages, and the enforceability of covenants not to compete." ILR Review 72.4 (2019): 783-817. On investment, see Jeffers (2017) at 12, Garmaise (2011) at 15. On risky investments, see Conti, Raffaele. "Do non-competition agreements lead firms to pursue risky R&D projects?." Strategic Management Journal 35.8 (2014): 1230-1248. And on innovation outcomes, see Samila, Sampsa, and Olav Sorenson. "Noncompete covenants: Incentives to innovate or impediments to growth." Management Science 57.3 (2011): 425-438.

<sup>18</sup> Gilson, Ronald J. "The legal infrastructure of high technology industrial districts: Silicon Valley, Route 128, and covenants not to compete." NYUl Rev. 74 (1999): 575.

With regards to gender, two recent studies find that when noncompetes are easier to enforce they have a more detrimental effect on the earnings of women relative to the earnings of men. 19 For example, in my study of low-wage workers with Michael Lipsitz, we find that after Oregon bans low-wage noncompete for hourly workers, the hourly wages of women rise by 3.5%, nearly double the effect for men. In another recent study, Matt Marx finds that when noncompetes are easier to enforce, women are particularly less likely to start new ventures.

With regards to racial differences in the effects of noncompete agreements, one recent study by Johnson, Lipsitz, and Lavetti finds that when it is easier to enforce a noncompete non-white workers' wages are held down approximately twice as much as the wages for white workers.

## Point 5. Noncompetes are still common in states that do not enforce them, and even unenforceable noncompetes appear to limit employee mobility.

Many recent proposals seek to ban noncompetes, much like California did back in 1872. However, it is important to note that noncompetes are still quite common in California: 62% of CEOs in California have signed them, 31% of physicians, and 20% of hair salons use them; more generally, across states that do not enforce noncompetes, 19% of workers still sign them. 20 My recent research with JJ Prescott and Norman Bishara also suggests that workers are generally unaware of the laws governing noncompetes and that worker mobility is chilled simply by the existence of the contract. 21 Accordingly, any policy that seeks to reduce the effects of noncompetes would need consider ways to disincentivize their use.

## Point 6. Other, less restrictive employment practices can often do the same jobs for the firm as noncompetes. The efficacy of noncompetes should be judged based on their relative value compared to these less restrictive alternatives.

Noncompetes may be the most effective at protecting firm interests because they stop workers from joining or starting competitors in the first place. But this bluntness also underlies their potential downsides, offering the firm perhaps more protection than they need—at the expense of workers who may forego better opportunities.

There are several alternative provisions that are more tightly coupled with the firm's protectable interests that do not dictate where a worker can or cannot move. For example, if the firm's goal is to protect investments in specialized training, they might consider a training repayment agreement which stipulates that the firm will invest a certain amount of money in training the

19 See, Lipsitz, Michael, and Evan Starr. "Low-Wage Workers and the Enforceability of Non-Compete Agreements." Available at SSRN 3452240 (2019). See also Johnson, Matthew S., Kurt Lavetti, and Michael Lipsitz. "The Labor Market Effects of Legal Restrictions on Worker Mobility." Available at SSRN 3455381 (2019). 20 On executives, see Bishara et al. (2015) at 4. On physicians, see Lavetti et al. (2019) at 15. On hair salons, see Johnson, Matthew S., and Michael Lipsitz. "Why are low-wage workers signing noncompete agreements." Working paper (2019). On the use of noncompetes in non-enforcing states, see Starr et al. (2019) at 3. 21 On what workers believe about the law related to noncompetes, see Prescott, J. J., and Evan Starr. Subjective Beliefs about Contract Enforceability. Working Paper, 2019. On the extent to which unenforceable noncompetes still influence employee mobility, see Starr, Evan, James J. Prescott, and Norman Bishara. "The in terrorem Effects of (Unenforceable) Contracts." U of Michigan Law & Econ Research Paper 16-032 (2019).

worker, a portion of which the worker would repay if they leave too soon. If the firm is worried about the departure of clients, it can use a non-solicitation agreement that prohibits workers from soliciting former clients. If the firm is worried about the disclosure of information, it can use a non-disclosure agreement, or rely on trade secret laws. And so on.

Whether noncompetes are efficacious depends on their relative value to these alternative provisions. What little research exists on these provisions suggests that firms already use these provisions in tandem. 22 Moreover, there may be important tradeoffs involved if noncompetes (or any other practice) are restricted. For example, while noncompetes may be associated with lower wages and economic dynamism, enforcing a non-disclosure agreement may engender larger legal fees and longer court cases. Whatever policy choices are made, policymakers should be cognizant of the ways that firms can and will substitute between these practices, thereby anticipating any unintended consequences.

## 7. Recent research on these other mobility-restricting provisions, such as no-poach agreements and non-solicitation (of clients) agreements suggest that they too hurt workers.

No-poach agreements are organizational level agreements (i.e., not agreed to by workers) not to poach each other's workers. Recent research in the fast food franchise sector found that they covered more than 60% of major franchises in the United States in 2016,23 although this number has fallen dramatically following investigations by the Washington State Attorneys General.24 Recent research by Matt Gibson examines whether such no-poach agreements hurt workers in the context of the Silicon Valley collusion between 2005 and 2009 (later investigated by the DOJ). 25 He finds that each no-poach agreement agreed to by these firms cost workers between 2.6% to 4% of their annual salary.

Notably, little research has examined contractual "no-recruit agreements," where workers agree not to leave and then poach their former co-workers. These provisions are similar to no-poach agreements in that they may be invisible to the worker. That is, one worker may have his options limited not by his own choice, but by the choice of a coworker.

Other recent research on financial brokers finds that when firms allow brokers to leave with their clients that broker mobility rises, incentivizing workers to take better care of their clients.26

<sup>22</sup> See Nunn, Ryan, and Evan Starr, "The Co-Adoption of Overlapping Restrictive Employment Provisions," (data work in progress). See also, Kryscynski, David and Evan Starr, "Examining Employment Practice Bundles: When Firms Adopt Value Creation and Value Protection Practices" on how firms bundle these provisions with other HR nerks.

<sup>&</sup>lt;sup>23</sup> Krueger, A. B., & Ashenfelter, O. (2018). *Theory and evidence on employer collusion in the franchise sector* (No. w24831). National Bureau of Economic Research.

<sup>24</sup> See https://www.atg.wa.gov/news/news-releases/ag-ferguson-s-initiative-ends-no-poach-clauses-eight-more-corporate-chains-more.

<sup>25</sup> Gibson, M. "Employer market power in Silicon Valley" (2019)

<sup>26</sup> See Clifford, Christopher P., and William Christopher Gerken. "Investment in human capital and labor mobility: Evidence from a shock to property rights." Available at SSRN 3064204 (2017). See also, Gurun, Umit G., Noah Stoffman, and Scott E. Yonker. "Unlocking Clients: Non-compete Agreements in the Financial Advisory Industry." (2019). Working paper.

Chairman RUBIO. Thank you. And finally, I want to make sure that I introduce you appropriately. Mr. Lettieri, right—am I pronouncing it correctly—is our third witness, and let me make sure I introduce you appropriately here. I lost my—as I was reading

along on the previous statement.

He is the President and CEO of the Economic Innovation Group. He previously served as the Vice President of Public Policy and Government Affairs for the Organization of International Investment, where he led the organization's State and Federal policy work on tax reform, trade, investment promotion, and manufacturing. And before that he was the Director of Public and Government Affairs for a global aerospace manufacturer, and before that was a foreign policy aid to former U.S. Senator Chuck Hagel, where he served on the Foreign Relations Committee.

So you have like nine lives. That is great. Well, thank you for

being here. We look forward to your testimony.

## STATEMENT OF JOHN LETTIERI, PRESIDENT AND CEO, ECONOMIC INNOVATION GROUP (EIG), WASHINGTON, DC

Mr. Lettieri. Thank you, Chairman Rubio and Ranking Member Cardin, members of the Committee. I appreciate this opportunity to testify on the impact of noncompete agreements on American workers and the broader U.S. economy.

Today roughly 20 percent of the American workforce is not allowed to take a better job in the field of their choice, regardless of higher pay, better benefits, improved job satisfaction, or any other factor. The reason is simple: they are bound by a noncompete

agreement.

Noncompetes erect barriers to worker mobility and dampen the vitality of the U.S. economy. Healthy labor markets depend both upon vigorous competition between firms for talent and upon the ability of workers to freely market their skills to interested employers. Likewise, a dynamic economy depends upon worker mobility, which facilitates innovation and helps know-how proliferate throughout the economy. Noncompetes directly undermine this vital process.

Research finds that strict enforcement of noncompetes is associated with lower wages as well as reduced job-to-job mobility and weaker rates of firm formation. Noncompetes also appear to exacerbate racial and gender wage gaps as well as the gender gap in entrepreneurship. And noncompetes do not simply impact workers who sign such agreements. They have a chilling effect on the entire labor market, as my fellow witness, Evan Starr, has found.

But these provisions are not just bad for workers. They are bad for employers as well. Most obvious is that they reduce the supply of available workers and can make it difficult for businesses to grow. The harmful effect of noncompetes on new businesses, in particular, both by stifling would-be entrepreneurs and limiting the pool of much-needed talent for startups should be of the utmost concern to this Committee.

So at time when policymakers are struggling to find ways to increase rates of business formation, strengthen innovation, and boost wages, noncompete reform is an obvious place to start. Indeed, Federal noncompete reform would be among the most

impactful and least expensive way to jumpstart economic dynamism and improve the fortunes of American workers.

So what form should Federal policy take? I believe the best answer would be a nearly universal restriction on noncompetes across all occupations and income levels. However, there are a wide vari-

ety of options from which Congress can choose.

Regardless of the scope, Federal policy should be guided by the following core objectives. First, require transparency. Many of the negative effects of noncompetes can be reduced simply by ensuring greater transparency and improving workers' awareness of their own bargaining position. Employees should always be given adequate notice before being asked to sign away future job opportunities.

Second, create disincentives for overuse. There are currently few disincentives for an employer to require noncompetes, even when agreements are written so broadly as to be unenforceable in court and even when they cover employees who have no specialized skill or trade secrets.

Third, limit the pool of eligible workers. There are currently no Federal restrictions on the kinds of workers that can be bound by a noncompete. Many options exist to narrow the eligible pool by wage, by education attainment, or by industry. The goal should be, at worst, that noncompetes are reserved only for senior executives and other top talent.

Fourth, limit the scope of the agreements themselves. Even if policymakers see a valid use for noncompetes under certain circumstances, almost everyone can agree the scope of such agreements should be limited in various ways, including their duration

and geographic reach.

When considering various legislative options, policymakers must be mindful of why reform is necessary and what it can accomplish if properly crafted. Achieving the full promise of noncompete reform requires enabling skilled workers to better deploy their talents and ideas throughout the economy, including by starting new firms and bringing innovations to market. Exemptions for low-wage workers alone, while very important, will fall short of reaching this critical goal.

Here I also want to express my appreciation for the two bills introduced by members of this Committee, Chairman Rubio and Senator Young. These represent really valuable contributions to the broader debate about how to reform noncompetes at the Federal

level.

So in closing, workers should be free to seek better jobs and compete in the labor market without permission from their former employer. Employers should be rewarded for winning the competition for talent, not by holding workers hostage. And policymakers should be relentlessly focused on ensuring an environment that encourages competition, healthy risk-taking, and worker mobility.

So I urge Congress to act upon this rare opportunity to revive economic dynamism and provide a long-overdue boost to the wages of American workers, all without spending a dollar of taxpayer

money.

Thank you for holding this important hearing. [The prepared statement of Mr. Lettieri follows:]

"Noncompete Agreements and American Workers"

Testimony before

The Committee on Small Business and Entrepreneurship
United States Senate

November 14, 2019

John W. Lettieri President & Chief Executive Officer Economic Innovation Group

### Introduction

Chairman Rubio, Ranking Member Cardin, and members of the committee, thank you for the opportunity to testify on how noncompete agreements impact American workers and the broader U.S. economy.<sup>1</sup>

Today, roughly 20 percent of the American workforce is not allowed to take a better job in the field of their choice – regardless of higher pay, better benefits, improved job satisfaction, or other factors. The reason: they are bound by a covenant not to compete, or "noncompete" agreement.

Noncompete agreements, much like occupational licensing laws and "no-poach" agreements, erect barriers to worker mobility and dampen the vitality of the U.S. economy. Once reserved for senior executives and those possessing valuable trade secrets, these provisions are now a common weapon in the arms race among employers looking to retain talent, hedge against competition, and keep their labor costs down.

Simply put, noncompete agreements are a tool of corporate protectionism – one that weakens the competitive forces essential to broad-based prosperity.

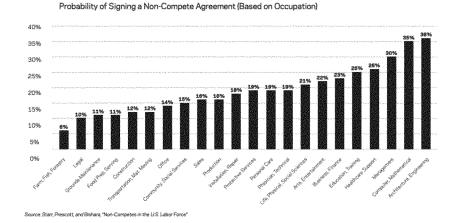
At a time when policymakers are struggling to find ways to improve worker mobility, increase business formation, strengthen innovation, and boost wages, noncompete reform is an obvious place to start. Indeed, federal policy to limit the use of noncompete agreements would be among the most impactful and least expensive ways to jumpstart economic dynamism and improve the fortunes of American workers.

 $<sup>^1</sup>$  This testimony draws from a forthcoming paper on noncompete reform to be published by the American Enterprise Institute (AEI). AEI is a nonpartisan, nonprofit, 501(c)(3) educational organization and does not take institutional positions on any issues. The views expressed in this testimony are those of the author.

### How Noncompetes Hurt Workers and Contribute to a Less Dynamic Economy

Healthy labor markets depend both upon vigorous competition for talent between firms and the ability of workers to freely market their skills to interested employers. Likewise, a dynamic economy depends upon the productivity-boosting exchanges that happen when individuals collaborate or apply their collection of ideas and experiences in new contexts. It's the simple microeconomic transaction of a worker switching firms that facilitates innovation and helps know-how to proliferate throughout the economy. Recent research from economists at the University of Chicago finds that up to 70 percent of the decline in measures of economic dynamism can be attributed to a dramatic slowdown in the rate at which knowledge diffuses across the economy. Noncompete agreements directly undermine the economic processes integral to our continued prosperity.

An estimated one in five American workers are covered by a noncompete, and nearly twice as many have signed one at some point in the past. Their use among senior executives is commonplace, but a sizeable portion of lower-wage workers are covered by noncompetes as well. Much of the recent interest in noncompetes has been driven by a growing awareness that employers are requiring them of fast food workers, janitors, camp counselors, and other low-wage professions. Such examples are proof that noncompetes are often nothing more than a tool to suppress wages and limit the mobility of already vulnerable workers.



Why is limiting worker mobility potentially problematic? One key reason is that "job-hopping" – especially early in a worker's career – is associated with stronger lifetime earnings. Research indeed finds that strict enforcement of noncompetes is associated with lower wages, as well as reduced job-to-job mobility and weaker rates of firm formation. Noncompetes also appear to exacerbate racial and gender wage gaps by exerting much larger wage effects on women and

<sup>&</sup>lt;sup>2</sup> Ufuk Akcigit, "What Happened to U.S. Business Dynamism." Becker Friedman Institute Research Brief (2019).

black employees than on white men.<sup>3</sup> Additional research has identified noncompetes as one explanatory factor in the gender gap in entrepreneurship.<sup>4</sup> It is also important to note that noncompetes do not simply impact the workers who sign such agreements; they bring negative externalities that have a chilling effect on the entire labor market, as my fellow witness Evan Starr and his colleagues have found.<sup>5</sup>

Noncompetes aren't just bad for workers; they have negative effects for employers as well. By tamping down the amount of healthy churn throughout a labor market, they reduce the supply of available workers and can make it more difficult for businesses to grow. Such limitation could be especially harmful to smaller enterprises that already face disadvantages against larger incumbent businesses. The harmful effect of noncompetes on new businesses – both by stifling would-be entrepreneurs and limiting the pool of much-needed talent for startups – should be of utmost concern to this committee.

The vast majority of noncompete agreements are not subject to any negotiation between the employer and employee. In fact, surveys show a large share of these agreements are presented for signature only after the employee has already accepted the job offer – often on the first day of work. Employers frequently exploit workers' lack of knowledge and resources when crafting noncompetes. For example, employers commonly request signature of noncompetes even in states where they are completely unenforceable – and workers sign them. Likewise, employers often craft extremely broad provisions knowing that employees generally lack an understanding of what is enforceable and therefore rarely challenge the terms in court. 7

#### **Recent State Reforms**

The growing evidence regarding how noncompetes impact workers and the economy has caught the attention of policymakers across the country from both sides of the aisle. While most states have few (if any) rules limiting the use of noncompetes, several have enacted meaningful reforms in recent years that should serve as guideposts for federal policy efforts.

While the new laws include a wide variety of features, the two most common are 1) exemptions for lower-wage workers, and 2) transparency requirements to ensure workers are given prior notice before being asked to sign an agreement. Particularly worth noting are Maine and Washington, which enacted the most comprehensive policies in 2019.

Maine, a state grappling with population loss and a scarcity of available workers, enacted
a broad set of provisions primarily aimed at protecting lower-wage employees. Under the
new law, employees making at or below 300 percent of the federal poverty level would
be prohibited from signing a noncompete agreement. The law imposes several prior

<sup>&</sup>lt;sup>3</sup> Johnson, Matthew, Lavetti, Kurt and Lipsitz, Michael, "The Labor Market Effects of Legal Restrictions on Worker Mobility", SSRN (2019)

<sup>&</sup>lt;sup>4</sup> Matt Marx, "Punctuated Entrepreneurship (Among Women)," Working Papers 18-26, Center for Economic Studies, U.S. Census Bureau (2019)

See Starr, Evan, James J. Prescott, and Norman Bishara, "Noncompetes in the US labor force." U of Michigan Law & Econ Research Paper 18-013 (2019) and Starr, Evan, Frake Justin, and Agarwal, Rajshree "Mobility Constraint Externalities", Organization Science (2019)

<sup>&</sup>lt;sup>6</sup> See Starr et al. (2019) at 5

<sup>&</sup>lt;sup>7</sup> Prescott, J. J., and Evan Starr, "Subjective Beliefs about Contract Enforceability" Working Paper (2019)

notice requirements, including requiring employers to disclose in job postings when a noncompete will be required. Maine's law also enacts a ban on so-called "no poach" agreements between employers under which the parties agree not to recruit or hire each other's employees or former employees. These agreements disproportionately impact low-wage workers and are particularly common within the franchise sector.

• Washington state's new law sets a number of preconditions for the enforceability of noncompetes in the state. First, it exempts a much larger pool of employees than most other states, making noncompetes enforceable only for employees earning over \$100,000 per year. (For independent contractors, the floor is set at \$250,000 per year.) Employers are required to provide prior notice of the terms of the agreement by the time a job offer is made, and must compensate any terminated worker still subject to the terms of the agreement. Noncompetes in the state are now limited to 18 months in duration.

I want to briefly note three other state reforms that could inform potential federal policy efforts.

- Oregon was well ahead of its time in passing far-reaching noncompete reform in 2007. The state provided specific protections for low-wage workers alongside a range of broader measures to improve transparency and narrow the scope of what is enforceable under state law. The centerpiece of the law was a provision to void all new noncompetes for workers earning less than the median income for a household of four (it also covered hourly workers and employees in certain occupations). Other important elements include a "garden leave" provision requiring compensation of former employees covered by a noncompete, prior notice standards, and a rule limiting enforceable agreements to 18 months or less. Recent research finds the Oregon law had a significant positive effect on hourly wages and job-to-job mobility exactly as intended.
- Another noteworthy reform occurred in Massachusetts in 2018. Massachusetts is particularly interesting because many observers point to noncompetes as a key reason that Silicon Valley outpaced Boston as the country's premier hub of innovation. (California is one of only three states that does not enforce noncompetes.) The Massachusetts statute, which applied only to agreements signed after October 1, 2018, included a one-year limitation on noncompetes, prior notice standards, and garden leave provisions requiring employers to pay 50 percent of the annualized base salary of a former employee on a pro rata basis while they are covered by the agreement. It banned noncompetes entirely for low-wage workers who are classified as nonexempt under the Fair Labor Standards Act, as well as employees terminated without cause and undergraduate or graduate students in an internship. The law notably maintains the employer-favorable standard of allowing courts to rewrite an overly broad agreement in order to make it enforceable. It also provides exceptions for the sale of a business or the dissolution of a partnership.
- While most states have targeted reforms to low-wage and moderate-wage workers, only
  one state has explicitly focused on entrepreneurship and innovation as the driving factors
  behind its policy efforts. In 2015, <a href="Hawaii">Hawaii</a> banned noncompetes for workers in its

<sup>8</sup> Lipsitz, Michael and Starr, Evan, "Low-Wage Workers and the Enforceability of Non-Compete Agreements" (September 10, 2019). Available at SSRN: https://ssrn.com/abstract=3452240 or http://dx.doi.org/10.2139/ssrn.3452240

technology industry in an effort to attract and retain highly skilled workers and compensate for its unique geographical limitations. Research finds meaningful increases in mobility and wages for new hires for Hawaii's tech workers following the industry ban. Hawaii's experience should inform federal efforts to create a more favorable policy environment for innovation and entrepreneurship nationwide.

#### **How Should Federal Policymakers Respond?**

The need for reform is urgent, but why should the federal government intervene in an issue that has until now been left to states? The answer is that noncompetes are clearly an issue of employment law, where the federal government commonly sets basic standards governing the relationship between employers and employees. In addition, even though employers exercise little self-restraint in how they deploy noncompete agreements, states have generally set few limitations of their own. But none of this would be of much consequence without the growing pile of research finding significant negative effects from noncompetes on wages, job-to-job mobility, entrepreneurship, the gender and racial income gaps, and more. In the absence of federal policy, we are left with a confusing patchwork of policy that fails to serve our national economic interests.

What form should federal policy take? While I believe the best answer would be a nearly universal restriction on noncompetes across all occupations and income levels, there are a wide variety of options from which Congress can choose.

Federal policy should be guided by the following core objectives.

• Require Transparency: Many of the negative effects of noncompetes can be reduced simply by ensuring greater transparency and improving workers' awareness of their bargaining position. As noted above, employers exploit their informational advantage by requiring noncompetes in states where they are unenforceable, or by offering a noncompete on an employee's first day of work when other options have been foreclosed. Rules governing noncompetes should be clear and easy to administer, and employees should be given adequate notice before being asked to sign away future job opportunities.

Examples: Employers should be required to notify job candidates of their intent to request signature as well as present noncompetes when the formal job offer is made – not after the employee has accepted the job. Employers should disclose their intent to require a noncompete in any job posting or advertisement for the position. Additionally, employers requesting a noncompete agreement should be required to fully inform their prospective employee of applicable state and federal laws and allow adequate time for the candidate to discuss the terms of the agreement before making a decision.

<u>Create Disincentives for Overuse</u>: There are currently few disincentives for an employer
to require noncompetes of its employees – even when agreements are written so broadly
as to be unenforceable, and even when they cover employees who have no specialized

<sup>&</sup>lt;sup>9</sup> Balasubramanian et al. 2018, "Locked In? The Enforceability of Covenants Not to Compete and the Careers of High-Tech Workers." US Census Bureau Center for Economic Studies Paper No. CES-WP-17-09; Ross School of Business Paper No. 1339.

skills or trade secrets. Federal law should seek to discourage overuse of noncompetes wherever possible by ensuring that employers carefully consider whether the benefits are worth the costs.

Examples: Employers should be required to compensate former employees while their noncompete is in effect. Noncompetes drafted in an overly broad manner should be rendered completely void – not rewritten by courts to make them enforceable. Federal law should also penalize employers who request signature in states where noncompetes are unenforceable.

<u>Limit the Pool of Eligible Workers:</u> Most states currently have no restrictions on the
kinds of workers that can be bound by a noncompete. Many options exist to narrow the
eligible pool of workers by industry, by wage level, or by education attainment so that
noncompetes are reserved only for senior executives and other top talent.

Example: Signature of a noncompete should be disallowed for any worker outside of the top five percent of the national income distribution.

 <u>Limit the Scope of Agreements:</u> Even when policymakers see a valid use for noncompetes under certain circumstances, most agree the scope of such agreements should be limited in various ways.

Examples: The duration of noncompetes should be limited to no more than one year, and any noncompete should be voided if an employee is terminated without cause or laid off.

I want to note my appreciation for two pieces of legislation introduced by members of this committee, which represent different ends of the broad spectrum of potential reforms. The first is the Freedom to Compete Act introduced by Chairman Marco Rubio (R-FL), which would prohibit noncompete agreements for any nonexempt worker under the Fair Labor Standards Act. Like many of the state laws noted above, this legislation would provide welcome relief to the lowest-wage American workers. At the other end of the spectrum is the Workforce Mobility Act, introduced by Senators Todd Young (R-IN) and Chris Murphy (D-CT). This legislation would limit the use of noncompetes in all but two cases: the sale of a business and the dissolution of a partnership – instances where the parties involved are on more or less equal footing.

With so many potential legislative options, policymakers must be mindful of why reform is necessary and what it can accomplish if properly crafted. There is perhaps a natural temptation to focus solely on the lowest-wage workers for whom the use of a noncompete seems most abusive and ridiculous. But Congress shouldn't stop there. Achieving the full promise of noncompete reform requires enabling skilled workers to better deploy their talents and ideas throughout the economy, including by starting new firms and bringing innovations to market. Exemptions for low-wage workers alone will fall short of reaching this critical goal.

### Conclusion

Workers should be free to seek better jobs and compete in the labor market without permission from their former employers. Employers should be rewarded for winning the competition for talent – not for holding workers hostage. And policymakers should be relentlessly focused on ensuring a policy environment that encourages competition, healthy risk-taking, and worker mobility. The pervasive use of noncompetes is proof that the United States has strayed from each of these fundamental principles. Fortunately, this is a solvable problem.

Noncompete reform is an issue whose time has clearly come. I urge Congress to act upon this rare opportunity to revive economic dynamism, improve worker mobility, and provide a long-overdue boost to the wages of American workers – all without spending a dollar of taxpayer money.

Thank you for holding this important hearing.

Chairman Rubio. Thank you. We will begin questions with the Ranking Member.

Senator Cardin. Well, let me thank all three of the witnesses, but to Mr. Bollinger, let me just tell you, your presence here will make a difference. You hear the numbers, but when you see the individual who was impacted by these abuses it motivates. So I know it took courage for you to be here, but I want you to know it is incredibly helpful to us to see an example of a person's life that has been affected by these abuses. So again, thank you very much for being here.

As I listen to the witnesses here, I come to the conclusion that perhaps we should abolish all noncompetes, and I say that with the understanding that there is an important responsibility of an in-

dustry to protect its trade secrets.

But, Dr. Starr, you make a point that there is a legal responsibility. You could have noncompete agreements. Companies have the capacity to enforce that. They are not in the same position as an individual employee, as far as their resources are concerned, as we saw in Mr. Bollinger's case. We could have restrictions on not soliciting customers or clients, as you point out, which would take care of that issue.

So maybe we are starting from the wrong side. Maybe we should be looking at a total abolition of these contracts and then come

back to where it is necessary perhaps to clarify the law.

I will just point out one last thing before I get your responses to this. In law school, I learned that noncompete agreements had to be very narrowly tailored. Otherwise, they were not enforceable. There had to be a justification for noncompete agreements, and that if it did not do that it would not be enforceable. So it is clear to me that overwhelming majorities of these noncompete agreements are not enforceable, but you see in Mr. Bollinger's case, what he had to go through.

So we have to act, and with this type of an abuse, I do not really want to leave an opening for abusive companies figuring out a way

to get around a definition that we have put in law.

So help me, and if I could go to our two experts on this. Can we

draft something like that?

Mr. Lettieri. I think you put it very well. We are starting with the wrong presumption, in too many cases. The presumption should be that workers should always be free to market their talent in an open labor market. That should be the presumption, not the presumption that employers have a right to constrain workers' future mobility. And if we work our way backwards from there, as I said in my testimony, I think the policy solution that is both the most beneficial to American workers, the most beneficial to business dynamism, the most beneficial to innovation or overall competitiveness is a nearly total ban.

I see two—and this reflects Senator Young's legislation—I see two cases where you can make exceptions that are very reasonable, and they are reasonable because the parties involved are on more or less even footing and there is no asymmetry between the two parties, and that is in the dissolution of a partnership and in the sale of a business, where the business owner binds him or herself

to a noncompete as part of the transaction.

Those are reasonable exceptions that do not exploit an informational or resource asymmetry between, as you see in Mr. Bollinger's case, an employer who has the resources to take an unenforceable noncompete to court and go through multiple rounds of litigation and an employee who would be risking his entire financial security to do so.

Senator Cardin. Dr. Starr.

Mr. Starr. I would say for me the most compelling evidence is a few things. First is that there are several states in which noncompetes are already entirely unenforceable, states like California, who adopted their ban on noncompetes in 1972, and North Dakota and Oklahoma. And so these states already exist and some even claim that California's early ban on noncompetes was a key reason that Silicon Valley came to be Silicon Valley.

And so those states have not fallen off the cliff, to the best of my knowledge, and so there is some evidence that maybe that could be

the way forward.

Senator CARDIN. So let me ask you, in California if you have the circumstances such as a sale of business, where it is reasonable to include a noncompete as a part of it, how would they do it in California?

Mr. STARR. In California they have an exception for noncompetes incident to the sale of a business.

Senator CARDIN. So you are taking a total ban but with limited exceptions, which, as I understand it, is the approach taken by Senator Young and Senator Murphy.

Mr. Starr. I think that is true is almost all states.

Senator CARDIN. How about transparency? How do you deal with that issue? You both have commented that you should not be faced with signing something at the last minute. I understand if you have a total ban this may become a moot issue, but absent that, how do you deal effectively with transparency?

Mr. Starr. Yeah, that is right. Even setting aside a ban on which workers would be exempted from signing a noncompete, the floor should always be transparency that allows for some basic bargaining between the employer and the employee. As both of us noted in our testimony, so many of the noncompetes that are signed today are signed after the employees already foreclosed on other job options, and it is just part of the onboarding process of the first day of work. So that is clearly an attempt, whether intentional or not, to exploit that asymmetry between the employer and the employee, and it puts the light on the idea that these are bargained contracts.

And so, at a minimum, transparency helps to ensure that—and I would go further than just prior notice. I would say employers should be transparent about what the workers' rights actually are in that state, what's actually enforceable in that state, and that in addition to transparency, the rule should be that an employer cannot offer for signature a noncompete that is not enforceable, that is written overly broad. Those elements alone, even setting aside a ban, would help to reduce the negative impact of noncompetes on the economy.

Senator ČARDIN. Thank you. Thank you, Mr. Chairman.

Chairman Rubio. Senator Hawley.

Senator HAWLEY. Thank you, Mr. Chairman, and thanks to all the witnesses for being here. Mr. Bollinger, I want to thank you, particularly, for being here, for taking the time to be here, for sharing your story, and I just want to say I am so sorry that what happened to you has happened to you. Thank you for being willing to share about it, but it will help us do something about it, so it does not happen to other people.

Can I just ask you, when your company forced you to sign the noncompete, what did they tell you about it at the time? I mean, did they say that, you know, this is not really a big deal, you just need to sign this? I mean, were you given any kind of—did anybody explain it and say, you know, this is going to prevent you from

working, basically, in the future?

Mr. BOLLINGER. There was no meeting. There was no explanation. No one sat us down and went through it and explained anything to us. It was given to us—it was an envelope in my mailbox, so nothing really was explained.

Senator HAWLEY. Yeah. I imagine that that is all too typical. It is almost what we lawyers call a contract of adhesion. But thank

you again for your testimony.

Mr. Lettieri, I want to ask you, in 2016, the Treasury Department published a report on noncompete agreements and they made a number of findings, and I just want to give you a chance to respond to some of these. These are potential economic justifications for noncompete agreements, so I just wonder what you might think of these.

One of them is noncompetes are necessary for firms to protect

trade secrets. Anything to that?
Mr. Lettieri. I will just pick up where Dr. Starr left off. The State of California is home to many of the most trade secret-intensive, IP-intensive companies in the world. It is the crown jewel of worldwide innovation and technology. If noncompetes were necessary to protect trade secrets, Silicon Valley would not exist.

Senator HAWLEY. How about this: noncompetes encourage invest-

ment in workers. What do you think about that?

Mr. Lettieri. Sure. So there is some evidence that in narrow circumstances noncompetes can be associated with firm investment in workers. What we have to be mindful of is the tradeoff, and for policymakers the question is not what is the benefit to an individual firm or employee, it is what are the broader benefits or harms to the economy and to the labor market?

And so what we find over and over again in research is that noncompetes and strict enforcement of noncompetes are associated with depressed wages throughout a labor market, depressed innovation and firm formation throughout a labor market, regardless of specific instances of individualized benefit to an employee or to a

So again, I think even where there may be a reasonable case that in an individual circumstance there could be a benefit to the transaction, what policymakers have to keep in mind is what is the broader harm?

Senator Hawley. That is a great point. The effect on the labor market, I think, is a really important point, and the effect of wages across the board.

What about this: noncompetes help firms screen for workers who are likelier to stick with the company for the long haul. Thoughts on that one?

Mr. Lettieri. Again, I think that is the wrong tool for that task. If an employer wants an employee to stick with them for the long haul they could try radical ideas like paying better, offering better benefits, creating a better work environment, and again, the presumption should be that employees should be free to go market their labor.

Senator HAWLEY. Thanks for all of that. You know, it seems to me that based on Treasury's report here and the testimony you have offered today and both of your work and research that we know employers benefit from noncompetes, discrete individual employers, but workers and the labor market as a whole seems to be an entirely different matter.

Let me ask you one other thing. Mr. Starr, I will start with you on this one. I am from Missouri, and in Missouri we have a large rural population. And so in these cases, in smaller towns like the one I grew up in, there are not that many employers. So if you have got a noncompete in your contract, and then, you know, you find you want to change jobs, I mean, you do not always have the opportunity to move somewhere. It is not easy just to go and find, oh sure, there are 10 other employers who will take me, or I have got to uproot my family and move somewhere where I do not have social support, the rest of my family is not there. People do not want to do that, quite reasonably.

So could you give us a sense of how noncompetes might impact areas and regions with labor markets like that, in smaller rural areas?

Mr. Starr. I think that there are two things that are relevant. The first is that if there are only a few employers in there and you have knocked out the other ones with a noncompete, then absolutely you are—we have what we would call a monopsony, where you have one buyer of labor in the market, and we know that when we have a monopsony we have lower wages and reduced employment.

The other dual effect to think about is that noncompetes are also product market restrictions. You cannot enter and start a new company, and so you are going to sustain this kind of really high concentration of firms.

Senator Hawley. Thank you. That is a great point. And I think that, again, as somebody who comes from a rural area, this is a problem that we see frequently, that it is difficult—new firm formation is difficult, it is difficult to start a new job, find workers, and it is difficult for workers like Mr. Bollinger, who want to change jobs but do not necessarily want to move to a whole other region or place to actually have the freedom to do that.

Thank you, Mr. Chairman, for holding this hearing on this really important tonic for our workers

important topic for our workers. Chairman RUBIO. Thank you.

Senator Hirono.

Senator HIRONO. Thank you, Mr. Chairman. It is nice to have an issue on which I think there is bipartisan agreement that we need to do something.

These noncompete contracts, which, Dr. Starr, you say are everywhere, it kind of reminds me of mandatory arbitration clauses in employment contracts that are also not bargained for. So I think it is pretty clear from your testimony.

And Mr. Bollinger, I find it astounding that your company was able to force you to not compete, and did you say entire North

America?

Mr. Bollinger. Yes, ma'am.

Senator HIRONO. And, yes, a North Carolina court deemed that to be okay?

Mr. Bollinger. Well, I won first in the business court.

Senator HIRONO. In the business court, yes.

Mr. Bollinger. But then that was overturned, so yes—

Senator HIRONO. Yeah. That is what I mean. So after this kind of, in my view, an outrageous decision, did the North Carolina legislature change the law in any way to prevent this kind of thing from happening to others?

Mr. Bollinger. Excuse me?

Senator HIRONO. Did the North Carolina legislature enact any kind of a law that would prevent this sort of thing from happening to other employees?

Mr. Bollinger. No, ma'am. Not that I know of.

Senator HIRONO. Nothing. I am glad that other states have enacted this kind of law.

Dr. Starr, I was curious as to how it is that you and your team picked Hawaii to research. Was there any particular reason that you wanted to do that?

Mr. Starr. Yeah. What we are looking for when we are trying to identify the causal effect of a ban on noncompetes are natural experiments where states kind of randomly flip their switches from enforcement to a ban. And so banning noncompetes is a pretty rare event. And so the Oregon ban was the first of its kind in 2008, and Hawaii is a really relevant ban because it is only for high-tech workers. And so there are arguments about low-wage workers that may be different for high-tech workers, and so the study of Hawaii gives us a nice natural experiment to study what happens when you ban noncompetes for high-tech workers.

Senator HIRONO. Yeah. And you also studied the effect of non-competes on low-wage workers?

Mr. STARR. That is right, yeah.

Senator HIRONO. So it seems that these noncompetes seem to have a negative impact across the board for employees, and I can see where certain exceptions should be made for trade secrets, et cetera. So this negative effect would be also particularly harmful to women, because a lot of women are in low-wage jobs.

Mr. Starr. That is right. There are two studies which look at the differential effect of noncompete enforcement on women versus men, and they find that, in general noncompetes dampen wages

more for women than men.

Senator HIRONO. Would you say there is overwhelming evidence that noncompetes, these kinds of broad noncompetes that are not bargained for—they are not face-to-face bargained—there is overwhelming evidence that these are highly negative kinds of things? Why is it that more states have not enacted laws that either really

limit the use of noncompetes or banned them altogether? And you can also respond, Mr. Lettieri.

Mr. Starr. So I will just say on the latter question, I think we are seeing a lot of movement on this recently, and I think, honestly, we have not known until 2014 how common noncompetes were. There were a few studies of executives, a few studies of tech workers, but until we started uncovering some of this information, we really did not know, and that is because employment contracts are private and we did not really have national evidence on these things.

Senator HIRONO. Do you think that a total ban on noncompetes, for both of you, is a good way to go, with allowing for some exceptions, as opposed to the kind of really narrowly drafted legislation

that Hawaii enacted?

Mr. STARR. I personally have no problem with executives signing noncompetes when they sit next to their legal team and they hash it all out.

Senator HIRONO. That is face-to-face, though.

Mr. Starr. I actually have no problem with that. And I think the evidence we have on tech workers suggests that we should not have any problem with tech workers, with not these being banned for tech workers as well. And so for me the line for low-wage workers was an easy one. Moving up to tech workers, the arguments are a little bit stronger, but the evidence supports a ban in this case.

Senator HIRONO. So do people who are members of labor unions, do you find that they also are signing noncompete contracts?

Mr. Starr. I cannot remember the numbers off the top of my

head, but I think the answer is yes.

Senator Hirono. So it is not as though—you would think that maybe the unions would be able to bargain against those kinds of contracts. There are a lot of issues relating to the ability of workers to unionize these days, so I understand. So generally even union workers are signing these kinds of contracts.

Mr. STARR. I think that is right. There were some early issues in the early 1990s about whether they were mandatory subjects of bargaining, and I think that there was a recent—if I recall correctly—in 2016, there was a recent dispute where unions decided they would not perstint ever these bars of workers.

they would not negotiate over these bans of workers.

Senator Hirono. If it is a subject of negotiation sometimes they

are not.

Mr. Lettieri, would you like to opine as to whether you think a broad ban on these kinds of provisions is better, with limited exceptions?

Mr. LETTIERI. Yes. Yes and yes. I think a broad ban is best for American workers and for the American economy more broadly, and I think it is best for American business as well.

If I just may, very briefly, taking a step back, as this Committee knows, rates of new business formation are near historic lows today. There are a number of signs that economic dynamism, particularly post Great Recession, has been one of the few indicators in the economy that has failed to really rebound, and this has dramatic consequences throughout the economy.

If we want to maintain our innovation edge, if we want to maintain an entrepreneurial society, noncompete reform on a broad

basis is one of the best ways to do that, and that is why I believe that a presumption that workers should always be free, except in certain circumstances, to deploy their talents to everyone's benefit is the right policy approach.

Senator HIRONO. Are you referring to some kind of a study regarding the business formation? Can you just send that to us?

Mr. Lettieri. Senator, yes, absolutely. There have actually been a number of studies on this.

Senator HIRONO. Send us the best ones.

Mr. LETTIERI. We will do that. Senator HIRONO. Thank you. Mr. LETTIERI. It will be mine.

Chairman Rubio. I am going to interject briefly and then I am going to turn it to Senator Romney. Just a quick question. It seems to me that at the lower-wage level for a worker, who makes \$40,000, \$50,000, \$30,000 a year, the mere existence of any restriction alone is enough to dissuade, no matter what the legalities around it may be, as Mr. Bollinger talked about, he couldn't afford the litigation costs. And I imagine an employer aware of this is not going to be excited to hire you if it means going to court and fight-

ing somebody if it is going to be an added cost.

So I wonder if even on some of the trade secret issues, anybody can file a lawsuit claiming anything, right, and if the litigation costs either are impossible for you to bear or make you unattractive for someone to hire you—sorry, the flip side of it is I do not think we are talking about deals here, for example, a very typical deal where you are the CEO of a company, the company sells, or you are the founder and you sell. But the experience I have seen in that is you do have a noncompete. I mean, we are not going to buy your business and have you open a competitor in two years. But often times they stay on, even if it is in an honorary role, they pay you a consulting fee to hang around for a few years, and so forth. That is a very different thing from what we are talking about today, right? All right.

Senator Romney.

Senator ROMNEY. Thank you, Mr. Chairman. I appreciate the testimony of our witnesses today. I do believe that the whole discussion of noncompetes is an important discussion and has implications not only for employees but also for employers and the overall economy. I am not sure this is something that should be dealt with at the Federal level or whether, instead, each state should pursue this area in the way it thinks best, and we can learn from the experiences of different states.

I would presume, also, that you would agree, each of you would agree that noncompete agreements that are primarily designed, or even principally designed to lock employees in, to keep them from being able to move to a higher-paying job, to improve their lot, that kind of agreement should not be acceptable. But on the other hand, where an agreement is put in place to prevent the theft or appropriation of technology or trade secrets, that those are legitimate.

Is that a fair assessment? Do you have a sense of what type of noncompetes do make sense, because there are many that do not. But are there some that you think really are legitimate and are ap-

propriate, or do you think virtually none are?

Mr. Starr. I think that what we need to think about is when you are talking about trade secrets, what are the other protection mechanisms? And so a noncompete is a very strong protection because it prohibits the worker from moving to another firm, but you can have the worker sign a nondisclosure agreement and you can enforce trade secret laws if you catch them leaving. And I am not a lawyer. I do not study the—I do not know all the details of the various trade secret laws, as well as I should, probably. But my understanding is that noncompetes offer a little bit extra protection because they prohibit the move and, thus, the misappropriation of trade secrets in the first place. And that if you were to go down and try to enforce a nondisclosure agreement it might be a little bit more costly for the firm to do so, because it would take a longer time in court.

So I do think there is a slight benefit, in some cases, though you should probably have some other expert testify on the exact details of the trade secret litigation.

Senator ROMNEY. Yeah. I mean, basically what you are saying is there is really not a legitimate reason for a noncompete, and you

are nodding your head.

Let me give you an example. There is a company that makes subsea wellheads in the oil industry. The senior research and development people at that company left and formed their own company, and introduced a whole new line of products that were superior to the line of products that they had sold at the time they were with the previous company. That caused the dramatic reduction in the success of the company they previously had been employed by.

It would strike me that for employees of a company, the research and development department to leave and obviously take the ideas they had while they were working at one company to go start up a new company to compete with it was not in the interest of American enterprise and was not appropriate, and that a noncompete would therefore be appropriate in a setting like that.

Do you think, no, actually, people should be free to do that, work at a company, come up with some ideas, in the back of your mind. Perhaps you have not sent them along. Maybe you even have seen them. But you go and start a company with those ideas on your own. That is—do you think that should be allowed? Or the other way around, that we should legally say a company cannot protect

itself from that kind of appropriation of technology?

Mr. Letteri. I would separate the use of noncompetes from the ability to protect yourself from the appropriation of trade secrets. So to Dr. Starr's point, there are other tools that exist, and other remedies and legal recourses for companies that feel that a trade secret has been appropriated, which I think is very different than an employee builds upon their lifetime accumulation of skill and ideas and goes and deploys those ideas in a different context, even in the same industry. That is what propels our economy forward.

And so again, I think the presumption should be that we want more competition, not less, even in industries where—and the concern from policymakers should not be what happens to the individual firm, outside of did they actually have a legal violation in the process of that transaction. In that case, certainly, and the courts and Congress have provided other tools besides noncompetes that do not have the same type of broad-based harm that noncompetes have.

But in the scenario you mentioned, other than specifying that a trade secret had been stolen, the idea that an employee would leave one company and start another and compete in the same industry, I see as a huge benefit to the American economy and the

overall prosperity that we should want.

Senator ROMNEY. I would suggest that if people feel that the technologies that they are developing in one company at great expense can then be taken and used by someone else in a way where they had not paid for that technology, that that does not encourage the economy. Yes, we do want competition, but the idea that people can, if you will, appropriate technology or know-how from one place and take it to somewhere else is not encouraging to the overall economy. I would disagree with you on that, in that perspective, and think it would be a mistake for the Federal Government to step in when states are perfectly able, state by state, to determine what is in the best interest of their respective economies, and we can learn from those states.

Mr. Chairman.

Chairman Rubio. Thank you.

Senator Shaheen.

Senator Shaheen. Thank you, Mr. Chairman, and thank you to each of our witnesses for your testimony. Mr. Bollinger, I especially appreciate your being here, and I think your story really tells what we are seeing happening across this country in terms of bias in our courts toward corporations and business and against workers, in too many cases.

I want to follow up on Senator Romney's question about the benefits of Federal legislation versus legislation in 50 states, and ask both of you, Mr. Starr and Mr. Lettieri, how you would respond to that. What are the benefits of having a Federal bill that addresses this versus having 50 different states with 50 different ways of

dealing with the issue?

Mr. Starr. Let me just say that the first one, I think, perhaps, most important reason is that when you cross state lines it becomes extremely tricky to figure out what to do with a noncompete that was signed in one state. There have been cases where a worker was working in Minnesota in biotech and moved to California, and he had a noncompete, and his firm sued him in Minnesota, and he brought suit in California, and the case is being tried in both places at the same time. And so you can imagine it gets super tricky because he could have left it to 50 other states and you could reach different outcomes.

And so I think that a Federal bill would help provide kind of a clear set of guidelines to allow for interstate labor mobility.

Senator Shaheen. Mr. Lettieri.

Mr. LETTIERI. I agree. I think, to Senator Romney's point, we do have states that are free to craft their own rules now. There are a couple of problems. One is that most states do not and have not. The rules that have been created, create a patchwork that is very hard to navigate, for firms and employees alike. It creates uncertainty and inefficiency in the economy that does not need to exist.

And we should not look past the point that the Federal Government has long had a say in the fundamental relationship between employees and employers. It is labor market law. It is employment law. And so this would not be breaking new ground, in terms of the role of the Federal Government in setting basic terms. And this is such an important issue and such a fundamental part of the relationship between employees and employers that it seems obvious that the Federal Government should have some kind of say that standardizes at least a floor that then other states, if they wish, can create additional rules on top of.

Senator Shaheen. And can you speak to the importance of enforcement and who should have responsibility for enforcement, and how important it is to have someone who has that responsibility?

Mr. Starr. I will just say one quick point on that, which is that I think what some of my research has been documenting, and Mr. Bollinger is an unfortunate victim of this, is that what matters is having the contract in your employment agreement. It may not matter what the courts do at all, because you may not even get to the court. And, in fact, most of the time the chilling effect happens before you even enter a courtroom, when you get that threatening letter or when your new employer says they are not going to hire you anymore.

And so I think that a Federal action that disincentivizes use for those workers in the first place would be really the most effective.

Senator Shaheen. Do you share that view?

Mr. Lettieri. Yes, absolutely.

Senator Shaheen. I want to follow up on the large versus small business. This is the Small Business Committee, and New Hampshire, my home state, is very much a small business state. Are there any—is there any study that shows that small businesses have made more use of noncompete agreements than large businesses, or vice versa, and does it matter?

Mr. STARR. There is some evidence that larger firms tend to use them a little bit more frequently, or if you work in a large firm you have a slightly higher chance of signing a noncompete, but it is not as much as you would think.

Senator Shaheen. So it really does not have much impact.

Mr. Starr. Well, so, the place that I will say is that there one study I did where we looked at new firms starting up and we looked at the size of new firms and how the changes in their growth relate to the law, and we find that in states where noncompetes are easier to enforce, new firms have trouble hiring. And new firms also tend to be smaller, of course. And so I think this is indicative of kind of a small firm problem, as well.

Senator Shaheen. To follow up on Senator Hawley's question about rural versus urban areas, New Hampshire has a lot of small towns where there may be only one or two companies, larger companies, that have real opportunities for future, other than momand-pop shops. So what happens, and are there any studies that show the impact on rural communities versus an urban area on noncompete agreements? For either of you.

Mr. STARR. You know, there is not a study—so you should know, this literature is relatively new, and so we are still learning a lot—but so there is not a study that directly comes to mind that says

what is the effect on a rural versus an urban area. There is a study looking at executives, and part of it exploits the fact that noncompetes are maybe more effective when there are more competitors to go to. And they do find that, if I remember correctly, that the effects of noncompetes on executive wages is actually more negative in the less rural areas, so the more suburban areas.

I am not sure that was clear, but I can send you the study.

Senator Shaheen. No, I got it. Do you have anything to add to that?

Mr. Lettieri. No.

Senator Shaheen. And finally, just to your point, Mr. Lettieri, about the importance of dynamism in our economy and about small businesses, as I interpreted the exchange between you and Senator Romney, the difference that I would make with the point that he was trying to suggest is that I have been to a lot of small businesses in New Hampshire where the people who started those worked at large companies over a long period of time, and they did not take that technology with them to their new business but they developed ideas based on some of the work that they had done, and those ideas are what led them to start new businesses, and that has been really important to the dynamism within the economy.

Mr. Lettieri. It is interesting to think about the counterfactual of what if noncompetes had existed in California, and all the world-defining innovations that would not have happened if the simple transaction of an employee being able to take their experience and ideas and go spin out and start their own company had never been

possible.

And so the logic of that exchange, of the scenario that Senator Romney set up, is identical to Mr. Bollinger's example. The company in question said, "You have something that you took from our company, that you learned at our company, in the textile industry, and applied it elsewhere, at a competitor, and, therefore, you should not be allowed to do that." They did not substantiate a trade secret had been violated. And that is where, I think, the difference exists.

It is very important that we not violate trade secrets, but it is also very important that we not violate the ability of workers to go use the skills that they have in the economy efficiently, and that distinction is very important in policy.

Senator Shaheen. And that latter distinction is one of the things that contributes to churn in our business community and the dyna-

mism of starting small businesses. Thank you very much.

Chairman Rubio. I want to recognize Senator Young. Before I do, I want to interject again, since I did not use my time at the beginning, with just a quick commentary. It is not a perfect analogy, but imagine if we told members of the Armed Forces, "You are going to learn a lot of interesting skills here but you can never, now, when you leave, use anything you learned in the service of your country, in the commercial sector." You cannot disclose classified information, right? But there is no way that—and during the period of time in which that worker is accruing knowledge, the company is accruing benefits. It is not, you know, a one-sided deal.

Senator Young.

Senator YOUNG. So I thank all of you for being here. I thank the Chairman for his leadership on this issue, and the Ranking Mem-

ber, and for elevating this important issue.

There are two things I really want to make sure I give Mr. Lettieri an opportunity to discuss, and it has to do with your exchange with Senator Romney. I am going to ask you a bunch of questions, but two issues that I think he will probably agree with you on. It seemed as if there was a bit of talking past one another, which often happens when you are allotted five-minute segments, right?

right?
When one experiences, as he put it, a misappropriation of intellectual property, or a misappropriation of trade secrets, I think what I heard you say, Mr. Lettieri, is that is an over-broad and over-inclusive approach to use a noncompete to try and address that. We already have properly scoped legal mechanisms to deal

with that. Is that correct?

Mr. LETTIERI. That is right, and those other mechanisms do not have the kind of negative externalities that noncompetes do, and so they are much more finely tailored.

Senator Young. Meaning, in plain speak—

Mr. LETTIERI. Meaning that they do not depress wages, they do not reduce firm formation, they do not chill innovation and chill the

labor market more broadly.

Senator Young. Right. And with respect to leaving it up to the states, you very pointedly piped up that this is an issue of labor and employment law, which historically has been handled at the Federal level. What happens when you have a patchwork of different rules and regulations in the area of labor and employment law?

Mr. Lettieri. Yeah. Again, this is not a state issue other than the fact that the Federal Government has just chosen not to have a policy in this space. So in the absence of that you have a vacuum that has been filled by some states, but many have not. And so what your resulted with is a patchwork of policies that are somewhat incoherent across states, that create uncertainty between firms and workers; jurisdictional questions, that when a noncompete gets challenged in court as to which jurisdiction it should be challenged in.

That is all dead-weight loss for the economy and the net result of it, based on, in large part, the work that Dr. Starr has done, and many others, is that we have a patchwork of policies that does not

serve our national interests.

Senator Young. Right. So I have introduced legislation with Senator Murphy, the Workforce Mobility Act, and it limits the use of all noncompete agreements, except in a very few limited circumstances, where that makes sense.

Given the trends that you have discussed here in this hearing, in your opinion, should a limit on noncompetes be expanded to encompass all income levels? Yes or no.

Mr. Lettieri. Yes.

Senator YOUNG. Okay. And how exactly is this going to benefit all workers?

Mr. Letteri. It benefits all workers in a number of different ways. Let's go back to new business formation. The chain reaction

that happens when a new business is formed is really important for making sure that the economy works for working people. More employers means more demand for labor. More demand for labor means better benefits, better wages for workers. And so when you have fewer new firms, as we are seeing now in the economy, you have more downward pressure on wages, and when you reduce that even further by allowing noncompetes to be so pervasive, you are just limiting the number of employers who are competing for workers' talent.

So that is why expanding up and down the income level is important, because the higher income level and the higher skill level is more associated with new business formation.

Senator Young. So, Mr. Lettieri, right now the economy is humming. It is red hot. We have tight labor markets. Wages are rising. That is a good thing, right? How can the use of noncompetes actually end up harming an employer in light of the predicate I just laid?

Mr. LETTIERI. Exactly. Well, it is already very difficult for employers to find the talent that they need to grow. When you constrain that further by putting artificial limits on available talent, as noncompetes do, you are getting in the way of employers being able to, again, win the competition for talent. Because in this case it does not matter if an employer is offering dramatically better benefits, dramatically better job opportunities and upward mobility. That is not a factor if a noncompete is in play.

So it is not just hurting the employers, it is getting in the way

of the fundamental competitive transaction.

Senator YOUNG. Okay. And getting back to the Romney exchange, which may make some news, right, I hope it does and I hope some of the counters to it do as well, that I am eliciting from you.

Silicon Valley is regarded as a hotbed of innovation, of enterprise, of dynamism, of business creation. Do we read a lot of articles about the theft of intellectual property on account of the lack

of noncompetes in the state of California?

Mr. LETTIERI. Again, if it were a fundamental issue I do not think we would have the natural example that we have, of Silicon Valley being what it is. As Dr. Starr had mentioned earlier, I think a lot of people point to noncompete enforcement or non-enforcement of noncompetes as one of the reasons that Silicon Valley has outpaced, say, Boston, as an example of kind of the hub of technology and innovation in our country. So it is clearly not a predicate, that you need not compete in order to protect trade secrets and intellectual property.

Senator Young. And we have seen an outright ban on noncompetes in states that, in many ways, do not resemble California. It is not my intention to hold them up as a model for all lawmaking and rulemaking—the state of Oklahoma, the state of North Dakota—and I am unaware that they have significant challenges—

Mr. Lettieri. They seem to be doing fine.

Senator Young [continuing]. In enforcing intellectual property protection.

Mr. Lettieri. That is right. That is right. We have not seen intellectual property-intensive companies flee those jurisdictions after the bans.

Senator Young. Okay. Thanks so much.

Chairman Rubio. Thank you. Before I recognize Senator Cantwell I just want one more observation—interesting analogy, as well. You know, this is a city in which people, the taxpayers, pay Members of Congress \$172,000 a year, in which time they establish expertise in this process, they create all these relationships, and then they leave and get immediately hired. They cannot lobby for a year. They get maybe hired to consult on the basis of all this great information that they learned, and I would argue some trade secrets about how the sausage is made around here, so they can provide people advice. Maybe we should have a noncompete on the transfer of that knowledge.

Mr. Lettieri. Well, if I may, imagine how much poorer Congress as an institution would be in terms of its expertise if you were not allowed to hire from each other's staffs. If a staffer who worked for a committee was not then allowed to go work for another member who offered a better opportunity, that would really beggar the institution, instead of accumulating knowledge and putting it to its best use.

Chairman Rubio. Actually, Senator Cardin is working on that. [Laughter.]

Senator Cantwell.

Senator Cantwell. Thank you, Mr. Chairman, and thank the witnesses for being here. Washington, our state, passed a law that restricts noncompete agreements, so beginning in 2020, only employees making more than \$100,000 per year, and independent contractors making more than \$250,000 a year could be covered by noncompete agreements. The law limits noncompete agreements to 18 months for these workers unless there is a clear and convincing evidence from the employer.

So as we look at Federal law, what do you think our necessary components, or what Federal legislation would look like?

Mr. Lettieri. I think many of the components of Federal legislation are found in the Washington statute, which I think is one of the far-reaching that has been passed to date.

So it includes disclosure requirements, it includes a limitation on duration, it includes a limitation on these pool of workers that are covered, it has enforcement mechanisms. Those are all characteristics that should be present at a Federal level as well. So it is not enough just to say let's ban them or make them unenforceable. You have to include all those different features to make the policy com-

Senator Cantwell. And then if somebody signs a nondisclosure agreement then that is honored at the next-

Mr. Lettieri. That is right. I mean, the Washington statute, as many others do, makes it clear—makes it clear that the ban on noncompetes for certain workers does not affect nondisclosure or nonsolicitation or other types of arrangement, and those do not have the kinds of negative effects that a noncompete has.

Senator Young's legislation does the same thing. It makes it explicitly clear that this does not invalidate those other forms of

agreement.

Senator Cantwell. Great. And so how do you think we inform people of this? Like say we did do something here federally, or how do you think you inform—how do you think we inform people? I mean, since people do not—I guess you are saying you would have larger awareness with the Federal laws.

Mr. Starr. Inform them of what? Of the action on this?

Senator Cantwell. How do you inform the public about the fact that they have this right, I guess, is my point? That is what I was saying.

Mr. STARR. The public on this right. Oh.

Senator Cantwell. Yeah, that people understand that that non-

compete agreement is a contracting process.

Mr. Starr. That is a great question. I think one of the issues that we have seen in many instances is that when workers or even individuals have contracts in front of them, whether it is a residential agreement, whether it is an employment contract, they believe that those words are law and that they should obey them.

And so I think that any kind of—I mean, one idea that was floated around was to have kind of requirements that firms are not allowed to do this, and you post it kind of like OSHA boards. I am not sure if that is going to be the most effective, but those ideas

have been created.

I think that one way that states are kind of going around and making sure that firms do not use these is by trying to impose penalties, either explicit costs for firms caught violating it, or some states have used sort of garden leave provisions. A garden leave provision is when the firm agrees to pay the worker during the prohibition period.

So if John was not going to work for two years afterwards, the firm would then have to pay some amount of money to compensate him for not working. And that payment, then, comes as a cost to the firm and may disincentivize them from using them with workers for whom they do not really get much of a benefit in the first

place.

Senator Cantwell. Or some level of transparency, yes.

Mr. Lettieri. And I will just note, Senator Young's bill includes public awareness provisions as well, that I think are a good model to use for any kind of Federal legislation. It empowers the Department of Labor to do a public awareness campaign and make sure that employers and employees are aware of what the new standards would be.

Senator Cantwell. Okay. Great. Thank you, Mr. Chairman.

Senator CARDIN [presiding]. Senator Kennedy.

Senator Kennedy. Thank you, Mr. Ranking Member. I want to thank the Chairman and the Ranking Member for bringing this issue forward. It is a very interesting issue. I have got mixed feelings about it. I am sorry I missed your opening statements. I was in another committee.

Mr. Lettieri, explain to me, with respect to the federalism issue, what is wrong with having a patchwork of laws? We do it already. We do it all the time, in a system of federalism, like we have dif-

ferent insurance laws and voting laws and tort laws and contract laws and worker's comp laws, state by state. Every state is dif-

ferent. What is wrong with it, in this regard?

Mr. Lettieri. Thank you, Senator. It is a very important question. I would say there is nothing wrong with it when a fundamental principle is not being violated. In the same way that we would not want a patchwork of child labor laws, we should not want a patchwork of laws that allow for a fundamentally different relationship between employers and employees on such a basic question of whether workers are free to go compete in an open labor market.

And so on this particular issue—and, by the way, that principle would not be as important if we did not have now research showing just how harmful the status quo really is. So there is both a principle violation and a fundamental economic harm being inflicted that I think creates a really strong predicate for Federal action.

Senator Kennedy. Again, I missed your opening statements and I am sorry, but I take it you are against noncompete clauses, Mr.

Lettieri?

Mr. LETTIERI. That is correct, except in a certain set of circumstances.

Senator Kennedy. Are there any arguments that you know of in favor of them?

Mr. Lettieri. Yes. Most of those arguments relate to the benefit to employers. So if the presumption is we should protect, at all costs, employers' ability to hedge against competition, which I do not think should be the presumption, then noncompetes are no doubt a very effective way of achieving that. They do exactly what they are intended to do. They restrict workers' options. They reduce the incentive for employers to offer better wages.

Senator Kennedy. Well, let me put it another way. Do you know

of any beneficial reasons in favor—

Mr. Lettieri. I was going to slowly get there, after I went on my

soapbox.

Some research finds that with higher-waged workers who have signed a noncompete that has been negotiated, which is not the case in most noncompetes, that there are individual benefits to both the firm and the worker. But those, in my view, are offset by the broader harms to the labor market and the economy. And again—so those are reasonable arguments, but they are only reasonable inasmuch as you are not looking at the broader effect of the noncompete.

Senator Kennedy. My guess is what you just described is a minority situation too.

Mr. Lettieri. That is right.

Senator Kennedy. Generally, when you are applying for a job, you do not have—even in a robust economy you do not have equal

bargaining power. I mean, you want the job.

Mr. LETTIERI. And employers knowingly exploit that asymmetry by offering the noncompete after the job has already been accepted and other jobs have been turned down. So the worker has much less bargaining power.

Senator Kennedy. Dr. Starr, you have studied this issue, I gath-

er. What are the pros and cons of noncompete?

Mr. Starr. Yeah. I think when I got into this what was interesting to me was exactly this tension, that you have some people saying that noncompetes are a way to spur investment, because if you can be ensured that your investments are not going to go subsidize your competitor, you have stronger incentives to invest in them, much like we think of the U.S. patent system. You provide a temporary monopoly on a particular patent, and that allows the firm to capture value from it, and they thus have incentives to invest.

It is the same logic for noncompetes. I think the difference is that noncompetes are just incredibly blunt tools for workers, and that that bluntness means that there is a propensity to overuse them in ways that they were perhaps not intended to.

Senator Kennedy. Okay. Mr. Bollinger, do you have anything

you would like to add, sir?

Mr. Bollinger. Sir, I just know that signing a noncompete ruined my career, ruined me financially, and like I said before, I am now making about equal to what I made 20 years ago, because of that. So I have, naturally, very strong opinions against noncompetes.

Senator Kennedy. Sure.

Mr. BOLLINGER. I think they are wrong. I think they should be illegal. Thank you.

Senator Kennedy. Do you think it should be done at the Federal level or the state level?

Mr. Bollinger. I think it should be done at the Federal level, where all states have to abide by it.

Senator Kennedy. Okay. This is my last question. Do either of you gentlemen know of any studies setting forth, quantitatively, the purported drag on the economy?

Mr. STARR. By what metric? What are you looking for—like wages?

Senator Kennedy. Wages, GDP, consumption, productivity.

Mr. Starr. Yeah. So most of the estimates are usually looking at either wages or new business creation, some measures of innovation. Just to give you a ballpark number, in the most kind of systematic study we have seen so far, they find that an increase of enforceability of noncompetes lowers wages by about 4 or 5 percent for everybody.

Senator Kennedy. Okay.

Mr. LETTIERI. Another way to translate that, Senator, is that the effect of noncompete reform, which costs nothing to the Federal Government, would be equivalent to the most successful imaginable Federal policy boosting worker wages, worker mobility, and new business formation. There is no equivalent policy I can think of that has had that kind of success, and certainly not the cost benefit of a free policy that is simply stopping doing something rather than creating a new program.

Senator Kennedy. Well, if we get involved it won't cost nothing, I can assure you. There will be a bureaucracy grow up around it. That I can guarantee you.

Thank you, Mr. Chairman.

Chairman Rubio [presiding]. Thank you. Mr. Starr, I understand you need to leave. We are almost done anyway so you can go ahead and catch your flight.

Mr. Lettieri. I have a few minutes.

Chairman Rubio. I know Senator Cardin had a follow-up.

Senator CARDIN. Just one point that has been brought up on enforcement, and you, I think, mentioned disincentives to employers. Because whatever we do, you still run into the situation that a company could include a noncompete clause that is clearly against state law or Federal law or whatever we do, as an intimidation. And the fact is, it is an intimidation, because an employee has very little capacity to challenge what their company is doing.

So you talked disincentives. I would hope that you would be a little bit more definitive, not necessarily in response right now, but as we consider Federal legislation, what would be appropriate disincentives? You mentioned requiring the employer to pay during this period of time. You have also mentioned potential for fines.

I think we would need some help as to what would be effective so that, in fact, what we do is enforced without requiring the employee to go through a costly litigation. As we saw in Mr. Bollinger's case, it sometimes is not effective. So if you can help us

in that regard I would appreciate it.

Chairman Rubio. Thank you. And just to wrap up, a couple of observations. On the disincentive part, I mean, none of these things are perfect. You could foresee where a firm decides we are not going to let anybody leave, and the way we are going to do it is we are going to sue anyone who leaves here. We are going to go after whoever hired them, and unless you are in a completely different industry, and we are going to say—we are going to claim that you stole some secret sauce that you had access to, and no one is going to want to hire you, because one thing is to hire a worker, but the lower wage, especially, they have got to be a really special worker to hire them and the litigation that is coming with them. So that is something we have got to think through, because no law will be perfect in that regard.

I would say these are my observations on the hearing today and everything we have heard, and really, the goal here is the entrepreneurship part of our jurisdiction, and the notion and the fear that there is somebody out there who is working somewhere, is not necessarily learning some trade secret but is picking up ideas, and says to themselves, you know, I can do this business better than the person I work for. I am going to go out. I am going to open a competitor, and, you know, I am going to hustle and be successful.

And, you know, that is where a lot of great American businesses came from, not because they stole a trade secret but because they actually thought what you were doing could be better, and they could not do it where you were because you were not interested in it. So the entrepreneurship part of this is a very big part of it.

But I would say that there is, I think, some pretty, in my sense, broad agreement that for low-wage workers this really makes no sense. I mean, I would argue, some people are going to tell you, if you are a hairdresser, you are working—you are renting a chair, you are working in my shop, you are attracting clients with my overhead, maybe clients that I even gave you, and then you are

going to pick up and leave and take all those clients with you. The response is, but during the time they were working there, this person was generating revenue for you, so there was some bargain

there, right?

But by and large, I think there is broad-based agreement that low-wage workers should not be subject to this. I think the two areas that there is debate is, number one, who else other than that should be covered, and whether it should be a Federal legislation or whether we should rely on the states to do it. Those are the two areas where I think we still have some debate internally.

But I think—and I do not speak for everyone, but I certainly think that my sense is that there would be broad consensus that there are a bunch of workers in America who do not make a lot of money, and really there is no justification for trapping them in employment. And the impact that could have on them going out and starting a business, or them going to work for a startup, you know, who is looking for people like that to join.

So your testimony today was all very, very helpful to us, because I really think we can build on this, and I appreciate the time you have given us. And unless there is anything else—all right. There is this little script I have to read because apparently the republic

will collapse if I do not read these things.

The hearing record will stay open for two weeks, and any statements or questions for the record should be submitted by Thursday, November 28th, at 5 p.m. And with that the hearing is adjourned.

[Whereupon, at 11:33 a.m., the Committee was adjourned.]

# APPENDIX MATERIAL SUBMITTED

#### Senate Committee on Small Business and Entrepreneurship Hearing November 14, 2019 Follow-Up Questions for the Record

Dear Senator Cardin and Senator Hirono,

Many thanks for these excellent questions following up on our hearing from November 14, 2019 "Noncompete Agreements and the American Worker." Below I provide answers to these questions to the best of my ability. If I can clarify or provide any further assistance on these or related issues, please do not hesitate to reach out to me.

Kind Regards,

Evan Starr

#### Questions from: Ranking Member Cardin

Following the erosion of worker bargaining power over the last several decades, today's U.S. labor market tends to favor the employer over the employee. As such, workers often enter into employment negotiations with significantly less negotiating leverage relative to their employer. This unequal power balance persists throughout the employment relationship.

The ubiquity of noncompetes in today's labor market demonstrates that these agreements are another tool at employers' disposal to diminish employee bargaining power. The unequal employer-employee relationship is exacerbated by the use of noncompete agreements: a worker who is unable to quit and find a better job is a worker with very little bargaining power.

Companies often impose noncompetes even when they know they are unenforceable under state law because they can use it as an intimidation tactic to discourage employees from leaving. These companies know that workers often do not have the means to challenge these unfair practices.

As lawmakers consider federal legislation to ban noncompetes more broadly, it is important that employers are sufficiently deterred from violating the law. Without an appropriate disincentive, employers might choose to continue to impose noncompetes and employees might either 1) believe that they must obey an illegal contract or 2) be forced to engage in costly litigation to fight the illegal noncompete.

#### **OUESTION 1:**

How can we on a federal level ensure employers are sufficiently deterred from imposing noncompete agreements?

# ANSWER TO QUESTION 1

Thank you for raising this very important question. I think there are several options for federal reform so that firms are sufficiently deterred from imposing noncompete agreements.

#### Option 1: Make public which firms use noncompetes.

When Amazon was found to be using noncompetes with low-wage workers in 2015, they abruptly eliminated the contracts for warehouse workers. Similarly, when it became public knowledge that Cushman and Wakefield was suing a janitorial supervisor making \$18 dollars an hour, they abruptly dropped their lawsuit. These examples highlight what can happen when information is revealed about how firms are using noncompete agreements. In these cases, the firms were overwhelmed with bad publicity and dropped the clauses or the lawsuit.

However, the only reason we know about these cases is because of investigative reporting or tips. Indeed, a tip line was the primary way that the IL and NY AG's offices found out about many of the abuses of noncompetes that they subsequently investigated.<sup>3</sup>

To my knowledge, there is no public information about which firms use noncompetes (or for which jobs). The information is not on Glassdoor.com, Monster.com, Indeed.com, or any job-search website that I am aware of. In fact, I have lobbied several of these companies to add these questions to their surveys so that it can become public knowledge which firms use noncompetes (and for which types of jobs), but in each instance they have declined. In some cases I was told that these job-search companies would risk losing business from other client firms, since those client firms do not want this information revealed.

If firms are using noncompetes and they do not want the public to know about it, then perhaps by making that information public it would encourage firms to limit the use of noncompetes. The public provision of this information would also help job searchers, who would know about the firms contracting practices before accepting any employment offers. It would also help researchers understand the use and effects of these provisions, which may further help guide public policy.

### Option 2: Require the firm to pay the worker during the prohibited period.

The basic idea here is to force the firm to internalize the cost of using noncompetes by requiring them to pay the worker during the period which they are prohibited from joining a competitor.

<sup>&</sup>lt;sup>1</sup> Here is the initial story on Amazon noncompetes: <a href="https://www.theverge.com/2015/3/26/8280309/amazon-warehouse-jobs-exclusive-noncompete-contracts">https://www.theverge.com/2015/3/26/8280309/amazon-warehouse-jobs-exclusive-noncompete-contracts</a>. Here is the follow-up story on Amazon getting rid of noncompetes afterwards: <a href="https://www.theverge.com/2015/3/27/8303229/amazon-reverses-noncompete-contract-rules">https://www.theverge.com/2015/3/27/8303229/amazon-reverses-noncompete-contract-rules</a>

<sup>&</sup>lt;sup>2</sup> See the initial article here: <a href="https://www.ft.com/content/bfb69d30-ce44-11e8-b276-b9069bde0956">https://www.ft.com/content/bfb69d30-ce44-11e8-b276-b9069bde0956</a>. Here is the article describing them dropping the lawsuit: <a href="https://www.ft.com/content/154200d6-d319-11e8-a9f2-7574db66bcd5">https://www.ft.com/content/154200d6-d319-11e8-a9f2-7574db66bcd5</a>

<sup>&</sup>lt;sup>3</sup> See Madigan and Flanagan's 2018 paper describing the state AG's experience investigating noncompetes: <a href="https://lwp.law.harvard.edu/files/lwp/files/webpage\_materials\_papers\_madigan\_flanagan\_june\_13\_2018.pdf">https://lwp.law.harvard.edu/files/lwp/files/webpage\_materials\_papers\_madigan\_flanagan\_june\_13\_2018.pdf</a>

This idea is known as Garden Leave, and it is supposedly common in Europe, though I know of no actual empirical evidence documenting its prevalence.

In the US, Oregon adopted a garden leave provision in 2008 (stipulating pay of the greater of 50% of the salary of the worker or the median income for a household of four), and Massachusetts did so just last year (although the MA law is a bit more lenient than Oregon's).

The reason this policy would deter firms from imposing noncompetes on workers is that it would increase the cost of their use. Under a garden leave law if a firm wants to use a noncompete with a given worker, they would have to pay the worker during the prohibition period. If this extra cost is not worth the protection that they would receive from the noncompete, then they would likely drop the noncompete provision.

Here the enforcement mechanism would need to ensure that firms are actually paying the garden leave payments. An important point here is that unenforceable noncompetes are used all the time, and so it is possible that firms will use noncompetes and simply not pay the garden leave. So some part of any reform effort would need to provide incentives for the firm to comply—for example, by including such behavior as equivalent to wage theft.

Option 3: Create penalties for violators caught using noncompetes which clearly violate the law, and give the affected employees the right to sue for damages, so as to incentivize them to come forward.

Several recent proposals have banned noncompetes for certain populations, such as low-wage workers. Alongside these bans, these proposals have sought to propose penalties for employers caught using noncompetes with prohibited workers. In the MOVE Act, for example, the proposed fine was \$5,000 per worker.

Here are a few ideas that might help this work best. The two key issues here are how to set these penalties and how can the government detect violations of the law? One option could be giving the enforcing agency the power to collect employment contracts or employee handbooks. A second option (which could be employed with the first), is to create a tip line for employees to report wrongdoing, as highlighted above. A third option would be to create in the law incentives for the affected workers to come forward and receive compensation through revealing the wrongdoing of their employer. An important point here is to make using a noncompete illegal, rather than just voidable or unenforceable by a court.

# **QUESTION 2:**

What are the appropriate policy solutions that will ensure proper enforcement?

# ANSWER TO QUESTION 2:

In addition to the points noted above, which mostly answer this question, it is important to consider how enforcement actions might be disrupted or otherwise change based on other provisions that workers have agreed to. For example, if workers have class-action waivers, it

might be difficult to bring a lawsuit if firms are using illegal noncompetes with many workers. This might also be the case if workers have forced arbitration agreements.

#### **QUESTION 3:**

During the hearing the imposition of financial penalties were discussed. More specifically, for example, requiring an employer to pay a former employee during a post-employment time period during which a noncompete is active and/or the potential for fines levied on employers who include noncompete agreements in employment contracts.

What would be the most effective structure, scope, and amount of these fines or penalties that would have the effect of limiting noncompete agreements and ensuring compliance?

#### ANSWER TO QUESTION 3

This is an important question about ensuring compliance so that firms do not use illegal noncompetes. If firms are making choices rationally, they will stop using noncompetes when the expected value of using them is lower than the expected cost, where the expected costs include both the size of any fines as well as the firm's perceived likelihood of being required to pay those fines. The government can affect both the firm's perceived probability of detecting illegal noncompetes and the size of the penalty, but the optimal level of these depends upon how much value firms get out of already illegal noncompetes.

If this is right, then there are a few options which can begin to ensure compliance without necessarily imposing specific penalties. For example, passing a law which forces firms using illegal noncompetes to cover the court fees and attorney costs of affected workers should in part deter that firms from using illegal noncompetes. Such a law will increase the expected cost of using noncompetes for the firm, and may increase the probability of detection as workers may know if they have such provisions in their employment contract.

However, this might not be enough to dissuade firms from using illegal noncompetes because workers may not know the law and obey the noncompete anyway (i.e., not even go to court or seek out an attorney). One approach to handling misinformation is to require that information be posted in a publicly available space (similar to OSHA-style requirements), about the fact that it is illegal for the employer to curtail the postemployment options of its employees (as stipulated in the law).

A complementary approach is to give the worker a private right of action, as a way to bring an action based directly on the law, which will give the worker incentive to file suit once they learn that they have signed an illegal contract. Here it might be helpful to also address other provisions like class-action waivers and arbitration agreements, so that it is also in lawyers best interest to bring these cases as large class-action lawsuits, as opposed to individually arbitrated cases.

A similar approach is to provide incentives for other firms to benefit when they reveal that other firms are using illegal noncompetes—which they presumably know because they are likely to

learn this information when firms hire from each other. Such an approach would also raise the likelihood of catching noncompliant firms and thus raise the expected cost of using illegal noncompetes.

The aforementioned approaches are somewhat convenient because they increase both the likelihood of catching noncompliant firms and the expected costs to firms of using illegal noncompetes, without specifying a somewhat arbitrary fine. As noted above, simply providing publicly available information on who is using noncompetes (and for whom) might also get firms to reduce use as well (as in the case of Amazon), though companies like Glassdoor.com seem loathe to gather it, and would probably be even less likely to gather it if their client firms could be sued as a result. Perhaps the FTC could gather this information annually from a sample of firms, given their authority under the FTC Act.

Nevertheless, the remaining question is what should the actual levels of the penalties be. Again, theoretically, it's important to consider that the level of penalties should take into account the firms perceived probability of detection. If firms know there is a 100% chance of being caught immediately, then a small fine would likely be enough to deter use. However, if firms perceive that the chance of being caught using an illegal noncompete is 0%, then it won't matter how large the fine is. It is also important to highlight that if the goal is to deter the use of illegal contracts, the expected cost to the firm of using an illegal noncompete (the probability of detection multiplied by the fine) outweighs the expected benefit.

Accordingly, it is worth spending some time thinking about the precise value firms would get from an illegal noncompete. If that illegal noncompete keeps workers at the firm longer, consistent with empirical evidence, then the firm saves on recruiting and turnover costs over time. If that illegal noncompete prevents information or clients from flowing to competitors, then the firm benefits from that as well. Similarly, the firm may also benefit from preventing workers from becoming their direct competition. Finally, if that illegal noncompete allows the firm to pay the worker lower wages, then the firm saves on wage costs, which are compounded by the fact that workers may stay longer on the job. These sources of benefits encompass both a static dimension (e.g., the firm saves on wage costs in a given year), and a dynamic dimension (e.g., the illegal noncompete causes workers to stay longer). Accordingly, the penalties should be levied at the *per worker-years-under-noncompete level*.

These distinctions highlight some of the challenges with picking the level of a fine. For some workers the value of a noncompete may come only from reduced turnover or somewhat lower wages—a situation in which a small fine may do fine. But for other workers a small fine may not do as well. Unfortunately, there are no existing estimates that convey the value of an illegal noncompete, to the best of my knowledge. The closest estimate that I am aware of is from Marx and Younge (2015)<sup>4</sup>, who find that the short term value of publicly traded companies rose by 9% after Michigan started enforcing noncompetes in 1985. Their analysis does not measure, however, the value of a given noncompete, since their analysis does not utilize any information on the actual use of noncompetes. Moreover, the study cannot identify the value of *illegal* noncompetes. These points also apply to the several studies examining changes in the law and

<sup>&</sup>lt;sup>4</sup> A draft of their paper is available here: <a href="https://7485828c-96a0-4ef7-9e65-7e2017fe0ce5.filesusr.com/ugd/30296c">https://7485828c-96a0-4ef7-9e65-7e2017fe0ce5.filesusr.com/ugd/30296c</a> d5a0332c0f1e47a3b1097598df49341b.pdf

how worker mobility, wages, and entrepreneurship response (i.e., they do not generally include information on who signs noncompetes, let alone illegal ones).

As a result it would be highly speculative to provide a simple number here as a threshold, as any specific number would be debatable. Given this ambiguity, I would first and foremost suggest considering alternative benchmarks for wrongdoing in the case of workers, such as penalties for wage theft or discrimination. Another benchmark is the 50% pay that unemployment insurance pays workers in the event they receive unemployment insurance. A related benchmark from state noncompete laws comes from the 2008 Oregon noncompete law, which instituted a payment of 50% of the worker's salary during the prohibition period, with a minimum payment of the median income for a household of four.<sup>5</sup> While these numbers are also arbitrary, they do give a sense of the size of the penalties that are out there.

Moreover, it's important to think about the issues related to whether fine should be uniform or proportional to the worker's wage. If the penalty for noncompliance is fixed at, for example, \$10k per worker-year, it might disincentivize firms to use illegal noncompetes with low-wage workers, but it might do little to disincentivize the use of illegal noncompetes for high tech workers or managers, as the chance that they are still effective might well save the firm much more in expectation.

As an aside, the prior point makes it clear that the optimal level of a penalty depends on *which* population noncompetes are made illegal. If it is low-wage workers who do not have access to any valuable information, then firms are likely to benefit less and thus a lower fine is probably ok. But if it is high-wage workers for whom the firm extracts a lot of value from using illegal noncompetes, then the optimal fine would be higher. Counteracting this effect, however, is the possibility that the likelihood of detecting illegal noncompetes among high-wage workers may be higher, such that a fixed penalty could work well, so long as the probability of being caught rises sufficiently with the wage.

If the firm's perceived likelihood of detection does not rise with the wage, then it might more be more effective to propose a penalty proportional to the worker's pay, with a minimum amount of pay so-as to protect low-wage workers—much like the Oregon structure of Garden leave. However, this may be more difficult to implement as it requires knowing every worker's wage who is covered by an illegal noncompete, for each year they are covered by the illegal noncompete. As a result this structure may be less feasible.

I recognize this exposition may not be as helpful as just stating a particular number, but hopefully it elucidates several of the issues involved in coming up with a reasonable number.

<sup>&</sup>lt;sup>5</sup> The specific language in the Oregon Bill (ORS 653.295) reads, "Provides the employee, for the time the employee is restricted from working, the greater of compensation equal to at least 50 percent of the employee's annual gross base salary and commissions at the time of the employee's termination or 50 percent of the median family income for a four-person family, as determined by the United States Census Bureau for the most recent year available at the time of the employee's termination."

It might be more helpful to run through a specific scenario. Suppose that noncompetes are made illegal for workers making under \$50k per year. For each of these workers, there will be some value to the firm of using illegal noncompetes in a given year—it may be \$10k for some workers and \$0.5k for other workers. If the penalty any policy imposes is uniform per worker-year, the government will have to decide whether it wants to deter the use of all these noncompetes, or target them towards the average or median worker. To deter all illegal noncompete use, the fine will have to be very high to deter firms that receive a lot of value from illegal noncompetes, though such a penalty may seem draconian to the average firm.

Suppose the government chose a fine of \$25k per worker per year, and suppose that firms perceive the likelihood that they will be caught is 10%. Then in expectation the firm will still be willing to use noncompetes for workers for whom they expect to capture more than \$2.5k per year in value from the noncompete. It may be that this is enough to deter most firms, but it will likely not result in complete deterrence because some firms will simply see it as the cost of doing business.

If I were in your shoes, one of the things I would do is commission a study of the practices of noncompete use in Oregon vs neighboring states by requesting employment contracts from firms before and after 2008 (perhaps using the FTCs authority under section 6(b) of the FTC Act), when the Garden leave provision was put in place in Oregon. This study could really help clarify whether the passage of this law reduced the use of noncompetes, and for which types of workers and firms

#### Questions from: Senator Hirono

Hawaii's Experience with Banning Noncompetes: As you acknowledged, Hawaii's experience with banning noncompetes provides evidence that limiting these agreements can have benefits for high-wage workers. With Hawaii, a partial ban for high-wage workers in the technology industry led to improved worker mobility and increased average earnings—particularly for new hires:

#### **QUESTION 1:**

Can you elaborate on the implications of Hawaii's experience with banning noncompetes?

#### **ANSWER TO QUESTION 1:**

My analysis of the Hawaii experience is detailed in a paper called "Locked In? The Enforceability of Covenants Not to Compete and the Careers of High-Tech Workers," which was written by Natarajan Balasubramanian, Jin Woo Chang, Mariko Sakakibara, Jagadeesh Sivadasan, and myself. That paper is available here: <a href="https://papers.ssrn.com/sol3/papers.cfm?abstract\_id=2905782">https://papers.ssrn.com/sol3/papers.cfm?abstract\_id=2905782</a>.

The main focus of our paper was on the question of how Hawaii's 2015 ban on noncompete for high tech workers affect wages and mobility. The findings are relatively straightforward, that wages for new hires rise, while job-to-job mobility also rises. We found little evidence that overall wages rose, but this is most likely because the 2015 law only applied to new contracts and because our data only goes until 2017.

We did not examine other outcomes like entrepreneurship, investment, and productivity.

#### **QUESTION 2:**

Short of fully banning noncompetes for all workers, do you think partially banning these agreements for some workers in other industries could benefit workers?

#### **ANSWER TO QUESTION 2:**

If the question is whether worker wages will rise in general when noncompetes are banned, then the existing evidence suggests that this will be the case. For an overview of this evidence see a brief I wrote called "Are Noncompetes Holding Down Wages" at <a href="http://ssrn.com/abstract=3223659">http://ssrn.com/abstract=3223659</a>.

One other note here is that "industries" might not be the best way to think about banning noncompetes. If you ban noncompetes in healthcare to protect janitors, then it doesn't make sense for janitors in commercial buildings to not be covered. In this sense "occupation" may make more sense for categorizing workers, which is an approach that Colorado and Oregon have taken.

# **QUESTION 3:**

If yes, then could you speculate about which industries?

#### **ANSWER TO QUESTION 3:**

In addition to the study of high-tech workers referenced above, in Lipsitz and Starr (2019), which examines the 2008 ban on noncompetes that Oregon implemented for low-wage workers, we find that workers in almost every industry experienced positive and statistically wage increases. In only two industries were the wage effects statistically indistinguishable from zero, and in no industries did we estimate negative wage effects. Figure 5 in the paper shows the breakdown.<sup>6</sup>

In another recent study, Johnson, Lipsitz, and Lavetti find that moving from the 90<sup>th</sup> to the 10<sup>th</sup> percentile of enforceability raises wages by 3-4% for the average worker in the United States.

These results suggest that the wage benefits from banning noncompetes are not confined only to one or a handful of industries.

Here is another way to think about your question: Let's think about the industry where we would expect workers to benefit most from noncompetes. The theoretical arguments would suggest that industries in which noncompetes give firms strong incentives to develop valuable and proprietary information and to invest in providing their workers with this valuable, industry-specific information. In my mind, high-tech fits this description, perhaps better than any other industry. So, the fact that the Hawaii ban for tech workers finds that new hire wages rise after the ban suggests that we do not even see noncompetes benefiting workers in the precise places where theory would suggest we do.

The one occupation that does show some mixed evidence, however, are executives. Allowing noncompetes for executives might be a reasonable carveout, since they do have access to all the valuable information of the firm, they also have access to legal counsel when negotiating their employment contract, and they can most likely afford to fight a lawsuit or sit out a few years.

# **QUESTION 4:**

Noncompetes and Female Entrepreneurs: Recently we celebrated National Women's Small Business Month (October), where we recognized the importance of female entrepreneurs in promoting job creation and driving innovation within local communities.

I have met with many of these entrepreneurs in Hawaii, where they are leading the way in their communities with the support of local SBA resources like the Mink Center for Business and Leadership—our state's only Women's Business Center.

<sup>&</sup>lt;sup>6</sup> The paper is available at <a href="https://papers.ssrn.com/sol3/papers.cfm?abstract\_id=3452240">https://papers.ssrn.com/sol3/papers.cfm?abstract\_id=3452240</a>.

As you acknowledged during your testimony noncompetes have been particularly harmful for women:

Can you elaborate on why noncompetes have been particularly harmful for women?

#### **ANSWER TO QUESTION 4**

There are three studies examining gender differentials in the effect of noncompetes. Two studies examine wage differentials, while a third looks at entrepreneurship. All three studies find that the enforceability of noncompetes lowers wages more for women than for men, and reduces entrepreneurship for women more than for men.

These studies lay out several reasons for why women have been particularly harmful for women. These include:

- The fact that women are less likely to negotiate over the terms of employment.
- The fact that litigation over noncompetes might be more costly for women because if
  they sit out of the labor force to abide by a noncompete it might be harder foro them to
  get back in.
- Women may be risk averse, and so may be more likely to abide by noncompetes rather than face risky legal outcomes.
- There is also some evidence that women are less interested in "competing", and so this may also suggest that they would be less likely to violate a noncompete.

Many of these arguments, it should be noted, could pertain to minorities, as well.

#### **QUESTION 5:**

Can you discuss how banning noncompetes could benefit female entrepreneurs?

### **ANSWER TO QUESTION 5**

There is just one study on the gender differences in the impacts of noncompete agreements on women (Marx 2018<sup>7</sup>). The study examines how the likelihood of founding a new venture varies by gender and the enforceability of non-competes, following the dissolution of the worker's firm. The basic idea is that in states that do not enforce noncompetes, workers can start a new firm whenever they want, but that in states that enforce noncompetes they are restricted from starting new firms. As a result, when a worker's firm dissolves and the worker's prior noncompete becomes inapplicable, there may be a sudden increase in entrepreneurship in the states where noncompetes are enforceable. What Marx (2018) finds is that this post-firm-dissolution increase in entrepreneurship is 13% higher for women than for men in the states that more vigorously enforced noncompetes, suggesting that women were held back more by noncompetes than men.

# **QUESTION 6:**

<sup>&</sup>lt;sup>7</sup> See https://papers.ssrn.com/sol3/papers.cfm?abstract\_id=3173831

What particular impact, if any, have noncompetes had on minority entrepreneurs?

#### **ANSWER TO QUESTION 6:**

To the best of my knowledge, there are no studies examining differences in the effect of noncompetes or noncompete policies on minority entrepreneurship.

The one study of wage outcomes (Johnson, Lipsitz, and Lavetti 2019) finds that the enforceability of noncompetes dampens wages for black workers relative to white workers.

#### **QUESTION 7:**

What impact, if any, have noncompetes had on veteran entrepreneurs?

#### **ANSWER TO QUESTION 7:**

To the best of my knowledge, there are no studies examining differences in the effect of noncompetes or noncompete policies on veterans.

#### **OUESTION 8:**

Noncompetes and Labor Unions: Recently released data from the Department of Labor indicates that nonunion workers have median weekly earnings that are 82 percent of earnings compared to union workers—\$860 versus \$1,051. These statistics prove the importance of having union representation and the ability to band together and bargain collectively. That is why I have been an ardent supporter of collective bargaining rights, and why I have introduced S. 1970, the Public Service Freedom to Negotiate Act of 2019, which provides public sector workers with the right to collectively bargain for fair wages and working conditions.

You noted in your testimony that "noncompetes are rarely negotiated over and are regularly presented to workers when they have limited outside options," and elaborated that labor unions are sometimes required to sign noncompete agreements:

Have you found in your research whether labor unions have been able to help workers avoid having to sign noncompetes as a condition of employment?

#### **ANSWER TO QUESTION 8:**

To the best of my knowledge, there have been no explicit studies examining the use of noncompetes and labor unions.

The most recent case I am aware of involving a noncompete and unions is Minteq.<sup>8</sup> In that case the key issue was whether the firm can unilaterally implement noncompete agreements without

<sup>8</sup> The decision can be found here: <a href="https://www.laborrelationsupdate.com/files/2016/08/Minteq-International-Inc.-364-NLRB-No.-63-July-29-2016.pdf">https://www.laborrelationsupdate.com/files/2016/08/Minteq-International-Inc.-364-NLRB-No.-63-July-29-2016.pdf</a>.

bringing them before the union as part of mandatory bargaining. The judge found that noncompete agreements should be a part of mandatory negotiations and that the firm erred when it implemented noncompetes unilaterally for new hires during a 2 day orientation.<sup>9</sup>

# **QUESTION 9:**

If so, then could you elaborate on these findings?

#### **ANSWER TO QUESTION 9:**

There are no findings to elaborate on, unfortunately.

#### **QUESTION 10:**

If not, then what impact do you think labor unions representing public and private sector employees can have on ending the practice of noncompetes?

# ANSWER TO QUESTION 11:

The Minteq case suggests that unions can potentially help to resolve some of the issues related to the lack of negotiation over the use of noncompetes, especially in instances where firms are seeking to implement noncompetes unilaterally. It is possible that the union could argue for an increase in wages as a result of the firm trying to bind workers in this way.

It is also possible that workers may become overconfident in the amount of protection they have from the union in noncompete disputes, thinking they are protected when in fact they are not.

Unfortunately, this is a rather new area and there is a lot we do not know yet.

### **QUESTION 11:**

What other findings have there been related to labor unions and noncompetes?

# ANSWER TO QUESTION 11:

There are no other findings that I am aware of. This is an important area for future research.

# **QUESTION 12:**

Noncompetes and Low-Wage Workers: Your testimony addressed noncompetes for low-wage workers, who are often the most vulnerable to these agreements because they are the least able to negotiate their employment contracts:

<sup>&</sup>lt;sup>9</sup> A summary of the case is available here: <a href="https://www.laborrelationsupdate.com/uncategorized/non-compete-agreement-a-mandatory-subject-of-bargaining-nlrb-rules/">https://www.laborrelationsupdate.com/uncategorized/non-compete-agreement-a-mandatory-subject-of-bargaining-nlrb-rules/</a>

Can you elaborate on how noncompetes are harmful for low-wage workers?

#### **ANSWERS TO QUESTION 12:**

There is only one study that addresses the effects of banning noncompetes on low-wage workers, and it was written by Michael Lipsitz and myself. This study exploits a ban on noncompetes for hourly workers in Oregon in 2008, by comparing hourly workers in Oregon before and after the ban to hourly workers in neighboring states. The results suggest that the ban on noncompetes for hourly workers raised hourly wages by 2-3% for the average hourly worker, and increased job-to-job mobility by 12-18%, driven mostly be an increase in within-industry mobility.

The study finds that the wage gains are present across most occupations and industries, are present for both low earners and high earners, for those with and without a college education, and for the young and the old. It also shows that the wage effects from the ban are more positive for females than for males.

The study, due to lack of data, cannot fully answer the question of why noncompetes are harmful for low-wage workers (outside of establishing that they are), but it offers several explanations. It finds that noncompetes are very unlikely to negotiate over noncompetes, and it highlights that low-wage workers may be unlikely to have the income to fight even unenforceable noncompetes, which most noncompetes for low-wage workers are likely to be.

#### **QUESTION 13:**

Besides banning noncompetes, what other protections should we consider adopting for these workers?

# ANSWERS TO QUESTION 13:

First, I think it's important to highlight the difference between some recent legislative approaches. Some states have made noncompetes voidable or unenforceable, but have not made them *illegal*. In contrast some recent proposals (i.e., the MOVE Act) sought to make noncompetes for low-wage workers illegal and proposed fines to firms for violating noncompetes. The key issue is that there is much empirical evidence that noncompetes are still common in states where they are unenforceable, like California. See my answers to Senator Cardin's questions above for some thoughts on enforcement and compliance.

Apart from this distinction, I think it's important to consider several other provisions that workers might agree to that may limit the ability of low-wage workers to fight even unenforceable noncompetes. Two of these are mandatory arbitration and class action waivers. This combination is especially pernicious because they make it difficult for low-wage workers to find legal counsel willing to take their case, even when the wrongdoing extends to many other workers at the firm.

#### **QUESTION 14:**

 $<sup>^{10}</sup> A d raft of the paper is available here: \underline{https://papers.ssrn.com/sol3/papers.cfm?abstract\_id=3452240}$ 

How can we make it easier for workers to negotiate their employment contracts or better understand the importance of these contracts and what they include?

#### **ANSWER TO QUESTION 14:**

This is an excellent question. I think there are a two relatively easy ways to ensure that workers are at least aware of these contracts and understand what they are signing up for.

The first idea is to increase the transparency with which noncompetes are implemented. At least 1/3 of noncompetes are requested after the job offer has been accepted, without any change in responsibilities or job title, often on the first day of the job. At this point in time the worker may have already turned down other job offers, moved their family, and may have very little leverage with which to negotiate these additional terms. To combat this practice, several states, beginning with Oregon in 2008, have implemented policies that require early notification of the noncompete—either alongside the job offer or at least a few weeks before the commencement of employment. The idea behind this policy is to give workers an understanding of important restrictions that might accompany their job, at a point when they have alternative options, or can negotiate over all the relevant terms of the job.

The second idea is to begin systematically collecting information on which jobs require noncompete agreements, and provide that information to workers via job search websites like Glassdoor.com, Monster.com, Indeed.com, etc. To my knowledge, and despite my efforts, no such information exists to inform workers about the restrictions they might be asked to agree to if they were to join that company. It seems the companies mentioned above could easily collect and display this information alongside other information that job-seekers usually look for. This would allow workers to be informed about these provisions ex ante so that they are not surprised to be asked to agree to them when they join the company. A similar approach could be to gather all the litigation events for each firm related to noncompetes and then post them publicly in an easily digestible manner so that workers can see which firms are actively suing their departing employees over these contracts.

A related law could require firms to post the types of restrictive covenants in their job ads, alongside other information, though there is no precedent for this that I am aware of.

# Senate Committee on Small Business and Entrepreneurship Hearing "Noncompete Agreements and American Workers" November 14, 2019 Follow-Up Questions for the Record

Questions for Mr. John Lettieri

Questions from:

Ranking Member Cardin

Following the erosion of worker bargaining power over the last several decades, today's U.S. labor market tends to favor the employer over the employee. As such, workers often enter into employment negotiations with significantly less negotiating leverage relative to their employer. This unequal power balance persists throughout the employment relationship.

The ubiquity of noncompetes in today's labor market demonstrates that these agreements are another tool at employers' disposal to diminish employee bargaining power. The unequal employer-employee relationship is exacerbated by the use of noncompete agreements: a worker who is unable to quit and find a better job is a worker with very little bargaining power.

Companies often impose noncompetes even when they know they are unenforceable under state law because they can use it as an intimidation tactic to discourage employees from leaving. These companies know that workers often do not have the means to challenge these unfair practices.

As lawmakers consider federal legislation to ban noncompetes more broadly, it is important that employers are sufficiently deterred from violating the law. Without an appropriate disincentive, employers might choose to continue to impose noncompetes and employees might either 1) believe that they must obey an illegal contract or 2) be forced to engage in costly litigation to fight the illegal noncompete.

#### **QUESTION 1:**

How can we on a federal level ensure employers are sufficiently deterred from imposing noncompete agreements?

**ANSWER 1:** The federal government should, at a minimum, set a range of baseline standards applying to the use of noncompete agreements. These standards should include transparency requirements, since many of the negative effects of noncompetes can be reduced simply by

ensuring greater transparency and improving workers' awareness of their bargaining position. For example, this would include requiring that employers notify prospective hires at the start of the interview process whenever a position requires signature of a noncompete. Disincentives for overuse should also be implemented at the federal level, since employers can generally require a noncompete at no cost to themselves under current law. Disincentives could take the form of requiring some "garden leave" compensation of covered workers for the duration of the period in which they are subject to a noncompete. The duration of agreements should be limited to no more than a year and voided in case of layoffs or employee termination without cause. Perhaps most importantly, federal rules should limit the pool of eligible workers to those who have plausible bargaining power. In practice, this would mean establishing an earnings threshold for eligibility so that noncompetes could only be applied to top earners. Last but not least, federal rules should ensure appropriate enforcement mechanisms and penalties for noncompliance.

#### **QUESTION 2:**

What are the appropriate policy solutions that will ensure proper enforcement?

During the hearing the imposition of financial penalties were discussed. More specifically, for example, requiring an employer to pay a former employee during a post-employment time period during which a noncompete is active and/or the potential for fines levied on employers who include noncompete agreements in employment contracts.

ANSWER 2: I believe that a nearly universal restriction on noncompete agreements across all occupations and income levels is the right goal, given the disadvantages noncompetes impose on workers and the drag they place on U.S. entrepreneurship, innovation, and economic dynamism writ large. Short of a full ban, federal policy should introduce a cost to the use and abuse of noncompete agreements. For example, employers should be required to provide "garden leave" compensation during the time a noncompete is in effect, which will discourage employers from frivolously requiring such provisions. Additionally, for any federal reform to be effective it must come with penalties for noncompliance. Employers that knowingly insert unenforceable noncompete clauses into their contracts (e.g., in states where they are not valid, or in the contracts of exempted workers) should face monetary penalties.

# **QUESTION 3:**

What would be the most effective structure, scope, and amount of these fines or penalties that would have the effect of limiting noncompete agreements and ensuring compliance?

**ANSWER 3:** Any fine or penalty should make for a meaningful disincentive, not just be a token fine. At the state level, this has taken the form of a large percentage of the final salary for the

duration of the agreement or other mutually agreed upon compensation. Steep fines for writing (and making employees sign) noncompete agreements that are not enforceable under the applicable state law could also effectively limit the use and abuse of noncompetes. Overly broad noncompetes should also be rendered completely void under federal law, which would preclude them from being re-written by courts to make them enforceable.

Questions from:

Senator Hirono

General Benefits of Banning Noncompetes: Mr. Lettieri, you have strongly advocated for banning noncompete agreements (noncompetes) in all but the narrowest circumstances.

# **QUESTION 1:**

Can you elaborate on the benefits of banning noncompetes?

ANSWER 1: See answers to questions two, three, and four.

#### **QUESTION 2:**

Can you elaborate on how banning noncompetes could improve innovation and entrepreneurship, and promote business formation?

ANSWER 2: Noncompete agreements prevent workers from starting any new company that could compete with their former employer within a large geographic area. They do this through the threats of litigation and injunction, which imperil the viability of a new firm. As a result, fewer people covered by a noncompete choose entrepreneurship, given the risks it would entail or the upheaval it would require if they were forced to move to a different part of the country. One recent study found that greater enforceability of noncompete agreements reduced new firm entry rates by 18 percent. The empirical research suggests that women are particularly deterred from starting their own firms when subject to noncompete agreements. Innovation and productivity suffer as fewer new firms start that are better able to create a product or deliver a service than incumbents.

Banning noncompetes would free more people to create new firms and pilot new business models that would intensify competition in the U.S. economy, produce more innovation, and advance productivity growth and living standards. Public policy should promote competition for all of the benefits it brings; in practice, incumbent vested interests now rely on noncompetes to insulate themselves from it, to the detriment of workers and the wider economy, instead.

#### **QUESTION 3:**

Can you elaborate on how banning noncompetes could benefit workers?

ANSWER 3: There is little evidence that workers receive adequate compensation to offset the opportunity cost of forgoing alternate employment options inherent in signing a noncompete. In fact, the preponderance of empirical evidence showing that workers' wages increase when noncompetes are restricted suggests that, in reality, workers rarely see any of the theoretical potential benefits of a noncompete (such as increased employer investment in their training or higher bargained wages). Workers bound by a noncompete report staying in their jobs 11 percent longer with no offsetting increase in pay or satisfaction. Banning noncompetes is therefore a policy action that stands to only benefit workers by freeing them to seek out the best opportunities the labor market has to offer them. Based on studies of recent state-level reforms, banning noncompetes should boost worker wages, increase the rate at which they voluntarily change jobs, and improve working conditions as employers are forced to compete to retain their talent -- something that was once considered a bedrock principle of fairness in the U.S. economy.

#### **QUESTION 4:**

Can you elaborate on how banning noncompetes could benefit businesses?

ANSWER 4: Existing employers benefit from banning noncompetes primarily by having improved access to the talent they need to thrive and grow. One company's use of a noncompete imposes a negative externality on all other firms in the market, who are deprived of open access to talent. Noncompetes constrain the share of a local labor pool that employers actually have access to, essentially locking up talent. Four recent studies found evidence that employers find it harder to hire in states where noncompete enforceability is strongest. Startups and young companies may be particularly disadvantaged, given that they cannot poach workers covered by a noncompete -- even if they can offer better wages and better working conditions. Research shows that greater enforceability of noncompetes reduces new firm entry by 18 percent. The firms that do start tend to have fewer employees at launch and are more likely to die in their first three years. Ones that survive still tend to remain smaller for their first five years.

# **QUESTION 5:**

What other benefits would you expect from banning noncompetes?

ANSWER 5: Some recent state-level reforms suggest that the benefits from banning noncompetes could be substantial: Hourly workers in Oregon experienced significant increases in wages and job-to-job mobility (as well as an uptick in becoming salaried) following a 2007 ban on noncompetes for hourly workers. Hawaii tech workers experienced similar boosts

<sup>&</sup>lt;sup>1</sup> Evan Starr. "The Use, Abuse, and Enforceability of Non-Compete and No-Poach Agreements: A Brief Review of the Theory, Evidence, and Recent Reform Efforts" February 2019. <a href="https://eig.org/wp-content/uploads/2019/02/Non-Competes-2.20.19.pdf">https://eig.org/wp-content/uploads/2019/02/Non-Competes-2.20.19.pdf</a>

following a 2015 ban covering the industry. A ban that covered nearly all workers, including the higher-wage workers most likely to create an entrepreneurial venture, would add innovation and productivity-enhancing benefits on top.

# **QUESTION 6:**

Follow-up: Locally, in Hawaii, it can be especially hard for businesses in certain industries to find talented workers given our relative distance from other states.

**ANSWER 6:** Absolutely, and this was one of the core rationales for liberalizing noncompetes for tech workers in your state, to make sure that Hawaii-based companies could access the talent and skills they needed to survive in today's economy.

# **QUESTION 7:**

Can you elaborate on how noncompetes could harm businesses in relatively distant or geographically isolated communities?

ANSWER 7: Labor is already a scarce commodity in isolated and rural communities, and noncompetes make it even more so. They gum up local labor markets and make it harder for employers to find qualified workers in their area. Of course, from any individual employer's perspective, scarcity may be a prime motivation for utilizing a noncompete in the first place -- to keep a hold on employees once they are hired. This act restricts employment options and therefore wages for covered workers in rural areas, however, and depresses the local economy in turn. It is a classic collective action dilemma: Embracing noncompetes may be rational for a single employer but devastating collectively and for the region as a whole.

# **QUESTION 8:**

What has been the experience for businesses in rural communities?

ANSWER 8: See answer to question seven.



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November 28, 2019

The Honorable Marco Rubio Chairman The Honorable Ben Cardin Ranking Member United States Senate Committee on Small Business & Entrepreneurship 428A Russell Senate Office Building Washington, D.C. 20515

> Re: Written Testimony of Russell Beck for the United States Senate Committee on Small Business and Entrepreneurship Hearing on "Noncompete Agreements and American Workers"

Dear Chairman Rubio, Ranking Member Cardin, and Members of the Committee:

Thank you for the opportunity to submit written testimony for consideration in connection with the Committee's hearing on Noncompete Agreements and American Workers. And, thank you for the bipartisan work the Committee is undertaking toward finding a consensus noncompete bill.

I offer this testimony to provide what I believe is important background, as well as a perspective not articulated during the November 14, 2019 hearing, and to offer practical tools to balance the real-world interests and impacts for the employees, the former employers, and the new employers.

In sum, my testimony below covers four topics:

- My background in brief, offered for the purpose of enabling the Committee to evaluate the utility of my testimony.
- 2. The purpose and practicalities of noncompetition agreements.
- Common misconceptions about the use, enforcement, and impact of noncompetes.
- Recommendations for a fair approach, consistent with the outcomes in approximately 29 states across the country that have recently been engaged in reevaluating their noncompete laws.



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#### 1. MY BACKGROUND

I have been a litigation attorney for 30 years. I have represented employees and employers (from "mom and pop" shops to Fortune 50 companies) in countless trade secrets and noncompete matters. For the past decade, I have also taught the course, *Trade Secrets and Restrictive Covenants*, at Boston University School of Law.

I advised several Massachusetts legislators on, and drafted most of the language in, the new Massachusetts noncompete law, and assisted those legislators with, and revised some of the language in, the new Massachusetts trade secrets law. In 2016, I was invited to the White House to participate in the working group discussions that led to the development by the White House of a Call to Action on noncompetes.<sup>1</sup>

I authored the book, *Trade Secrets Law for the Massachusetts Practitioner* (1st ed. MCLE, Inc. 2019)<sup>2</sup> (covering trade secrets nationally, with a focus on Massachusetts law), and the book, *Negotiating, Drafting, and Enforcing Noncompetition Agreements and Related Restrictive Covenants* (5th ed., MCLE, Inc. 2015)<sup>3</sup> (covering Massachusetts noncompete law).

In addition, I created my firm's widely-used 50 State Noncompete Survey<sup>4</sup> and 50 State Trade Secrets Comparison Chart, 5 the former of which was relied upon by the United States Department of the Treasure Office of Economic Policy's report, "Non-compete Contracts: Economic Effects and Policy Implications" (referenced during the Committee's November 14 hearing), and by the White House in connection with the Call to Action and related report.

https://obamawhitehouse.archives.gov/sites/default/files/competition/noncompetes-calltoaction-final.pdf.

https://www.mcle.org/product/catalog/code/2190643B01.

<sup>3</sup> http://www.mcle.org/product/catalog/code/2150503B05

https://www.beckreedriden.com/50-state-noncompete-chart-2/. (For the Committee's convenience, I have attached a copy of this chart as "Attachment A" to this testimony.)

https://www.beckreedriden.com/trade-secrets-laws-and-the-utsa-a-50-state-and-federal-law-survey-chart/. (For the Committee's convenience, I have attached a copy of this chart as "Attachment B" to this testimony.)

https://www.treasury.gov/resource-center/economic-policy/Documents/UST%20Non-competes%20Report.pdf.



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Finally, I monitor changes to noncompete and trade secrets laws around the country, as detailed on the blog, Fair Competition Law.<sup>7</sup>

To be clear, I am not an economist, nor have I researched the theoretical economic effects – pro or con – of noncompetes. I have, however, read many of the studies on the subject, including many written by two of the leading researchers in the field, Evan Starr, 8 Assistant Professor at the Robert H. Smith School of Business of the University of Maryland (who testified at the November 14 hearing) and Matt Marx, 9 Associate Professor at the Questrom School of Business of Boston University. I have also seen first hand (through helping many hundreds of clients) the benefits and detriments of the use of noncompetes.

#### 2. THE PURPOSE AND PRACTICALITIES OF NONCOMPETITION AGREEMENTS

## What Noncompetition Agreements Are And How They Are Used

Noncompetition agreements (colloquially referred to as "noncompetes") are, in their most basic form, a particular type of restrictive covenant that imposes restrictions on the competitive conduct of an employee following the end of the employment relationship. <sup>10</sup> Under all applicable laws, they must be reasonable in time (typically one to two years, depending on the state), space (the territory in which the employee is restricted), and scope (the nature of the work that the employee is prohibited from engaging in during the restricted period).

Noncompetes are generally disfavored in the law, and, as a result, unlike most contracts, they are reviewed by courts for reasonableness. Specifically, in all states permitting noncompetes, courts review the reasonableness of the restraint, balancing the interests of the particular employee against the interests of the particular employer in the particular case.

The interests of the employer that a court may take into account are typically circumscribed by law. <sup>11</sup> While state laws vary to some degree, the protection of trade secrets is a

https://www.faircompetitionlaw.com.

https://www.rhsmith.umd.edu/directory/evan-starr.

<sup>9</sup> https://www.bu.edu/questrom/profile/matt-marx/.

While noncompetes can arise in many contexts, the focus of the Committee is on noncompetes used between employers and employees, and accordingly, my testimony is focused exclusively on those.

There was some question at the hearing about whether most states have rules governing noncompetes. The answer is that they all do. Of the 47 states that allow the use of employee noncompetes (i.e.,



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fundamental protectable interest in all states that permit the use of employee noncompetes.<sup>12</sup> (See below for an explanation of the relationship among trade secrets, nondisclosure agreements, and noncompetition agreements.)

Other well-recognized employer interests include the protection of customer goodwill developed by the company (through the work it pays its employees to perform). This interest is frequently relied up by staffing companies and other companies with sales teams to protect their continued relationships with their customers. Unlike in the context of trade secrets, where "a secret once lost is . . . lost forever" (FMC Corp. v. Taiwan Tainan Giant Indus. Co., Ltd., 730 F.2d 61, 63 (2nd Cir. 1984)), and policing a former employee's conduct is quite difficult, nonsolicitation agreements<sup>13</sup> are often reasonably effective at achieving their purpose, without the need for the additional restrictions associated with noncompete agreements. Indeed, many judges will not enforce a noncompete against a salesperson absent some other wrongdoing by that person.

#### The Status Of Noncompete Reform Efforts Around The Country

Over just the past several years, bills to modify noncompete laws have been introduced in no fewer than 29 states. <sup>14</sup> Nineteen of those states have enacted legislation modifying their

states other than California, Oklahoma, and North Dakota), 21 of them have statutes supplemented by common law, while the rest rely on common law that generally follows the Restatement (Second) of Contracts, § 188.

Only three states prohibit employee noncompetes generally: California, Oklahoma, and North Dakota. (Contrary to frequent confusion, Montana does not ban employee noncompete agreements. See Wrigg v. Junkermier, Clark, Campanella, Stevens, P.C., 362 Mont. 496, 503-07 (Mt. Sup. Ct. 2011).)

Nonsolicitation agreements prevent for a specific term (typically one to two years) an employee from soliciting, and sometimes from working with, customers with which they worked while at their former employers or about which they acquired confidential information through their prior employer.

To address an issue raised during the hearing, not only are states looking at noncompete laws, but the surge is likely the result of a confluence of many factors, including the following: Oregon had changed its noncompete law in 2008, as the Great Recession was just beginning. Then, in 2009, Massachusetts began a nearly ten-year journey to update its noncompete laws, starting with the filing of two separate, unrelated bills by Representative Lori Ehrlich and now Senator (then Representative) Will Brownsberger in response to matters brought to their attention. One of those bills was a proposed ban noncompetes and the other to modify the law. The proposed ban in particular caught the attention of the media. Shortly thereafter, Georgia had a state-wide referendum to modify its



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preexisting noncompete laws (seven this year alone), some strengthening noncompetes, other making it harder to enforce them.<sup>15</sup> Of those 19 states, seven have banned noncompetes for low-wage workers (with varying methods of determining who qualifies for the exemption).<sup>16</sup>

While many of the states have considered noncompete bans similar to the Field Code<sup>17</sup> adopted in California, <sup>18</sup> North Dakota, <sup>19</sup> and Oklahoma, <sup>20</sup> not a single state has done so. <sup>21</sup> Rather, each state has evaluated the diverse needs of its workforce and industries, and reached a balance of interests that it determined appropriate for its population. Hawaii, for example, in 2015, banned the use of noncompetes for workers in the technology field. Yet, no other state followed its lead.

#### Discernable Trends in Noncompete Practice

Over the past decade, the number of reported decisions (i.e., published rulings by judges)

noncompete laws – making noncompetes *more* enforceable in that state, which also caught the attention of the media. But, perhaps most influential, starting around 2014, noncompetes began getting substantial media attention following the firestorm created when a sandwich chain, Jimmy John's, was revealed to have been requiring its sandwich makers to sign noncompetes. In addition, as Professor Starr mentioned during the November 14 hearing, research into the potential impacts of noncompetes was accelerating around the same time.

The states are Alabama, Arkansas, Colorado, Connecticut, Florida, Hawaii, Idaho, Illinois, Maine, Maryland, Massachusetts, Nevada, New Hampshire, New Mexico, Oregon, Rhode Island, Utah, Washington, and West Virginia.

Those states are Illinois, Maine, Maryland, Massachusetts, New Hampshire, Rhode Island, and Washington.

https://www.britannica.com/topic/Field-Code.

<sup>18</sup> California's ban went into effect in 1872. See Edwards v. Arthur Andersen LLP, 44 Cal.4th 937, 945 (2008)

North Dakota's ban went into effect in 1865 (before North Dakota was even a state). See Werlinger v. Mutual Service Cas. Ins. Co., 496 N.W.2d 26 (N.D. 1993).

Oklahoma's ban went into effect in 1890 (before Oklahoma was a state). See Noncompetes in Oklahoma Mergers and Acquisitions, 88 Oklahoma Bar Journal 128, at n.2 (Jan. 21, 2017).

<sup>&</sup>lt;sup>21</sup> The last time a complete ban on employee noncompetes was adopted was in 1892 (in Oklahoma).



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involving noncompetes has largely remained the same<sup>22</sup> despite the growing workforce<sup>23</sup> and perhaps somewhat increased number of job changes per capita.<sup>24</sup> This leveling in numbers may suggest that fewer noncompetes are being used, are being enforced, or both.

In contrast, trade secrets litigation has increased substantially during that same period.<sup>25</sup> And, perhaps not surprisingly, the most trade secrets litigation occurs in California, perhaps suggesting that trade secrets litigation is being used as a substitute for the unavailable tool of a noncompete.<sup>26</sup>

## The Relationship Among Trade Secrets, Nondisclosure Agreements, and Noncompetes

**Trade Secrets Law:** Trade secrets are information having economic value derived from the fact that they are secret – and they must have been the subject of reasonable efforts to maintain secrecy. Trade secrets are protected by state trade secrets laws and, as of May 11, 2016, by federal law as well.

Information failing to qualify as a trade secret is not protectable under trade secrets laws – state or federal. But, just because the information does not qualify as a trade secret, does not mean that it is not important to the business.

For example, a significant source of disagreement in trade secrets lawsuits is customer information (often complete or partial customer lists). Some states include customer information or customer lists in the definition of trade secrets. See Attachment B. Others do not. Id. In the states that do not, the threshold battle typically involves whether the customer information can even be a trade secret. And, even when it can be a trade secret, parties still argue over (among other things) whether the particular customer information is a trade secret. The ease or difficulty

https://www.faircompetitionlaw.com/2019/09/30/new-trade-secret-and-noncompete-case-growth-graph-updated-september-29-2019/.

<sup>23 &</sup>lt;u>https://fred.stlouisfed.org/series/CLF16OV.</u>

How Many Times Will People Change Jobs? The Myth of the Endlessly-Job-Hopping Millennial, by Jeffrey R. Young (July 20, 2017) (available at <a href="https://www.edsurge.com/news/2017-07-20-how-many-times-will-people-change-jobs-the-myth-of-the-endlessly-job-hopping-millennial">https://www.edsurge.com/news/2017-07-20-how-many-times-will-people-change-jobs-the-myth-of-the-endlessly-job-hopping-millennial</a>).

<sup>25</sup> https://www.faircompetitionlaw.com/2019/09/30/new-trade-secret-and-noncompete-case-growth-graph-updated-september-29-2019/.

bttps://www.faircompetitionlaw.com/2017/06/25/california-trade-secrets-litigation-supplantsponcompete-litigation/.



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of compiling the information and the reasonableness of the efforts taken to maintain their secrecy are also frequent battleground in these cases.

One of the most nuanced issues in trade secrets law is how to handle the fact that trade secrets can often be retained in a person's memory. As a general matter, the mere fact that information is lodged in someone's head does not strip it of its trade secret qualities or the available protections. The secret formula to Coca-Cola is an example. There are reportedly only two people in the world who know it – and, they know all of it, not just a portion of it.  $^{27}$  And, neither can lawfully disclose it to PepsiCo (or anyone else).

A mundane example of how this issue can present a significant threat to a company unable to use a noncompete is a Chief Marketing Officer (CMO) who worked on the company's strategic plan and then leaves for a competitor to be its CMO, developing its strategic plan. The information the CMO knows about the former employer's plans will necessarily inform decisions about the new employer's plan. How can the CMO avoid taking advantage of the weaknesses in the prior employer's strategy as he or she sets the course for the new company? Similarly, how could he or she not use his or her knowledge to avoid getting tripped up by the strengths of the former employer's plan as he or she maps out the new company's plans?

Another type of information presenting the same problem is the so-called "blind alley" (or "negative information"), *i.e.*, information that was considered and rejected on the path to finding the right solution. The product WD-40 provides a good example. WD-40 is the lubricant that unsticks things and fixes squeaks.<sup>28</sup>

WD-40 stands for "Water Displacement perfected on the 40th try." Anyone setting out to create a similar product would benefit from knowing the rejected formulas. And, someone who knows those failed efforts would not blindly recreate them (knowing they will fail) if they were attempting to make their own similar product; they would reject them out of hand, thereby saving substantial research and development efforts and cost.

Despite all of this, many states will allow the Coca-Cola executives who know the secret formula to work on Pepsi's secret formula, the CMO to work on the new employer's strategic plan, and the WD-40 chemist to work on the new competitive product. And, sometimes the

https://www.snopes.com/fact-check/coca-cola-fomula/?collection-id=209643

As they say on their website, "You need only two things in life: duct tape and WD-40; if it moves and shouldn't, use duct tape, if it doesn't move and should, use WD-40."



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same result obtains even if the former employee demonstrably stole information on his or her way out the door.

Nondisclosure Agreements: Nondisclosure agreements (NDAs) (sometimes called "confidentiality agreements") are agreements by which someone (frequently an employee or business partner) promises not to use or disclose the other party's information. These agreements are a near-universal predicate to a company's ability to protect its trade secrets and other confidential information.

NDAs serve multiple important purposes, among them, putting employees on notice that the company has information that may be confidential in general, and identifying for the employee particular types of information that the company, in fact, considers confidential. Also, nondisclosure agreements are an important building block in the company's overall efforts to take (and ability to demonstrate that it has taken) reasonable measures to protect its information, including information that does not qualify as a trade secret. They also provide a breach of contract remedy for the taking of company information – though only to the extent not preempted by trade secrets laws.

Like trade secrets laws, NDAs do not prevent an employee from working for a competitor, even in the situations described above (involving the CEO, CMO, and chemist). While courts will typically order the return of information, they will rarely prevent employees from working for the competitor, thereby leaving the former employer to police the former employee's conduct (*i.e.*, use of its trade secrets) without the tools necessary to do so (*i.e.*, the former employer has no ability to know what the employee is doing until, in the worst case, it is too late, and the former employee has used the information).

**Noncompetes:** Noncompete agreements prevent this scenario. Specifically, noncompetes operate to prevent an employee from taking a role with a competitor that would put the former employer's trade secrets and other confidential business information squarely at risk of being used or disclosed.<sup>29</sup>

As noted above, states vary on the other interests that can be protected through noncompete agreements. See also Attachment A.



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# 3. COMMON MISCONCEPTIONS ABOUT THE USE, ENFORCEMENT, AND IMPACT OF NONCOMPETES $^{3\theta}$

A very common misconception about noncompetes is that they prevent employees from working. They do not. Employees are always free to use their general skill and knowledge. For example, Coca-Cola's CEO can be the CEO at any company that does not compete with Coca-the Cola Company. The CMO described above can be a CMO at any company that does not compete with his former employer. And, the chemist described above can be a chemist working on something other than a product competitive with WD-40. What they cannot do is use their former employer's trade secrets on behalf of a new employer. Yet that is what is routinely happening. (See below.) This is what noncompetes are necessary to prevent. They prevent only *unfair* competition, not fair competition. (The problem is the abuses, which are addressed below.)

Another very common misconception about noncompetes is that they are being used with increasing frequency. We do not actually know if that is true. As noted above, we do know that the number of reported judicial opionins concerning noncompetes (which can serve as a proxy for the use and enforcement of noncompetes) has remained roughly stagnant during the last decade. But, because noncompetes certainly appear (anecdotally) to be more widely used than in the past, <sup>31</sup> many have seized on the perception that employers are increasingly using noncompetes for lower level employees, and have correlated that with slow wage growth since the Great Recession, blaming the latter on the former. However, we do not actually know if either of those assertions is true.

As to whether that use has been increasing, there simply are no longitudinal studies (of which I am aware) that have found that the use of noncompetes has risen over the years. We know only that, as Professor Starr explained, "roughly 18 percent of the U.S. workforce [was] bound by a non-compete [in 2014]. Among low-skill workers, . . . without a college degree, it's

A more detailed discussion of the misplaced assumptions about the impact of noncompetes and a discussion of the limited research available to date is set forth in "Misconceptions In The Debate About Noncompetes," Law360, July 8, 2019 (reprinted on Fair Competition Law as "Correlation Does Not Imply Causation: The False Comparison of Silicon Valley and Boston's Route 128," available without subscription here: <a href="https://www.faircompetitionlaw.com/2019/07/09/correlation-does-not-imply-causation-the-false-comparison-of-silicon-valley-and-bostons-route-128/">https://www.faircompetitionlaw.com/2019/07/09/correlation-does-not-imply-causation-the-false-comparison-of-silicon-valley-and-bostons-route-128/</a>).

<sup>31</sup> https://www.treasury.gov/resource-center/economic-policy/Documents/UST Non-competes Report.pdf.



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about 15 percent."<sup>32</sup> But, we also know that the use of noncompetes dates back at least to medieval times, <sup>33</sup> when master craftsmen tried to restrain their apprentices from using the skills the masters taught them. And, a century ago, noncompetes were already being used for low-wage workers.

As to the effects on wages, we do not know whether there is something about the way noncompetes have been used recently that has stifled wage growth. However, slow wage growth has apparently been a persistent problem for at least the last 50 years – not just since the Great Recession or concomitant supposed increase in use and abuse of noncompetes.<sup>34</sup> And, reports this year indicate that wages have in fact picked up more recently.<sup>35</sup>

In sum, we do not know for sure how noncompete use has changed over years, and we cannot pronounce noncompetes to be the cause of slow wage growth.

Other misconceptions include what a noncompete is. Oftentimes people believe that they are bound by noncompetes, when in fact they are not, but instead have agreed only to nondisclosure or nonsolicitation covenants. (This confusion is a potential foundational problem in some of the data used to assess the effects of noncompetes.)

A related misconception that arises occasionally is that union workers are required to sign noncompetes. Outside of the context of professional athletes and certain media professionals, they are rarely a part of a union contract. Rather, union members are sometimes bound by restrictions on their competitive activities *during* their employment – again demonstrating some of the confusion concerning what restriction has been agreed to.

<sup>32</sup> https://www.npr.org/2016/11/07/501053238/study-finds-many-companies-require-non-compete-clauses-for-low-wage-workers.

<sup>33</sup> https://www.npr.org/2016/11/07/501053238/study-finds-many-companies-require-non-competeclauses-for-low-wage-workers.

<sup>34</sup> America's slow-motion wage crisis, by John Schmitt, Elise Gould, and Josh Bivens (Sept. 13, 2018) (https://www.epi.org/publication/americas-slow-motion-wage-crisis-four-decades-of-slow-and-unequal-growth-2/

<sup>35</sup> See Why Wages Are Finally Rising, 10 Years After the Recession, by Ben Casselman, The New York Times (May 2, 2019) <a href="https://www.nytimes.com/2019/05/02/business/economy/wage-growth-economy.html">https://www.nytimes.com/2019/05/02/business/economy/wage-growth-economy.html</a>; U.S. labor costs rise in third quarter, Reuters (October 31, 2019) <a href="https://www.reuters.com/article/us-usa-economy-costs/u-s-labor-costs-rise-in-third-quarter-idUSKBN1XA1PC">https://www.reuters.com/article/us-usa-economy-costs/u-s-labor-costs-rise-in-third-quarter-idUSKBN1XA1PC</a>.



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## The Abuses Define The Problem

Noncompete agreements are not inherently the problem. As explained above, contrary to much of the colloquial commentary, noncompete agreements cannot (lawfully) be used to prevent an employee from using his or her general skills and knowledge, or prevent any other *fair* competition. However, it is the abuses that capture the headlines and drive an overreaction that would potentially undo nearly 200 years of developed law in the country.

Those abuses are primarily the use of noncompetes for low-wage and healthcare workers, the lack of advance notice given to employees that they will be required to sign a noncompete, and the use (and overly aggressive enforcement) of overly restrictive agreements. Each can be reined in. (See Recommendations For A Fair Approach, below.)

#### The Abuses - Not The Legitimate Uses - Should Be Curbed

Noncompetes are an important tool in the protection of trade secrets. They offer the protection that trade secrets law and nondisclosure agreements do not. Specifically, they protect against the greatest potential threat to trade secrets: when employees move to a competitor.

When employees change jobs, up to 72 percent of them take – and are willing to use – their employer's trade secrets. <sup>36</sup> Similarly, as reported on CBS Money Watch, "The U.S. Chamber of Commerce estimates that 75% of employees steal from the workplace and that most do so repeatedly."<sup>37</sup>

The economic consequences of this are enormous. The Center for Responsible Enterprise and Trade (CREATe.org) and PricewaterhouseCoopers estimate that the cost of trade secret misappropriation is between one and three percent of U.S. GDP, possibly costing U.S. companies as much as \$480 billion per year. Indeed, the threat to the economy and the innovation reflected in our trade secrets is so great that it led to the passage of the Defend Trade Secrets Act of 2016<sup>38</sup> (establishing a federal private right of action for trade secret misappropriation).

https://datasecurity.dell.com/wp-content/uploads/2017/09/Dell-End-User-Security-Survey-2017.pdf

<sup>37</sup> http://www.cbsnews.com/news/employee-theft-are-you-blind-to-it/.

https://www.congress.gov/bill/114th-congress/senate-bill/1890/text.



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Noncompetes are an important tool to meaningfully protect against such losses. Indeed, one study suggests that 85 percent of trade secret thefts are committed by either an employee or a party to a contract.<sup>39</sup>

Accordingly, with so much focus on the risks posed to companies' trade secrets by the movement of employees, there is a bit of cognitive dissonance in the rush to ban noncompetes, which are oftentimes the best tool to prevent that very risk.

## **Unintended Consequences**

Before considering the remedies, it is also important to understand the other, less-obvious, potential unintended consequences of significant changes in the law (beyond those necessary to curb the abuses), including, for example, significantly increasing the likelihood that trade secrets will be unlawfully taken to a competitor and increasing the volume of more-costly trade secrets litigation. <sup>40</sup>

Further, a ban may be ill-advised in light of a recent study that concluded, "[E]mployees [subject to noncompetes] . . . tended to be more productive, take fewer risks and align their behaviors with the goals of their employers" (at least in the mutual fund industry).<sup>41</sup>

A ban would also harm other theorized positive aspects of noncompetes, including, that employees "presented with a noncompete before accepting the associated job offer earn 9.7% higher wages, receive 11% more training, and are 6.6% more satisfied in their job than those not bound by noncompetes."  $^{42}$ 

Accordingly, the response to the abuses should be proportional, and understand that reliance on early stage empirical evidence and faulty assumptions to change noncompete laws to

A Statistical Analysis of Trade Secret Litigation in Federal Courts," by David Almeling, Darin Snyder, Michael Sapoznikow, Whitney McCollum, and Jill Weader (2010), available at <a href="https://www.tradesecretsandemployeemobility.com/files/2014/05/Statistical-Analysis-of-Trade-Secret-Litigation-in.pdf">https://www.tradesecretsandemployeemobility.com/files/2014/05/Statistical-Analysis-of-Trade-Secret-Litigation-in.pdf</a>

<sup>40</sup> California Trade Secrets Litigation Supplants Noncompete Litigation, https://www.faircompetitionlaw.com/2017/06/25/california-trade-secrets-litigation-supplants-noncompete-litigation/.

<sup>41 &</sup>lt;a href="https://news.ku.edu/2019/03/25/study-finds-non-compete-clauses-affect-how-employees-behave-benefit-employees-benefit-employees-behave-benefit-employees-behave-benefit-employees-behave-benefit-employees-behave-benefit-employees-behave-benefit-employees-behave-benefit-employees-behave-benefit-employees-behave-benefit-employees-behave-benefit-employees-behave-benefit-employees-behave-benefit-employees-behave-benefit-employees-benefit-e

<sup>&</sup>lt;sup>42</sup> Noncompetes in the U.S. Labor Force, by Evan Starr, J.J. Prescott, and Norman Bishara (August 30, 2019), available at <a href="https://papers.ssm.com/sol3/papers.cfm?abstract\_id=2625714">https://papers.ssm.com/sol3/papers.cfm?abstract\_id=2625714</a>.



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match California, Oklahoma, and North Dakota is, in the end, not only unnecessary, it may be counterproductive.

Indeed, small companies are likely to suffer the most, as they often only have one trade secret that forms the basis of their value, but cannot afford costly trade secrets litigation when their people leave to go to competitors or are lured away by larger companies that can easily take the trade secrets. We heard many small companies raise that and similar concerns during the Massachusetts hearings and research. In particular, one concern that is often overlooked is that some small business owners have invested their entire life savings in the company, and if they cannot prevent a former employee from working in a competitive role that threatens the existence of the company, their savings, their livelihood, and the remaining employees' jobs, will all be lost.

Further, employers (who can afford it) will always find other means (potentially more detrimental) to try to protect themselves. For example, in addition to being able to obtain narrow post-employment restraints from the federal courts in California (at least until 2008, when the California Supreme Court held that that practice violated California's ban), some employers had entered into tacit agreements to not poach employees from each other. (This practice is on the decline, following United States Department of Justice antitrust enforcement actions and the 2016 Antitrust Guidance For Human Resource Professionals<sup>43</sup> issued jointly by the Department of Justice and Federal Trade Commission.)

## 4. RECOMMENDATIONS FOR A FAIR APPROACH

Based on the November 14 hearing, it appears that the Committee is seeking input into what an effective consensus law might look like. As a starting point, I note that the Committee's investigation is an undertaking a very thoughtful approach, much like those that have been occurring around the country for the past decade or so, the result of which has been to reject the Field Code-type, full noncompete ban.

Given all of the above, if the Committee determines that noncompete contracts are an appropriate subject of federal regulation, I recommend the following two broad categories of changes:

https://www.justice.gov/atr/file/903511/download.



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## A. Fairness and Transparency

There are several changes that would balance the playing field and ensure fairness. They are as follows:

- A ban on noncompetes for low-wage workers (defined as employees
  who are not exempt under the Fair Labor Standards Act). There is
  rarely a need for such workers to be bound by noncompetes, and even
  when the need exists, the potential detriment to such workers will
  typically outweigh that risk (unless they have stolen trade secrets).
- A ban on noncompetes for medical professionals, given the overriding interests of patients to have the right to choose their healthcare providers.
- Require advance notice that a noncompete will be required. 44 As Professor Marx has observed, "If it were the case that workers made fully informed decisions about signing a non-compete and could negotiate higher compensation in exchange for doing so, these agreements could be valuable for both workers and firms." 45 For example, noncompetes should always be included with any formal offer of employment.

# B. Limited Use To Only When Necessary

Recognizing that noncompetes are an important tool in the protection of trade secrets (and other business interests recognized by many states), the following changes would allow the agreements to used only where needed and only in a non-overreaching way.

 Mandate the so-called "purple pencil" to address overly broad noncompetes. States take one of three general approaches to overly broad noncompetes: reformation (sometimes called "judicial modification," in which the court essentially rewrites the language to conform the agreement to a permissible scope); blue pencil (in which

<sup>44</sup> This concern was raised at the hearing through the discussion that noncompetes are usually not freely negotiated and employees often first learn of them when they show up for work.

<sup>45</sup> The Chilling Effect of Non-Compete Agreements, by Matt Marx and Ryan Nunn (May 20, 2018) https://econofact.org/the-chilling-effect-of-non-compete-agreements (emphasis added).



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the court simply crosses out the offending language, leaving the remaining language enforceable or not); and red pencil (also referred to as the "all or nothing" approach, as its name implies, requires a court to void any restriction that is overly broad, leaving nothing to enforce). Although in its new law, Massachusetts retained the reformation approach (which it the majority of states have historically used), an equitable, middle-ground approach (which one senator named the "purple pencil") is a hybrid of the reformation and red pencil approach, requiring courts to strike the noncompete in its entirety unless the language reflects a clear intent to draft a narrow restriction, in which case the court may reform it.

• Provide for "springing" (or "time-out") noncompetes. To encourage employers to limit their use of noncompetes, they must have a clear and viable remedy when employees violate other, less-restrictive obligations such as nondisclosure agreements and nonsolicitation agreements, misappropriate trade secrets, or breach their fiduciary duties to the company. In Massachusetts, the new noncompete law expressly allows a court to, in effect, create a noncompete for someone engaged in this unlawful conduct. We colloquially refer to these as "springing noncompetes" (or sometimes "time out" noncompetes) because they are not required of the employee in the first instance, but are only activated if the employee engages in otherwise unlawful behavior.

Again, thank you for the opportunity to provide this testimony and for taking on such an important and fraught issue. I am prepared to appear and testify live before the Committee, should the Committee so desire. I also offer any other assistance that the Committee may find helpful, include drafting language for an amended bill, should the Committee be so inclined.

Respectfully submitted,

Attachments

Attachment A

Employee Noncompetes A State by State Survey

State	Peimitted	Protectable / Lagklmate Interests	Standards	Exemptions	Continued Employment is Sufficient Consideration	Reformation Blue Pencil Red Pencil	Enforceable Against Employees Terminated W/o Cause
Alabama	Yes. Ala. Code §§ 8-1-190-197 (§ 8-1-1 repealed refective 1/1/2016)	If that east exic conflaental information: conflaental information: commercial relationships or contracts with specific properbive or wasting specific properbive or wasting classifications, patients, vendors, or clients; customer, patients, vendors, or clients; customer, patients, vendors, or clients; customer, patients, separational specifically directed to a particular agentically directed to a particular agentically withing acconsideration for the withing acconsideration for the restriction.	Must be in writing, signed by all parties, and be supported by adequate consideration. Must presence a protectable interest. A two-years restriction is presumptively reasonable. Employee has burden to proving undue hardsting, if raised as a defense.	Professionals	Yes (pre- amendrient)	Reformation	Yes, likely (pre- amendment)
Ansska	Yes	Track secrets; intellectual property; customers; goodsill with customers; troowledge of ints or he business practices; melitoxis; profit imargis; custo, other confidential information (that is confidential information (that is confidential information (that is confidential information (that is confidential information being town this, are employed that the employer that an employer that an employer would resecondly seek by protect or supply and englished that the employer that an employer would resecondly seek by protect or subsequently seek or subsequent in the interest of fairness.	Factors: limitations in time and space; whether employee as sole contact with distoner; employee's possession of trade secrets or confidential information, whether restriction eliminates, unfair or ordinary competition, whether the covenant strikes employee's inherit to employee; support is barred; whether employee's sole means of support is barred; whether employee's sole means of support is barred; whether employee's subtactive was developed during employee, whether employee and employee; whether employees are employeen; whether employees are employement; whether fobilden employment; sincidental to the main employment; is incidental to the main employment.	,	nndecided	Reformation	Indecided
Arzona	Yes	Trade Secrets; Confidential Information; Customer Relationships	No broader than necessary to protect the employer's legitimate business interest; not unreasonably restrictive; not contrary to public policy; ancillary to Broadcasters; mayber contract.	Broadcasters; maybe physicians Yes	Yes	Blue Pencil	Undecided

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Employee Noncompetes A State by State Survey

Enforceable Against Employees Terminated w/o Cause	радоврил		papeagen
Reformation Blue Pencil Red Pencil	Reformation (mandation)	,	Reformation Undecided
Continued Employment is Sufficient Consideration	Yes	1	sə,
Exemptions	Various professionals (medical) workers, others)	,	Physicians (damages not barred)
Stendards	Limited with respect to time and scope in a manner that is not greater than necessary to defend the protectable business interest of the employer. The last of a geographic limit, does not render the agreement uninfrorteable, provided that the direct uninfrorteable, provided that the first and scope limits appropriately limit the restriction. The employer's business interest; the geographic innit is feasible; witherther is geographic limit is feasible; witherther the cristiculos is, limited to specific group of customers or others; and the mitter of the employer's business. Although we have of the employer's business. Although we have or different in perfection is limited to specific group of customers or others; and the mitter of professional is presented by the secondaries of perfectively reasonable unless clearly demonstrated otherwise.	Uncertain status as to trade secrets.	Must fall within statutory exception (executive or management employees and professional staff to to protect trade seriets or recover cost of tradings), be neasonable; and be narrowly-tailored.
Protectable / Legitimate Interests	Trade secrets; intellectual property; customer lists; goodwall with customers; wounded and practices; under the customers; protectes; methods; profit margins; costs; other coonfidential, propinetary, and increases in value from one being known by a competion); training and ecucation; training and ecucation; training and equication; training and equication; training and equication; training and equication; training and eventual provided to employer and an employer and an employer and provided to employer and an employer and provided to employer and an employer and provided to employer and an employer and an employer and an employer provided to employer and an emp	Trade secrets	Trade secrets; recovery of training expenses for short-term employees.
Permitted	Yes. 470-207 69/62015)	No, except maybe as to trade secrets. Cal. Business & Professions	Yes. Colo, Rev. Stat. § 8-2-113
State	Arkansas	California	Colorado

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Employee Noncompetes A State by State Survey

State	Permited	Protectable / Legitimate Interests	Standards	Exemptions	Continued Employment is Sufficient Consideration	Reformation Blue Pendil Red Pendi	Enforceable Against Employees Terminated W/o Cause
		Trade secrets; confidential	Factors: time; geographic reach; fairness of protection afforded to employer; extent of restraint on	Broadcasters; security guards;			
Connecticut	Yes	information; customer relationships.	employee; extent of interference with public interest.	limited as to physicians	Yes, likely	Blue Pencil	Yes
Delware	Yes	Trade secrets; confidential information; customer relationships.	Reasonable in time and geographic reach; protects legitimate economic interests; survives balance of equities.	Physicians	Yes	Reformation	Yes
			Reasonable in time and geographic area; necessary to protect legitimate business interests, promisee's need		Yes (if employment		
20	Υes	Trade secrets; confidential knowledge; expert training; fruits of employment	outweighs promisor's hardship. [Follows Restatement (Second) of Contracts, secs. 186-88.]	Broadcasters		Reformation or Blue Pencil Undecided	Undecided
	Yes.	Trade secrets; confidential business information; substantial customer		here			
Glorida	Fla. Stat. Ann. §§ 542,335-	Fla. Stat. Ann. relationships and goodwills. §§ 542.335- extraordinary or specialized 336 training	Legitimate business interest; reasonably they are necessary to protect legitimate business exclusive in a interest. Rehurtal presumptions exist 1 founds)		9	Reformation (mandarded	5 97 5

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Employee Noncompetes A State by State Survey

State	Permitted	Protectable / Legitunate Interests	Skandards	Exemptions	Continued Employment is Sufficient Consideration	Reformation Blue Pencil Red Pencil	Enforceable Against Employees Terminated W/o Cause
Georgia	Yes.  Ga. Const., Art. III, Sec., Art. III, Sec., OCGA  § 13-8-53. [NOTE: Pre- amendment law was more restrictive and applies to pre- amendment applies to pre- amendment applies to pre- amendment applies to pre- amendment	Ga. Const., Art. III, Sec., Art. III, Sec., CCGA CCGA CCGA The Proprietary confidential amendment proprietary confidential information and relationships; restrictive and goodwill; economic applies to pre- advantage; time and and applies to pre- advantage; time advantage; time and advantage; time advantage; ti	Proprietary confidential micromation and relationships and relationships advantage; interest of individuals in galining advantage; time and moneary investment in contents in protecting legitimate employees skill and training, business in protecting legitimate.		Yes	Bue Pencil (according to Yes, but It's a the Northern factor to be District) considered.	Yes, but it's a factor to be considered.
Hawaii	Yes. Haw. Rev. Stat. § 480-4	Trade secrets; confidential information.	Reasonable in time, space, scope.	Employees in a technology business [effective as of 1/1/2015]	Yes, likely	Reformation Undecided	Undecided

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Enforceable Against Employees Terminated w/o Cause	Ves S	ves.
Reformation Blue Pencil Red Pencil	Reformation	Reformation
Continued Employment is Sufficient Consideration	Yes (but if no additional additional is il illimed to 18 months)	Yes (if employment continued for sufficient duration)
Exemptions	Non-"key ("Key ("Key employees." are employees." are gland a high level of inside knowledge influence infl	Broadcasters; government contractors; physicians; low- income workers.
Standards	Reasonable as to duration, geographical functional members, the frequency in the functional members in the functional memb	Ancillary to a valid employment relationship; no greater than required to protect a legitimate business interest; does not impose undue hardship on the employee; not injurious to the public; and reasonable in time, space, and scope. [Klay require two years of employment before any noncompete can be enforced.]
Protectable / Legitimate Interests	Trade serrets; technologies; intellectual property; business processes and methods of operation; goddwill; customers; contracts and referral sources; wendors and vender contracts and referral sources; financial and marketing financial and marketing mirrormation; pothers; descriptions of the contracts and preferral sources; onto output the contracts and marketing financial and marketing mirrormation; pothernally others.	Legitimate business interests are based on the totality of the facts and circumstances of the case. Tade secrets, confidential information, and mear permenant business relationships are factors.
Permitted	Yes as to "key employees" (defined). in statute).	Υes
State	ridano	Illinous

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Employee Noncompetes A State by State Survey

Protectable / Legitmate Interests City	9 8 4	Standards Clear and specific (rott general) restraint must be reasonable in light of	Exemptions	Continued Employment is Sufficient Consideration	Reformation Blue Pencil Red Pencil	Enforceable Against Employees Terminated W/o Cause
Trade sinforms	Trade secrets; confidential information; goodwill; special training or techniques.			Yes	Blue Pencil	Yes
Trade secrets; goodwill; specialized training.	; goodwill;	Whether the destriction is peasonably.  necessary to protect the employers  business, unreasonably restrictive (time Franchisees  and gaseb), and prefudical to the public (where franchisor  inferest.		Yes	Reformation	Yes, but it's a factor to be considered.
Trade secrets; confidential business information, loss of cinerts; goodwill, preserving contacts with clients; customes contracts; referral sources; reputation; special training	Trade secrets; confidential business Information; loss of clients; goodwill; preserving contact with clients; customer contracts; referral sources; reputation; special training.	Trade secrets; confidential business interest; business interest; confidential protects a legitimate business interest; contacts, with clients; customer not undue burden on employee; not contacts, the ferral sources; migratous to public welfare; reasonable reputation; special training in trine and space.	Accountants (limited)	Yes	Reformation	, se
Confidential business information; customer lists; competition; employee training investment in training.	siness istomer lists; mployee nent in	Reasonable in scope and purpose; feasonableness determined by the time, space, and "charter" of the restriction; no undue hardship; does not interfere with public interest.		No, although threatened loss of job might be a factor.	Reformation	Undecided (but it can be a factor)
Trade secrets; financial information; management bechniques; extensive training (if such training is und training is myloyeel strough employee's work).	financial nanagement xtensive th training is rough	No more than two years; specifies the specifie geographic reach (by parishes, municipalities, or their respective parts); defines employer's business; strict compliance with statute.	Automobile salesmen; real estate broker's licensees (procedural requirements)	Yes	Blue Pencil, if allowed by the noncompete   Yes, likely	Yes, likely

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Employee Noncompetes A State by State Survey

State	Permitted	Protectable / Legitimate Interests	Standards	Exemptions	Continued Employment is Sufficient Consideration	Reformation Blue Pencil Red Pencil	Enforceable Against Employees Terminated w/o Cause
Maine	Yes	Trade secrets; confidential information; goodwill. %	No broader than necessary to protect the employer's legitimate business and interests to be protected; no under and interests to be protected; no under agreements signed on or after agreements signed on or after of order and a copy of the agreement a signed or or after of order and a copy of the agreement a sign and the employee to said the signed or the employed at least a year or remain protect or at least so, year or remain protect (excell individual employed at least a year or remain protect or at least so, year or remain protect (excell individual employed or at least so, year or remain protect (excell individual employed or at least so, remoths after (excell individual employed or at least so, morths after (excell individual employed or at least so, remoths after (excell individual employed or at least so, remoths after (excell individual employed or at least so, remoths after (excell individual employed or at least so, remoths after (excell individual employed em		Yes	Reformation	Yes, Ilkely
Maryland	Yes	Trade secrets; routes; client lists; established customer relationships; goodwilf; unique services.	Indicate the employee of the employment.	ı, s, ı	Yes	Blue Pencil	No, likely

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Employee Noncompetes A State by State Survey

State	Permitted	Protectable / Legitimate Interests	Standards	Exemptions	Continued Employment is Sufficent Consideration	Reformation Blue Pencil Red Pencil	Enforceable Against Employees Terminated W/o Cause
Yes.  Yes.  Mass. G  Mass. G  244. (app  only to  signed o  signed o	Yes. Mass. Gen. Lews c. 149 § 24t. (applies only to agreements signed on or after October 1, 2018)	Trade secrets; confidental-informator; goodwill;	Proadcasters; physicians; phys	physicians;  furses; social  furcines; social  furcines; social  furcines; social  furcines; social  furcines; social  furcines  furcine	No (per new Stärtute; ves	Reformation	No (per new statute, yes
Michigan	Yes. Mich. Comp. Laws § 445.774a	Trade secrets; confidential business information; goodwill.	Must have an honest and just purpose and to prose and to protect legitimate business interests; reasonable in time (no more than one year), space, and scope or line of business, not injurious to the public.	1	Yes	Reformation	Yes

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Employee Noncompetes A State by State Survey

Enforceable Against Employees Terminated W/o Cause	Yes	Yes	Yes	o <sub>N</sub>
Reformation Blue Pencil Red Pencil	Reformation Y	Reformation Y	Reformation	Bue Pendi,
Continued Employment is Sufficient Consideration	No	Yes (though questioned if employee terminated shortly after)	ON	No
Exemptions			Secretaries ((Imited); derks ((Imited))	,
Standards	Trade secrets; confidential No broader than necessary to protect business information; the employer's legitimate business goodwill; prevention of unfair interest, does not impose unrecessing competition.	Trade secrets; confidential Reasonableness and specificity of business information; restriction, primarily, in time and space; goodwill; ablity to succeed in hardship to employer and employee; a competitive market.	Reasonably necessary to protect legitimate interests, reasonable in time and space; not an unreasonable restraint on employee; purpose served; studion of the parties; intrins of the restraint, specialization, of the business. [Absence of legitimate business interest Secretaries impacts durabid, which can be no more (limited); (Ilmited)	pended in the operation by Beinder restricted in its operation by Being limited in operation either as to fitne or place; supported by "some good consideration"; protects at leightnate business interests; reasonable, affording only a fair protection to the interests of the party in whose Evory it is made, and not along ints operation as to interfere with (or impose an unreasonable burden upon) the employer, the employee, or the interests of the public.
Protectable / Legitimate Interests	Trade secrets; confidential business information; goodwill; prevention of unfair competition.	Trade secrets; confidential business information; goodwill; ability to succeed in a competitive market.	Trade secrets; confidential business information; customer or supplier relationships, gotodwill, or loyalty; customer lists; protection from unfair competition; sability in the workforce.	Trade secrets; proprietary information that would provide an employee with an unfair advantage; goodwill; oustomer relationships.
Permitted	Yes	Yes	Yes. 28 Mo. Stat. Ann. 5 431.202 (related)	Yes. Mannt. Code Ann. §§ 28-703-05
State	Minnesota	Mississippi	Missouri	Montana

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Employee Noncompetes A State by State Survey

State	Permitted	Protectable / Lagitimate Interests	Standards Exemp	Exemptions C	Continued Employment is Sufficient Consideration	Reformation Blue Pencil Red Pencil	Enforceable Against Employees Terminated w/o Cause
Nebraska	Yes	Trade secrets; confidential information; goodwill	Reasonably necessary to protect legitimate interests; not unduly harsh or oppressive to employee; not injurious to the public. Considerations include: inequality in bargaining power; rifek of loss of customers; eacting and retaining powers; good faith of employer; employees spo, training, freating, reductaon, and smithy redects, current employment conditions; need for employment legitimate interests being profected.		Yes, likely	Red Pencil	Undecided
							Undecided,
			Void unless: (a) supported by valuable				except in connection
			consideration; (b) not greater than				with RIF,
			required to protect employer; (c) no				"reoganization
			undue hardship on employee; and (d)				or similar
			consideration. Cannot restrict employee				which case
			from providing service to				employee
			customer/client if (a) customer/client				must be paid
	Yes.		was not solicited; (b) customer/client				"salary,
	Nev. Rev.		voluntarily chose to leave or seek				benefits or
	Stat. §		services from employee; and (c)				equivalent
	613.195-200		employee otherwise comples with time,				compensation,
	[effective June		geographical area, and scope of	<u>&gt;</u>	Yes (pre-	Reformation	" including
Nevada	3, 2017]	Trade secrets; goodwill.	noncompete.	on '	mendment)	amendment) (mandatory)	severance.

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State	Permitted	Protectable / Legitimate Interests	Standards	Exemptions	Continued Employment is Sufficient Consideration	Reformation Blue Pencil Red Pencil	Enforceable Against Employees Terminated w/o Cause
New Hampshire	Yes. RSA 275:70	Trade secrets; confidential business information; goodwill; employee's special influence over the employer's customers.	Physicians (RSA)   329:31-31	. કેલે હેં	58).	Reformation	Undecided
New Jersey Yes	, Yes	Trade secrets; confidential business information; godowill in existing customers; preveiting employee from working with into the burden on oustomer at lower; cost fifth in information; by the bublic; working through employee; it into stades, and scrope.	siness interest; nployee; not not overbroad in	s gists	Yes	Yes, but it! factor to be factor to be Reformation considered.	Yes, but it's a factor to be considered.

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State	Permitted	Protectable / Legitimate Interests	Standards	Exemptions	Continued Employment is Sufficient Consideration	Reformation Blue Pencit Red Pencil	Enforceable Against Employees Terminated w/o Cause
				Healthcare practitioners (dentists, optopathic			
	·			physicians, physicians, podiatrists, certified registered nurse			
				anethetists) to the extent they are providing			
		A Partie of the Control of the Contr		clinical health			
				Exemption has limits (including			
				that it does not apply to a			
				covered medical professional if			
				they are a shareholder.			
	Yes.		3733	owner, partner,			
	N.M.S.A. 1978, §§ 24-11-1-5			or director of a health care			
	(creates health			practice) and is			
	care	Maintaining workforce;	Reasonable as applied to the employer, effective only to	effective only to			
	exemption	not to stifle competition);	not to stifle competition); hardship to employee in exchange for	7/1/2015 and			
New Mexico only)	only)	customer refationships.			Yes, likely	Undecided	Undecided

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Employee Noncompetes A State by State Survey

) -	Protectable / Legitimate	. Company of the comp	1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -	Continued Reformation is Sufficient Blue Pencil	Continued Reformation is Sufficient Blue Pencil	Enforceable Against Employaes Terminated
	Trade secrets; confidential information; goodwill; on-air prosens of broadcasters; employee's unique or extraordinary services.	Reasonable in time and space, and no frade secrets; confidential greater than is required for the information; goodwill; on-air protection of the legitlimate interest of persona of broadcastes; the employeer does not impose undige or hardshot on the employee; not injurious extraordinary services.		Yes	g cr.	Cases are split
Yes. N.C. Gen. Stat. North Carolina § 75-4	Yes. Trade secrets; confidential N.C. Gen. Stat. business information; § 75-4 goodwill.	In wrthng, part of an employment contract, reasonably necessary to protect legitimate business interest; reasonable in time and space; not against public policy.	Physicians, possibly (in underserved areas)	No	Biue Pencil	Yes, iłkely.
No. N.D. Cent. Code Code			,	,	·	

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Employee Noncompetes A State by State Survey

able ist rees ated use		
Enforceable Against Employees Terminated w/o Cause	Y	Ì
Reformation Blue Pencil Red Pencil	Reformation	,
Continued Employment is Sufficient Consideration	Yes	1
Exemptions		,
Standards	Not greater than necessary to protect the employee's legitimete business interests; no undue hardship to employee; no trifurous to public interest. Considerations: absence or fundations as to time and space; whether employee's soile contact with customer; employee's possession of trade secrets or confidental information, purpose of restriction (elimination of undar competition vs. ordinary competition; or ongettion vs. ordinary competition; and experience); proportionality of benefit to the definition of the developed; whether forbidden to the employeres, when employeres at lent was developed; whether forbiddental to the main employment.	
Protectable / Legitmate Interests	Trade secrets; confidential information; customer, relationships; prevention of the use of proprietary outsomer information to solicit customers.	
Permitted	Yes	No. OK Stat. § 15-219A
State	Ottio	No. OK Stat. Oklahoma § 15-2194

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Enforceable Against Employees Terminated w/o Cause	рароврил	Yes, but It's a factor to be considered.
Reformation Blue Pencil Red Pencil	Reformation	Reformation
Continued Employment is Sufficient Consideration	o 2	No
Exemptions	Home healthcare workers	
Standards	Noncompete provided at least two weeks before employment or with bona fide advancement; employee is in an elecature, admininatable, or professional role and meets mininum compensation intestion in savidad in time or space, application of restriction should afford only, a fair projection of the employer's interests; must not interfere with public interiest. As of January 1, 2016, noncompetes are illimited to 18 months. [Cualifying garder leave a empreable.] Effective-January 1, 2020, a signed, written copy of the employee's or noncompete must be sefit within 30 days following termination of	Ancillary to employment relation or other transaction; reasonably necessary to protect the employer's legitimate inferests; reasonable in time and space.
Protectable / Legitimate Interests	Trade secrets, confidential business or professional information; investment in certain on-air broadcasters, customer contacts and goodwill.	Trade secrets; confidential information; goodwill, investment in specialized training; unique or extraordinary skills.
Permitted	Yes. OF. Rev. Sat. § 653.99	Yes
State	uofielo	Pennsylvania   Yes

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Enforceable
Against
Employees
Terminated
w/o Cause

Employee Noncompetes A State by State Survey

Protectable / Legitinate Sandards Exemptions Constitution Red Pencil

Protectable / Legitinate Sandards Exemptions Constitution Red Pencil

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Employee Noncompetes A State by State Survey

State	Permitted	Protectable / Legitimate Interests	Standards	Exemptions	Continued Employment is Sufficient Consideration		Enforceable Against Employees Terminated w/o Cause
						Blue pencil, likely. (SC S.Ct rejected blue pencil doctrine by name, but	
		Business and customer contacts: existing	Necessary to protect legitimate business interest; reasonably limited in time and space; not dinduly haish and oppressive to employee's efforts to earn a living:			case involved reformation; SC Ct. App. has since permitted	
South Carolina	Yes	employees; existing payroll deduction accounts.	reasonable from standpoint of public policy.		No	step-down provisions.)	Undecided
	Yes. S.D. Codified		Restriction is in the same business or profession as that carried on by employer and does not exceed two years and in a-specified geographic				
South Dakota et seq.	5§ 53-9-8, et seq.	from unfair competition; existing customers,	area; reasonapieness in unie, space, and scope is a factor only in certain circumstances.	,	Yes	Reformation, factor to be likely, considered.	fest, but it's a factor to be considered.
		Trade secrets; confidential information; retention of existing customers:	Restriction must be reasonable in time and space and necessary to protect		Yes (if employment		
Tennessee	, ,	investment in training or enhancing the employee's still and experience	legitimate interest; public interest not adversely affected; no undue hardship to the employee.	Physicians (in certain circimstances)		Yes, but it's factor to be Reformation considered	Yes, but it's a factor to be

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Employee Noncompetes A State by State Survey

Protectable / Legitmate. Standards Interests Ancillary to an otherwise enforceable
agreement; rassonable in time, space, and scope; does not impose a greater restraint than neessay to protect. legitimete business interest. "In Cocumber 2011, the Texas Suprame Cocum windrew its June 2011 andmark decision, but still eliminated the equinement that the consideration given by the employer in exchange on the noncompete, must give, in exchange in the noncompete must give, in a commercial to the monomized must give in a committee in a consideration for the noncompete agreement must be reasonably religiate to the groups of the groups and the groups of the grou
No fad faith in the negotiations; Increasany to profect legislimate business interest; reasonable in time, space, and scope; consideration of hardship. One Broadcasters year limit for agreements entered on or (under certain after May 10, 2016.
Necessary to protect legitimate business interest; not unnecessarily restrictive to employee; limited in time, space, and/or industry; not contrary to public policy.

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		Enforceable Against Employees Terminated W/o Cause
Red Pencil, but severable portions can be enforred if remaining restrictions restrictions	but severable portions can be enforced if remaining restrictions are otherwise	
		Continued Employment is Sufficient Consideration
		Exemptions
Marrowly drawn (no greater than necessary) to protect the employer's legitimate business interest; reasonable, in time, space, and scope, not utiduly harsh or oppressive (or burdensome on the employee) in curtaining the employee) in curtaining the employees shillify to arm a livelinod; not adainst, and reasonable in light of	legitimate business interest; reasonable in time, space, and scope; not utiduly harsh or oppressive (or burdensome on the employees) in cutaling the employee's ability to earn a livelhood; not against and reasonable in light of not against, and reasonable in light of	Standards
Trade secrets; confidential information; knowledge of methods of operation; protection from derimential competition; ouslonner	ntial e of ental	Protectable / Legitimate Interests
	o Compression Comp	State Permitted
		State

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Employee Noncompetes A State by State Survey

State	Permitted	Protectable / Legitimate Interests	Standards	Exemptions	Continued Employment is Sufficient Consideration	Reformation Blue Pencil Red Pencil	Enforceable Against Employees Terminated W/o Cause
			Restriction is necessary to protect equals received in the expression of the express	Boadcasters (under certain (under certain (under certain (under certain (under certain (under certain entripleyees entripleyees and entractors entripleyees and entractors equal to equ			
			rebuttable by clear and convincing evidence to the contrary) that a programmers with a duration longer	1/1/2020: cannot prohibit			
			than 18 months are unreasonable and unenforceable; must not avoid	low-wage workers, i.e.,			
			Washington law; must not require adjudication outside of Washington:	those earning less than 2x			
Washinoton Yes	× 6×	Customer information and contacts: goodwill.	attorney's fees to employee if	minimum hourly	SN CN	Reformation Yes. Ilkely.	Yes. likely.

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Enforceable Against Employees Terminated w/o Cause	Undecided	Undecided	Yes, likely.
Reformation Blue Pencil Red Pencil	Reformation	Red pencil, but, courts (and legislature) may be moving toward a more tolerant approach	Reformation
Continued Employment is Sufficient Consideration	No	Red pendi, but, courts (and Yes, if legislature) confinued may be employment moving is conditioned toward a on signing the move tolerant approach	No
Exemptions			,
Standards	Anciliary to a lawful contract; not greater than reasonably necessary to protect legitimate business interest; unique information; customer reasonable in time and space; no flists; direct minestiment in undue handship on employees skillis; goodwill. Injurious to public.	Necessary, to protect legatimate business interest; reasonable in time and space; not fanish or opposerve to the amployee; not contrary, to public policy.	Restrant must be arcillary to otherwise valid agreement and fair, no greater than necessary to protect legitimate information; special influence and space, no undue hardship on of employee over customers employee; employee's need outweighs to the extent gained during in the employer and public; not employment.
Protectable / Legitimate Intélests	Trade secrets; confidental or unique information; customer lists; direct investment in employee's skills; goodwill.	Yes.  Trade secrets; confidential Usaries alformation; Stat. Ann. Usariess alformation; § 103.465 customer relationships.	Trade secrets; confidential information; special influence of employee over custongers to the extent gained during employment.
Permitted	Yes	Yes. Wis. Stat. Ann. § 103.465	sə <sub>A</sub>
State	West Virginia . Yes	Wisconsin	Wyoming

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Employee Noncompetes A State by State Survey

Enforceable Against Reformation Employees Blue Pencil Terminated Red Pencil w/o Cause	is also sometimes called and also sometimes called and also sometimes called Modification, "Ludkial Modification," Keasonablen addresses sess," the only not-tor-fleasonable cause Advancation to eminations Approach," or and assumes the "Partale" no breach or the Partale. In Debach or in a factorial partale. The Deach of the American the Ameri
Continued Employment Ref is Sufficient Blu Consideration Re	
Exemptions	Attorneys and certain persons in the continued certain persons in The continued sewices industry employment industry employment addressed in this employment regulators not a majoryment chart certain the continued continued certain the continued certain c
Standards	Customer lists are frequently Consideration for the noncompete is detain persons in the furnament. That confidential information, equivement is not oppositive as subject to requirement is not oppositive and industry. Some states, however, when the agreement is entered into at regulations not contently them as the inception of an employment addressed in this contently them is the inception of an employment.
Protectable / Legitinate Interests	Customer lists are frequently connsciented trade secrets or confederal information. Some states, however, separately fleently them "as separately fleently them "as momentable interests."
State Permitted	

Originally draffed in 2010, this chart is updated periodically and is current as of the date indicated.

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Attachment B

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# Trade Secrets Acts Compared to the UTSA

Fed/State	Uniform Trade Secrets Act	Föderal 18 U.S.C. N. 1881 - 1889 Sconomic Exploracy Act 7 Defood Typak Sacrets Act
UTSA Version Adopted	1985 varsion	1305
Definition: Presente and	As used in this [Act], onless the context requires otherwise	\$ 1839. Definitions As used in this chapter, unions the context requires adherence.
timpropet Means	<ol> <li>"Improper mases" includes theft, bribery, mirrepresentation, breach or indocement of a breach of a duty to maintain secrecy or espionage through electronic or other means;</li> </ol>	(6) the term "improper means"-
		(A) includes theft, billion, micropresentation, breach or inducement of a breach of a duly to maintain secrecy, or explorage through electronic or offier means, and
		B) does not include reverse engineering, independent derivation, or any other learnst means of accessment.
Definition: Mappin	[2] "Misappropriation" means:	§ 1839(5) Substantively identical to UTSA
prietion	(i) acquisition of a trade secret of another by a person who knows or has reason to know that the trade secret was acquired by improper means, or	
	(ii) disclosure or use of a trade secret of another without express or implied corpent by a person who (A) used amproper means to exquire knowledge of the trade secret; or	<i>&amp;</i> .
	(S) at the time of disclosure or use, heavy or had reason to know that his conveledge of the trade secret was:  (i) derived from or through a person who had utilized improper means to acquire it.	
	(iii) acquired under circumstances giving rate to a duty to maintain its secrecy or limit its use; or (iiii) derived from or through a person who oved a duty to the person seeking relief to maintain its secretion or find its lose or	
	(C) before a material change of his (or her) position shew or had reason to know that it was a seale received and that knowledge of a had been acquired by account or mistake.	
Definition; Person	(3) "Person" means a natural person, corporation, business true, estate, trust, partnership, association, point venture, government, governmental subdivision or agency, or any other legal or commercial bittity.	E.U.S.C.S.1. Words denoting number, gender and so forth
		The words "perion" and "who you" means a makeral season, goings corporations, business trust, estate, trust livest weekure, companies, associations, firms, partnerships, societies, and contacted companies, companies, a commental unitaries or a content of an affect begind a commental partity as well as
		instinatesis:
Deficition:		§ 1850(3)
Trade Secret	(4) "Take seriet" means information, including a formula, pattern, compilation, program, issue, method, technique, or process, their	[This term "trade secret" means all forms and types of financial, business, scientific, technical, economic, or
	(i) derive independent economic value, actual or potential, from not being generally lossen to, and not being residh; ascertainable by proper means by, other persons who can obtain economic value from its disciouse or use, and	<u>exclineating</u> information, including patterns, <u>plans</u> compilations, avogram <sup>(2)</sup> devices, formulas, <u>decicas</u> , <u>protectures</u> , markeds, techniques, processes, that <u>procedures, programs, or crodes, whether careibles is</u> <u>internatibles and whether or bow stored compiled or memorational physical by adestronically, carebically.</u>
	(III) is the subject of efforts that are reasonable under the circumstances to maintain its secrety.	abstronableally, or in virtics #-  (A) in the subject of offers that are reasonable under the circumstance to realistain the course, the
		owner thereof has taken reasonable measure, to keep such information secret; and  [8] the information derives independent economic value, actual or potential, from not being generally
		known to, and not being readily excertainable through proper means by, another person who can obtain economic value from the disclosure or use of the information;
		*This reference to "program" is likely a typo.
Definition Bot to UTSA		61939(4)  IT has been "covise", with respect to a trade secret, means the person or antity in whom or to which rightful.
		legal or equitable this to, or license in, the trade secret is reposed.  [Definitions related only to criminal aspects of the statute have been arisited from the chart.]

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## Trade Secrets Acts Compared to the UTSA

Fad/State	Dieffenn Trade Secrets Act	Foderal 1 1R.U.S.C. 装 1853-15886 Economic Exponents Art Definal Yeaks Secrets Art
lajunctiva Rollet	(a) Actual or thireatement misappropriation may be enjoined. Upon application to the count, an injunction shall be terminated when the trade packer has cessed as each, but the injunction may be continued for an additional reasonable partial of time in order to eliminate commercial advantage that otherwise would be derived from the misappropriating.	§ 1896 (b)(3) (Annotations reflect enginfront substantive textual differences.) In a civil action brought under this subsection with respect to the misappropriation of a trade secret. a court may.
	(b) in exceptional circumstances, an injunction may condition flavor use users payment of a reasonable result for no longer than the period of time for which use could have been prohibited. Exceptional consummances in bulks but are not limited to a material and maintains chance of personal profits of the could have a constituted to a material and maintains chance of personal profits of the could have a constituted to a material and maintains chance of personal profits or according	(A) grant an injunction—  (i) to prevent any actual or threatened mesappropriation described in paragraph (1) on such terms as the court deems reasonable, provided the croix sice; now.
	convictance in cause of the contract of the co	If the sevent a parties from entering into an emolyment relationship and that conditions placed on such amolyment shall be larged on exidence of threatened misappropriation and not misrally on the information. The period because of
		(iii) Etheroxies condition with an applicable State flow prohibiting restraints on the practice of a lighture offering in this in bearings. (iii) if determined appropriate by the court, requiring affirmative actions to be talent to protect the trude secret and.
		(IIII) in exceptional concurrances that knode on injurition inequirable, that conditions fature use of the read-seriel upon payment of a reasonable royalty for no longer than the period of time for which such use could have been prohibited, inequality inequalities and interest and prohibited inequalities and interest include had an extendible an interest and
		projection i change of position pains to acquiring from visitge or reason to know of misappropriators that renders a prohibition injunction anapolitable.  Upon application to the court, an injunction shall be command when the trade occurs has expected to work.
		but the requestion way the continued for an additional newschalds period of time in order to aliminate permission of contage that althousance would be derived from the encappropriation.
Darrages	(a) Except to the extent that a maximal and projudical change of position prior to ecquiring finounledge or miscore to know or miscopreparation reviews on monetary recovery inequalities, a complainment is entitled to recover damages for misoproporation. Demages can include both the extent loss caused by misiapproporation and the united into account of the control	§ 1236(b)(3) In a Civil Action brought under this subsection with respect to the misappropriation of a trade secret, Emographic to the control of
	loc. In lies of demages measured is say other methods, the demages caused by meapyoptistics may be measured by imposition of liability for a reasonable locatly for a misappropriate's unsustriminal disclosure or use of a trifle score.	their of mappropriation embers a monetary recovery accordance a court may  (B) awards
	(b) if willful and maticious misappropriation exists, the court may award exemplary damages in an amount not exceeding twice any award made under subsection (a)	(1)(f) damages for actual loss caused by the misappropriation of the trade secret, and discharges for any unjust enrichment caused by the misappropriation of the trade secret that is not addressed in computing damages for actual loss, or (ii) in line of damages misaured by any other methods, the damages caused by the misappropriation.
		measured by imposition of liability for a measureble royality for the misappropriator's unauthorized disclosure or use of the trade secret;
		(C) if the trade relicat is vilfully and maliciously misappropriated, event exemplary damages in an amount, not more than 2 times the amount of the damages awarded under subgranging (6), and "Abbrerid prince income picked up to definition of misappropriation as an excitation to misappropriation."
Attemey's Fees	f(i) a claim of misappropriation is made in bad faith, (ii) a motion to terminate an injunction is made or resisted in bad faith, or (ii) welful and malificour misappropriation exists, the court may averal nesconable attorners/s feet, to the prevailing party.	\$ 1850(b)(3)(D)  If a claim of the misappropriation is made in bad faith, which may be established in circumstantal evidence.
		a imption to terminate an injunction is made or opposed in bad faith or the trade secret was willfully and maliciasely misappropriated, award nesconable attorney's feet to the prevailing party.
Preversation	in an action under this [Act], a court shall preserve the sectory of an alleged hade secret by remonable.	\$ 1835
of Secrecy	means, which may include granting protective orders in connection with discovery proceedings, holding in- current hearings, cealing the overcide of the action, and ordering any person provided in the Higgston not to disclose an alleged trade secret without prior court approval.	Annotation is exclusively substantive content han heated.  (a) In general—in any prosecution on other proceeding under this shapter, the court shall enter such orders and take such other section as may be encourable necessarily and appropriate to preserve the cardical unity of
		trade secrets, consistent with the requirements of the Federal Rules of Criminal and Crit Procedure, the Federal Rules of Exidence, and all other applicable level.  On Ruths of Trade secret owners. The sount was not authorize or direct the declarace of any information.
		the owner asserts to be a roote server unless the court allows the owner the opportunity to file a submission, under sale that describes the internet of the owner in seasons the information confidential. No adenticism. In parties are made under this charter for any purpose other made under this charter for any purpose other made.
100		than those set forth in this section, or otherwise issuance by law.  Text applicable to only criminal proceedings or otherwise inapplicable to private parties has been unritted.
Statuta of	An action for missparapriation must be brought within 3 years after the misspacepriation is discovered or by	
Emitations	the everces of mesonable different should have been discovered.  For the purposes of the section, a continuing misappropriation contributes a single claim.	Substantively Identical to UTSA

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# Trade Secrets Acts Compared to the UTSA

Fed/State	Uniform Track Secrets Act  [2] Except as provided in subsection (b), the [Act) displaces conflicting ton, centrutionary, and other law of	Federal 18 (1.4.C S 1833 - 1839 Excessors Expansage Act / Defend Foold New Act 5 1839. Construction with other layer
Other Law	this State providing cert immediate for immappropriation of a trade exert.  (b) This (Acid, disen and effect.)  1) continuous amendiate provides or or in season again immappropriation of a table exert.  1) continuous immediate provides or or in season again immappropriation of a table exert.  (a) critical immediate, whether or too takes a upon immappropriation of a trade secret.  (b) critical immediate, whether or too takes a upon immappropriation of a trade secret.	Except as provided in section 1833(b), this chapter shall not be construed to prescript or displace any other namedies, whether only or oriminal, provided by United States Federal (Satts, commenceable, prescript, respectively, or section (Satts, commenceable, prescript, respectively), and the section of the section (Satts, commenceable, prescript, respectively). The section of t
Uniformity of Application and Constitution	The [CR] that he applied and commissed to effectivate to governal purpose to make uniform the law with executable to the collect of the [Act] among states executing it.	Net ought calle
Serve shifty	if any provision of this (And yor is application to any person or coronmensors in bold involving the invalidation content of first provision or applications, or the (And prints on the (And prints on the prints of the (And prints of the prints of the (And prints of the And Prints of	
Metal roop, on Metal roop, on Metal roop, on Metal roop, on Metal roop, on Metal roop, took provided in start roop, took	The Left Johns effect on	ES 355(eq. of Theories Cales. "The amendments maked by this explore shall apply with respect to any mappinghism of stable search." On which have all excess or of with the disk of the excess or of with the disk of the excess of the search of the excess of the explored of the excess of the explored of the excess of the excess of the explored of the excess of the exc

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## Trade Secrets Acts Compared to the UTSA

Fed/State	Unaform Frach Secrets Act	Federal 18 U.S.C. 35 1893 - 1829 Sconenty Explorage A.C.F. Darksof Federal Scornits Act
Additions It		Additionally, the court must protect personics targeted by the order from publicity about the order and sature; and retain custody of the saized property or appoint a federal officer to saize it.
		The court may consider an exposter encryption motion.
		Wrongfully-obtained or excessive order a relief provided under the Trademark Act
		§§ 1281 - 1884 (which are criminal provisions) have been omitted from this chart.
		§ 1837 (which discusses the applicability to conduct outside the United States) has been omitted from this chart.
		and the second s
Inless	<ul> <li>Green and design UTSA 1905 version.</li> <li>While calls indicate that the properties psychiag in equipping to the assembled 1995 UTSA. While the yeard wooding and facousting</li> </ul>	
therwise peritled	mandiffer, there is no material substantion difference. Where a standary provision is marked as "Same as MSA" minor tested or	
	Annouting difference may exist. Where these differencie are more pronounced but ook do not precent enhancerie distinctions from the UTSA, the sets one morked "Submanshely Mondral to UTSA."	
	Wellow suffi indicate that the respective provision is a substantially modified service of the LASA. In practice cause of these	
	modification may altimately be imigrificant (a other axes), the whotomike difference equite attention, longuage is the yellow with is manusted to indicate how it works from the 1908 UFSA though non-constants and misser-variation may act be associated.	
	Suctivité indicate that the apport in posiçiou day our exist or attenuise is eignoficently afforced from the off-A. Third provisions and	
	generally and national of Celts are manked reductive no trate low-provision had been identified that convey said the politicate UEA accion. Celts reviewed for administrative are also making red.	
	Some states have ornited specific UFA provision from thek versing on the provision would be reduced of existing statishase.	
	Applicable state retains or chaster is to most because provided above.	
	Associates	
	*Underlined to a in language that has been included in control supports, but does not exist into UTIA. That that it sticken the sough in Impuring landsdeed within the UTIA that a state has conduct from its curies.	
	<ul> <li>Assessables were the interest of the content of the c</li></ul>	
	<ul> <li>Amendetian ere primising allended to derive substantias, rather than to doug algors now. As notify, concernant any examps at primising, puntformer, and formating time and been nown. In come have, where identified, intendictions delivatively red-transfer and indicate</li> </ul>	
	cultivature a state's provision illers in menting from a consequenting provision in the USA.	
	All amountailors compare the state's long-roge to the convented ISHS UTSA. However, a develop of states have adopted the colleged.	
	1979 UTS A, that not its inter assentments. These crates will how significant afferences in their figuresian Reliaf. "Occurages," unit."	

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# Trade Secrets Acts Compared to the UTSA

Perl/State	Uniform Tradi-Serieta Art 1985 varion	Alabama, Alac Code 1905 \$5 8-371 1 - 8-72-19 Alabama, Trade Secreta Act UTSA not adopted, though aspects of it are (rec \$6.2-2, continues)
Adopted Definition	As used in this (Act), unless the context requires otherwise:	§ 9:27.2. Definitions:
Preamble and Improper Means	(1) "Improper means" includes that, britany, marepresentation, breach or includement of a breach of a duty to maintel's secrecy, or exponence through electronic or other means;	As used in this chapter, the following terms shall have the following meanings, respectively, unless the context clearly indicates otherwise.
		2) Improver Means: "Improper means" are means cuch as: a. Theft; b. bicker, b
Definition:	(2) *Missportpriation* means:	means such as delectronic, photographic, fallecopic or other aids to enhance normal human perception, where the trade secret contex reasonably should be able to expect privacy. \$8.27-\$. White prognation.
Missipro printion	(f) acquisition of a trade secret of another by a person who leaves or has reason to loow that the trade secret was acquired by insproper means, or  (ii) disclosure of use of a trade secret of another without express or implied consent by a person who	A person who discloses or leas the trade secret of aretime, without a privilege to do so, is listle to the other for misagency internal office second if  (1) That person discovered the trade secret by improper means;
	(A) used improper means to acquire browledge of the trade secret; or (B) at the time of disclosure or use, there or but reason to know that his knowledge of the trade secret uses.	[2] That person't all planture or use constitutes a breach of tanfidence reposed in that person by the other.  [3] This person terms the times seven from a third person, and hince or should have snown that (i) the
	(i) derived from or through a person who had offlined improper means to acquire it. (ii) acquired under obscumstances gireling rase to a side's to measured in it is series; or firms its size; ac- (iii) derived from or through a parson who owned a fully to the person seeking relief to maintain its	information was a trade secret and (ii) that the trade secret had been appropriated under circumstances which viplate the provisions of (1) or (2), above, or
	servery or limit its use; or  (C) before a material change of his for field position; knew or had reason to know that it was a trade server and that knowledge of it that been acquired by accodent or mintain.	(4) That person searched the information and linew or should have known that it was a trade secret and that its disclosure was made to that person by metale.
Deficition	(Si "Persor" means a return denon conduction, business trust astatis, trust of themolic association, 30(9)	111, 5 10 10 10 10 10 10 10 10 10 10 10 10 10
Perion	verture, government, governmental subdivision or agency, or any other lagal or commercial sixtly.	Some as UTSA
	And a series	
Definition:	[4] 'Trade secret' means information, richiding a formula, pattern, compilation, program, device, method,	\$ \$ 2.7 x (1) Trade Secret
Tradik Setret	technique, or process, that:  (i) derives independent economic value, actual or potential, from not being generally indexin to, and not being readly accentancies by proper means by, other persons who can obtain accommic value from its being readly accentancele by proper means by, other persons who can obtain accommic value from its	A "trade secret" is information that: a. Is used or intended for use in a trade or basiness,
	tions are any exercisarious by proper means on, other parties and can be only polythic value from a disciplinary man, and  [1] is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.	b. Is included or ambidded in a formula, pattern, complation, computer software, drawing, Bovice, method, Stechnique, or process; a. Is one publicly Scown and is not generally known in the trade or business of the person asserting that it is a XI-bid scown.
		d. Cannot be readily accertained or derived from publicly available information; or in this object of efforts that are reasonable under the circumstances to maintain its servery, and fittee argument economic value.
Ostinitors		
Not in UTSA		

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# Trade Secrets Acts Compared to the UTSA

FedState	Distant Track Secrets Act	Aldrians Aldr Cords 1973 % 8 77 7 1 ° 8 27 ° 4 Aldrians Thads Secrets Act
Hejuscifue Rablet	(a) Action of threatened miseapproximation may be expected. Upon applications to the count, an implication stall of a terminated virtual to the place of a certification of the country of	3.3-27-4. Remedies the natural or threatment misappropriation (intertitional removement of a Strill persion for misappropriation).  (a) The remedies available for exclusions threatment misappropriation of a tipule socretiene.  (b) To the exclusion that they are not displayable.  (c) Colon injunctive and other explanable reliable as may be appropriate with respect to any actual or threatment misappropriation of a tipule society.
Вангадов	(a) Except to the extent that a metalized and psychiatic divage of position prior to acquiring involving or uncontrol involved imaging position to enter a memberal years, in preside, it is a metalized for according to the extent of the prior of the control of the extent of the control of the extent of the control of the extent of the ex	It is 2-14. Amendment for actual or threatment interpreparation, interioral interminention of a third perior for interpreparation.  In This remotes excitable for actual or threatment interpreparation of a trade server are:  It decides the server are the server
Attioneys Fees	If it is dain of minaperpolation, needs in said field, it is a notate to terminate an injunction is made or exception fauld fails, or injunction and minimizes minaperpolation exist, the point may award reasonable attorney's fast to the prevailing party.	E22*4. Revealed for extact of theatened magagineration, intentional naminates on of a blind perior for magazineration.  Responsible attention, I have so the permitting party of the permitting the permitting party of the permitting the permitting party of the permitted party of the permitting party of the permitting party of the permitted pa
Presentation of Service	has referred to the Prof. a court fault previous the receipt of a situation for six previous terms, which may include grating processing, which may instruct processing situation in the court processing, letting the court of the action, and declaring any prepare incolved in the high-time to the disclose and ellipsed racks sector without prior county asymptotic processing and prepare incolved in the high-time to the disclose and ellipsed racks sector without prior county asymptotic.	the directly consequenting generator.  18.22.9. Remedies for actual of these senied minappoperation, incentional numerical or of a triple period for minappoperation. The incentional numerical or actual or threatment minappoperation of a trade sector are.  I. The remedies examinate for actual or threatment minappoperation of a trade sector are.  I. Substituting the examination of the equipment of the major period of trade sector are threatment minappoperation of a trade sector.
Statute of Amiliations	As action for interpreparation with a locate within 3 years after the interpreparation is decreased only the electric of reasonable diligation should have been discovered. For the purposes of this section, a continuing measurement of constitute a single claim.	F 9-27-S. Sprate of limitation.  As action for mappy reportant must be brought within times gar, year after the misoppropriation is discovered or by the searche of reasonable diligence should have been discovered.

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Fed/State	Uniform Trade Secrets for	Aliberra Alla Code 1975 + B 27 4 - B 27 9 Alabama   bade begints Act
Effect on Office Lare	(a) Evaps a provided to enterective tip, the [Arc] displaces confidence but, resthationary, and other taw of the false providing of investment of a trade search.  (b) This [Arc] does not effect.  (c) other confidence on effect.  (d) other confidence on effect.  (d) other confidence on the confidence of a benefit open managementation of a braid search.  (e) other confidence on the confidence of a benefit open managementation of a trade secret.  (f) critical availables, whether or not based upon managementation of a trade secret.	§ 2.27 of Effect on other leve. These professor of the designar that are inconsistent with the comment leve of trade societic superiods the common law, otherwise, this objector should be continued to be consistent with the common law of trade secrets.
Uniformity of Application and Constitution	This (Ext) shall be applied and construed to effectually be general purpose to make swiften the law with expect to the subsect of this (Act) among stakes exacting it.	
Service shifty	If any provision of this (And) of the applications to any person or committees in held inselfs, the wall this provision or applications of the (End) which was be given effect without the insulid provision or application, who the history is not become to the other provision of the field an operation. If the other provision is the field in operation is the provision of the field and operation of the other provision or expert of the other provision of the field and other provision of the other provision	Au. Code (277 § 6.11). Severably of provisions of Code and stitution.  Early provision of this Code or any amendment treated, or any other statution, or this application them of to any provision of the Code or any amendment treated to any other statution, such invalidity, shall four contents the code of t
Additions on Notice of Indiana (Indiana) in a district of Indiana Store School of Indiana Store Sch	First Pott listes effects on end does not agent to meraphoreum occurring prior to the deviction data. When paged to a continuous grangeopartischable than gap prior to the definition data, the livel also does not apply to the continuing emappionisation that occurs after the effective date.	18.27.4 Amendant for actual or historianid mappropriation; interdinal freminentian of a third period for images projection.  18.1 in addition to the circle damages and precides provided in subsection (a), a person who interdinally reminerable or recruits a third period for a circle damage.  18.3 in addition to the circle damages and precides provided in subsection (a), a person who is accounted as the circle damage of the cir

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# Trade Secrets Acts Compared to the UTSA

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Fod/State	Uniform Trade Secrets Act	Ata, Code 1975 \$6 8-27-1-1-8-27-9 Alabama Track Secrets Act
Additions II		
		.55
	Green with denote UTS A 1985 winion.	
Utiless Otherwise	<ul> <li>While cuts indicate that the respective provision is equivalent to the amounted 1905 UEA. While the exact wording and forcerting analysis of the letter in a motivist relationship difference. Where a statestory provision is related as "Some as UEA" minor technic or</li> </ul>	
Specified	focusting differences was wist. When these differences are more proximized to estill do not present satisfamilie distinction from	
	the UISA, the only one movined "Substantively Montkotto USSA,"	
	<ul> <li>redow only indicate that the respective provision is a substantially earlight ver in of the USSA, in protion come of these enrollisations may attenued be insignificant to other overs, the interactive differences require attention is regarder in the yefow, as it</li> </ul>	
	is armount to indicate from Knowletter and LAS UCA, though non-volutioning and minimum invariant or transmitted.	
	<ul> <li>Set geth indicate that the apoperties possible date and rain or otherwise it significantly different from the OTSA, Third is provident day one ratherest instructed. Cells are marked and where no state law provident has been significated from convenient for particular UTSA.</li> </ul>	N. 469 1
	pertion. Cells repensed for autobioms information are nitro analysis and	
	<ul> <li>Some states how under specific UTSA providers from their version, or the provider would be a disapped of existing state like.</li> <li>Applicable state response a charge is in most instances provided whose.</li> </ul>	
	Agostation	
	• Visuterlined Leve is language that has been included in a state's statute, but door not exist in the UTSA. That shot is shicken through in	
	Imaguage Beduded within the DTSA that a state has condited foots its statute.	
	<ul> <li>Amorpolium one primagle interated to denote substantile, rother than actually differences. As initial consecuted differences in phonony, purchaselism, and formating inner but have moteral to rother which interated interactions and entirely substitute and indicate</li> </ul>	1
	culty relates a state is provinted differs as missioning from a corresponding provision in the UPSA.	
	Allowsotations compare the state's language to the ownesded TSSS UTSA. However, a register of states have subspend the original	
	1979 W.A. hat not in tree quenciarents. These states will have slightenes differences in their Tajacoke Robel," "Courages," hid. "Tifers on Other Low" to taken (in particular).	

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# Trade Secrets Acts Compared to the UTSA

Field/State Difform Yrado Secrete Act	Aleska Stat. \$5 43.50.910 - 45.50.945 Maska Dafoya, Trade Secrets Act
USA Assisted Adapted	1979
Epitholice   As used in their (Act), prices the content requires abherevier	\$45,50,90(1) Some or UTSA
Taximities  (3) "Misageoperation" resears  (3) acquisition of a trade secret of another tays person who more or its reason to some that the trade  reset is as acquised by introduce meets or  (4) discharge or use of a trade secret or discretive virtual express or implied consists by a person mits  (A) used introduce or use of a trade, appear of another virtual express or implied consists by a person mits  (A) used introduce resears to acquire introducing of the trade secret use  (9) of the trade secret use, lines or had reason to broke find the trade secret  (1) direct from or through a parameter in the stating integration makes that it is traded in the secret use.	9-15-50-960(2) Some as UTSA
(1) acquired under concentrations giving rate to a deby to measures this secret or fine to use; or (III) demonst from or through a percon vice coveral and to the percone easility greater for coveral and to the percone easility greater for measures or secretary of mind to use; or (III) before a coverant easility of the long of th	
Cl. Three in early a salest partie, corporation, become trial, water, true, partier the possibility poli- seration government, governmental subdivision or agree, or any other largel or commercial with:	Assis Sert. 8.6.03.21(36)  "primp" meare a-valued-present agrigificiole i, corporation, business trust, estate, trust, partnerdise [imited] againty generalization, condition, pinit venture, government, governmental cubdivision, agency, gr. initrumentalitation, public corporation, or another lags for commercial workly.  14.15.50.90(3)
4) "Trade secret" means information, including a formula, pattern, comparison, program, dense, method, Trade Secret  (1) dense independent extrapsis, value, a stall or potential, time not thing general income in and one lawing analysis are consistently a proper manual, in other properties of a secretary and decidence or use, and  (c) is the subject of efforts that are reasonable under the organization to restrate in section.	V + S-S-SM(H)(E)  Some as UTSA
Confidence.  Mic in LTTAC  TO THE CONTROL OF THE CO	

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# Trade Secrets Acts Compared to the UTSA

F#el/State	Uniform Tilde Secrets Art	Florka Aliasha Bash \$ \$ 45,00,000 -45,50 049 Aliasha Mollom Iy ade Semela Act
injunctive Relief	(a) Actual or threatment meapopersiston may be explaned. Upon application to the court, an injunction residue to terminized violent to trade scient becaused of year), but the required in may be continued from a color to eliminate commercial advantage that otherwise would be indeed from the measurements.  (b) he exceptional circumstances, a required on may condition future are input appreciant of a measurable continued to the continued of the co	\$3.5.000.000 injunction milled for misappropriation of mode servers. Spor application to this court,  an injunction can't be therefore management of million excess. Spor application to this court,  an injunction can't be increased of their increase exerce than ceased to each, but the expectation may be  continued for an additional reasonable expectation of their increase to each, but the expectation may be  continued for an additional reasonable expectation of their increase increased advantage that  otherwise would be derived from the misappropriation.  [4] Assembly an advantage expectation of the expectation of
Damages	(a) Exerpt to the either that a misterial and projudicial change of geothors prior to equations place design or exercise to have of histopopopolicion produce in meetals incomely inequilibile, a complained is writted to meetal the produce of the property of the produce of	\$45.50.015. Demograt  In Exemption between the processing and processing of process where a manifest processing of process where the processing of the processing the proce
Attendey's Feet	(i) a distin of misagorpointon is made in had faith, (ii) a notice to berminate an injunction or made or recorded in the faith, or (iii) a self-and mistission interpreparations exist, the tout may a self-transmit statement of their transmits are in the providing using.	
Province of Servey	has nections under the LPLOT, a count yield preserve the service, of an inlegacid profess acreet or reasonable management of the county process of the service of the servi	§ 3.5.5.9.92.0. Preservation of Secrety Some as UTSA
Statute of Limitators	An accord for misappropriation must be brought within 3 years after the misappropriation of discovered or by the exercise of reasonable disposes should have been discovered. For this purposes of this section, a continuing misappropriation constitutes a single claim,	5-45-50-935. Limitation of actions Some of UTSA

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# Trade Secrets Acts Compared to the UTSA

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FedState	- Limiform Trade-Secrets Act	Alaska Alaska Stra 54 5.5 G310 - 45.50 D45 Alaska Uniform Trade Sarrots Act
Efficie on Other law	of Ecope a provided in observation (II), the lithing according to it, restrictioning, and other has of this Soble providing of misselfs of misselfs produced and of a trade server.  (b) This (Act) does not affect.  It contentual remediate, whether or not based upon missepropriations of a trade secret.  (3) crimical remediate, whether or not based upon missepropriation of a trade secret.  (3) crimical remediate, whether or not based upon missepropriation of a trade secret.	9.3.5.090.0. Effect on other level.  (a) Everyd approvised in subsection (a) 6.5.5.5.0.010–45.50.045 displays conflicting tont, monthshorary, and other state levels expending to civil liability for misappropriation of a male secret.  (b) A.S.O.S.S.0.017–45.50.045 do not either.  (b) A.S.O.S.S.0.017–45.50.045 do not either.  (c) Continued a management of the property of the proper
Uniformity of Application and Constantine	This (Felf that has applied and construed to effective this general purposes to make uniform the law with respect to the subsect of time (Acid, secrent reside executing 4.	§ 45.50.90% Serine ou UTSA
Secretarity	any provision of this (And or its applications to any period or commissioner is held mailed, the invalid, the invalid processor explications of the plant which are by prior effect without their invalid provision or application, and to this level their provision of the (And) and a reversion, and the first level their their provisions of the (And) are assessed.  In level of producting a position is not depositely of states have stating general severability statutes. And these dates the testine to provide a three invalidations of the cold in severability through a severability state. As these states that it is provided as three invalidations of the cold in severability and the cold in provided to a cost that parameters at the existing give and the cold if another of exist.	Assets Osci. 4, 03.1938, Severellity  Any law investigate on thereaftic exercised by the Abskal algolations which lacks a severability cleanes shall be constructed as thought contained the clause in the following language. "If any provision of this Act, or the application from of 5 bits protection or consumitations in definition," the remaindered first Act and the application for the design of the consumer or consumitations in solid resident for the act and the application for the design of the act and the application for the act and the application for the act and the application for the act and th
Additions on Notice Not	The Ford State effect on any and does not apply to recognize points occurring prior to the destination day. While respect to a continuing impropriation that topic paint for the different day. She firstly also does not apply to the continuing investigating assets that occurred that the effects day.	

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## Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

Feid/State	Uniform York Secrets Act	Abacka Stat. 35 45 50 900 - 45 50 945 Abacka Uniform. Yanda Sacrato Act
Additions II		
	Green nells dewate UTSA 1965 vendus.	, A 988
Untest Otherwise	<ul> <li>White a this indicate that the respective growtion is repulsalized to the amounted Tigli USA. White the expert was thing and forwarding and offer, there is no material solution that difference. Where a statistic convertion is convert to "some as USA" minor instant or</li> </ul>	
Specified	amburges, core is an anterior overland angerensia. Avaire a continey provision is incore as 1-to an in a 1-to maintening of Townstring difference may sake, While they difference are more provisions the old to are present substantial distinsion from the UPA for each are more in Tubicanskins Mandanto UPA."	
	Tellow sole indicate that the respective provision is a substantially medified worker of the WSA. In practice space of these	
	medification may visiaumiybe in ipplicae. In other owns, the rehistantie differences require attention, Language is the yellow as its In manusa I to indicae how k varies from the 1915 1918. Secuply non-vulntanties and miner construct may not be associated	
	<ul> <li>Kurd cefts lasticous that the respective provision than not evidence orthonories it nignificantly different from the UESA. Thirtie provisions sign</li> </ul>	
	genéraly aut constanted. Cels au market les whèm so thate lawycevá ba has be à Ried fied that corresponds to a politicular USA: acciden, Cell reserved for a thiblines i aformation are also earlies a ret.	
	<ul> <li>Some about four conditor operage UPA provision from their version, or the provision would be reduinform of existing state load.</li> <li>Applicable state statement of challes in invest interests provided above.</li> </ul>	
	Annsterline:	
	*-Limited in all the distribution of the first has been included in a state is stated, but does not evid in the 47%. That that is striken through it	
	iongwage todated untilentie UTSA total a state for contrest from its circula.  Anastonio o ore primarly intented to denote substanties, rether than asweed differences. As intily came count differences in younging.	
	evinteenties, and formating how not have noted. In some cones, where the first first amountainess side entirely substantiae and indicate extending a state is provided offers as managing from a corresponding providers in this UTSA.	
	All annotations compare the state's knoppings to the ownered \$595 UTSA. However, a decision of topics have subjected the original.	
	1979 UTSA, hie not år inter amendisents. Desa states vill have sägnligens differences in Neit "legiocolie Robel" "Domograf" tild Viffest on Ottor Low" vestions for participaj.	P*

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## Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

Fed/State	Uniform Trade Secrets Act	Artic Rev. Stat. Ann. §§ 54-461 - 44-407
UTSA Version (Allopted Allopted Definition: Presentle and Historical Research Allopted Allopt	1995 version As used in this (Act), where the context requires otherwise.  (2) "Imagine mane" includes that, ballers, interpresentation, treach or indusement of a based of a duty to maintain secretary, or exponsing binough decreacy or other mane.	345-44111 5-6-4-4111 Some as UTSA
Definition:	(2) *Miss porposition*, meens.	§ 44-401(2) Some as UTS4
phaire	(i) expendition of a trock some of a contine tips a particle with times or this reason to invite the trade secret usis acquired by improper repairs; or (iii) disclosure or use of a basic source of a matter without express or implied consent by a particle without express or implied consent by a particle without express or implied consent by a particle without express or improve matter to device the continue of t	
Definition Person	(a) "Percent many a natural person, coporation, juenes trap, establ, lour, particológ, production, jord variant, gorárment, gorármental sabilidades or agency, or any other legal o' commercial exist.	Same or UTSA
Defeation Taxos Secret	4. "Trade sector" means information, including a formula, pottern, complication, program, device, method, contribution, or process, charge.  (i) Jennis independent economics make, attail or processful, from our bring parently freem to, and not being quarterly means by contribution of the process of the pr	3-4-40(4) Some as UTSA
Defewtions Size in UTSA.		

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## Trade Secrets Acts Compared to the UTSA

PachState	Uniform Trads Sergin Act	Adia Anv. Stat. Ann. 153 14 401 - 51 400
injurative Relief	(a) Actual or threatment insappropriation may be enjamed. Upon application to the court, an injunction shall be terminated when the trade secrat has caused to exist, but the injunction may be continued for additional reasonable period of thine in order to eliminate commercial adventage that otherwise would be derived from the midappropriation.	5-44-402, Injenctive relief Same as UTSA
	(b) In exceptional circumstance, an injunction may condition future use open payment of a reasonable results for no longer than the period of time for which are could have been enrichabled. Exceptional circumstances include, but are not limited to, a material and prejudicish change of position prior to acquiring involvedage or plasma to leave of misappropriation that readers a prohibition signature in inequalities.	
	(c) in appropriate circumstances, effirmative acts to protect a code vected may be composited by court order	
Damages	(a) Except to the extent that a metarist and projudicial change of position prior to acquiring knowledge or reason to know of misappropriation readers a monetary recovery inequalities, a complainment is emitted to	§ 44-403 Some as UTSA
	necesse sampage for misappropriation. Damingse can include both the actual loss caused by imisappropriation and the unjust emochanic council by imagencerism that is not been into account in companing actual force in law of demagae manuscularly any other methods, the demagae caused by imagencerism edit is misappropriation of liability for a misappropriation sustainable countries.	
	(a) if wilful and malicious mesappropriation exist, the court may swand exemplary damages in an amount not exceeding thirds any award made under subsection (a).	
Attorney's Fees	#(i) a claim of misappropriation it made in buf faith, (ii) a motion for terminate an injunction is made or resisted in bad faith, or (iii) willful and milicious misappropriation exists, the court may award reasonable.	\$ 44-404, Attorney fees Surier or UTSA
rens.	resisted in pacticity, or land warms and malicinals missippropries on exists his court may avoid described attorney's feet to the prevailing party.	Source on U. Sir
Preservation	In an action under this [Acc], a court shall preserve the secrety of an elloged trade secret ty reasonable.	§ 44-405. Preservation of secrecy, definition
of Secrety	means, which may include granting protective orders in connection with discovery proceedings, holding in camera happings, seeling the records of the action, and containing any person invaried in the liftigation not to disclose an alleged trade secret without prior court approach.	Same os UTSA
Statute of	As action for misappropriation must be brought within 3 years after the misappropriation is discovered or by	\$ 44-406
Limitations	on account or interpropagation may be integed victims a years after the interpropagation of consovered to by the exempts of inscone-ble diligence should have been discovered. For the purposes of this section, a continuing misappropriation contributes a single claim.	some as UTSA

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## Trade Secrets Acts Compared to the UTSA

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Fed/State	Disform Trade Secrets Act	Arice Ray Stat Am. 35 44-401 - 44-407
Effect sea Other Lane	(a) locage a provised in valuescrice (ii), the fact displaces confirming one, restminurary, and other law of the State powding, or immediate for miscappenhar of a trade ascent.  10: The fact) does not affect.  10: The fact) does not affect.  10: The fact of the provision of the state of the	9.44-407 Sense av UTSA
stratoentry of Application and Construction	This [Act] shall be applied and controver to effectuate its general purpose to make uniform the law with respect to the subject of this [Act] among states exacting it.	
see e ability	If any portions of this Lind or its application is on yearon or concomments in late investible the investible too me of first coffee promisions or applications of the Boath who has a given effects where the investible portions or application, and to the west the presentant of the Kell year severable.  This level of absumpts in commonly to expend or for these times missed and promise are supplied to the common of the co	Cohern Acts, 1989-34 509, 1932 (1779).  Subtract and Go to exercisely here passable and consultant with regulative arrend.
House, Indicating House, Indic	otherine and 1994 recent to a north our measurement and the hear from the first dawn, the first also, the first dawn, the first dawn the first dawn, the first dawn of the continuous going position took that accomplisher the effective data.	

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## Trade Secrets Acts Compared to the UTSA

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Fed/State	Uniform Trade Secreta Art	Arlians Arli: Res Stat Are: \$6 40 201 - 24 407
Additions II		
In General and	Green in the desired UTSA 2005 version.	
Unless Otherwise	<ul> <li>While only judgets that the respective proximals equivalent to the assential 1985 UFSA. While the every working and forwarding and forwarding the class is no provided in the every working in control or "Some as UFSA" while tential or</li> </ul>	
Specified	formatike difference was with Whom these difference are nove pronounced, but sold no response substantial distinctions from the UTSA also note are moraed Nutstantiesh identicatus UTSA."	
	<ul> <li>Pallow outh features that the respective previous is a subcomplete mostified we win of the NESA, in practice some of these</li> </ul>	
	musification and parameter in channels when various contraction and present and contraction of the parameter	
	<ul> <li>But path indipote that the respecting growing maps may early or otherwise it significantly different from the UTSA. This is provided the period of the respective form that the corresponds to it positions UTSA.</li> </ul>	X 42 1
	rection. Cells reserved for activities information are also reminest out.  Some states have switted yearlie UESA provision from their version, as the providic a would be retingulant of practing state links.	
	Applicable sums reprints or objetion is to most increases provided above.	
	Acestoches	
	<ul> <li>Executive form of the discoverage that has been declared in a state in channe, but above not every leads ATSA. Four that it inhibition through it impulses individed within the INSA that a state has considered from its compute.</li> </ul>	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
	* Annotation we primary invested to denote substitutive, rather than to also in Africance. As the house constitutive and phoning	
	parativistica, antifermititis; time maticen acted, la some exter, when identified, institution we entirely extramite antifecture entralizar a sense i provinca affers in mesains from a consequenting provincial in the UTSA;	
	* All anostonice compare the viole's impage to the ownerfed 1995 UTSA. However, is exhibited for come than enlapted the original	
	* As anostations compare the trate's angulary to the own-mail 1905 O'15A. Founds, a signific of states have adapticable organis.  1979 UPSA, but not its latur generalization. These status will love significant off-eveness in this "Injunctive Relia". "Downsyns," and	V <sup>2</sup>
	"Effect on Other Law" ventions Supervisates).	

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# Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

Fed/State	Vallarii Trada Serret Act	AVE. Code Ann. 35 4.75 601 4.75 607
UTSA Version Adopted	1985 kernice	1579
Octinitios Presmole and inter-gen Magic	is send in this [Art], unless the content requires character.  (1) "Improper mean" include that, (share, inserpresentation, breach or indicement of a based) of a day, to restrain section, or expossage through electronic or other means;	5475-60U)) Some at UTSA
Definition: Missopro-	[2] "Missporopration" meens.	54-75-601(2) Some as UTSA
princes	Of security of a trade secret of another live person who have on the resure to better that the trade secret via sequeled by improper messary or improve the secret of the secret via secret	
Person	verture, government, governmental statisvative or agence, or any other legal or commercial shiftly	Some of USA
Perindities Trade Secret	(4) "Trode sevent" means information, including a formula, pattern, complication, programs, derives, methods, includings, company, characteristics, company,	\$475-400(4) Some as UT\$4
Confidentials New in 1975.6		

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# Trade Secrets Acts Compared to the UTSA

Fod/State	Uniform Trade Secrete Act	Ark. Code Arm. 53 4-75-607 - 4-75-607
isjunctive Redief	(a) Actual or threatened minappropriation may be enjoined. Upon application to this count, an injurisor in tall but arrainment of which the tales seven the accessed to sole, that the injurisorium may be continued for an additional reacceptable period of time in order for all ministra commercial velocities go that otherwise would be derived from the minappropriation.  (b) In equationary Commissionary is injurisorium or condition feare are sport as minerit of a prescribele.	5-75 60-1 Importance.  (a) Actual or threatmend minia propositation may be enjoyined.  (b) Upon application to the court, as inspiration shall be terminated when the trade securit has caused to entire flavours, the improvement property in the property investigation and procedured for an additional reasonable period of time in order to
	(g) in designous concombanica, a triginaction are presented trained as specia periorities of a descension investigit form collegals than the particle of trains for which case could have been prohibited. Exceptional concombance include, but are not limited to a material and prejudicial shange it position prior to acquiring investigate or represent to feature of inseptopotions that medican a prohibition registration inequalitation. (c) this appropriate circumstances, affirmation acts to grotest introduces a sometime training laboration and prohibition of the circumstances.	of minists commercial advantage that otherwise would be derived from the misaponopration.  (c) Association incommission of the court determines that it would be unreasonable to arothlost fitting use, an improve condition future are upon payment of a reasonable togeth; for no longer than the particular fitting the country of the payment of the paymen
		material and polyhelicid change of position prior to expering lawsronge or response to imms of mingaperportial that makes a polyhelika mynetian inequitalism (d) in appropriate orcumstances, affirmative acts to protect a trade secret may be compelled by controller.
Decragos	(I Except to the extent that a material and prejudicial change of pointion prior to acquiring involving or associate frame of misappropriation renders a montary second prior included a complainant is entitled to recover immages for misappropriation. During extensive a school bettle to state in the state is maken to misappropriation and the suprial mechanism could be impropreparation than on the taken into source or companing prioral between the suprial countries of the prior to source or companing prioral.	5 4 75 406. Dermages
	loss. In faul of dimages intersent to any other methods, the damages caused by misapatopristion may be measured by imposition of liability for a reasonable systily for a misaparoprists is wealthorized disclosure or use of a trade secret.  (b) if willful and malicious disappropriation exists, the court may award exemplary damages in an amount	<u>monther relief</u> a typical real resembleds may record change for misuperpresentes. Disreger one seedule seek the strait for crossed by misoppropristing, see: this <u>Access area for more record for the equilibrium crossed by misopproprists</u> that is not steam into scores in computing designing for charge for the seedule encounter of the control of t
	not accepting thick any award made order subsection (a)	comings career by interpolaration may be recovered by important in sometimes to conscious experit to commengation in resolutions of femous are and all calciforation.  12. If sulful and missions in suppreparation audit, this court may except exemplary demages in an amount not expecting freque the damages awarded under (s) of this coulon.
Attorney's	If (i is claim of missporopoints in made in bad finit), (ii) a motion to seminate an injunction is made or resisted in hald finit), or (iii) willful and malicious inicaporophables exist, the court may award reasonable	5-175-607 Altumey fees Some or (ITM)
	ottomy ( feet to the previous grant).	
Preservation of Secrety	has not noted the LPCIL cours half general his section of an illigated late specific harmonic manner. The manner is simplection to decrease the process of the manner is simplection to decrease presenting, collegely common hearings, sealing the second of the action and ordering an parison problem in the flightline not to disclose an alleged trade second without prior count approximation.	5 4-75-500 Some as UTSA
Statute of Unitations	So a case for image-proposition must be incustly within 5 years of the the image-projection is discoursed or by the exercise of reasonable collegence should have been discovered. For this purposes of this section, a continuing misappopulation constitutes a larger claim.	5.4-73-603 Sente as UTSA

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# Trade Secrets Acts Compared to the UTSA

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Fed/State	Uniform Trade Servets Act	Forkansus Ark, Code Ann. 59 4 73-602 4:75-607
ffeet at Ther Live	Langua as procedure in classaction (I), the Charl Anglesia conflicting fors, establishesis, and other law of the street consider case immediate for integrace products of a Trade search.  (b) The (Charl Section of affect)  (1) Contractual immediate, whether or this lawsed upon immappropriation of a Trade search.  (3) Criminal remediate, whether or the Search upon immappropriation of a Trade search.	3 - 13-460; Effect on other law in Easter a propriet in plantation (a) This subchapter displaces conflicting tot, methodrovary, and other that have participate (so of habitaly from insprappiopristics of a trade server.  If This subchapter date, on of firsts.  If This subchapter date, on of firsts.  If I subchapter date, on of firsts.  If I subchapter date, on of firsts.  If I subchapter date, on other conflictions of first subchapter date in the subchapter date of first subchapter date in the su
deferrite of application and anstruction	The [Met] built is applied and control of efficients in parent purpose to make uniform the law with respect to the subject of the [Met] among tables exacting it.	
seuscalality	also provides of this [24] or to equivalent to any period or environments and the least the second of the control of the second of the control of the contro	As Code Am. § 12-207, Swembling of provisions.  The provision of spots and every set revoked by the General Assembly after July 24, 1973, are codered to the second assembly after July 24, 1973, are codered to the second as a finish set of the provision of the set which can be preceded as the second as a finish and affect other provision of the set which can be given effect without the small provision of the set which can be given effect without the small provision of the set which can be given effect without the small provision.
Section of Section of Section of Section of Section of Lading Films at Lading Films at Lading Films at Lading Films are section of Lading Films at Lading Film	This End tables effect on end does not apply to miseapreneution occurring print in the defective data. (White present to a continuing miseapreneution the leaves print for the effective data. (White print	

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## Trade Secrets Acts Compared to the UTSA

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FedVState	Dalforni Trade Secrete Act	Arkansas Ark. Code Ann. 48 4.75-601 - 4.75-602
Additions II		
		43.
in General and Unless		
Otherwise Specified	<ul> <li>White orth Indicate that the respect for projection in equivalent to the amended 1985 UTA. While the exercise design and for mathing may differ, there is no material authorized to differ each. Where a reputatory provision is transland "Some or UTA" miner leaded or</li> </ul>	
	Foresating differences may exist. Where there differences me more pronounced, but still to not procent substructive detrictions from the SFSA, the cells are marked "Substantisheh-klentical to UFSA."	
	• talkow ook indicate that the respective provision is a submantiscly modified wer lim of the HTSA, in practice some of these	
	anodflordine may utimusely be insignificant, to other cases, doe subtanesks differences require attention. Language in the yellow colle is anaetoded to indicate hour it series from the 1998 UTSA, though non-substancte and union metallicis rice not be encoded; in	
	Sectionité indicate that the respecties province dans une coire ce attenuées à rignificantle different from the 1975 A. Thiris provident inte	4 <i>(3</i> . )
	generally use amustated. Calls are marked each where resulted has providing hot been directlifted that corresponds its injustibility LITEA. LOCKION, Calls reserved for individual information are view marked red.	
	Some stones have contact uposeful UTSA providens from their version, so the providen would be entiredual of ordinary state law.	
	Applicable state statuta or obtaine is in menu incounces provided above.	
	Accessione:  *-involvement era: in hanguage what has been included in resum 's stancto, but door not evolg in the UTSA. Text stork indiction through it	
	language (voludes) within the UFSA that a rate has another from its associe.	
	<ul> <li>Amountainer one primarily intersted in denote substantive, rather than tempty differences. As sight, some sound differences in phone ing.</li> <li>Construction, and for mathing have not been zoted, in come cover, where also likely in materials due entirely relationable and indicate</li> </ul>	
	only when a cetta's position after in mening from a conceptuating position in this UTSA.	
	<ul> <li>All announcing to compone the state 's language to the name and TRES UTSA, however, o switcher of states have adopted the original 1979 UTSA, has not as later amondowns. Here a rates will have signify our differences in this 's famelies have,' Domogra,' and</li> </ul>	
	*Effect on Other Law" vestions (in positivales).	

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# Trade Secrets Acts Compared to the UTSA

Fed/State	Utilionii Trade Serrets Act	California California 3446 Unform Juda Sapreta Acc
UTSA Version Adopted	1995 version	
Definition  Cleamble and  Advanced  files are	As usual intelligence (unions the context required undersome).  (I) "Improper means" includes their, bribers, intelligence and the inducement of a breach of a data to maintain access, or exposing although electronic or other means.	5-34C-Life Improper meno* include theft, today, menophereration, treach or inscenent of a breach of a duty to improper meno* includes the dynamic or of the meno. <u>The certain appointing or inflamental</u> departure above their body combined improper menu.
Definition	(2) "Mesuppropriation" means.	5 M26 1(b)
None pro- prietion	To appare the control of the state and the state of the state and the st	Some or UTSA
Parson	senting government, governmental substitution or against, or as substituting for communical methy.	Person means a carried person, corporation, basiness trust, estate, trust, personship, <u>limited abolity, consens, personship, joint venture, government, phenomental audidicision or spano, or any other legal or communical venture.</u>
Definition Courte Secret	H. Yadiy server means information, invoking a formular, pattern, companion, angelin, ductors, method, technique, or process, Cher.  (i) demonst independent economic various actual or potential from not being graterially absorbed to proceed the control of the c	I-Mod-Lied  Trade secret* means information, including a formula, pattern, complation, program, device, method, technique, or process, that  II Device independent economic value, scala to potential, from not being aparallel, from to the enable of the complete independent economic value, scala to potential, from not being aparallel, from to the enable of the complete independent economic value, public or ignificant process who can obtain economic value from its disclosures or one, and  If it this outlyings of efforts that are reasonable under the circumstances to maintain its secret;
to-distribus,		

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# Trade Secrets Acts Compared to the UTSA

Fed/State	- Uniform Track Secrets Act	California California 8924 Uniform Trade Septem ACT
Equation Paint	In Actual or Invasional imageopropristion may be enjoured bytes application to the court, an imprection shall be actually as the second of the court and invasional particular of the second of the application of the	
Charriagua	as it people to the earself that a emsternal and projections the large of position point to excelling involvingly or considerable that the second consequence of mining properties of people or an extensive formage of the consequence of the co	\$ 340.5.1 bernager, revalue, peemplany demager  (5 blooks shall provide be a second provided being of smillion per to sequence, because of the control of th
Atterney's	(ii) a daw of misopropriation is made in lad flam (ii) an extend to terminate an important is ringle, or manifest made from (iii) misopropriation exists, the over may severe transcends statement of lad first (iii) misopropriation exists, the over may severe transcends attacking it feet to the premating party.	E-place 6, downwing extroney is feet and contol.  By claim of misapproprietion is made in load fields, a motion to terminate an enjunction is made or nesisted in seel find, or write and misapportant works. The court fine, a wavel macropium is showny's to see find, or write and make court management of the court fine, a wavel macropium is showny's that services of court or write and make the court of the c
Presentation of Secretary	is an ector under this (PoCL, cours) held prevent the periods of an inlegad how served by resconsible manner, which may involve granting problems downs a downstend not downsy proceedings, helding for annex hearing, sealing the scored of the signos, end coloning an garnot strokled in the lifegation not to discuss an analysis funds secret in which parts concludes an analysis funds secret in which parts concludes any analysis of the secret in which parts concludes any analysis of the secret in which parts concludes any analysis of the secret in which parts concludes any analysis of the secret in which parts concludes any analysis of the secret in which parts concludes any analysis of the secret in which parts concludes any analysis of the secret in which parts concludes any analysis of the secret in which parts concludes any analysis of the secret in which parts concludes any analysis of the secret in which parts concludes any analysis of the secret in which parts concludes any analysis of the secret in which parts concludes any analysis of the secret in which parts concludes any analysis of the secret in which parts concludes any analysis of the secret in which parts concludes any analysis of the secret in which parts concludes any analysis of the secret in the se	§ 3426.5. Preservation of secrecy is judicial proceedings  Some os UTFA
Statute of Smithalians	An autom for irreappropriation must be trought within 3 years after the minappropriation is discovered on the oursers of reasonable difference include have been discovered.  For the purposes of this section, a continuing minappropriation constitutes a single claim.	\$ 3926.6. Time for bringing action Same as UTSA

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# Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

Fed/State	Uniform Track Serves Act	California California 2420 Uniforni Trabi Sarreis Act
Effect on Other Law	(a) Everya growted in absoluce (b), this [Art] displaced conflicting bot, emphatisman, and other low of this State providing in remediar for managements of a tribute securit.  (In This Left does not either.  It is a first of the security	Is 3-24.7. Contraction with other citation, other emerging, pricious of patic records  sol Europe or provided in education (ed.), the 1-104 displaces confirming loss, mathematicans, and other households.  Solid Europe or provided in education (ed.), the 1-104 displaces confirming loss, mathematicans, and other households.  Solid Europe or education (ed.), the 1-104 displaces confirming loss, mathematicans, respirate solid to the improvement of the 1-104 displaces (ed.), the 1
Uniformity of Application and Construction	This [Act] shall be applied and construed to effections it general purpose to make uniform the law with respect to the subject of the [Act] emong status resecting it.	§ 3426.8. Application and construction of title Same or UTSA
Severability	Every provision of this (Not) or its application to any percent or committeners in the limited, the mailties are set effective from provisions or application of the (Red) which is the given affects without the invalid promises or application, and to this work the provisions of this (Red) are screening, which is always of applications or application, and to this work the provision of this (Red) are screening with the screening of the screening percent invalidability attacker. For finite screening invalidability attacker, for finite screening invalidability attacker, for finite screening invalidability attacker, for finite screening invalidability attacker. For finite screening invalidability attacker, for finite screening invalidability attacker, for finite screening invalidability attacker, and the screening invalidability attacker in the screening invalidability attacker. For finite screening invalidability attacker, and the screening invalidability attacker in the screening invalidability attacker. For finite screening invalidability attacker, and the screening invalidability attacker. For finite screening invalidability attacker, and the screening invalidability attacker. For finite screening invalidability attacker, and the screening invalidability attacker. For finite screening invalidability attacker, and the screening invalidability attacker. For finite screening invalidability attacker, and the screening invalidability attacker. For finite screening invalidability attacker, and the screening invalidability attacker. For finite screening invalidability attacker, and the screening invalidability attacker. For finite screening invalidability attacker, and the screening invalidability attacker. For finite screening invalidability attacker, and the screening invalidability attacker. For finite screening invalidability attacker, and the screening invalidability attacker. For finite screening invalidability attacker, and the screening invalidability attacker. For finite screening invalidability attacker, and t	5 142.9.5 Immetallifyed growscons Some as UTSA.
Addition on Roton Roton Roton Privilege Privil	This (Jeff) policy effect on	5.95E. In this paper with the country of the Sharks 1, 1855, against the first is sufficient to the Sharks 1, this paper with the summary of the Sharks 1, 1855, and the summary of the su

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## Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

Fad/State	Uniform Track Secrets Act	California Cal Coc Code 5 3426 Uniform Trade Sensots Act
Additions N		
	1000	
		.00
In General and Unless	Green Cells deviate UTS A 1955 version.	
Otherwise	<ul> <li>White oath indicate that the respective produces is equipted to the presented 1985 UNSA, White the exect worders and formations analytics, there is no material collections, Affection. White is statutory provision is marked as "Some as UTSA" infanctionaries</li> </ul>	
Specified	Amending of the control of the contr	
	the UFSA, the celo are marked "Substantively Monitorita UFSA."	460, 1980
	<ul> <li>redow up to indicate that the respective provision is a substantively modified you hald the HISA. In practice scare of these</li> </ul>	NA 7
	modifications may obtainably be inclinational tradies access the substantial officences require attention, Language is the yellow cells in mandatest to indicate from its union from the 1905 OFFA through non-systematic and minor containing may not be mandated.	
	* Start with indicate that the reposition provides down and extens otherwise is algebraically afferent from the ODSA. Their provisions dis-	
	generally ast manufacters. Cells are marked end where no state has provided has been should dust constitute to a particular of the second state of	
	nection. Celts reserved for indibilismi information are used auniked upt	
	Some under how condited specific UTSA provision from their version or the provision would be redinated of critical state that.	
	Apprijoshila resute reasure or chiscian is in quare instances provided above.	
	Ansatolines	
	· Growth white of the angle of the street free the street in the street in the street of the street	A. 18.
	transpringer knobulated with his lift of it from a sender from the stranger.	
	Assestations are primords intended to denote substantiae, rather time to utual differences. As outly come result differences in planting.	
	paratostina and furnisting laws not be a notice, la come const, where the object insecretions shi state is extended and indicate a control provision before a control provision before the UTSA.	
	Nacces 100 (100 (100 (100 (100 (100 (100 (100	Fig. 1
	<ul> <li>All autotrations or appear the state's language to the amended 1985 UTSA, However a guidant of states know adopted the original 1975 UTSA, but not its bret amendian mt. These states will have significant afforences in their "highrotion Rebid." "Compages," and</li> </ul>	N <sup>2</sup>
	*2) or Orland Law Sursing Companies (in particular)	

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# Trade Secrets Acts Compared to the UTSA

Fed/State	Dalleriy Trade Secrets Act	Color Ren Statt Ann. \$5 7-78-101- 7-74-110 Uniform Trade Secrets Act
UTSA Version Adopted	1985 version	100%
Definition: Preamble and	As used in this [Act], unless the context requires otherwise:	5.7.74-102(1) Sorrie as UTSA
Improper Means	(1) "Improper means" includes their, bribery, insrepresentation, breach or indusement of a breach of a tiply to maintain sucrecy, or exponence through electronic or other means.	COLLINE CO CO CO
Definition: Magazine	[3] "Misappropriation" means:	§ 7-74-102(2) Substantively identical to UTSA
puston	(i) acquisition of a trade secret of enother by a person who knows or has reason to know that the trade secret was acquired by improper means, as	pulastantivery identical to 0154
	(iii) disclosure or use of a trade secret of another without express or implied corsent by a person who	
	(A) used improper means to acquire knowledge of the trade secret; or  (B) at the time of disclosure or use, insiv or lad reason to know that his browledge of the trade secret.	
	was (I) derived from or finough a person who had utilized improper means to acquire it.	
	(f) acquired under circumstatices griving rise to a duty to maintain its secrecy or limit its use or (iii) derived from a through a person who proved a duty to the person seeking relief to maintain its secrecy or limit its use, or	
	secrecy or limit its use, or  (C) before a material change of his for her) position, knew or had reason to know that it was a trade	
	secret and that knowledge of it had been acquired by accident or mistake.	
Definition: Person	(3) "Person" means a natural person, corporation, business trust, estate, trust, partnership, association, joint venture, government, governmental subdivision or agency, or any other legal or commercial entity.	Colo. Rev. Stat. Ann. 9-2-4-403(8)
		Parson means a salured person any individual, corporation, government or governmental subdivision or agency fusiones trust, exists, that, inches institut company, partnership, association, or other legal ex- commenced entity.
		\$7.94-103(3)
		Repealed by Laws 2005, Ch. 352, 5 347, eff. suly 1, 2004.
Definition: Finde Secret	(4) "Trade secret" means information, including a Tormula, pattern, compilation, program, device, method, technique on process, that	§ 7-74-102(4)
	(I) derives independent economic value, actual or potential, from not being generally known to, and not	Trade secret reserve information including the whole or are portion or phase of any scientific or technical information, settlem, compliation, program, device, mathod, technique design, process, procedure, formula,
	being madify accertainable by proper means by other persons who can obtain acceptains value from its disclosure or use, and	Improvement, conflicintal business or from rula Improvemento. Inting of numes, addresses, or feelingene, numbers, or other information relating to any business or sortession that devices endops and my lateral solder, adultal or potential, from not keing generally known to, and not being residing acceptamble by proper-
	(ii) is the subject of efforts that are reasonable order the circumstances to maintain its secrety.	means by, other sensors who can obtain accromic value from its disclosure or use, and <u>which is secret and</u> of value, is the colorest of offers that are reasonable under the columns are a maintain the colorest. To be
		a "trade secret" the owner theireof must have taken measures to prevent the secret from becoming available to decome other than those selected by the owner to have access thereto for limited oursones.
Definitions Not in UTSA		
MIE NE O I SA		

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# Trade Secrets Acts Compared to the UTSA

Fed/State	Ligitoria Track Secrets Act	Code, Rev. Stat. Ann. 84 7-74 101 - 1-74-110 Uniform Trade Secrety Act
Rejunctive Read of	(a) Actual or financians map operations may be explained. Your application to the court, an injection called be extensibled only not translation and the court and applications of the court and additional reasonable period of time in prior to eliminate commercial administry after administration and additional reasonable period of time in prior to eliminate commercial administry after other consistency and administration of the court of the cour	5.7-4-100 important reliable. Term pursuity paid from important including affirmation acts may be greated as culti-aquitable forms on the most bearing associable to proceed as each state of the hopping of management according to the decision.
Denote:	(a) Except to the extent that a makerial and psycholoxis drange of accition pice is accounted involving an extension form of improprietation enteries or monoting recessory insequentials. a complement or extitled in received in manages from inseparation. Dismajers on include both the actual lost crisered by inseparation control of the improvement caused by inseparation that is not include in one document compring actual form. In least of during an inservant or allowing in the control of subsequent production and in the control of subsequent production and in the control of subsequent production country for account of subsequent production and in the control of subsequent production (iii).	3,774-109. Damager  (1) Except to the statest that is malerial and projection (change of position prior to acquiring innovinding or massers to know of immegracy interview and interview of immegracy interview or immediately a complainant is entitled to receive dramager for image propriation. Compages were gig; misside both the extra lines coursed by receiving manager for image propriation caused by receiving manager for image propriation and in a consist of the compage propriation of the control of the compage propriation of the
Afformay's Fees	If (i) a claim of misappropriation is made in bad faith. (ii) a motion to terminal an injunction is made or monthed in bid faith. If (iii) which aid misables interpreparation what, the tour may award recovered extensive a feet to the previously plant;	\$ 7.78-300. Attorney's teas Sorie on UTSA
Preservation of Species 9	is an action under their (Act), a count of half previous the selects of an inlegational scene for an action and action actions are considered as a count of the selection and action act	5.7-74.30s. Presentation of secrety Some or UTSA  8.7-24.107 Statute of Environment
Statute of Directations	As action for misapopropriors must be trought within 1 years after the misapopropriors is discovered or by the action of misapopropriors and the best discovered. The second of the section of misapopropriors of the section, a continuing misapoproprior contributes a single dism.	1 3 7-94-107: Statute of Emritations Seene do UTSA

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# Trade Secrets Acts Compared to the UTSA

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Fed/State	Uraffone Track Servets Act	Color ado: Colo, Rev. Stat. Ann. \$47.7-3.201. 7.7-74-223 Uniform Tudo: Septopts Act
Effect on Other Law	(a) Every as provided in subsection (b), this (hed) displaces conflicting text, restrictionary, and other-law of this (letter provided) with smealers for intersepropriation of a trade-exert.  (b) This (Act) shoes not affect:  (c) I the confliction of the confliction of the confliction of a stade-exert.  (d) I chain resil kneedle in the confliction of the confliction of a stade-exert.  (e) I chain resil kneedle in the confliction of the confliction of a stade exert.	6 779-100. Effect on other law Some as UTSA
Construction Application and Construction	This (Fet) shall be applied and continued to effect with the governor propose to make auditors the law with expect to the audient of this (Fet) among states exacting it.	\$ 7.79-109. Uniformity of application and communities  Some or UTSA.
Swore at Mily	If any position of the [Act] on its application to any present or circomistance is held real-lift, the moletaly does ent. a fiftent other provisions or applications of the [Act] or large on the provision of the provision of the [Act] and provisions or application, and to take end to the end of the [Act] are sensedule.  If the provision of the provision is required of take it was extracted period and end of the provision of the [Act] are sensedule.  For those states that allows precisi expectability transpir case days client as provision or a case that summerical case that are sensed to the end of t	\$ 779 11 Seventibly. Some as USS.
Addition or Messa in the Addition of Messa in transling of Sense In Edward Sense In the Addition of Sense In the Addition	The LPCI take effect on and does all algoly to recognization copyring port to the effective date. We repeat to a continuous an imagesproprise that he place you are a formation and a series of the place of the continuous misagesproprise that occurs after the effective date. We repeat to the continuous misagesproprise that occurs after the effective date.	

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## Trade Secrets Acts Compared to the UTSA

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Fed/State	Uniton Trade Secrets Act	Galos Revi, Statt. Ann. 15 7-74-101 - 7-74-140 Uniform Wada Sacraty, Act
Additions ti		
		À
Unitess	<ul> <li>Green cells denote UTSA 2985 works.</li> <li>While cells indicate the respective gravities is equivalent to the assented 1985 UTSA. While the exect wording and by certifier</li> </ul>	, *** <u>.</u>
Otherwise Specified	mayal@er, there is no material sylectantike difference. Where a statutory provision is somitted as "Lones as UESA" misos tentral or	
	formating differences was east. When these differences are more pronounced but till do not prevent retriamine distinctions from the UFSA, the zelo are marked "Substanties's Manticates UFSA,"	
	<ul> <li>reference in integer that the respective provision is a substantively multipled version of the STSA, in practice come of these</li> </ul>	
	modflastive may ultimately in igofficat. In other acce, the substantive differences require attention, Longways is the yellow solk is anaptated to indicate how it writes from the 1910 UTIA through non-rubstooks and asine variations are sait be anaptation.	
	<ul> <li>Replacify indicate that the reprecise provision from extent or otherwise it eightframed rife on the OTA. These provisions due on eatherst animates. Other are marked redwarms on time tone provision has been breakfest that corresponds to it (either UTA).</li> </ul>	
	nection. Cets reserved for authlisiant information are also number rest.	
	<ul> <li>Some states have undated specific UFSA provisions from their version as the provider would be redividuor of existing state blue.</li> <li>Applicable rate secure or chation it is most in each provided above.</li> </ul>	
	Anastorica;	
	viaminism have in happage that has been included in extrate's statute, but does not using lathe UTSA. Yest that it it in his permitting it is Impropel looketed within the UTSA that a state has contact from its statute.	
	Annatative ove primarily intended to denote substantive, rather than sensely difference. As sixtly, to our constitution on the photosing.	
	prinstrontiva, veril formatikaj kimie mat buvo instrut, la locate coraci, viturio ĉid rilifikaj latectontivo lital estabati substantiva cond kadinate Locky viture a statis is providi pa alificir la invencing form a conceptantikaj provincia kitali III (4).	
	* Allonsotations congress the state is longuage to the amended 1865 (FEA, However, a modifier of states face adopted the original 1972 (FEA, but not to have amendment. There states all have significant affectance in their "figurative field." Comague," and	
	"Effect on Other Law" sections (in particular).	

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# Trade Secrets Acts Compared to the UTSA

Fad/State	Usaforin York Secreta Act.	Connectivity Connectivity Connectivity Ann. 55 15. 30 - 35 158 Uniform Trade Search Art 1979
Adopted Defention:	As used in this [Act], upless the context seguines otherwise:	\$35-51(a)
Preside and Improper Alegan	<ol> <li>"Inproper meen" includes theft, incluy, microprocessation, breach as indicement of a breach of a dury to maintain secrecy, or episcing-enhanced electronic or other means.</li> </ol>	"Improper misers" includes their bribery, primapsescration, breach or inducement of a breach of skill, to maintain sensor, or explanage through electronic or other means, <u>including countries through train</u>
Definition	(2) *Misspropristion' mess;	\$ 35 SN(b)
Effeeppo- pration	(i) adjustition of a trade secret of another by a person who linears or has reason to brow that the trade secretimes applied by improper mises; or (ii) disclosure or use of a trade secret of another without express or implied consent by a person who	Acquirition of a trade secret of another by a person who knows or has reason to know that the tode secret was acquired by improper means, or     Ordinary trades acquired by improper means, or
	(A) used improper means to equipte browledge of the trade secret, or (a) at the time of disclosure or one, been or had reason to look that his browledge of the trade recret was:	(A) used improper means to acquire knowledge of the trade secret, or  (B) at the time of discitture or use, linear or had reason to know that his knowledge of the trade secret.
	(i) derived from or through a person who had utilized improper means to acquire it. (ii) acquired under crownextering plaing risk to a delay to hardron it is access or limit its uses or (iii) derived from or through a person who need a dust to the person seeking relief to maintain its secrety or limit its use, or	(f) devised from at through a perion who had obliced improper means to acquire it.  (ii) appoint under circumstances gaing rise to a duty to maintain its secrety or limit its use.
	(C) before a material change of the (or hard position, leave or had material to lines that it was a trade secret and that increadings of it had been acquired by accident or middles.	including for the filmings to disclosures made under section 1,210, sections 31,401 to 31,400, includes or subsection (c) of section 12,52, or  (iii) derived from or throught a person who owed a duty to the person seeking reflect to maintain its secretic or limit its use, or
Definition	(3) "Pericin" means a ristoral person, corporation, business trust widate, trust, partnership, association; joint	(C) Sefore a material change of his position, below or had reason to know that it was a trade secret and that knowledge of it had been acquired by accident or mistake.
Person	ventuere, government, governmental auditivision or agency, or any other legal or commercial entity.	Person means a natural person, concertain, limited liability company, business trust, estate, trust, participing, a societion, jorit verture, government, governmental subdivision or agency, or any other legal or committed anity.
Definitions	(4) Trode secret mean information, including a formula, pattern, completion, program, ayise, method.	\$ 33-551(d)
Trada Sécret	technique, or process, that  (i) derives independent aconomic solue, actual or potential, from not being generally known to, and not being readly scretainable by proper means by other persons who can obtain aconomic value from its disciplant or use, and	Notwithstanding the provisions of sections 1/210, 33:40 to 33:40 is inclusive, and subsection (cl. of section 12/20, inclusive, and subsection (cl. of section 12/20, include secret "means information, including a formula, pattern, complation, program, device, method, technique, process, glavulos, cost data or cultimer list that:
	(ii) is the subject of efforts that are reasonable under the circumstances to maintain to section,	1) Earlies independent economic value, actual or potential, from not being generally known to, and not being read'in secondamical to proper means by, other periods who can obtain economic value from its disciousne or use, and  [2] is this subject of efforts that are reasonable under the circumstance to maintain its source;
Definitions Not in UTSA		

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# Trade Secrets Acts Compared to the UTSA

Fed/State	Halforn Trade Secrets Act	Converticut Exert: Gent. Sast., Abin., 98 93-50 135-58 Uniform: Trade Septemblish.
fajinel-ve Reŝief	(a) Actual or Inhabated misspergenation may be explained. Dona againstone to the court, an implication shall be considered from a software control of the court o	\$3.5 c.ll improvements  a) Actual or threatment impropropromor may be experied <u>sport administrative and count of contractive</u> a) Actual or threatment improvements on the experied <u>sport administrative</u> a) Actual or threatment is a special properties of the experience of the expe
Borragés	(a) Despit to the enter that a material and perjudicular change of position pour to acquiring inscendigle or or assum to later of the property of the propert	second to move of integraphic intervals and continued may recovery integrated. Disregore can include battle manifolding on an interval integration of conditional may accord disregate for the record lengage for the record lengage for the record lengage for the record of control of the record of t
esterocy's fees	If it is claim of misasopposition is visible to bad fath, (ii) a matters to territorial an injurition is crisple or institute in facilities (iii) whill if and malicinizar misapoppishios exists, the court may award examinate abbrinary's fear to the generaling party.	§ 9.5-94. Actoromy's deas Solutioningly-devicts of ut USA Solutioningly-devicts of ut USA Solutioningly-devicts of ut USA Solutioningly-devicts of ut USA Solutioning of under the solution of understanding one included within § 35-53(a) but are substantively unchanged.
The providing of Society	In an action offset thick (FeQL, 2 court ) that is preserve the sectors of an inlegations score by reservative makes, which may be showly profess produced under a comment of the develop proceedings, belong the court of the develop proceedings, belong the sectors of the details, and sharing any general resolved at the linguistic models are always to account of the details, and sharing any general resolved at the linguistic models are always to account of the details, and sharing any general resolved at the linguistic models are always to account of the details, and the details are always to account of the details, and the details are always to account of the details are	8.35-35. Protection of trade secrets by court Some os UTSA
Statute of Licetations	As action for misaproporation must be brought within 3 years offer the misaproporation is discovered on the execution of reasonable disposes though two been declared.  For the purposes of this section, a community misappropriation contributes a single darm.	5.35-56. Limitation of action for misappropriation Solutionthely identical to UTSA

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## Trade Secrets Acts Compared to the UTSA

FediState	Uniform Yrads Socrets Act	Committeet
Street on Cities Law	(a) Sourge at provised in ordinate loss (III, IIII) pell displaces conflicting for, entrollutionary, and other law of this State providing ordinated for management of a state assense. (3) The [and does not effect.) (3) The [and does not effect.) (3) International conflictions of the state of the state of the state of a state assense. (3) characteristic ordinates (the state or not based upon misappropriation of a state assense. (3) characteristic ordinates (the state or not based upon misappropriation of a state assense.) (3) comitael venedules, whetler or not based upon misappropriation of a state assense.)	3-35-79. Provisions of chargers capacide confining law on early lability, temporary  In Dirien cohomous assessed in this parties, the provisions of this states assessed as the confliction for interest and confliction for interest and confliction for interest and confliction for interest and a lability sense.  It is the charger does not affect.  (1) Confinition for early which are as interest as interest presistant of a label sense.  (2) Confinition for early the thirt in the based sense missessed presistant of a trade secret.  (3) The state of the sense of the early sense missessed presistant of a trade secret.  (2) Confinition formation, whichever are though specimonary separation of a trade secret, and the sense of the early sense missessed provided as trade secret.  (3) The Advice of any person or state or mississed pages missessessation of a trade secret secret.  (3) The Advice of any person or state or mississed pages missessessation of a trade secret.  (3) The Advice of any person or state or mississed pages to disclose information personnic to section 1.210, section 1.210 and person or state or mississed pages to disclose information personnic personals to section 1.210.  (4) The Advice of any person or state or mississed pages to disclose information personnic personals to section 1.210.  (5) The Advice of any person or state or mississed pages to disclose information personnic personals to the section 1.210.  (6) The Advice of the section of the section 1.210.  (7) The Advice of the section of the section 1.210.  (8) The Advice of the section of the section 1.210.  (8) The Advice of the section of the section 1.210.  (9) The Advice of the section of the section 1.210.  (1) The Advice of the section of the section 1.210.  (1) The Advice of the section 1.210.  (1) The Advice of the section 1.210.  (2) The Advice of the section 1.210.  (3) The Advice of the section 1.210.  (4) The Advice of the section 1.210.  (5) The Advice of the section 1.210.  (6) The Advice of the section 1.210.  (7) The Advice
Uniformity of Application and Construction	The [Let] shall be appeal and command to differentiate in galaxies purpose to make uniform the line with respect to the subject of this [Act] among states executing it.	\$35-St. Rules of construction Some or UTSA
Gover ability	If any provision of their (And) or its applications to any premote or concurrences in held making the resulting became affect of the provisions conjugations for the [And] which can be given effects which the insulti- provision is adjusted, and to this can the provisions of the [And] when the previsions are the provisions of the [And] when the coveralla.  If all any displaced planticals, primarilarly of states have existing special assemblidly statistics. For these extens the strates as provided without annextoring and the cell is marked unlike.  For fining a states that chiows general servicibility interests as a few containing a prevail and that con- taining the states are considered without annextoring and also contained unlike.  For fining a state that chiows general servicibility interests as also, containing prevail and that con- taining the states are considered with the cell is marked (as.)	Come, Com. Sect. Annie, S. P.A. Lividity of anything provinces of acts.  E very provinces of any act active for the gazant assembly on the application to any partners or constructiones in last or mink, such most day goal and affect of the provinces or expensations of much act.  If the control is the most day goal and affect of the provinces or expensations of much act.
Additions of Modern control of the Modern con	This facilities deliver of the control of the contr	\$ 2.10( by \$1.40). \$7.40p, and \$2.00p; respectively deal with access to public records, the protection of wropicways, and records to be made available by real entate accessors.

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## Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

Fed/State	Uniform Yeals Secrets Act	Combetingt Com. Gen. Stat. Arm 55 35 50: 35 50 Uniform Treels Secrets Act
Additions if		
		as,
in General and Unioss	• Green nets: demote UTSA PBR version.	
Otherwise	<ul> <li>White only indicate that the respective provisionally equipoles to the except of 1885 UTSA. While the exect wording and formatting may differ there is no material relationship difference. Where a statistical provision is content as "Some as UTSA" minor to require or</li> </ul>	
Specified	interpretation of the control of the	
	<ul> <li>tellow pair indicate that the respective provision is a subspectively modified version of the UESA. In provide scare of these</li> </ul>	
	modification may alternately be intigrational. In other cases, the nationalitie differences require afternion Company in the yellow with a nanizonal to indicate from it suries from the 1909 UFSA though non-polatonion and miner ambitions now not be mineralist.	
	And total indicate that the expression pool of the part of otherwise is significantly different from the UTSA. These precisions does	
	ge terrally not hamotries. Celle are marked end volver no otate hav prouk ion has been blentified that consupposed to a postession UTSA : costion. Celle reserved for additional information are one marked and.	
	Forms reacts have notified specific UFSA providen from their version, as the providing would be redundant of extranguation for a facility of the providing state and the	
	Applibatele passe respytta or citation il le vecasi les conços provided aboye.	
	Anostolica:	
	<ul> <li>-transimilarial new in language than how know included in a state is structe, but also a not easily in the UFSA. Than than it is foliaten through it language included within the UFSA foot a state transmitted from its closure.</li> </ul>	
	Anastoticus ove principal, intensival to derects substantive, rather than to wash Afferences. As third, some ensult Afferences in phorning.	
	punationitive, and formating have not have noted, in come cases, where that find, accordation did extincts whereastic med institute and values a content periodica officer in measuring from a consequenting provision boths (FCA).	
	All amountations compare the state 5 kingwage to the ownesded 1925 UTSA, However, a synthese of states have adopted the coighed.	
	1979 of SA, his not in inter amendment. Dose some will have significant afflerences in their "pajaratio shale," "Comagas," and Effect on Other Line" meeting (in particular).	

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## Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

Fed/State	Uniform Trade Secrets Act	Defenser Cel Corie. Arm. 15. 6, 55 2003 - 2005 Uniform: Trade Sarrets Act
UTSA Version Adopted	1995 version	1985
Deficition Preomble and	As used in this SACS, unless the context requires otherwise:	9 2001. Definitions
Improper Mepos	<ol> <li>In proper means: Includes theft bribers, misrepresentation, breach or sudcomment of a breach of a duty to maintain secrety, or explorage through electronic or other means.</li> </ol>	As used in this Left, unless the contest requires enhancing. The following words, terms and phrases, when used in this charge, shall have the meaning, ascribed to them in this section, ascent where the contest, plearly indicates a different meaning.
		(1) "Improper mesini" [Same or UTSA]
Definition: Mesopro	[2] "Biliappropration" meens	\$ 2001(2) Substantively Identical to UTSA
onstion	<ol> <li>acquisition of a trade secret of another by a person who knows or has reason to know that the trade secret was sequired by improper means; or</li> </ol>	
	(ii) disclosure or use of a trade secret of another without express or implied content by a person who (A) used improper means to equire knowledge of the trade secret, or	.98
	[3] at the time of disclosure or use, more or had reason to know that his knowledge of the trade secret was: (i) derived from or through a person who had utilized improper means to acquire it.	
	(II) acquired under circumstances giving rise to a duty to maintain to secrecy or limit to use, or (III) derived from or through a person who oneed a duty to the person seeking relief to maintain it's secrety or limit to use, or	
	(C) before a material change of his (or har) position; shew or had reason to know that it was a headle secret and that involvedge of it had been acquired by sondent or metales.	
	sectes, and their educated great is the seem augusted by assistants of infrastructure.	
Definition: Parton	(3) "Fersor" means a natural person, corporation, business trust, estate, trisit, partitecting, association, joint venture, government, governmental subdivision or agency, or any other legal or commercial epithy.	§ 2001(a)
		Person" shall meen a natural person, corporation, <u>statistion trust</u> , business trust, estate, trust, partnership association, joint venture, government, governmental subdivision or agency, or any other legal or commentently.
		State Control of the
Definition:	(4) "Trade secret-meam information, including a formula, pattern, compilation, program, device, method.	5.2001(4)
Frade-Secret	technique, or process, thet.	Substantively identical to UTSA
	(1) derives independent economic value, actual or potential, from into temp generally known to, and not being evently arcentainable by proper means by, other persons who can obtain economic value from its discretization or see, and	
	(II) is the subject of efforts that are researable under the circumstances to maintain its servery.	
Definitions		
Fate for UTSA		

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# Trade Secrets Acts Compared to the UTSA

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Fod/State	Unitions Trada Secret Act	Ontonomy Ont code: Ann. 117 d, 55 2001 - 2009 Ontono Yada Secreta Art
Relief	(a) Actual or timesterial insupprognation may be enjoined. Upon application to the contr. an injunction shall be terminated when the trade secret has caused to exist, but the injunction may be continued for an additional reasonable period of time in order to eliminate commercial advantage that otherwise would be derived from the misappropriation.	S cause injunicative review Some as UTSA
	lib in exceptional circumstances, an injunction may condition future use upon payment of a resemble mostly for his longer than the penied of time for which use qualified leave prohibited. Exceptional circumstances include, can are not femined to a material and prejudical stange of position prior to exquiring.	
	Incovining or respon to inow of mulappropriation than renders a prohibitive injunction inequitable.  (c) in appropriate circumstances, affirmative acts to protect a trade secret may be compelled by court order.	
Damages	[4] Succept to the extent they a material and projection change of position prior to acquiring involving or teason to innov of misappropriation renders a movetary accovery inequitable, a complainant is entitled to move or damage for misappropriation. Damages can include both the actual loss caused by misappropriation.	5 2003. Damages Some as UTSA
	and the unjust enrichment caused by minappropriation that is not taken into account in computing actual toos. In lieu of chamages measured by an other methods, the domages caused by minappropriation may be measured by imposition of liability for a reasonable royality for a minappropriator is unauthorized devictions.	
	or use of a frade secret.  (b) If willful and mallicius miseppropriation exists, the court may award examplary damages in an amount not exceeding twice any award made under subsection (a)	
Atturney's Feet	F(1) a claim of missionization is read in that faith, (ii) a motion to destribute an injunction is reade or existed in bad faith, or (iii) within and malicious misappropriation exists, the court may a used reasonable attorney of the to the prevailing party.	5 2004, Attorney's feet Some or UTSA
	1 1 1 1 2 2	
Preservation of Secrecy	In an action under this [Act], a court shall project the sectors of an alleged trade secret by reasonable means, which may include granting presential content or connection with discovery proceedings, holding in camery hearings, asking the recent of the action, and ordinary and person section in the Impaction not to	§ 2005. Preservation of secrecy Some as UTSA
	dictions as alleged trade servet without prior court approval	
Statute of	An action for minappropriation must be legaght within 3 years after the minappropriation is discovered or by	§ 2006. Statute of limitations
Amifations	the exercise of reasonable diligence about their been discovered.  For the purposes of this section, a continuing microprophistion constitutes a single claim.	Some as UTSA

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## Trade Secrets Acts Compared to the UTSA

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Fed/State	Odefforts Tigels Secrets Act.	Oxidancer Dal. Code. Ann. (1), 6, 55 2001: 2009 Uniform Trade Secrets Ace
Effect on Other Law	(a) Soveys a provided in valuesterior (b), the fact displaces conflicting for, ministrationary, and other law of the State providing of immediate for immediate for misepropriation of a trade scarce.  (b) The fact South ose in earlier.  (c) It was not seen to be sufficient to the state of the state of the state of the scarce.  (c) It there is no seen to see the seen to be sufficient to the state of the scarce.  (d) It there is it immediate, whether or not beauti upon misappropriation of a trade scarce.  (d) cominal messales, whether or not beauti upon misappropriation of a trade scarce.	§ 3307). Effect on other law Sonn on UTSA
Construction Construction	The (Act; that ) he applied and commont or effectively is general purpose to make authors the law with respect to the subject of this (Act) among states exacting it.	9 2009. Application and construction of chapter Some or UTSA
Seversiality	If any pownous of this first of an agricultural and grown or criminatures in the firmulal, the inhalidity about the first of the first which are presented as a proposed or agricultural or the first first parameters are for the centre of the first first parameters are for the centre of the first parameters are considered in the first parameters are considered in the first parameters are considered as a first parameter of the first parameters are considered as a first parameter of the first parameters are considered as a first parameter of the first parameters are considered as a first parameter of the centre of the first parameters are considered as a first parameter of the centre	The Code, Ann. Ed. () \$500. Security-lived provisions:  If any provision of the Code of a reventure in the special code in the code of the
Addition or Notes to Notes to Notes to Notes to Notes to Notes to Note	The fact is time effect or,  "end does not depict for inseparation occurring prior by the faction date. With expense to a continuing misappropriation that perior paint or the faction date, With End also does not apply to the continuing misappropriation that occurs after the effective date.	

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## Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

Facifistate	Delform Track Secrets Act	Del, Code Aus. 11: 6, 55 2001 - 2009 builorm Trode Secreta Art
Additions (i		
		46.
In General and Union	Since no retr density UTS A 2005 univisa.	
Otherwise	<ul> <li>White cells indigate that the expective provision is equivalent to the appendent ISSS UTSA. White the next waveling and for matting enoughly so, there is no material substantive difference. Where a statutory provision is consisted as "Some as UTSA" minor instant or</li> </ul>	
Specified	foresiting differences may exist. Where these differences are more promised on still do not prevent subtransive distinctions from the UPSA doe colle are marked "subtransively libralizatio (1754."	
	* Value ask indigne that the respective presidency of submanutively readily down but of the UTSA, in practice come of these	
	modifications may whim-stoly be designificant in other cases, the cubetomiles differentia require attention. Language in the yellow cells In modifical to indicate from a veries from the 1946 OFTA, Chargh non-colorables and miles varietism not not be beneatabled.	
	* Reclarity is automated that the respective provision does not earlier optimized and distributed from the OFFA, Third provision does not earlier optimized a registrately afficient from the OFFA, Third provision are:	
	generally and associated. Colli- are marked will where no state tow providion has been identified that conceptable to a pathylaw UISA	
	rection. Tells ensured for additional information are thre number and.  • Some states have smaller specific HTFA provisions from their version, or the provision would be redundant of existing state-like.	
	Applicable state statute or clinica in in most be tunces provided above.	
	Annataire:	
	*Condestined to still language that has been included in various's solvin, but does not skin late UFSA. That that it illibition through is Innovation included within the UFSA that a start has united from its statute.	4 B
	<ul> <li>Associated sometime in the special resources and resources of the state of the special resource.</li> <li>Associated one prisoneds intersection denotes automation, realises than tentrol differences. At saidly some small differences is planning.</li> </ul>	
	purecurative, and for marking how much east named, in scale water, where shortfield interestinal all-entirely solstantise and indicate	
	ontrodene a coste's provision differs in menning from a corresponding provision in the NSA.	
	<ul> <li>All convolutions compose the state's longuage to the owneded ERFS LTSA. However, a hydrology of states have adopted the evidited for 1979 UTSA, has not be large amountments. These states will have slightform officers and deal disjunctive Schief." "Counages," and</li> </ul>	
	"Effect on Other Law" suctions (In particular).	

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# Trade Secrets Acts Compared to the UTSA

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Feel/State	Unificans Tipale Secrets Act	Flacture Flature Flacture Flacture Flature Fl
UTSA Version Adopted Definition	1995 version  As used in this [Act], unless the confast requires otherwise.	\$ 688.002(1)
Predmiše and Interesed Means	(1) Improper means, includes theft, bribery, interepresentation, breach or inducement of a breach of a duty to maintain secrety, or explorage through electronic or other means.	Seeme as UTSA
Delinidori: Alisaupro	(2) "Mileago/operation" means	5 688.002(2) Same as UTS4
protein	<ol> <li>engunition of a trade secret of another by a person who knows or has reason to know that the trade secret was sequiled by improper means, or</li> <li>disclosure or use of a trade secret of another is thout express or implied consent by a person who</li> </ol>	
	(A) used exproper means to sequire knowledge of the trade secret, or  (8) at the time of disclosure or one, there or had reason to know that his knowledge of the trade secret was	
	(f) derived from or through a person who had utilized improper means to acquire it; (ii) acquired under cocumitanese giving rate to a duty to maintain its secret, or finite its use, or (iii) derived from or through a person who owed a duty to this person seeking milet to maintain its secrety or limit its use; or	
	(C) before a material charge of his for her) position, knew or had reason to knew that it was a trade secret and that knowledge of it had been secured by excident or mistake.	
Definition: Parson	[3] "Person" means a eatural person, corporation, business toust, estate, trust, partnership, association, joint venture, government, governmental subdivision or agency, or any other legal or commercial entity.	\$ 685.002(3) Some as UTSA
Definition	(4) "Trade secret" means information, including a formula, partient, exempliation, program, device, matford,	\$ 688.002/4)
Teachs Secret	technique, or process, that  (1) derives independent economic value, actual or potential, from not being generally index to, and not being generally index to, and not being madely excentianable by proper means by, other persons who can obtain according value from its	Same as UTS4
	discissure or use, and  ((i) is the subject of offorts that are reasonable under the circumstances to maintain its secrety.	
Definiționi Not in UTSA		

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## Trade Secrets Acts Compared to the UTSA

Fied/State	Dalloun Track Secrets Act	Heritar Fla Stat. \$6 SRP GUI - DER JOPS Uniform Trade Secrety Act
Appendix Radied	(a) Actual of treaspeased meagagnerations was be agrained. Upon againstens to the court, an injurished for a beam instanced with the discussive to execute with such that project on walls, but this project on may be certificated from an additional reaspeaded and the support of the support	\$ 688.028. hyparctive realief Some or UTSA
Damages	Liverage to the extent that it makes and projected shipping of protect pure is assurant, providing to make the lower of property the redirect on more conceiver processy measurables, a complianted is settled to move of energies for missiprometric forming or can enable both the actual for cased for enappropriate movement of the makes of the control	\$ 100,000 Comages Some or UTS4
Atterney's Fees	Fill ) a claim of misageropration is made in bad faith, (i) a motion to tempinal as injunction to make or executed in led faith, or (iii) with under misageroprations along the work may shared reasonable extravery 1 feet to the prescribing party.	§ 688.005. Altorney's fees Serie or UTSA
Presentation of Sciences	The nection under the Lettle, a count that II passence has entering of an inleged credit already passence has entering of the county of the co	§ 6882006. Preservation of secretcy Some as UTSA.
Statute of Limitations	in action for misapproprietion must be trought within 3 years after the missippropriation is discovered or by the exercise of resecrate diligence should have been discovered. For the purposes of this section, a continuing enhaspropriation contributes a lingle claim.	5 685.207. Statute of limitations Some as UTSA

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# Trade Secrets Acts Compared to the UTSA

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Fool/State	Uniform Trade Secrets Act	Flacida Flacidati \$\$ \$88.001 - 688.009 Undorn Trado Secreta Act
Effect on Other Lew	Up Except as provided in valuations (in), the [Art] despites conflicting for, excitationary, and other law of the State postular of ormalises for immediate from the secret.  (is) That [Art] disper not effect.  (ii) That [Art] disper not effect.  (iii) (iii) Art of the secret of the	6 688-006. Effect on schar law Some as UTSA
Uniformity of Application and Construction	This [Act] shall be applied and controval to differentiate to general purpose to make uniform this law with respect to the subject, of this [Act] among states execting it.	§ 888.009. Uniformity of application and construction  Some or UTSA
Sover delity	If any process of this (Act) or its explication to any premior or commissioners in the distinction the invalidation of the Act) which are only in the commission of the Act of t	Southware is State (1995) South 404 on \$4.9 \text{1.5 (1995)}.  2000-Uses on State of the element of thems passible and consistent with legislative intent
And Doug of Sories Sories Including Trainin	The Jack Jawas effect on	

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# Trade Secrets Acts Compared to the UTSA

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Fed/State	Distorm Stade Secrets Act	Fia, Start. 55 682.001 - 682.009 Uniform Trade Secrets Act
Additions II		
		48
Uniters.	<ul> <li>Second of Science UTS A 2005 vention.</li> <li>White only indicate that the expectative provision is equivalent to the personal of 1505 UTSA. White the exect wooding and formation.</li> </ul>	
Otherwise Specified	may differ, there is no material substantive difference. Where a stratutory provision is morked in "Some as UTSA" minor traduction	
	franceting differences may mixt. White their differences are more pronounced to each do not provent solutionable distinctions from the UPSA, the noticine market "Substancebuy Membrato UTSA."	
	<ul> <li>redow spik indigate star the respective provision is a substantively sensitive version of the SEA, to provide some of these</li> </ul>	
	modifications may utilizately his ignificent, in attas ances, the substantike differences require attention. Language in the unitary with in anostated is indicate how it varies from the 1995 of SA, though non-substantiae and a Hore variotions may not be announced.	
	Anal with delicate that the impactive provision does not easy to otherwise it significantly different from the UFSA. Table provisions per operational delicated. Cells are non-level and where no varie that provision has been disnet that that corresponds to 9 softward UFSA.	
	ression. Cells reversed for original information are also marked rest.	
	<ul> <li>Series states have emitted specific UESA provision from their version, or the provision would be redusplant of existing male law, Applicable space retreats or charton in in most instances provided above.</li> </ul>	
	Assessions	
	*classivalised to see in longuage stock has been included in a series a sounce, but does not exist to the USA. Text that it it bidge attrawigh its Insurance reclased within the USA hoot a stare has combined from its conjuge.	4.
	Americation are primarily intended to denote substantiae, rather than tenteral differences. As spill, come small offerences in phonoing.	
	pursionism and fermining time and house noted, in score cover, where ideal field, branchalors we carbots substantiae and indicate contractive on the contractive on t	
	All annountations compare the state's language to the one used 1295 UTSA, However, a starger of states have adopted the original.	
	1979 IFSA, but not its into associonem. Passe crous will have significant differences in this "hipastic links," "Comagos," and "Effect on Other Low" section (in pushwise).	

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# Trade Secrets Acts Compared to the UTSA

Fed/State	- Undform Trade Secrets Act	Georgia Ga - Code Ama, §§ 18-1765 - 10-5-765 Georgia Trade Search Act of 1999
UTSA Version Adopted	1989, vyralon	
Definition: Presentle and Improver	As used in this SACI, unless the context requires officinises:  (1) "Improper means" includes their, bithary, mirrepresentation, breach or indusement of a breach of a duty	§ 10-1-761 Definitions As used in this article, the term whitesthe contest requires otherwise.
Mestes	to malitam secres; et explorage though electrons or other means,	Li Temporge masor, incluite treit, bolos, interpresentation, levels or obtainment of a breach of a confidential intelligence or size, days no namative servey or inter-us, or expressing treit, which determine other masor. Against acquirement of a trade secret not acquired by miss secondariation or independent, development, shall not be considered intercent meson.
Definition: Mappine printion	(2) "Missagaroparation" immers: (if acquisition of a State secret of enother by a perion who knows or his resion to know that the trade secret have acquired by improper means, or	\$ 10-1-761(2) Some or UTSA
	(II) disclosioned value of a trade secret of another verticular operator implied consent by a parson value. (A) used impropries means to acquise horizoned por the trade secret.  (II) at the time of disclosive or use, how or had reason to invert that the sixual-legge of the trade secret.  (III) and the time of disclosive or use, how or had reason to invert that the sixual-legge of the trade secret.  (III) deviced from a through a person who had disting improper means to except in it.  (III) deviced from or through a person who had disting improper means to except in it.  (III) deviced from or through a person who was all disting to the person seeting select to maintain to except or limit to use, or according to the person seeting select to maintain to except or limit to use, or according to the person seeting select to maintain to except or limit to use, or according to the person seeting select to maintain to except or limit to use, or according to the person seeting select to maintain to except the person of	
Delleton		\$ 10-1/17(3)
Pacen	withus, government, governmental stabilismo oragans, or any other legal or commercial stabilism	Some of 1756
Definition Tradic Secret	4) The accept means information, including a formula, pattern compliation, program, device, method, acchinique, or proposed, Tast. (a) Software independent accounts in two, actual or potential, from not being generally income to, and not being controlled to proper means by other patterns who can obtain accounts value from the disclosure or one, and (b) It is not provided that are replaceable under the conventioning for maintain the accept.	1.30 ±1.75(4)  That search "meant information, <u>whited regard to form</u> , including, <u>but an all inflated to technical or materiolical laids</u> , a formula a pattern, a compilation, a program, a slaving, a method, a technique, <u>a</u> determina, a process, linearch intenting faither, another size, or a lat of a charle or constitutions more accusable to the public and which information.  (A) Derives accordence value, actual producting from not being parently shown to, and not being reliably.
		overlain fielde by proper means 5x, other persons site and extending expensions under from the declaration or separation of the subject of efforts that are reasonable under the committances to maintain its secrecy.
Definitions Natin UTSA		

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# Trade Secrets Acts Compared to the UTSA

Fed/State	Uniform Trade Secrets Act:  [3] Actual or threatened misappropriation hisy be anjuned. Upon application to the court, an injunction shall	
Retail	be terminated when the trade search less cassed to each, but the impaction may be continued for a subdictional transcribe period of time in order to eliminate commercial advantage that otherwise should be derived from the mesupoportation.  (It is exceptional commissions, as impaction may condition father use upon payment of a reasonable report for the Congress that the particle of the Verhalburg and whose been prohibed from the control from the particle from the particle from Verhalburg and these been prohibed from the particle from Verhalburg and these been prohibed to confident for the particle from Verhalburg and these been prohibed to confident for the particle from Verhalburg and Ve	(a) Actual or threatened misappropriation may be explained. Upon application to the count, so injunction shall be terminated when the trade scarce has created to early be the injunction may be continued for an additional reasonal behavior of the many and explained solutional reasonal product of the many appropriate (columnations of the reasonal installable, but onlineted to, analightapping of members estimated commercial solutings that otherwise would be derived from the management of the solution that the first absorbed and or colored from the management of the solution that the first absorbed and or colored from the management of the solution that the desired solution and or colored from the management of the solution that the desired solution are colored and or colored from the solution of the sol
	chromatocos midiale, but are nel minitad to a material and populacial change of portion, prior to accomme sovieties or entiale, but are nel minitad to a material and populacial change of portion, prior to accomme sovieties or reach to know of mispacopilation that renders a prohibitive injunction inequitable. (c) In appropriate circumstance, will invarious acts to protect a trade secret may be compelled by court prider.	improper means  (b) in exceptional circumstances. <u>A the cost determines that R would be unreacceable to include future</u> , judy an injection may condition future use upon payment of a reasonable repairty for no longer than the provided the interview or which was could be seen prohibited. Leaptional recruitments include, but we not
441		Similar for, a material and prejudicult change of position prior to acquiring throw-ledge or reason to brow of manageroporation that revelors a prohibitive injuristion inequitable.  (c) In appropriate circumstances, affirmative acts to protect a finale secret may be compelled by court circle.  (d) In one event deal a contract to required in order to maintain an action or to detail injuristic mile! for
		This second though A trips second.
Danages	(a) Except to the extent that a material and prejudicist charge of position prior to acquiring innovindage or reason to hims of misappropriation medica is emissary incorps/ inequilable, a complainant is entitled to recover disregaries from inspectification. The interest control is control to interest covered by misappropriation and the valuation entitle into account is comparting actual.  The valuation is accounted to interest the interest control in the control into account in comparting actual.	\$ 10-1-762. Damages  bit in addition to or in the of the relationship to Code Section 10-1-762, a person where the wheeless when an addition to or in the of the relationship to provide the provide sequence provide sequence, secondary are sent to form with a management of the code o
	measured by impartition of liability for a reasonable roughty for a misappropriator's uses theorized disclosure or use of a trade sector.  It is written and malicious measuppropriation sects, the court may a world exemplary damagas: man amount not executed, before any award minds order subsection (a).	misappropriation. Damagas can include both the actual loss rapided by meappropriation and the unjust execution are caused by misappropriation that it and taken into account in computing actual loss. Misea of <u>B</u> , misting damagas not caused exist, means caused by the misappropriation are proved by a preposition rate of the existency. The count may avery damages caused by misappropriation measured in terms services and provided the property of the property
		no longer than the period of time for which use could have been prohibited.  (b) if we'll all and melicial missingerprovision exist, the court may a used as early demages in an amount not exceeding token all a ward made under subsection (a) of this Code section.
		(c) In a swell shell a contract be required in order to maintain an action or to recover damages for misapiropriation of a trade servet.
Attorney's Fees	If (i) a claim of misappropriation is made in bad faith, (ii) a motion to terminate an injunction is made or resisted in bad faith, or (iii) willful and malicious misappropriation exists, the court may award responsible	§ 10-1-764 Attorney's fees Some os UTS4
	If (i) a data of three-proposation is made in tall finite, (ii) and other terminate an in-Question is made or question to be finite, "(ii) writing and malicinous manager-positions ands, the court may award nevierable attending to less to the presenting party.	
	resisted in bad faith, or (iii) willful and malicious misappropriation exists, the court may award resourable	
Preservation	vented in but from, or (ii) within an electron magnetophilities excit. the deat may owned reached attensive of the to the presulting pairty.  In an action work of the [24], is care fivel greater the energy of an alleged frame acres to reached a contract of the action, and the contract of the action, and of the contract of the action, and ordering may be reached action to the contract of the action, and ordering may be access to the action, and ordering may be access to the first pairty of the action, and ordering may be access to the action, and ordering may be accessed to the action, and ordering may be accessed to the action, and ordering may be accessed.	Some or UTSA  5 10-1-765. Preservation of Secrecy
Preservation	vented in but from, or (ii) within an electron magnetophilities excit. the deat may owned reached attensive of the to the presulting pairty.  In an action work of the [24], is care fivel greater the energy of an alleged frame acres to reached a contract of the action, and the contract of the action, and of the contract of the action, and ordering may be reached action to the contract of the action, and ordering may be access to the action, and ordering may be access to the first pairty of the action, and ordering may be access to the action, and ordering may be accessed to the action, and ordering may be accessed to the action, and ordering may be accessed.	\$10-3-765. Preservation of Secrecy: Some at UTSA

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# Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

Fed/State	Unaforin Trade Secrets Act	Georgia Gar. Codo Ann. 35 Jul. 765 - 1815 - 765 Georgia Trade Sarrats Act of 1590
Effect on Other Law	sal Every as provided in cuberchorol (), the [Ard] displace conflicting two, authoritismany, and other law of this State providing oil hamedals for emispaceprotects of a tracks asserts.  (b) This [Are] State and affect.  (1) contractual consolute, whether or the Stated spect insuppropriets of a track secret.  (2) contractual consolute, whether or the Stated spect misspectiments of a track secret.  (3) contractual consolute, whether or the Stated upon misspectiments of a track secret.	Since 2. Effect on other laws.  Is Decret as provided in subsection (b) of this Code section, this price displaces that pagespade conflicting the treathindrane, and debate laws of this state providing deliremediate for misappropriation of a trade secret.  It (b) This pricial shall not affect.  It (c) This pricial shall not affect.  It (c) Contractual deliver or remediate, whether or not based upon misappropriation of a trade secret, arminded, became, that a contractual data to maintain a trade secret or line as of a trade secret, arminded, became, that a contractual data to maintain a trade secret or line as of a trade secret and line and the secret or line as of a trade secret and line and the secret or line as of a trade secret and line
Visitornity of Application and Construction	The JACI shall be applied and construed to effect aim to greened purpose to make uniform the low with respect to the subject of this [AcI] among states execting it.	
Severability	any provision of this [20] of the applications to any perior or consumerations. It half invalid, the would find one to differ of the provision or supplication of the Dolly which is the plant affect withhout the invalid procession or application, and to the next the provisions of this [20] are severally in the provision of this [20] are severally in the provision of this [20] are severally in the provision of the provision of this [20] are severally expended by the provision of	Gen. Code Ann. 6.3 (§ 5. health of ex concentrational provisions.)  Emaps as utherwise specifically provided in this Code or in an Art or resolution of the General Assembly, in the enant application of the General Assembly, in the enant application of the General Assembly, in the enant application of the Code of an Art or resolution of the General Assembly, in the enant application of the Code of an Art or resolution of the General Assembly is declarate provided as the enant application of the Code of the Art or resolution of the General Assembly as a declarate provided as the Code of the Art or resolution of the Code of an Art or resolution of the Code of an Art or resolution of the Code of an Art or resolution. The General Assembly assembly as the through the three and of the Code of an Art or resolution. The General Assembly assembly are the revoided two remote of the Resolution of the Code of the Art or resolution that such portion heard would be declared or established by the Code of the Art or the Code of the Art of the Code of the Art or the Code of the Art or the Art or resolution that such portion heard would be declared or established involved as unconstitutional. The General Art of the Code of the Art of the Code of the Art or respiration contains an express possible to the Code of the Art or respiration contains an express possible to the Code of the Art or the Art or respiration contains an express possible to the Code of the Art or respiration contains an express possible to the Code of the Art or respiration contains an express possible to the Code of the Art or the Art or respiration contains an express possible to the Code of the Art or the Art or respiration to the Code of the Art or the Art or respiration to the Code of the Art or the Code of the Art or t
Adultions or Rotes Rotes including Time of Time of T	The first place office or an experiment of the second of t	

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## Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

FadVState	Uniform Trade Search Act	Ga. Code Jon., \$5 10 1 760 10 1 767 Ga. Code Jon., \$5 10 1 760 10 1 767 Georgia Trado Despita Act of 1990
Additional		
	Green and design ITSA 1999 weather.	
Otherwise	White cally indicate that the projective provision is equivalent to the assertion 1905 iTSA. White the most working and formating.	
Specified	manuffer, there is no motorial whotastic difference. Where a statutory provision is marked as "Saate as USA" minor invited as formations differences was exist. Where there differences are more promutated but still do not present substantive distinctions from	
	the USA, the neth are moveed "Substantively identicates USA."	
	<ul> <li>Fellow with inditions that the respective provision is a substantially modified very interest the 485 A. to provide scarc of these</li> </ul>	
	modifications may attinomalable insignificant, in other cases, the nationalise differential sequipe attention Language in the yellow colle-	
	is executed to indicate transfer from the 1945 UTSA, though non-relationism and asino varieties, may not be excepted.	
	<ul> <li>RecLoylis indicate that the suspective premising days not extend or otherwise it right leaves off-free than the UTSA. Third programs one op nearth not announced. Cells no marked sed where no state the provision has been identified that corresponds to if particular UTSA.</li> </ul>	N. \$43.1
	certion. Cells reserved for orbiblional information are also marked rest.	
	Forms states have condition specific UFA provisions from their version, as the provision would be reducated of existing statis links.	
	Applicable state sentre or checke is to men in toxos provided whom.	
	Annotation:	
	• Constrollings associal languages that has been included in occurs to stanctu, but does not exist in the UTA. Text that it sticken through it	a %
	language lookeded within the UTSA that a state has oralited from its parties.	
	Ansarotion we prisonly intended to denote substantiae, rather than to stook differences. As right, come and differences in joint ing.	
	portantificie, and formatting have and home acted, in home conver, where the left flow amountained of a natively extramelye and leakente and values a state 1 provision office in meaning from a conveyage ting provision births (FDA).	
		P's
	<ul> <li>Abauxonmbus compare the state's language to the amenated 1995 UTSA. However, if shipber of states have adopted the original 1970 UTSA, but not be inter-accordinates. Durs renter will have significant differences in their "Injunctive Artist," "Comagnificant.</li> </ul>	k <sup>27</sup>
	"Effect on Other Law" systems (in particular).	

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## Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

PodState	Unificate Secrets Act	Hawai Kev. Seel. 35 4828-1. 4828-9. Unform Ivolo-Scienzo Act
Adopted	1905 services	1005
Definition Presentle and Improper Means	As used in this (Act), unless the cretest requires officeroise: (1) "Improper resears" includes thieft, bitleny, misrepresentation, breach or inducement of a breach of a duty	5 4928-2. Some as UTSA
stages.	to munitain sucrecy, or explonage through electronic or other means:	
Definition: Measure	[2] "Misapropration" means	\$ 4828-2 Same to UTSA
priation	<ul> <li>(i) acquisition of a trade secret of another by a person who knows or has reason to know that the trade secret was acquired by improper means; or</li> </ul>	asine to O an
	(iii) disclosure or use of a trade recret of another without express or implied consent by a person who (A) used improper means to acquire knowledge of the trade secret, or	v2:
	(8) at the time of disclosure or use, shew or had reason to know that his involvings of the trade secret vas:  (I) denoted from or through a person who had stillized improper means to acquire it;	
	(II) acquired under recomptances giving rise to a duty to maintain its section or limit in use, or (II) derived from or though a person who oved a duty to the person seeking relief to maintain its secrety or limit its use; or	
	(C) before a material change of his for hird position, knew or had reason to involve that it was a trade secret and that knowledge of it had been accurred by accident or micrales.	
Definition:	(3) "Person" means a natural person, corporation, Business trust, estable, trust, partnership, personation, joint	\$48282
Person	(2) Westork mean a visual person, Organizary, comment trust, ettaket (vid., participate, executation, participate, government, governmental subdivision of agency, or any other legal or commercial sittify.	Same as UTSA
Delinition Trade Secret	<ol> <li>Trade secret: means information, including a formula, pattern, compilation, program, device, merfor, technique, or process, that</li> </ol>	6 4828-2 Some as UTSA
	(i) derives independent economic value, actual or populatial, from not being generally indoor to, and not being readly accust and be by proper means by, other persons who can obtain accessing value from its disclosure or use, and	
	(III) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.	
Definitions Not in UTSA		

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#### Not Intended As Legal Advice

# Trade Secrets Acts Compared to the UTSA

Fed/State	Uniform Trade Secrets Act	Haveni Hare Per Stat 55 AUTH-1 - 48/B-9 Uniform Trade Secrets Act
regions to a	(a) Actual of Princetone (misspoprymicro may be enjorant. Don application to the cost, an impurchis shall be benimised when the trades peaced his cased to wait, plat the highlycen may be explicated for an additional Processor (a) and a second peaced of the cost of the c	
Dan ages.	(a) Every to the satest that a strategia and projection dirage of postero prior to acquiring throusledge or concentro famour of immosphorphism changes or monetary recovery insequals, as complianted is entitled to recover demanges for misepsopoistico. Demanges can relabel active the actual loss studied by misepsopoistico and the signal excentro claused by misepsoporation that is not large in one sociation to compliant, actual loss, in like of demanger invasional during the control of the demanger cancer by misepsoporation may be controlled to the control of demander in the control of demander of	\$ ARSA Dumaget Some or UTSA
Arteney's fees.	If i) a claim of misagropostation is made in the film, (ii) is noticet to terminate an impaction is made or executed in the film (iv) within all or made claim inspeciple(disc exist), the court may award reservable attending in the film of the preceding party.  If an extron under this [Act], is wort shall prove with the service; of an inlegative large executive versions place.	\$ 4329-5. Attorney's feet Soine or UTSA  \$ 44229-6. Preservation of secrety
al Secret	The control was received and the great plan service in the control of the control	3 Miller (Meanward or Specifica)  Bone or UTA
Statute of Limitations	an action for investigated in must be brought within 3 years other the immagninguistics is discovered or to the exection of reasonable difference should have been discovered. For the purposes of this section, a continuing measurement or contributes a single date.	5 4526-7, Statute of limitations Some es. UTSA

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# Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

Fact/State	Uniform Trade Secrets Act	Hanse See Stat 55 48216-1 4826-9 Uniform frade Sector Act
Effect on Other Lase	<ul> <li>(a) found a provision in release from (in), the first displaces confirming root, establishment, and other law of this first periodic provision invested for missing proprietion of a trade establishment.</li> <li>(b) This (Act) does not effect.</li> <li>(c) This (Act) does not effect.</li> <li>(d) This (Act) does not effect.</li> <li>(d) This (Act) does not effect.</li> <li>(e) This (Act) does not effect.</li> <li>(f) This (Act) does not effect.</li> <li>(g) This (Act) is a considerable of the second properties of a trade second.</li> <li>(g) This (Act) is more discussed by the first of the second properties of a trade second proper</li></ul>	3-4029-4. Effect on other law Some as UTSA
Uniformity of Application and Construction	The [241] shall be applied and contrast to effectuate its general purpose to make uniform the law with respect to the subject of this [44] among status expeding it.	New
Sevies shifty	If any powders of their (India or its applications to any person or reconstructives) in bell annuls, the invalidation on a different being required to a program of the [End] which are payed effect whether limited provision or application, and better and the provisions of this [End] are according to the provision of the [End] are according to the [End] are according to the provision of the [End] are according to	5-422-9, Severality Serie or UTS
Botes	Tab Delt Selve effect on and does not apply to missprograms or carring given to like distribute date. (Vic negative to a certificing in superpression to the large profes to the effects date, the Delt also does not apply to the continuing missprograms on that occurs after the affective date.	

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## Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

Fird/Statu	Uniform Trade Secrets Act	Have Rave Statt 35 4826-1 - 4826-9 Uniform Trade Secrets Act
Additions it		
In General and	General cells designed UESA 250% version.	4k,
Uniosy Otherwise	<ul> <li>White cuts legists that the respective psychologic equivalent to the congrated 1985 UEA. White the exact wording and longerating</li> </ul>	
Specified	may differ, there is no material substantive difference. Where a statutory provision is constend on "Some on UPIA" minor because or	
	forwarding difference cano exist. Where there differences are more pronounced, has tell do not present substancive districtions from the UTSA, the rule are marked "Substancively Mandioten UTSA."	
	<ul> <li>Yebow odli indirme that the respective provision is a substantively used find was in a of the utCA. In proving stone of these modifications may obtainable be impeliant to other tract, the substantive differences require attention, temporar in the pellow odle</li> </ul>	
	is anastrated to indicate how it varies from the 1985 UPSA, though non-systemic and minor condition may not be anastrated.	
	<ul> <li>Sept or the indicate chee the respective provisive down not only to a channels it cignificantly different from the UTSA. This is provisioned the open crafts and unaporated. Cells are marked and where no state interprovision has been identified that convergency (to a particular UTSA).</li> </ul>	
	pertion. Cells reserved for stableaut information are also mented and	
	<ul> <li>Some states have condited specific UFSA provisions from their varieties to the providen would be redujed as a given by the provision of existing state than Applicable come summer or charten it is most formers provided above.</li> </ul>	
	Anestadises:	
	*Unclaiment area in Despunge that has been included in a state's senuta, but their net units in the UTSA. This then is strikken through it Integrange includes within the UTSA that a state for another from its state of	
	Assuration are primarly interested to denote substantive, rather than senting differences. As 1975, rather could differences in planning.	
	puretoration, and formatizing how not been noted, in some steen, where identified immensions are leating out-tention and indicate	
	ontroduce a state's province differs in meaning from a consuperating province in the UTSA.	
	<ul> <li>Alliancetolium compone the state's longuage to the amenated 1985 UTSA, structed by befoler of states have adopted the original 1979 1975A, but not its inter movement. These states will have significant differences in their (highestive Artist). "Domography and</li> </ul>	
	"Effect on Octas Law" another (in protoster).	

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## Trade Secrets Acts Compared to the UTSA

Extilisate UTSA Version Adopted  Definition: Presente and serge open	Uniform Train Secrets Art  1995 version  As used in this lottly writes the context requires disheration  (1) "Improve more" includes that below, managementation, branch or indocument of a breach of a lake to management of propagating from the processor context responses to the the processor context respons	18850 1884-148 807 - 48 807 -
Definition: Misappro pration	2) "Mesoporceation" means: (3) population of a stade exerce of windher try's person who bishow or has major to input that the trade sector was approved by interpoper everyor. (4) decidency or use of a trade exerce of windher in without express or implicat consent by a parson who (4) used improve means to exprise the overlapp of the trade exercic or (9) at the time of decidence or use, journ or had execut bloom that he investigate of the trade execut.	9-88-902(2) Some as UTSA
	(i) denied from or through a particul who had difficient improper revient to acquire the (in experied collection construction and in the access of the first out of (ii) already and in the access of the first out of (iii) already and in the access of the first out of (iii) already and in the access of the first out of (iii) already and in the access of (iii) already and in the access of (iii) already and in the access of (iii) and iii) and i	
Definition: Person	(3). "Person" means a natural person, corporation, business trust, pobble, trust, gartinoshing, anocaloba, post ventura, government, governmental subdivision or againty, or any other legal or commencal solids.	\$ 46 0013 Serve of USS
Definition: Trade Secret	(3) "Table seror" man information, including a formula, portion, compliation, program, during mathed antitioning, or protects, feet antitioning, or protects, feet (1) devices independent excessors, unless actual or presental, from mich being gamently invoice in, and not being saidly assessmentable by proper meets by, pother propositions violated assessments value from the disclosure of one, and the devictions of one and the deviction of the control of the deviction of the devictions of the deviction of the devi	\$48.00(5)  59. Tride secret "meant information, including a formula, pattern, compilation, pregram, <u>commuter, social method</u> , technique, or process, fair.  (a) Derive independent controls by the pattern of the patte
	(i) is the unique of efforts that we reasonable upto the origination on in synthesis to servery	disclosure or such and bit is the subject of afficie that are reasonable under the circumstances to maintain its secrets, <u>Tinde</u> , secrets as defined in this subjection are subject to distribute the a maintain example as coordina to closure 1. this, <u>Tailable Code</u> .
Definition But in UTSA		\$40.00(a) (d) Complete program "means information which is capable of counting a complete to perform logical operations) and any media or in any format.  (a) is continued on any media or in any format.  (c) it is common of the operation of the operation of the operation and counting and counting any common of the operation of the operation of operation of the o

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# Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

Fed/State	Uniform Trade Secrets Act	Maiste Idahis Coste Asii, 54 20 1011 - 43 307 Idaha Trasta Sacrata Act
Injunctive Relief	(a) Actual or threatment misapropription may be endurined Upon application to the court, an injunction shall be terminated virtual to the basis screen but accessed to early the injunction may be continuated to an additional reasonable period of time in order to eliminate commencial advantage that otherwise would be derived from the micropropriation.	§ 48-002. Injunctive relief Some or UTSA
	(b) in exceptional circumstance, a iniquestion may condition fature use upon payment of a responsible compute from congreta than the period of time for which we can obtain be been profitted. Exceptional circumstances whileds, but are not limited to, a meterial and enjudical charge of pointion prior to accounting showledge or reason to know of misapopophalion that residens a prohibitive injunction inequitable.	
	(c) in appropriate circumstances, affirmative acts to potated a trade switet may be competited by pourt order.	
		A
flamages	(a) Except to the extent that a metarial and positionist durage of position prior to acquiring innovatage or resistant to leave of misappropriation resides a manifest year on inequilable, a complainant in entitled to resistant to leave of misappropriation. Duragest can exclude both the set sail for caused by misappropriation and the impact entitled manifest provided by misappropriations that it not fatient into account in consulting actual resistant provided in the provided provide	\$48-03). Damager. Some at (TSA.
	measured by imposition of liability for a measonable royally for a meappropriator's unauthorized disclosure or use of a fixed ascent.  (b) if willful and melicious misappropriation exists, the court may avend exemplary damages in an amount not exceeding history arrand made under subsection (a).	
Attenty's	F    a claim of mappocopolators is made in bed facts, (N) a motion to terminate an injunction to made or	
rens	resisted in but facts, $\alpha$ (a)) will fall and indicious misa proposition exist, the court may award maximal attention a feet to the presuiting party.	
Preservation of Secrecy	In an action under this [Act], a court their presents the secrety of an ellipsed made secret by reasonable means, which may include granting presents orders in consection until discoursy proceedings, holding in current bearings, seeling the accords of the action, and occurring any person included in the litigation and to disclosure and legal ratio accord until our pictic curricy approximation.	5.45-804. Preservation of secrecy Same or UTSA
Statute of Umitations	An action for mulappropriation must be larguph within 3 years after the minappropriation is discovered or by the energies of reasonable diligence should have been discovered.	§ 49-005. Statute of limitations Some or UTSA
	For the purposes of this section, a certificial manageopration committates a single claim.	

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## Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

Fed/State	Uniform Trade Secrets Act	Matthe Mathe Code Am 55 30 001 - 43-267 Mathe Trade Segrets Act
Effect on Other Law	(a) Except as provided in subsection (b), the [And displaces confirming for, institutionary, and other two of this fitter provides of invested for invested for invested provides of a trade sector.  (b) This [And] does not effect.  (c) controllar immedies, whether or not better inpen immegaprepriation of a trade sector.  (c) the confirming for the confir	\$48.906. Effect on other leve Substanceries y identical to UTSA
Uniformity of Application and Construction	The [act; shall be applied and construct to effectuate its general purpose to make softens the law with expect to the adjust of this [Act] among states exacting it.	
Serverality	If any procession of his Defall or its applications to employee or committenees in held invalid, the invalidity committee of the committee of the procession of applications of the Defall owns on the plan effect or when the invalid procession or application, and to the end the provision of the Defall are servedule. The procession of th	Source in Marien (MET PAS) 1277 (100 (100 MET)) Sources should be accounted where postulate and constituted with legislative interest.
Additions of Notice Including "lime of Taking Officer Where Spray Section Sect	The (Act) between the common and the	

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## Trade Secrets Acts Compared to the UTSA

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Fed/State	Uniform Trade Secrets Act	Maho Cork Am. 55 43-802 43-807 Haho Toude Secreto Act
Additions II		
in General and	Jersynth dreat USA JSS water	//X,
Unlasa Otherwise	White cuth instigute that the respective provision is equivalent to the associated 1905, USA. White the exect working and for corpting.	
Specified	may differ, these is no material substantive difference. Where a standary provision is context or "Lone as USA" union technal or forwarding differences may own. Where these differences are more pronounced ton still to not present substantive distinctions from	
	the UTSA, the order are movined Substantion's devotout to UTSA."	
	<ul> <li>refor only indicate that the respective provides in a substantively modified version of the idSA, in practice some of these modifications may ultimately be in ignificant, in other cases, the substantive differences require attention i cargospy is the policy culti-</li> </ul>	
	is autostated to indicate forwit variet from the 1995 UTSA, though new constitution and taken varieties may not be exempted.	
	Rectoph indicate short the respective generated for each to otherwise a significantly different from the OTSA. These provisions de- or enable and consisted. Oth we marked reductive an atom to supercuision but be a referribled that conceptants for a positional UTSA.	4. \$25°
	peraritations detectable. Less die market set auseine no state disciplication on britto sentique met con reportition from particum 10 set. nection. Cells reserved for additional information are also versited sext.	33.34
	Force routs have content specific UESA provision from that version, or the provision would be reducated of existing some law.	
	Application y time statures or chaotion is in moon describent provided whose.  Accordations	(C) (C)
	Principal land is language that has been included in a state? I states, but door not using lyting UTSA. That that is strikken through in	1. Marie
	tangunge Archidesi wikhiri the UTA that a stare has undated from At classic.	
	<ul> <li>Association are primarly intersted to denote substantiar, rather than nexts of lighter over. As falls, sense cand off extenses in phasing, purctantism, and formalize these and bear another to come cover, where ideal files, association for embedy which make and indicate</li> </ul>	
	contractives, and formalized times and ben't added, he come count, where stated and cather lists on the cather in the count action in the count action in the cather in the count action in the cather in the cather in the count action in the cather in the	New Property Control of the Control
	All municipations compare the state's language to the variented 1945 VTTA. However, a purpley of states have nationed the original.	(a.S.
	1979 W.S.A, fan not de loter omendeneen. Dese states will have skjelffernt afforences in their "tejanoske haled," "Commun." had "Effect on Outer Low" sentim Gepardealm.	
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#### Not Intended As Legal Advice

# Trade Secrets Acts Compared to the UTSA

Fed/State	- Uniform Trade Secrets Act	Minos 763 M. Comp. Stat. No. 54 (2005/5 1005
UTSA Version Adopted Defention	1985 vergina	1979 [1985-version appears to have been considered insufar on its language is present in § 1065/8]  \$ 1065/2141
President President Improper Medin	As quade in Ind. (Acq.), unders the contain requires otherwise.  (1) "Improve momen" includes their, before, managementation, breach or indicament of a breach of a day, to maintain secure, or explosinge through electronic of other mass;	3 about 40 at 7 miles of the first training minimproprietation, breach or indicate enter of a breach of a confinencial metamolitic or other days in minimum versions or than the companies through sketchere or other manus. Therefore, proceedings or indipated the objection of the completed minimum means.
Definitions Misappro pration	(Q) "Disappropriation" means  (I) equation of a cross-record of enoties by a person who index or has reason to know that the trade above was accessed to imprope means; or  (ii) disclosure out and a roles above of another whose current or implied domain by a person who  (iii) disclosure out and a roles above of another whose current or implied domain by a person who	\$ 1085/2(b) Sense as UTSA
	(A) used improper means to acquire hookings of the trade secret, or  (B) of the time of disclosure or use, these or leaf resson to know that his invalidage of the trade secret  (B) depend from or brought is period with said difficult improper means to scapile it.  (B) acquired under communitative, giving fact to diskly transition into source of miles to use or	
	(III) deviced from or through, general vito credit alled to the parrors seeining relief to mannaum to parrors or find the use, or   (C) before a material change of this (or hard position, lenew or but season to hear that it was a traditional value and that horselege of it had been expuried by accident or missian.	
	<ul> <li>[3] "Person" means a ratural person, coxposition, business trust, eateste, trust, partnership, association, print</li> </ul>	\$105/2(0)
Person	ventuus, government, governmental subdivisioni or squere, or sin other legal or commercial statis,	Periori "mentra à tatuni parson, coporation, business trust, criste, trust, partnership, association, joint writting government, governmental subdivision or agency, or any other <u>for certific or not for populi</u> legal de- commensation critis;
Ordinition: Stade Sector	(4) "Trade secon" means information, including a formula, pattern, completion, program, delex, method, secondary, or process, that:  (i) demonstrateproduce accounts table, actual or potential, from act being generally incoming, and not	9 1059/7(d)  Tride secret "mean information, including <u>fail and limited in technical or considerance data</u> a fromula, partern, completion, program, device, method, technique, <u>depring process. [Inpanial data</u> , or Int of
	being modely uscerta-public by propyr means by offer payens who can obtain economic value from its disclosure or use. As the subject of afforts that are reasonable under the consmissances to resintant its secretary.	ocated and continues or specifies the term of the continues of the continu
		Control and II.
Definitions Not in UTSA		

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# Trade Secrets Acts Compared to the UTSA

Faul/Stone Etjant/Stee Austral	(fellows Taxal Secreta Act.)  (a) Articals or threatment managemprintion may be equivaled. Upon application to the count, as injunction rated to term instruction depth in trade count has created by early to the injunction may be equivalent and additional responsable point of their injunction injunction injunction injunction and the influence transmission of their injunction injuncti	Policy S. Cemps that Join, § 1855(), 1865(9)  3 105(3), (i) projections  13 105(3), (i) projections  13 105(3), (i) projections  13 105(3), (ii) projections  13 105(3), (iii) projections  13 105(3), (iii) projections  13 105(3), (iii) projections  14 105(3), (iii) projections  15 105(3), (iii) projections  15 105(3), (iii) projections  16 105(3), (iii) projections  17 105(3), (iii) projections  18 105(3), (iii) projections
Damager	(a) Except to the extent that a malarial and projudical change of position prior to scoping innovating an instruction before of incorporate the emission of misospropristion emisers a more term recovery inequisities, a complainant is existled to recover disranger for instagerographical Damagers in a fiscle both the actual loss caused by inappropriation and the implaint emisorate classed by instagraphical that is not able in one account or complaint, grated into, in level of damages inequally by any other methods, the destinger caused by indeportance may be used in the control of damages inequally by any other methods, the destinger caused by indeportance and include the control of damages inequally by any other methods the destination of damages in extended ablocation of a situation of the control of the count may availed recordingly for any anisist made under cubesticion (a).	5 1953/4 Damages  1) Except his except bits material and provided sharing of publicage are to assuming limiting or models are provided and provided
Attoriory = Facts	If I) a data of mappropriation is made in and finit, II) a modely to terrimona in a specificial is major accepted in the first, I'vii willful arm missions in interpreparation action, that court may exact discoverable attorney's feet to the prevailing party.	\$ 1800% Altomory face Spring of 75 A
Preservation of Sensing	Ten a section under this (Anti), a count that journees the entage of an allegad trace served by reaccessive makes, unable way such a participation of country and the country of the count	1005/0, Protection of succesy     Some as UTSA
Statute of Lipotations	As ecclor for misageoprisation must be brought within 1 years after the interpropriation is discounsed or by the awards of reasonable obligation should have been discounsed.  For the purposes of this section, a continuing misageopolistics constitutes a single chief.	§ 10547. Limitations  An action for insappropriation must be brought within these § was after the misappropriation is sociously of by the service of reconsists diligence should have been discovered. For the purposer of this Act, a continuing misappropriation arenthrivers a high claim.

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# Trade Secrets Acts Compared to the UTSA

FedVitate	Uniform Trade Secrets Act	Monets 511. Sept. 351. Sept. 351. Sept. 31. Se
Effect as Other law	Le beaugh as provided in statistical visit, the Chief displaces conflicting fort, estitutionary, and other like of the State providing of a mode spread.  (b) This facilities confidence of the statistic confidence of the statis	1.053/9. Lagistative intent; exceptions:  a) Every a provised in subsection (b), the Art despisement a <u>Intended to displate</u> conflicting ton, mentionary, unique companying, and other level of this State providing cold remarks for misappropriation of a trade screek.  (1) This Art does not affect:  (1) Confinction remarks, whether or not based upon misappropriation of a trade screek, <u>provided</u> because that a contractual or other days to mention access or limit use of a trade screek providing to the providing propriation of a trade screek and lined by comment that a contractual or other days to mention access or limit use of a trade screek and lined by (2) other child remarks to the trade of the trade of the trade screek (c)  (3) crimical remarks that are not based upon misappropriation of a trade screek or  (4) the definition of a trade screek or
Uniformity of Application and Construction	The [ACI] shall be applied and continued to effection its general purpose to make uniform the lake with respect to the subpart of the [Act] among tastes executing it.	Note:
Seer ability	then providence the [Ard on the approaches to the purpose or consentations in bell model the would be well-approached applications of the [Ard of the approached application of the [Ard of the approached approached approached applications and to this work of providing the providing and providing the providing and providing approached approa	\$ 30.00mp, See Anny, \$ 701.111. Commission of the commission of th
Additions on Notice Notice The Including Them of Them	The Drift lable effect on and does not again to investment on courting prior to he be destinated data. While appear to a continuing misappropriation that lable pair prior to the effective date, the (Incl. also does not apply to the continuing misappropriation that occupy after the effective date.	1. 2007-2. The control of a para applications     This An Exercise of Earth of Laboury 5, 1998, and does not apply so misappropriation occurring prior to be enthropic order.  The An Exercise date.

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## Trade Secrets Acts Compared to the UTSA

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Fed/State	Deiffenn Frade Secrets Act	Winds NOS B. Comp. Stat. Avn. 55 1085/1- 2085/9 Rinals Track Sources Art
Additions II		
		Ø.
Unins	<ul> <li>Disease only delicate UTSA 1989 version.</li> <li>While pair indicate that the supporting psychologic is equivalent to the amended 1985 UTSA. While the exert unading and for conting</li> </ul>	
Otherwise	may differ, there is no moterial substantive difference. Where a statutory provision is assisted as "Some as UESA" dollars testual or	
Specified	finiciating afficences was even. When there differences are more provinced that old do not present substantive distinctions from the UTSA, the celonor marked Nubstancisely Menticatio UTSA."	
	<ul> <li>Hellow cells indicate that the respective position is a substantively modified was into a the UESA, to precipe none of these modifications pay obtainably be insignificant, in other cases, the substantive differences require attention, temporary is the pellow cells</li> </ul>	
	is matabased to indicate hear k-varies from the 1295 OFSA, though not estitated and triple specificate may not be necessited.	
	<ul> <li>Sast ords indicate that the anguest is greate in day on an ear too otherwise it eightfront although the OTSA. Thing provisions are generally not accounted. Cells are marked red where no state two provision has been described that common account only policieus. UTSA.</li> </ul>	A. 8.28 T
	section. Celo reservat foi addiktional information and otto marked ned.	
	<ul> <li>Some course have another operatio in SA possibilities from their version, on the proxilities would be reddingbut of existing state bloks.</li> <li>Appellantic state statume or cliniciae in in more prepared proxility delever.</li> </ul>	
	Anadaline	
	<ul> <li>Exercise lines in language that how been included in a state's sounce, but does not unit in the LFSA. You that it stickton through it language included within the LFSA that a state has resident from its sounce.</li> </ul>	
	Assertation one primarily intended to denote substantiae, rather than to study differences. As slicky come small differences in phonying.	
	processiva, matjo meting have est hven noted, in come came, where skinffed inservelies for enterty-relectuation and indicate anti-veloce a costs i parcinian differs in meaning from a consequenting provides Willia USA.	
	All annotations compare the state's language to the amended 1985 UTSA. However, it audition of states how adopted the unighed.	
	1979 WSA, but not its litter amountments. There states will have significant afferences in their Thiosephic Arder." Transsport and	
	"Effect on Cities Law" sections (in particular).	

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# Trade Secrets Acts Compared to the UTSA

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Fed/State	11/1form Took Secrets Act.	ind Zode 55 26.3-2.6 25.3-2.8 Upularus Trade Secreta Aut
UTSA Version Adopted	1805 version	1979
Certaition: Presin the end immoser Accume	As used in this [Act], where the content requires dishering:  (1) Improper require reclaim feel of this property in the property requires a property of the dishering of the dishering acres, or exposure through electronic or other reviews.	\$ 24-23-2 Definitions Some at UTSA.
Definition, frictoppoporation.	(a) "Misegaroperation" means: (i) acquaistion of a trade sport of another by a person who heave or his research to inter that the trade somet visit acquired by invarious means; or (ii) discourse or use of a trade somet of a contine without expect; or implied consent by a person who (iii) used invarious means to exclusive invarious or though expects or (iii) set him of disclosure or use, heave or fair research to brone "that his provising of the trade somet (iii) sets in the or of inclusive or use, heave or fair research to brone "that his provising of the trade somet (iii) acquired value incurrentness given given to show the fair source or use, in the trade somet (iii) consend from or through a person who had utilized improper means to acquire it, (iii) acquired value incurrentness given give to a day to maintain its source; or (iii) or invarious particular to consend a day to the person research grade it to a value or acquired to the consense of the trade sometime in the same or (iii) or invarious the same	9 38-29-3 Definitions Some as UTSA
Definitions: Serving	(3) "Pencine" maken a halvoal pencin, comportion, burerest fost, assale, first, partherestig, association, just enture, government, government, landoviscir or agency, or any other lagger or commercial authorises or agency, or any other lagger or commercial authorises.	\$ 24-242 Definition  Thereof merror a natural person, <u>limited liability company</u> corporation, business trust, enteres, entere
Parlesitions Preside Secret	(d) Trade security means information, including a formula, pattern, complished, approve, general, method, sectionates or processor, particular sections of the processor of the	5.46-3-7. Deflations Some as UTSA
Lighterfore New Jo HTSA		

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# Trade Secrets Acts Compared to the UTSA

Fad/State	Uniform Trade Secret: Act	ind sink \$5,24.25.1. 24.2.3-5 Uniform Finds Security Sec Uniform Finds Security Sec
injunctive Robet	(a) Actual or threatened minaproprietors may be enjoined. Upon application to the court, an improcion half- be terminated when the trade screen because the earth, but his projection may be continued for an additional reservoirs period of time in order to alliminate commercial advantage that otherwise would be derived from the manapopulation.  (b) in sexcaptional continuateness, an improcision may condition future use upon payment of a reasonable	\$42-5-25, Injunction against mappropriation, exceptional circumstances.  (a) Acasis of threatened minispropriation may be expliced. Upon application to the court, an injunction shall be terminated where the trade secret in casced to exalt, but the impuration may be continued for an additional reasonable period of time in rather to eliminate commercial advantage that otherwise would be delivered from the implementation may be appropriation.
	requiry for no longer than the period of time for which, as a cold have been prohibited. Exceptional conventances include, but are not briefled, or material and populated change of beating piece or expering, involvinge or reason to insort of mappropriation that render a prohibited injunction inequilable. (c) In appropriate circumstance, affirmative with to protect a trade secret may be compelled by court order.	(b) If the court determines in exceptional circumstancer that it would be unreaccepted to prohibit factor unit, an injection may condition fattor use upon purpose of a nearous like major, for no longer than the period of time for the condition fattor use upon purpose of a nearous like major to for no longer than the period of time for the condition of the period of time for the condition of the period of time for the condition of the period of the period pe
		<ol> <li>In aggregate to incurrences, offirmative acts to protect a trade secret may be compelled by a court order.</li> </ol>
Osmisges	a) Except to the ensent that a material and projudical change of position prior to expuring involving as reason to show of misappropriation readers a moverary recover, inequitable, a complainment is entitled to recover changes of mayappropriation. Deeper can include that the actual lost expuries for imagespropriation begans can include that the actual lost expuries for imagespropriation with a comparing actual to deeper can expure the actual lost expuring actual and the output a wichtment cause for misappropriation to less of imagena caused for imagespropriation may be used in the lost of images accused for imagespropriation may be actually recognized to the comparing actual of the misappropriation may be actually recognized to the comparing accused on imagespropriation may be actually recognized as a comparing accused on imagespropriation may be accused as a comparing accused on imagespropriation and accused accusing a comparing accused to imagespropriation and accuse accusing a comparing accused to accusing a comparing accused to accuse a comparing accuse accused to accuse a comparing accuse a comparing accused to accuse a comparing accuse a comparing accused to accuse a comparing accuse a comparing accused to accuse a comparing accuse	5.24-23-4 Damages for misappropriation and unjust enrichment, royally, examplein damages, (s) Except to the contest field, emuterial and projectional disagged positions must be required from long-or- record to meet in the propriation residence is ministently record investigation. Disagged one indicate facility to additionate or in the dimension residence is more consistently record interesting the control of
	massived by imposition of liability for a inesceptibe posity for a misapoporator's unsubstituted distribution or use of statele secret.  19 if willful and malicious misapoporation exists, the court may event exemplary damages to an amount not exceeding to two entry event made under subsection (a).	missappropriation. A <u>Complainant sign may recover</u> for each the usual enrichment caused by missappropriation that is not faken into account in computing disting see for actual from.  If we have the complete complete in the property of the complete in the complete in the property of the complete in the present of the complete in the present distinguishment are provided that the present of the complete in the present distinguishment of the complete in the com
		makes rid it any other realism. The damages assured by interpreparation may be make one of the magnetism. All shift for an excellent simple for an expressionable assured and extensive section of a fraint section. (c) if willful and meliting misaggregates such, the court may evend exemplary damages in an embout and exemplary forth may expert made within subsection (s).
Attorney's Fecs	If (I a claim of meapproposation is made in bad faith, (a) a motion to terminate an injunction is made or     resisted in bad faith, or (ii) wilfful and malicious mina peopolation exists, the boart may award reasonable     attorney is feer to the prevailing party.	\$ 24-2-3-5 Attorney's Fees; conditions Some as UTSA
	1/1/40	
Preservation of Secrety	In an extine under this [Art], a cost their percent his section of an ellipsed trade secret by reasonable masses, which may include granting protective orders in consettion with discourse proceedings, bedding in combine benering, seeling the recorder of the action, and ordering any percent medical of the impation not to disclose wheelings that secret without prior court approach.	\$ 24-2-6 Preservation of secrecy of trade secret Some as UTSA
Statute of	An either for missperunkation must be Scrooth within 3 years after the misoprospitation is discovered or by	\$ 24-2-3-7. Limitation of action
Limitations	the coarcise of nazionalise diligence should have been discovered.  For the purposes of this section, a continuing measpropriation contributes a single claim.	Some or UTSA

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FedVState	Unform Trade Secrets Act	Indices Ind Code \$5.4.2.3.1.28.2.3.8 Uniform Hade Secrets ACI
Effect on Other Law	of Secure or promote for subsequency (s), the Earl disclass conficuse port, exemutionary, use other has of this State promoting of this making for melapropriation of a trade secure.  (b) This Final Seas and affect.  (1) consecued meeting, whether or not benefit upon mappingosistion of a trade secure.  (2) consecued meeting, whether or not benefit upon mappingosistion of a trade secure.  (3) consecued meeting, whether or not benefit upon mappingosistion of a trade secure.  (3) consecue associates, whether or not benefit upon mappingosistion of a trade secure.	(2-2-2-2-1) The chapter discloses a Local Linius law of this state annimities to the misaspromistion of Trade secret.  Appell Contract River and circums law.  (in 1-week law and circums law.  (in 1-week law products of enclosed law few law (1-2-2-2-2-2-2-2-2-2-2-2-2-2-2-2-2-2-2-2
Uniformity of Application and Construction	The LECT half he applied and construct to effect with its prevent purposes to make understiff to have with respect to the subject of this [Aud] among states energing it.	\$ 24-3-5-(10) Some in UT34
Septembolity	they provides of this (Left or its applications to any perior of occumitations in that mail if, but intelling account of the Left of the control of the Left of the power of the Left of the control of the Left of the Lef	Inc. Code 5 in 4.1-45 Sevenhalory.  (a) If any provision of this Case as now or later amended or its application to any person or circumstance is read invalid, the invalid does not affect other provisions that can be given affect without the invalid provision in a pipe affect without the invalid provision is application, and a statute containing a compareability provision, such part and application of every relative is newebble of any provision or application of a statute in sewed bell of any provision or application of a statute is newebble of any provision or application of every relative is newebble of any provision or application of every relative is newebble of any provision or application of a statute in the statute violes.  (1) the emmanded of the texture violes.  (2) the emmanded of the incomplete and incomplete of being executed in accordance with the legislative instead provision or application or application of the provision or application of the origination of the provision or application or application or the invalid provision or application or the complete and provision or the recognision or application or the complete or the provision or application or the resolution in the lighter executed before or where the provision or a conceived or application or the recognision or
Addition of Notes Notes Including Fine of Taking Effect where governed in statutery cost.	The Continue effect on the continue of the con	3-2-5-36 Continuing insuspensy inches communicated prior 61 September 1, 1981.  See, E. H. S. convening missing-portation offerwers decreased by this chapter began before September 1, 1992, the chapter before with a poly to the part of the missing-portation that councils failer between their data. At these supplies to the part of the decrease of th

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## Trade Secrets Acts Compared to the UTSA

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Fed/State	Uniform Trade Sacrets Act	terdinas trid Code \$5 \$43 3-43 3-43 3-43 Uniform Triada Sastrata Act
Additions ii		
in General and	Approved thesis UTA 20% should.	25- 
Unifers Otherwise	White cells indicate that the respective provision is equivalent to the associated 1985 (USA. While the executor-ling and formatting.)	
Specified	majudiffer, there is no motorial outstanded difference. Where a statutory provides is marked as "Stane on USA" solves trated or	
	formatting differences ones wist. Whose these differences are more pronounced but sit do ast prevent substancia distinctions from the UTSA, the cells are asseked "Substancially Mentionito UTSA."	
	<ul> <li>Netwy soft inflate that the respective provisions a substantively modified version of the UESA, so provise some of them modified was may obtained by a supplicate. In other cases, the minimable difference require attention is arguege in the policy often</li> </ul>	
	is anothered to indicate how it under from the 1910 UPA, though non-relationary and relative non-relative round to a control of the combined of the control of the control of the combined of the control of the cont	
	<ul> <li>Suit yells indicate that the emperatus province due agreement or extensión is significantly afferent from the UTSA. Don't providen are: or worlds and annotated. Orde are marked and where no train how providen has been desaffed that corresponds to a portious UTSA.</li> </ul>	N. 67 s. 1
	protion. Cells reserved for additional information are still marked text.	
	<ul> <li>Some states have condited specific this A providing from their version, on the provision would be reduced an existing state that Applicable come statute or charte is in more incovery provided above.</li> </ul>	
	Anstrokan	
	incultivation of treat in home pumps in that has been included in a state 's statute, but does not exist in this UTSA. Ye at that it sticken through in.	
	tanguage kelusted within the UESA that a state has condited from its statute.	
	Anastration on principle intended to denote substantiae, rather than testors differences. As such some small differences in planning.	\$1%.
	pounts of the confirmating have not been point. In rome cover, where dening in mentations ble and also reletantly and indicate and indindicate and indicate and indicate and indicate and indicate and i	
	# 10 miles   10 miles	
	<ul> <li>All neutrations compare the state 9 language to the conensed 1995 UTSA. However, o designs of stores how adopted the engineed.</li> <li>1979 UTSA, but not in later assentioners. Thus a status will have significant officer uses in their "fajorative Reliaf." "Community" and</li> </ul>	k®
	*Effect on Other Ends' sessions (in perhiadry).	

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## Trade Secrets Acts Compared to the UTSA

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Fed/State	Utaliorm Trada Secrets SICE	house Cocke dans \$9 50.1 - 516.9 Limiterm Trade Secrets Sect
UTSA Version Adopted	1995 version	1163
Deforition President shift internet Means	As cued in the LECE, which the conduct requires otherwise.  The conductive makes in the Conductive the Conductive Cond	5-50-010.
Definition: Messegno- position	[3] "Mosaperoprietion" means:  (1) acquisition of a findle secret of secretive by a paragon who finders or has reason to force that the rouse secret was acquised immorpher research;  (2) such secretives acquised immorpher research;  (3) secretives acquised immorpher research;  (3) secretives acquised immorpher research to receive the research of th	5 50 20 Substitutely increasing 1754
Calinatics: Person	(8) "Person: "main: a natural person, corporation, business trust, actable, final, partnership, association, part variluse, powerment, governmental authoritors or agency, or any other regal or commercial earth.	Cover Code Arm 8 4 3200  Under Actions accorded by box "portion" means required approximation introduction companies or programment of coloration or agency, business tout, writer, first, partnership or representation to any other figal accordance only.
Districtions. Locks Server	(4) Their server internal information recording in formular pattern completion, program, denies, method, settlemens or process, fatter.  (I) demonstrating control of the control of their settlement of their	\$355.3() Substantively identical to UTSB
Exhibitions Make As UTSA.		\$ 550,027.  *Torout of "Secondage" invests that a person has actual involvinge of information or a commission or that the person has seezed to term of the information or documentarize.

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# Trade Secrets Acts Compared to the UTSA

Fed/State	Uniform Trade Servets Act	Brujus Cocke Anne. 59 SSU 1 - SSU S Unsform Braide Secrets-Act
injunctiva Relief	(a) Acual or divinated misaginositrion must be enhant Upon application to the court, as illustrated in a terminated video fine trade earch the seasoft to each to the implication may be continued for an additional misaconship period of time in order to all ministe commercial selectings that otherwise would be sentered from the misaginosistation.  15 In exceptional circumstances, an injection may condition future use upon payment of a reasonable.	9.50.3. to junctive relief Subatominally indirector to UTSA
	controlled with the controlled properties of	
		٩
Damages.	(a) Exempt to the extent that a material and populations change of position power to acquising knowledge measons to know of imaging supprepriation renders a momentary recovery inequalistic, a complainment is entitled to recover demonges for minageneous participations, paragets can include both the actual loss caused by minageneous properties.	§ 590.4. Damager Substantively identical to UTSA, except for the following annotation to the UTSA language:
	and the unjust enrichment caused by misoppropriation that is not taken into account in compating solutions. It like of demages measured by an other methods, the demages caused by misoppropriation may be measured by mysophilm of liability for a inescendor enjully for a misoppropriator's unsulthorized declorume or use of a tinde secret.	Except to the extent that a material and prejudicial change of position prior to acquiring invovidage or reason to know of misappropriation renders a monetary recovery inequitable, a-compliainers an owner of a trade secret is entitled to recover damages for misappropriation.
	(b) If willful and malicious misapopopolish mosts, the court may avaid exemplary duringles in a famount out accessible, trace any sward productives submedical (a).	
Attorney's fees	If it is alone of misapproporation in made in that fails, (ii) a recorded terminate as impaction in made or consistent materials are included in the court may be recorded into fails, (iii) until and misappropriation exists, the court may be red recorded attorney's feet for the presulting party.	\$ 500.6 Actionary Tests Widestandingly Identical to UTSA
Proservation of Secrety	in an action under this [Art], a court shall present the earner of an alleged finde secret by reasonable means, which may include grenting protective orders in connection with decovery proceedings, holding in	§ 550.7. Preservation of secrecy Substantin's (election) to UTSA
	current learning, setting the excellent the action, and evening are general problem in the flaggetion for feedbackers an alleged tracks open without poor classy pageness.	occupation of grant and to the second se
Statute of Monitorious	As action for misapoposistion must be brought within 3 years after the misapoposition in discovered or by the exercise of reasonable diligence should have been discovered.  For the purposes of this section, a combining misapopoposition constitutes a single claim.	1,500.5. Statute of limitations Substantively infercion to UTSA

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Not Intended As Legal Advice

Fed/State	Uniform Trade Seprets Act	Sovea Annen Code Ann. 35 SAC 1 - 850.3 Uniform Taulo Sacrett Art
Effect on Other Law	(a) Every air provised in subsection (b), this (bit disclares confirming to r, embidiners, and other leve of this State provider is investigate for management of a track season.  (b) This (Act) does not affect.  (c) This (Act) does not affect.  (c) Charles (Act) does not affect.  (d) Charles (Act) does not affect.  (d) Charles (Act) does not affect.  (d) Charles (Act) does not affect.  (e) Charles (Act) does not affect.  (f) Charles (Act) does not affect.  (g) Charles (Act) does not affect.  (	
Application and Construction	The [Act] shall be applied ent construed to effections it is gament purpose to make uniform the law with respect to the subject of this [Act] among status ensecting it.	<b>Nove</b>
Secretability.	If any provinces of this (Led) or its againstance is any person or committenees in high levels, the investigation on a direct order province or againstance from the (Led) with the part of the (Led) or its agreement of the control province or a agreement of the control province or agreement or agreement of the control province or agreement of the control province or agreement o	inour Code Ann. 5.4.2. Ago or statute era exemple:  An prompted of a facts codes or the appoint on the off facing parties or screenings are half initially, the implicitly does part affect prime previously of applications of the Act or statute which can be given effect vertically facilities and applications of the Act or statute are severable.
Auditions or Nutree including from or Tables of Tables o	This Mart Date effect on	\$50.50 Delanese-connect of disclosure  I have a recommended to disclosure and the second content of the chapter in shall be a composed of the

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## Trade Secrets Acts Compared to the UTSA

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Fad/State	Uniform Track Secrets Act	Nova Code Ann. 55 55(1) 55(1) Uniform Trade Speaks Art
Additions II		
In General and Unios	Single on the state of the State State of the State	
Otherwise Specified	<ul> <li>White cells indicate that the respective provision is equivalent to the operand 1985 UTA. While the exact wereing and forwarding may differ there is no materies what and its difference. White autobater provision is considered at "Spine as UTA" mises toolwill as</li> </ul>	
	formatting differences may exist. Where there afferences are more presented for soft as not present substantial distinctions from the USSA, the only one marked "Substantials it is miscator UTSA,"	
	<ul> <li>Vellow ork indicate that the respecting produces a understative and filled our in a of the UESA, so practice come of these modifications may whimstateled an inplicate. In other cases, the substantial differences require attention, Language is the vellow sells.</li> </ul>	
	is anastrand to indicate have branks from the 1945 UESA, though non-velociables and auteor verialism may act be manufalled.	
	<ul> <li>Rest cults institute that the respective pervision does not wake or otherwise is significantly afferent from the USA. Their perulianes are presently not constanted. (Oth are morthed and where no state have provided from the Other Rest first consciously in a positive USA.)</li> </ul>	
	profiles. Cells re-served for middlesed information are often maked red.  * Some cross have a militar specific UFA provision from this version, or the provision would be redulation of existing state last.	
	Applicable coap revues or classics is in most between provided above.	
	Anastations:  **Decisionism of look is known up that has been included in orate is storate, but does not even in the UTA. You that is likeless through it	
	Anagurage Resiscles i within the UFSA that a state has evalued from its elaints.	
	<ul> <li>Annotation our princelly laterated a denote subsentile, rather than actual lifference. At still, course and differences in phracing, purcturated, and formating have not been noted. In some cases, where this life, immediately in entertainment and infects</li> </ul>	
	only where a state's province affers in meaning from a corresponding provision in this USA.	
	<ul> <li>All accounts on compare the state 3 traguage to the outcomed 1985 of S.A. Rouever, a member of states have adopted the original 1975 of S.A. has not 25 true concentrations. These states with how slightly and officer was in they "rejunctive Rulef," "Compage," and</li> </ul>	
	1979 USA, his not as one successments. Here some was now engagement aggreeness in their regulative in leg." (Unitegies, 1995) "Effect on Other Law" testings (Imperitarins).	

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# Trade Secrets Acts Compared to the UTSA

#### Not Intended As Legal Advice

Fed/State	Uniform Treak Secrets Act	Earn, Stat. Ann. 55 60 3320 - 60 3330 - Uniform Yeals Secrets Act.
Adopted	An used in this [Act], unless the context requires otherwise:	5 60-3320(1)
Preamble and Improper Means	<ol> <li>Intproper meant includes theft, bribery, interspessentation, breach or inducement of a breach of a duty to maintain excess, or exponege through electronic or other means;</li> </ol>	Same as UTSA
Definition:	[2] "Misagareptation" means:	\$ 60-3320(2) Some as UTSA
gerention.	(i) acquisitiou of a trade secret of another by a person who knows on her resort to index that the trade secret was acquired by improper means; or	20 C
	(ii) disclosure or use of a trade accret of another without express or implied cossent by a person who (A) used anymoper means to acquire knowledge of the trade secret; or (8) at the time of disclosure or use, knew or had reason to know that his traveledge of the trade secret.	
	uses (i) derived from oit through a person virbo backutilized improsper means to acquire it; (ii) acquired under circumstances giving rise to a duty to maintain its secrety or limit its une or (iii) derived from on through a person who overd a duty to the person seeking relief to maintain its	
	secrety of limit its use, or  (C) before a material change of his (or her) position, bnew or had reason to know that it was a trade	
	secret and that moviledge of it had been acquired by accident or micrale.	
Definition	(3) "Person" means a natural person, corporation, business trust, estata, trust, partnershis, association, joint	
Person	si - remoir imitante e miscural parison, corporigioni, succines rurus, estrati, rufus, participato, participa	9 bit southers
Definition Trade Secret	(4) "Trade secret" means information, including a formula, pattern, compileton, program, device, mathod sechalque, or process, that	\$ 60-3320(4) Some as UTSA
	It if derives independent economic value, actual or potential, from not being generally known to, and not being readily accertainable by proper means by, other persons who can obtain accountly value from its disciousire or use, and	
	(iii) is the subject of afforts that are reasonable under the circumstances to maintain to servery.	
Definitions Not in UTSA		

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## Trade Secrets Acts Compared to the UTSA

Fed/State	Uniform Track Service Act	Kansas Kan: Stort Ron. 95 00. D32D: 90-323D Uniform:Trado Serrets Act
Injunctive Refer	(a) Actual of Impeased Imageneration may be extend Lipon agolization to the court, an expectation may be interested point and the impeace of the court are expected from a difficult reconsisted part of the reconsisted from a difficult reconsisted part of them is created to all minest commercial adjustage that extensise sould be advoted from the reconsponential.  (b) In exceptional discoursefunce, an impediant may condition future use upon partners of a resource property of the exceptional construction of the first or which are could have been prohibited. Exceptional commentance listed, but are not female to a minestial and regularly divings of property or to acquiring temporary or resource to lesson of mappropriation that reviews a prohibition impediable.  (c) In appropriate circumstance, affirmation acts to product a trade except may be compatible, by court order.	\$ 00-1022. Misappropriation of trade secret; injunctive or other protective relief
		ab.
Danvages	(a) Europi conte extent that a material and projudicied disruption place to acquiring interviewpe or manners to know of managementation medicar a manufact recovery, respectively. As committed in a settled of con- traction of the contraction of committee of the contraction of contrac	\$ 60-382; Same demages Sene or UTS
Aftersony's Febs	f () a close of misappropriation is much in high faith, (i) a notice in terminal as a injection is region or marked in high faith, or (iii) withful and misappropriation exists, the cost may exact reasonable alternary's fact to the potalities party.	\$ 50-592). Ancest of altomery free, when Some at USSA.
Protect until or an a Secretary and Secretary	are active used to [24], a cost hell assess the section of a chapations access to assess seein, which may relate perlang mentions report in connection the decovery precauting, failing in- carriace hearings, scaling the access of the abolic's and obtaining any parion resolved in the trigation root to decides an alleged tracks access without prior count approval.	6-09-33.35. Preservation of trade secret during action Some on UTSA
Statute of Unitations	An action for misageneous data must be brought within 3 years after the misageneystation is descovered only the exercise of reasonable diagrams should true been decovered. For the purposes of this section, a confibusing misageneous contributes a single claim.	\$ 60-3325. Time limit for bringing action Some <i>as UTS</i> A

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# Trade Secrets Acts Compared to the UTSA

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End/State Effect os Other Law	Visitom Trads Severta Bot.  (a) Energy se provided in subsection (b), this (Ard) displaces cerefricing test, excitationers, and other law of this Sales securing, out remediate for interpreparation of a trade sevent.  (b) contractual remediate, whether or not beset upon misepropreparation of a trade sevent.  (c) contractual remediate, whether or not beset upon misepropreparation of a trade sevent.  (d) contractual remediate, whether or not beset upon misepropreparation of a trade sevent.  (d) contractual remediate, whether are not beset upon misepropreparation of a trade sevent.	San: Man: Alex: 19 60-320: 40-320: 40-320: 50-
Uniformity of Application and Consequition	This [Act I shall be applied and commons to effect uses in general purpose to make uniform the law with respect to the subject of this [Act] among states examing it.	§ 60-0327. Uniformity of act Some as UTSA
Severability	If any process of the LPCQ or is application to any periors or consumences in bold which the maintifu- pose in a difference operations or applications of the LPCQ which is given effect which the insuling profision or application, and to this earth of provision of this [bct] an accessible.  If a long of propriety characters can apply of Affects have entally general carefulding statutes in these states of the strategy of a provision of which are apply of the	Son act UTSA.
Addition at Mining installing in the property of the property	The left these affect on	\$ 60 5000, Act one recreative  This set disease, not spay by unhappropriation occarring prior to the effective date. With respect to a community employment of the property of the continuing employment of the place property or than effective date.  The set of the continuing employment of the effective date.

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# Trade Secrets Acts Compared to the UTSA

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Fed/State	Uniform Trade Secrets Act	Bars, Start, Ann. 55 (IO. 2020 - 50-3390 Uniform Trade Sacrets Act
Additions II		
		av.
	General cells: General UTVA 2595 various.	75A
Unless Otherwise	<ul> <li>White cells indicate that the respective provision is equivalent to the annualed 2000 USA, While the executor-ting and fraunting impatible, there is no material solutionise difference. Where a stability provides it started at Tance of UTAP minut install or</li> </ul>	
Specified	Constitling differences was exist. Whose there influences are notice procounced his sold do not present jubicinities distinctions from the UFSA do note are modes? "Substitutions identification UFSA."	
	<ul> <li>reflow only intigue that the respective provision is a substitution in end filed wor in a of the UESA, on provide some of these</li> </ul>	
	imzdifantine may whimaety be jeri jegilanet in other oren; ilw subsantise difference require attention. Language is the pellow colle is mastaded to indicate how it varies from the 1936 CESA, disago, non-substantive and misor variabless mov and be newspecial.	
	<ul> <li>Style of the indicate that the respective providing does not explore otherwise it copylights by filtering from the CFSA. Their providings have a member of the copy of the co</li></ul>	X \$2.5°
	succion. Celtr reservest for artitionast information are not a number and.	
	<ul> <li>Some stores have continue specific UFSA provisions from their venture, so the provision would be redigingless of existing make faul.</li> <li>Applicable same summer or charine is in most increases provided above.</li> </ul>	
	Anostribers	
	<ul> <li>Unabilitied to a in Diagnage that has been included in artists's satural, but door not wish in the UTSA. For that is striken through in</li> </ul>	A %
	bergunge broketet unkbleithe UTSA that autone hee neukterflow ist rannte. • Amazanians war grân jely internited to dy note sybounder, maker than is unoil differences. As well, come sensif affirmaces in phase ing	
	posetorate are principal district in prince to consider, come and whose approvinces of their considerate and expensive in principal constitution and control and expensive and expensive constitution and expensive and expensive constitution and expensive and expensive constitution and expensive an	[ A 32:
	entroducts and contact and one out even ment, at time case, want thing it, and the both of values of entroduction and out time.  Only where a costs is provided differ in messing from a consequenting provided likely USA.	
	All amountailure conspine the state's language to the amounted 1995 UTSA, showever, provisibles of states have adopted the original.	
	1979 NFSA, but not do into consentinents. These states will have significant differences in their "injunctive Archit!" "Damages," and	Pr .
	"Effect on Other Law" tressions (in passionies).	

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### Trade Secrets Acts Compared to the UTSA

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	Wistons Yeaks Secrets Act	Ky. Pari, Yost, Ann. §§ 906-800 3 566-900 Dieform Tradé Secreta Act
Adopted Deficition: Free rible and triproper	As used in this [Act], unless the context requires otherwise: (1. "Improper meam" includes their, bribers, misrepresentation, breach or inducement of a breach of a day.	9 365 380(1) Some co UTSA
Maans	to maintain scarce, or expressed through electronic or other researc	
Oefinition: Missippro- pration	(2) "Weappropriation" means: (i) acquisition of a roade secret of amother by a person who innove or has meason to know that the mate	\$ 365.080(2) Some op UTSA
	secret was acquired by interoper means, or (iii) disclosure or use of a trade secret of another without express or implied consent by a person who (A) used improper means to acquire blowledge of the trade secret, or	
	(B) at the time of disclosure or use, linear or had reason to know that his incredegige of the trade secretives (I) derived from or through a periodi who had utilized improper miseare to acquire it. (I) exputed under circumstance giving that to a duty to maintain its secrety or limit to use; or	
	(III) devived from or through a person who award a duty to the person seeking relief to maintain its secretary of limit its use or  (C) before a material change of the forther) position, from or land resears to know that it was a finder secret and that leavinging of it had been accurred by according to mintain.	
Definition: Person	(3) "Person" means a rabural person, corporation, quainess trust, estate, trust, patterning: association, joint enture, government, governmental subolistics or agency, or any other legal or commercial sinisty.	\$ 365.580(1) Some as UTS
Definition Trade Secret	[4] "Trade senst" means information, including a formula, pattern, compilation, program, decks, method, sectingue, or process, that	\$ 355,880(4). "Trade secret" means information, including a formula, pattern, complication, program, data, chiece, method,
	(i) derives independent economic value, actuals or protential. From not being generally known to, and not being ready accentainable by proper means by, other pations vide can obtain economic value from its disclosure or ow, and  (ii) is the sobject of efforts that are reasonable under the occumulatures to maintain its server;	technique, or process, that:  (a) Derives independent economic value, actual or potential, from not being generally known to, and not being readly accentariable by proper means by, other persons who can obtain accordant under from its disclosure or rise, and
		(b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.
Delinitions		
tool in UTSA		

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# Trade Secrets Acts Compared to the UTSA

Fed/State	Delform Track Secrets Act	Northers Ky, Rev. Stat. Am. 3§ 363, 8801–365, 900 Uniform Trade Searchs Act
injustice Podrat	a) Actuals or hexagened misagenopolation may be enjoured. Upon againstines to the court, an enjoured misage and the court of units, that the injustment may be continued from a count of the court of the court of the count of th	9.565-882 Hyunchise meiner Storre en UTSA
Damages	(a) Except to the extent that a material and prejudicial change of position prior to acquiring knowledge or	5 365.884 Damages
	respond to forms of manageopopolistic harders an moretany receivery (respublished, a complaintes) is antible for severe delarges for imageoporetistic. Designed and include both the state like classed in manageoporetistic consistence of the severe of th	Substantiary develocities (TSA)
Attorney's Fees	If (i) a claim of misappropriation is made in bad faith, (ii) a motion to terminate an injunction is made or resisted in bad faith, or (iii) willful and malicious misappropriation exists, the court may award reasonable.	§ 365.986 Attorney's fees Same as ÚTSA
	atterney's feet to the poweling party.	
Proceduation of Surgery	in a pation under this (Act), a count shell payment the relate, of an inlegad timbe speech by reasonable man, which may include granting precising under its properties with Goovery precedings, policy in careaus havings, sealing the records of the action, and mening an jumps month of the inligation act to decroes an inlegad frade service without prior certify approximately and the properties of the action without prior certify approximately and a service without prior certify approximately and a service without prior certify approximately.	9.385-988 Preservation of secrecy Some as UTSA
Statute of similations	An action for meageneration must be brought within 3 years after the misappropriation is discussed or to the average of the section, as continuing misappropriation contributes a single claim.	§ 365.809 O'Statute of Invitations Sense at 0754

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# Trade Secrets Acts Compared to the UTSA

Fact State Effect on Other Law	Uniform Tunks Secrets Act  Is Section to provided in subsection (S), this (Act) displaces conflicting test, eschariously, and other the of the State providing cut remediate for interproporation of a trook secset.  If you have been considered to the second of the secon	Ny, Piles Stan, Ann. 43 (26, 59) - 365, 560 Ny, Piles Stan, Ann. 43 (26, 59) - 365, 560 Hardon Orlan Navs Substantively interior for UTSA
Enformity of Application and Construction	This (Incl.) shall be applied and construed to effectuate in general purpose to make uniform the law with expect to the subject of this (first) among states execting it.	§ 385 SM Uniformity of application and construction Some or UTSA
Severability	Early previous of the [Ard] or its application to any person or circumstances in field whall, the invalid processor capalizations of the [Ard] and its page of the [Ard] and its page of the [Ard] which are placed to the previous capacity of the [Ard] which are placed to the previous capacity of the [Ard] and are expenditure, and to the next the processor of the [Ard] are expenditure, and the first and the processor of the [Ard] are expenditure and the [Ard] are expenditured to the processor of the [Ard] are expenditured to the processor of the p	\$ 365,000 Secretality Score of UTSA.
Addition or Motion for Motion (Including Time or Taking Time or Taking Effect Where provided is statutory and	The left lists effect on	\$ 365.000 Effective date, when applicable to misappropriates.  19.600.000 10.000.000.0000 chall take effect on taky 13, 1966, and shall not easily for misappropriation columning point to take 5, 1900.00000, 1900.0000, 19

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### Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

Fp4/State	Uniform Trade Secrets Act	Ky. Pav. Stat. Ann. 55 785 850 - 365 950 Uniform Trads Sacrata Act
Additions if		
fo General and	Orner or the direction of S.A. (2005) very disc.	4/2
Unless Otherwise	While and indicate that the respective provision is equivalent to the accounted 1905 USA. While the exact wavelegt and forecepting.	
Specified	movidifes there is no materiorisationable difference. Where a statutory provides it material in "same as UEA" minor transition from thing difference may write. Whose there difference are more pronounced but cell do not prevent into tractic distinctions from the UESA, the cells are marked "Substructions distinctions DESA"."	
	<ul> <li>řednov och indiane stor (he respezite povicio) si a splatantivele nejděví venim of the idžil, in povitin some of these anadjentom mas ubimatelytel in igrifoms in othe ones, the whemste difference require attention. Lasguage is the vellow attention</li> </ul>	
	is manufaced to indicate how it yorks from the 1505 UPSA, though non-substantial and mileor variations may not be manufaced.	
	<ul> <li>Bild capità indicate (that the aspective province pass control or comproduce à significant) office en from the UNSA. There exceptions are given really and mensional. Call one or marched and whiteve investore from province has been identified that not expend it in plothadom UNSA control of Call or several for antifoloxial information are after constitut and.</li> </ul>	
	Seven states have nestered specific UFFA provision from their version, or the provision would be reduced as obtaining state look.  Applicable states cannot a clothin is in most introduce according above.	
	Application organization (a contest a contest and course provided another.  Amentation:	
	*Aminorities of treat in languages short has been included in a state's statent, but does not unit lights USA. To at that it thinks withough in Language includes within the USA that a state has mainted from its statents.	
	Amountains one primorely intended to demote substantiae, nather three tenses differences. As sixth, come email differences in phenoisty, participation of the control	
	outs where a tinte's provision differs in meaning from a corresponding provision in this UTS A.	
	<ul> <li>All noncontribute compare the train's longuage to the executive 1895 OTSA. Newvest 8 Author of trains how adopted the original.</li> <li>1979 USSA has not be inter-assentationer. There stores will have significant differences in their Tephratics Author. "Communication of the Communication of the Communication of the Communication of the Communication."</li> </ul>	

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# Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

Fed/State	Datesin Trade Secrets Act	keulskun 14. Sud-Ann (§ 31243) - 3.211439 Unfarm Trado Sacres Act
UTSA Version Adapted	1969 version	1979
Definition Fession bite and Fession guar Meach:	es quel in this (Ant), vivieux the context requires efficience (1).  "Improve masses" includes their Leibes, minerpensentation, forests or inducement of a breed of a duty to relative section, or englange though electronic or other masses.  The context is section, or englange though electronic or other masses.	\$ 1493U) Serve de U/SA
Definition of history of the protection of the p	(2) "Mesographisative", impairs (1) secondation of a trade secret of another by a person who indove or his respon to intox that the trade secret of another in the secondary of	5-1431(2) Some or UTSA 5-1431(3) Some or UTSA
Definition:	43 "Tade sector" manus information, including a formula, gattern, completions program, design, method.	1.451(A) 5.461(A) 5.461(A)
Trade Secret	sectionisms or process, chat  (i) denses independent exconomic values artisal or potential, Thom not being generally shown to, and excluding souther section the bit proper makes to collect persons who are obtained exconomic value from the delections or was, set  (iii) in the object of efforts that we cannot do under the coronadorous to mellination to several.	
Districtions Not to UTSA		

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# Trade Secrets Acts Compared to the UTSA

Fud/State	Uniform Trade Secrets Act	Jacobiana Ja. Sinet. Janu. \$5.13431 - 51.1430 Uniform Paula Karquis. Act
mjunduvj Rušlef	(a) Actual or threatment measurement on the period of the control of the measurement of the control of the	A final or investment image-proporation may be implained. Upon application to the case, as inspection deals for the case, as inspection deals for the case, as inspection deals for the case of the case, and inspection deals for the case of the case, and inspection and the case of the case of the case, that the implication may be continued for an exciticional nanoscent period of their or total elementar commercial advantage that otherwise would be advanted from the misappropriation.  A secondary-advantagementary-Extra Case of determines that it is could be proposed for problem future proceedings of the case of t
Damages	(a) Except to the extent that a material and projudcies draining of position prime to equilibrium in the execution is town of misopaperportion remiers a monitors recovery inequitable, a considerant is excelled to remove the execution of the exe	5 1433 Damages  A month of the control of the contr
Attenty's Feet	Fill gains of mission processing and a hard filler (i) a violation to be made an execution of edge of controller in before (i) in their own endours mission process, and on any several execution extension of the positive points.	5 355A Antonoy's fees code of Pigo.
Prevention of Secretary	have action order this (FeI), a court half previous the soletor of an impact what specify a warroning manner, which may sold against previous could re connection with decovery proceedings, cloting the canner heavings, sealing the accords of the action, and coloring any gention exclude in the litigation not to clother as a shaped tradic society without prior court argument.	5.1835. Resurvation of succesy Some as UTSS.
Statute of Limitations	As action for imaginguistinin must be longific within 3 years offer the misappropriation in discovered of the exercise of inscioulite diligence should have been discovered.  For the purposes of this textion; a continuing imaging-population constitutes a single claim.	§ 1436, Prescriptive period Some os UTSN

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# Trade Secrets Acts Compared to the UTSA

Fed/State	Distant Trade Second Act	Seniform 1a. Sant Ann §§ 32:333 3:21239 Unform Thank Secret Acc
Effect on Other (and	(a) Except a provided in relaborator (ii), this (Int.) displaces confidency ton, extendinances, and other law of this Softe providing of investigation of a mode security.  (b) This (and seem as allows:  (ii) This (and seem as allows:  (iii) containment investigation, substitute or not leased upon misagenopration of a trade security.  (iii) containment investigation that are not leased upon misagenopration of a trade security.  (iii) controllar amendina, substitute or not leased upon misagenopration of a trade security.  (iii) controllar amendina, vyhether or not leased upon misagenopration of a trade security.	5.102 File-Lor or other law A This Chapter deligness conflicing bot; materialisms, and other laws of this state partiting to civil facility for imagenypristion of a trade score.  1. This chapter does not affect  (1) Contractor's immediate, wholese areast based upon mappropriation of a trade score, or other civil facility or railed that a not losed upon mappropriation of a trade score, in contract or other civil facility or railed that a not losed upon mappropriation of a trade score,  (2) or recommendate, wholese are advanced upon mappropriation of a trade score).  (3) or recommendate, wholese are advanced upon mappropriation of a trade score).  (3) or recommendate, wholese are advanced upon mappropriation of a trade-score(tibility for mappropriation).
Uniformity of Equilication and Construction	This (Ext.) field the applied and constructed to differential the general purpose to make underso the law with respect to the subport of the (Axt) entropy states executing it.	9 1458. Uniformity of application and construction Some or UTSA
Severshality	If any provision of this (End) or its application to one precision or circumviscous in shall knowled. The immillion count of and control processions or application, or other lands where the agreement is applicated to application, and is the end the provisions of this field and serverals.  The level of adversely improvision of majors of states in one entails operant permitted in states. For these street, it is required an entail of the states in the entails of the end of the country of the end of the e	Is State Ann. Ad 175; Sevenships;  A. United oblivation or proceedings of proceedings to the processor of an extended processor and a coverable.  A. United oblivation of the processor of the pr
Additions or fiction including forms of taking affect where provided in statistics are a provided in statistics, took and the provided in statistics, took	The Lefel bose effect on	

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# Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

Fed/State	Uniform Trade Secrets Act	ta. Stat. Ann. §6 52 (A2) - 52 (A3) Uniform Trada Secrets Act
Addations H		
	Junear LAN Strong UTS A SEN Version	
Unters	<ul> <li>While call fallpote that the respective provision is equivalent to the amended 1985 (ISA, While the execut repeting and for conting</li> </ul>	
Otherwise Specified	may differ, there is no material colorante alfibrems. Where a statutory provide 6 is marked as "Some as UTA" minus turned or formation differences any exist. Where twee differences are more processed for still do not person substantiae detinations from	
	tite USA, the relli are marked "substantively identification USA."	
	<ul> <li>tvětov celé indistru that the respective povičine is a substantivéh mulified von inn of the cliffe, in premier same of those modfictrium may altimately bu knigrificant, la alter onces, the substantive differences require attention. Language in the yellow cells</li> </ul>	
	is another to indicate how it works from the 1925 OFFA. Stough non-substantial and minor variations can not be assumpted.	
	<ul> <li>But only deficate that the expective produce dury as solver abuseds is algorithmet; afferent from the MSA. Takin provides and: generally not anastrated. Cells are marked red where no state tree pools in has been been filed that convergence in gardinal USA.</li> </ul>	
	sestion. Order revenues for untoblishmal light-muscloor and other sensited next.	
	<ul> <li>Some states have availated specific UPSA provisions from their version, no the provision would be realized and of existing stablished.</li> <li>Applicable states settings on chatches is in more demances provided above.</li> </ul>	
	Austerline:	
	<ul> <li>Controllered level in temperage after time becominatived in natural systemate, between not excipt in the UTSA. The other is direction although in January included within the UTSA i had a state from professed from its statute.</li> </ul>	
	Acoustotion we primarly intended to denote substantiae, rather than tentury differences. As girll, some conditifferences in phosping	
	puniterativa, antifermetikaj liane last kono mated. La vente cares, udura likidifikil, intastativa jaki entituk valstantiva anti indirate onteralizas a stata 1 pareis in differe in magadag fiata a con capatiling provincia let His UTSA:	
	All amountailors compone the state's language to the amounted 1995 HTSA. However, a qualities of costs: then adopted the original	
	2079 UFSA, but an its later amendatant. Data status will have significant affectance in their Apparation hales." Comages, i indi Uffect on Other Low" vertices (importants).	

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# Trade Secrets Acts Compared to the UTSA

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Fed/State	Uniform Trade Servets Act	No. Ros. Start Alois für 10, §§ 1343 - 1548 Uniform Trado Secrets Act
UTSA Version Adopted	1985 varion	IS65
Definition: Preentise and	As used in this [Act], orless the contain requires otherwise. (1) "Improper means" includes their, britany, micrepresentation, breach or inducement of a breach of a duty	\$ 1542(1) Some & UTSA
Improper Means	to maintain secrecy, or septonage through electronic or other means.	
Definition: Attractors printson	(2) "Misappropriation" means:  (3) acquarition of a trade secret of another by a person who knows or has reason to know that the trade	5 1542(2) Same as UTSA
	secret was acquired by Improjest means, or (iii) disclosure or use of a trade secret of another without express or implied consent by a person who	
	<ul> <li>(A) used improper means to acquire knowledge of the trade secret, or</li> <li>(B) at the time of disclosure or use, these or lead reason to know that he knowledge of the trade secret.</li> </ul>	
	was  (i) derived from or through a person who had utilized improper means to acquire it;  (ii) acquired under occumstances giving rise to a duty to maletain its secrety or limit to use, or	
	(III) derived from or through a person who owed a duty to the person seesing relief to maintain its secrety or limit its use, or	
	(C) before a material change of his for his? position, tokes or had reason to know that it was a trade secret and that forcelledge of it had been acquired by accident or mistales.	
Definition	(3) "Person" means a natural person, corporatios, business trus, earate, trust, pertnershis, association, joint	§ 15-22(3)
Person	venture, government, governmental subdivision or agency, or any other legal or commercial sinity,	Same as UTSA
		**
Coffeetion. Trade Secret	Trade secret means information, including a formula, pattern, compilation, program, device, method, technology, or process, that:	\$ 1542(4) Surne as UTSA
	(If derives independent economic value, actual or potential, from not being generally known to, and not being readly acceptantials by proper means by, other persons who can obtain economic value from its disclosure or use, and	
	(ii) is the subject of afforts that are reasonable under the circumstances to maintain its secrecy.	
Definitions		
Not in UTSA		
3.00		i

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# Trade Secrets Acts Compared to the UTSA

Fed/State	ihiliann Trade Sevrate Act.	Maine No. Hav. Stat. Acc. 11: 10, 65 1543 1548 Inform Trade Secrets Act
injunctive ficile i	(a) Affairs of three-land mesaphoramism may be enjoined. Upon application to the court an injuricion state be intermised when the trade acceled accessed to earth, but the injuricion may be certificate from a colditional reasonable period of the less invested to estimate commercial advantage that otherwise would be december from the instingation processed and the control of the c	8.1541: Princetion milet  Althispopopopolism memoria and or exposed. Actual or threstened integropropriation may be <u>explained or</u> exposed: Joba special memorial or exposed. To an explained or the country of the princetion of th
Datisages	a) Except to the entert that a material and projudcial change of position prior to requiring involvings or resoon to brow of misappropriation renders in motetary recovery inequitable, a complainment is entitled to recover an expect in modern processor in complainment in entitled to recover demander for incompositions from the control of the threat calculates caused by invaporations and the capture secretive exceeds in misappropriation that is not dissert now around a companying state. If the control is secretive in the control is a control of the control of the control is a control of the control of the control is a control of the control of the control is a control of the control of the control is a control of the control of th	\$ 1544. Damages Substantively ulcerical to UTSA
Attroney's Fews	If I is a time of minaproporation in made in tiple from (I) is a motion to terminal as a injunction is migate a required in that (I) is a "limited and miniprocessing injunction to the country always reasonable atterney's feet to the premating party.	5 (SSA Attorneys) field Some of UTSA
Peaconsile of Seiney	The method under the Lettil, a count of their preview the springer of the integrational capital by availables means, which may solve garring methods goods in connection with discovery proceedings, including for converse benings, sealing the records of the abbits, and counting any parson moderal or the legistion not to decided an entrypy of the county without prior county approximation of the county of decided an entrypy of the county without prior county approximation.	9 1369. Presentation of socrecy Some on UTSA
Statute of Minitations	To advance the interpretation in must be brought within 3 mans after the interpretation is decreased or by the section of resemble disposes of their section, a continuing misoproposition contribute a highly date.  For the purposes of this section, a continuing misoproposition contributes a highly date.	§ 357. Sature of invitations As action for mispeoporation must be brought within slew 2 years after the mispeoporation is discovered to 1 the energy encountered dispeops, should think been discovered for the purposes of this section, a continuing mispeoporation constitutes a origin date.

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# Trade Secrets Acts Compared to the UTSA

Fard/State	Uniform Track Series Act	Maire. Mai. Hary Stat. Am. at 10, 55 1541 - 2348 Heliofray Trade Society Act
Effect on Other Lave	(a) Except a growther in utheraction (ii), the (Livel) displace conflicting fort, methaliseau, and other law of this State perculsing of all methods for misoporopisation of a funde search.  (iii) This (Asi) Side one of affect.  (iii) This (Asi) Side one of aff	1.16. Effect on other laws.  1. No effect. Exerpt an provided in the section, this Act displaces conflicting ton, restinationary and other invested this take providing out immediate for missperoprintion of a trade secret. This Act does not affect.  A. Contractual semedies, whether or not based upon missperopristion of a trade secret.  5. Other cold remedies that are not based upon missperopristion of a trade secret.  C. Criminal remedies, whether or not based upon missperopristion of a trade secret.  D. The didn of any secret or not based upon missperopristion of a trade secret.  D. The didn of any secret or not based upon missperopristion of a trade secret.  L. The provision of the Maline Tort Claims Act. Talls 1.6, displace 75.
Uniformity of Application and Construction	The [Cit.] shall be applied and construed to effections by pensal purpose to make uniform the less with expect to the subject of this [Art] among stakes execting it.	Anne
Savestality	If any processor of the [Lead] or a national country law or with the contribution is a second country of the co	Non-New State, North (NT.), 6.7 (10) Severability.  The powerscript, of the visible are severable. The powerscript of any ostation have an exercible if any grantists of the schatter for the september of whether to any person or consumitation or in the schatter or the schatter of whether to any person or consumitation or invalid system of the schatter of the schatt
Addition of Notes Notes Including Plane of Taking Street where produced in statutory section 2.	This (Act) takes effect on which controlled in and does inchapply to misappropriation occurring smorts the settled leads. With request to a controlled in inappropriation that leaves plot in the effective date, the little date which seems to be a set of the effective date. We have deep to be settled and the end daying it to end which and the end daying it to end which and the end of	

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# Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

Fad/State	Uniform Stade Secrets Act	Mac Rev. Stut. Ann. of III, \$5 1341 - 4548 Uniform Trade Secrets Act
Additions it		
	Oresone & damage UTSA EBS version.	40.00
Unless Otherwise	While cells indicate that the respective provision is equivalent to the amounted 1805 M/SA. While the execution-chieg and forcesting.	
Specified	may differ, there is no material substantive difference. Where a statutory position is marked at "Some as UTSA" misor tectual or formating difference: way exist. Where there office post are more promised but old to not present substantive distinctions from	
	the UISA, the ceft are marked Substantials identicate UISA."	
	<ul> <li>retires polic indigene than the respective provision is a submantively specified upwing of the Lift A. In practice scarp of these</li> </ul>	100 T
	amodifications noty which about the insignificant. In other cases, the substantials office according to exact a consistent of the yellow, colir is an action of a behinde from it works from the 1995 UTSA, showing non-substantials and raison carbations may up the amongibid.	
	<ul> <li>Sect and violate that the respective provision does not exist or otherwise it significantly offer out from the CFSA. Disk's provisions the convenient and constituted. CFSs are marked and votices not that it may cook be also been investigated that consequently bit is deficiently UTSA.</li> </ul>	4, 32, 7
	perenny are ametures. Les are maisse des serves de reur me provient au preu senage a mot consequant to a particular dus x section. Cells repossed for mádicional information are alto malked est.	
	<ul> <li>Some tipes have posited specific UTSA provision from their sensing on the provision would be reductions of existing state blay.</li> <li>Applicable trust status or charte is in most instance, provided above.</li> </ul>	Control of the contro
	Agentation:	
	*Restrolled limit in language that has been included in a state in a state, but does not evin; in the UTSA. Test that is blicken through in	
	tempurage knokeled valtivistic UISA that a state has condited from its statute.	1 % T
	<ul> <li>Americations pre-principly intended to denote substantiae, eather than to word différences. As with, some onest differences in playing, constantion, and formating have not been world, in some cases, where intelliging innovations will intend substantiae and intende-</li> </ul>	
	only where a corner province differs in menataginan a commonding presentin little USA.	
	<ul> <li>All amounts in a compare the state's language to the comment 1985 UTSA. However, a ideality of states have adopted the original.</li> <li>1979 UTSA, but see its later amountment. These states with how slipplying differences in this "repression helds." "Damages," that</li> </ul>	F .
	"Effect on Cales Line" scuttons (Expansioniss).	

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# Trade Secrets Acts Compared to the UTSA

ForVState	Uniform Train Secrets Act	Med Code Aus. Com. Law 54 11 1201 - 1), 1209 Maryland Onform Trade Series Act
UTSA Version Adopted	1985 version	1965
Delleitice: Presente and	As used in this (Act), uplets the context requires atherwise:	5 11-1201. Definitions Substantively identical bits for
improper Means	(ii) "Improper means" licitates theft, bribery, misrepresentation, breach or inducement of a breach of a duty to metricals excrety, or explorage through electronic or other means.	(a) In this subticle the following words have the meanings indicated <del>unless the contest requires otherwise</del>
Definition: Misappro- protion	(2) "Misappropriation" means:  (i) acquisition of a trade separt of another by a person who knows so have reason to know that the trade	5 11-1201(c) Same as UTSA
prosition	secret was acquired by improper means, or	
	(ii) disclosure or use of a trade secret of another without express or implied consent by a person who (A) used improper means to acquire knowledge of the trade secret; or	20.
	(6) at the time of disclosure or one, shew or had reason to know that his showledge of the trade secret was	
	(i) derived from or through a person who ted utilized improper means to acquire it.  (ii) acquired under circumstances giving rise to a duty to maintain its servery or limit its size, or  (iii) derived from or through a person who owned a duty to the person veeking relief to maintain its.	
	secrety or limit its use; or	
	(C) before a material change of his [or har] countion, knew or had reason to know that it was a tradel secret and that knowledge of it had been acquired by accident or mistake.	
Definition: Person	[3] "Person" means a natural person, corporation, business trust, estate, trust, partnership association, joint renture, government, governmental auditivision or agency, or any other legal or commercial ontity.	\$ 11-1201(d) Some as UTS4
		e <sup>c</sup>
Oeffeitios Trade Secret	(4) Trace secret' means information, including a formula, pattern, compilation program, device, method, technique, or process that	5 13-1201(e) Some as UTSA
	I'll derives independent economic value, actual or potential, from not being generally known to, and not being readily accentainable by proper insens by other persons who can obtain aconomic value from its	
	disclosure or use, and	
	(ii) is the subject of afforts that are reasonable coder the circumstances to maintain its secrecy	
Delinitions Not in UYSA		

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#### Not Intended As Legal Advice

# Trade Secrets Acts Compared to the UTSA

Fed/State	Usafayna Trade Societa Art	Marchard  Mid Code Arm. Class 3 11 1201   11 2206  May Jand Urstrom Trade Senson Art  May Jand Urstrom Trade Senson Art
rigoritis Rakes	(a) Actual or threatment minagraphyminon may be enjowed. Upon agalication to the court, an injunction state to be terminated when the trade assume the cented to execut, but never court and additional reasonable period of time in control or all-mineta commercial exhaminged that otherwise would be determed from the minetage appropriate period of the court	
Damages	La Duaghe La the extense that a management and promotion frames of production prior to securing journeeding assembly securing the extension of	9-12-1203. Domings: Sour motively discountil do 175 h
Atherny's Face	(II) calls of managements in made in back size, (I) a nection to stimulate an aperican in made or exists a back (IV) or (I) of the first and made one engagement when it, the stock may be not reason the enthrough first to the presulting party.	9.15-1804. Attorney's fees Selvin or CPSA
Pre-evolution of Secrecy	The next counted bein (FML), a sour of their presents the selecting of an inlingified read several by responsible means, which mere individual graving profession, but the special profession of the selection and the selection of the selection, and deeping are just not movived in the liberation not to decide as an integral trade second without point routh specials.	3.11-1205. Preservation of secrety Some as UTSA.
Statute of Limitations	An action for misepropriation must be brought within 2 along when the misepropriation is discovered of the transaction of managed beligment should be been discovered.  For this purposes of this section, a continuing misapropriation contribute a single dues.	§ 3.1-1206. Statute of limitations Serie et 0754

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# Trade Secrets Acts Compared to the UTSA

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Feq/State	Uniform Trade Serves Act	Maryland Md. Losis Ann., Com., Law 34-17-1201; 11:1209 Allor youth Workporn Tools Sorents Act
Effect on Other Lave	Discape ap provided in instancetor bill, the Inferd disclasses conflicting for instancement, and other law of this State providing with emission for misappropriation of a trade search.      In This (Act) does not effect.      It is that (Act) does not effect.      It is that (Act) does not effect.      It is considered, whether or not based upon misappropriation of a trade secret.      It is climical remedies, whether or not based upon misappropriation of a final-secret.      It is climical remedies, whether or not based upon misappropriation of a final-secret.	5-13-1007. Effect on other law.  Some of 10% to de pick application of:  21 Nothing streamed in the act may be applied or continued to secon or limit any common two or statistics, defining community sensessed to Jesus sensessed as defined under if 12-100 of the date Government.  Article.
Uniformity of Application and Construction	This [Fe] shall be explicit and controlled to effect case in gament purpose to make uniform the law with expect to the subject of this [Act] among states execting it.	\$ 11-1205. Uniformity of application and construction Same or USA
Several difference and the several difference an	If any provision of this (EAT) of its application to any general conventences in bold mobility. The health's doctor that office the experiment of applications of the (EAT) which as given affect within health provision or application, and to the one the provisions of this (EAT) are seemble.  If it is not of application, and to the one the provisions of this (EAT) are seemble. It is the office of application of the provision of the provision of the CAT and the extraction of the early are seemble. For these states the statics is provided without consistent on and the eath is reprinted written.  For those cotton both allow quested extraction and the eath is reprinted written.  For those cotton both allow quested extraction and the eath is reprinted written.	NAL Code Sens, Galageral Psychologis § 1-210. Severability In general:  In general:  Sel Sconde or Chievroira proxyled, the provisions of all estatutes enacted after ally 1, 1975, are severable.  Where are of clinical found to be incompitational origin  (DI The Finding by a count sign part of a strategy incompitations and origin  (DI The Finding by a count sign part of a strategy incompitation incompitations are affect the validity of the remaining participe of the statute, unless the count find that the remaining salid provisions above are accordance or the statute, unless the count find that the remaining salid provisions above are accordance or the statute, unless the count find that the remaining salid provisions above are accordance or the statute or the s
Addition of Notes Notes Tractating Times of Tractating Times of Tractating Tr	The first base effect or any other properties of the properties of	

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# Trade Secrets Acts Compared to the UTSA

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	Uniform Frack Secrets Act	Med Code Ann., Com. Lay §§ 31-1201-13-3798 Maryland Uniform Trade Secrets Act
ddNoss ()		
Constal and	* Commercial depart UTSA NAS constru	ANS.
nless	*Green and Greate USA 2005 ventus.  *While only lander to the reproductive is staked on to the concruded 1000 USA. While the count use they and recognize	
n Ganesal and Infess Observative pecified	<ul> <li>While only indicate that the respective provision is equivalent to the outerwise 1985 UESA. While the exect unciting and formatting new affect there is no instrinit substantiae difference. Where a stituting provides it marked at "Some at UESA" minor terms to</li> </ul>	
nless therwise secified	<ul> <li>While cells indicate that the respective provision is equivalent to the associated 1985 USA. While the exect weeking and formating</li> </ul>	
intess Otherwise secified	while call indicate that the superials proving a spoluture to the amended LSS UTA. While the cross such this publication and fifty that is not attentive to the amended to the control to	
nless therwise secified	While call indicate that the regreate provision is equivalent to the amounts 1500 USA. While the exect unreling and foremating small file when it is not actival partial with the control and the control a	
intess Otherwise secified	while the Market state reposite provide a policie to the control (ESI 1014, Mol. In a control and policies) and control (ESI 1014, Mol. In a control and policies) and control (ESI 1014, Mol. In a control and the control (ESI 1014, Mol. In a control and the control (ESI 1014, Mol. In a control and the	
Intess Riversalse pecified	while call address that an empraise provision is exploitent to the control ISE 1054. With the event working analytementing enought, there is no arrivable attention in the control interest to the con	
intess Otherwise secified	While cell indicate that are regressed a productive to the concentration ISES (ISA, Mith the event working supplementing amoneting that is no amortification of the filter restation reproducted absorber to the cell interest to an acceptance of the cell interests to	
intess Otherwise secified	while the Market states reposite provided is provided by Market to the second of 150 MAR. And the cover on other packwards with the Market states and the	
Intess Riversalse pecified	while the Auditor feet to report or report or provide a public rep to several (ESS 10%, 10% for a vive a real publicant) and report of the rep	
Intess Riversalse pecified	while the Market entire reported provided in production of the second of 15% LSA, Market in Court or multiple and instrumental or more second	
nless therwise secified	while the Marker feet in report or report or equival or colories for several (ESS 100%, 100% for a color problem) and colories (ESS 100%, 100% for a colories for a colorie	
these there is the control of the co	while the Market entire regretation involved in advances on the content of 160 MA, while the content and in anti-content of 160 MA, while the content and involved in the content and involved interest in the content and involved in a content and in the content and involved in a content and in the content and involved in a content and in the content and involved in a content and in the content and involved in a content and in the content and involved in a content and in the content and involved in a content and in the content an	
Infess Theratite pecified	while the Market entire reported in product or product or the control of 80 MA, while the cover on other analyses and control of 80 MA, while the cover of the control of 80 MA, while the cover of 80 MA, while the control of 80 MA, while the cover of 80 MA, while the second of 80 MA, while the second of 80 MA, while the second of 80 MA, while the 80 MA, while the second of 80 MA, while the second of 80 MA,	
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### Trade Secrets Acts Compared to the UTSA

Fed/State	Unitario Track Secret Act.	Monaghuetts.  Non 5,2018, 100th Geo. Ct. (dos. 2016), 19:4500 substantiate the correl  (inform Tools Secret. Act  1385
Adopted Elefinition: Present ble and Improper	As used in Min (Act), unless the context requirer ofberinne.  (1) "Improper mesins" includes theft, bithery, moreopresentation, breach or indicemment of a breach of a duty.	Section 1.  To cosed in this chapter, the following words shall have the following meanings unless the contest <u>clearly.</u>
	to muserales sociese, or sepposage through selezones or orbite means.	response colonismo.  Trappiper reservir , orbinoli timestori, tude, judicey, principeratoriori, approximate attinological parallel properties of the principeratoriori, approximate attinological parallel properties of the principeratoriori, approximate attinological parallel properties of the principeratorioriorioriorioriorioriorioriorioriorio
Definition: Adapped pourton	(2) "Meappropriative" means: (3) application of a track access of a violate by a person who brace on has reason to local that the track access of a violate by a person who brace on has reason to local that the track access was accessived by improper reason; or	Section 1. Solutioning visit of CVTSA for for  EVTC before, material change of the actor's position, how or had report to involve that <u>what has distance</u> .  EVTC before, material change of the actor's position, how or had report to involve that <u>what has distance</u> .  As was a trade server and their <u>pure harmony</u> involving or fright rade acquited in had been expand by accident.
	(iii) disclosure or use of a limite correct of another without express or implied consent by a person who.  (A) used inspress immediate obscipation exhibits a feature of the second or  (ii) at the hims of disclosure or use, times or lead descon to know that his invalidation of the france secret  (iii) alreaded from or throught a person who had stilled improper meets to arguing it.	monate or through earther persons and described in subclasses (A) of Chause (A) or subclasses (A) or (A) of subclasses (A) or
	(ii) acquired under commitment gining rise to a data the maintein it is seen or limit in suc. or (iii) even from our though a person in the owned a data to the person easing relief for maintein its exercise or bright its use, or such contracts the contract of the contract of the contract of (ii) before a resonant change of this (have) desirable, however that desirate to know that it was a traditi secret and that showledge of it had been acquired by exclusion or initiation.	
Osfollon	(8) "Person" maam a returni person, corporation, balmes trust, actes, trust, partientrisis, according, part	Section 3
Person	antina promineral promineral habitations or agreement and the layer of committee and the committee and	Source USS
Crefuition Tricks Secret	(4) "Trude secret" meam information, including a formula, pattern, complication, program, device, method, teachologia, or process, that	Section 1(4)  Trade secret: papalled or postiliable information unlighter or not fixed in brankle form or ambobies in
	It denies independent excellent selles, situation potential, from not being generally invent to, and not learn greatly assumed to be proper present by, offer propose who can obtain accessors value from its disclosure or one, and (iii) in the subject of effects that are reascretion under the oricumstances to make us its servery.	and leastful time, festivine, <u>But not limited to</u> , a forming, aptern, completed to region, desire, without therefore, process, <u>Primitines states</u> , and time till, relating to the primitine states and time to a patient daily that, at the nime of the although the management of the device grounded according to submiting. The most particular, there were a groundly according to the primiting time to the particular time time time time time time time time
		process assetting rates therein or such person's produces or in movest includion, but not limited to, reasonable notice
Delinitions Stat in UTSA		

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### Trade Secrets Acts Compared to the UTSA

Fed/State	Uniform Trade Secrets Act	Metachwetts (Mr.S.2-12): 1899): Gen. St. (Blu. 7016). [H.4-243 substrability the same) (Million Trads Sprints Apt.
approxive Table f	(a) Actual of threatment integraphisms may be explored. Open application to the accurt, an impetitor stalls be intermised when the trade search but could be such to the liquid complex one with a conditional reasonable period of time in conditional reasonable commencial substantial guide of the conditional reasonable period of time in conditional reasonable commencial substantial period of time in conditional reasonable commencial conditional reasonable commencial substantial period of time for vividue sea could be substantial positional commencial substantial period of time for vividue sea could be used provide position prior to accurate commencial substantial but are not furnished by a material and prejudicional conditional	(a) Actual or threshound misspeporphetion may be exported gigon attentiate of easiest, including but tool, minuted to consideration of anice cooled as of the circumstance of collectivities, as on a shorter that, minuted to consideration of anice cooled as of the circumstance of collectivities, as one a shorter that to the court, an injunction shall be terminated when the trade sever has cereated be only-grouped promise; fall, but the injunction may be combined for an additional resource period of their fine general collectivities and provided and their collectivities and the provided for misspection of an investment of their several for their collectivities and their discourse of their several collectivities and their several form misspectication. (If it is exceptional committees, an injunction respective collectivities which is could have been prohibited for grantees of this selection. The collectivities are the several provided of the collectivities which is could have been prohibited for grantees of this selection. The collectivities are the provided of the collectivities which is the selectivities and projectivity change of position from the collectivities between the several may be compelled by court orient. (I) In appropriate circumstance, alternative acts to protect a trade severt may be compelled by court orient.
Danages	a) Essays to the extent that a material and projudcial change of position prior to expansing browledge or masors to lower of insepapopolation reviews a montate a recovery inequilibility, accompliance to extend the control of the co	Section 3.  Is Cooper to the section that a material and projuitional tolerage of position prior to acquising bioconcided or material to the project of the
Atterney's Feed	(1) a data of emparposevation is used in bad fait, (ii) a relative terminate an impaction in make or executed in betting 10 (iii) with a semination mappropriation event, the other may award executely extraorer's feet to the prevailing party.	Gestions.  The cognitions are not expossible attacking fees and costs to be prevailing party if (i) is called a managerophism on making distinction in the distinction of managerophism or making distinction in the distinction of the distincti
Preservation of Sourcey	is an extinum under this (Drift), a cours shall presence the secrecy of an inlegationise source by reasonable means, which may exhibit the principles in coloration in the source proceeding, by the principles is considered in the source proceeding, by the principles of the source, source devices are yearroll included or the integration and to decided an undergot source constraint, and the integration and to decide an undergot source constraint, and pro-double proceedings are source or the integration and to decide an undergot source constraint, and the integration and to decide an undergot source constraint, and the integration and the int	Section 5:  In the controlled the chapter, count that present the section of an alleged tools according to the controlled to the controlle
Statuta of Limitations	In action for impagingation must be located within 3 year offer the imagingations in discovered or to the execution of reasonable different inhelia has been discovered.  For the purposes of this section, a continuing meapproposition contributes a single claim.	Section 8 Section (Section (Sec

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# Trade Secrets Acts Compared to the UTSA

Pac#Stato	Unitaris Trado Societé Act	Machinetty  Machin
Effect on Other saw	(a) Every la promised in absorbation (f)), this [And, displaces conflicting tont, menhatomer, and other law of this 2-tax promising of immediate of membrane of membrane accent.) (b) The [And See not either.) (c) The [And See not either.) (c) It confirms all membrane, whether or not based upon mempreparation of a trade except.) (c) other law of membrane, whether or not based upon mempreparation of a trade except.) (d) criminal immediate, whether or not based upon mempreparation of a trade except.)	Section 7  a) Except a provided in subdantion (9), this charger deplaces shall sustanted any conflicting loss, excellentements, see price for or of the Commitmental behindants that provide excelling civil remains for the exception of the commitment of the commitme
Uniterrally of Application and Construction	The [CAT] shall be applied and continued to differential its general purpose to make uniform the law with respect to the subject of this [Ast] among states executing it.	Section 8 Same or UTSA
Secreteally	If any periodicism of this (Part) or its application to any person or circumstrateurs in that invent does insulidity and one out offerend or proprietions or application of the (Incl) which are players effect with the insulidity provided or application, and to the end the provision of the (Incl) are severable.  For inventigation of the inventor of the contraction of the co	GL c. 4.6. A filled for communication of distillates.  Thereight, The processor of any status shall be delented successed, and if any gast of any passed that he existing all controls the status of t
Addition to Robin Indian in Time at 1 sing officer 1 sing officer product in standard bases	and does not apply to the improvement of the control of the contro	

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### Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

Fed/State	Harform Trade Search Art	Massiathmetts MAss2418, 18th Gen. C. (file. 2016) [A.4824 substantially the same] Uniform Trade Search, Act
Additions II		
In General and	George or Britansier UTS A 1985 version.	454
Unless Officerorise	<ul> <li>While cells institute that the respective provision is equivalent to the measured 1995 USA. While the every wording and furmatting enoughfus, there is no contributed to the institute addition.</li> </ul>	
Specified	Accounting officers to contract with the contract of the contr	
	<ul> <li>reliew polit indicate uses the suspective provision it a substantiable modified was ign of the silf SA. In provide some of these</li> </ul>	
	manifications many utilizately be insignificant. In other cases, tha substantive efferences require attention Language in the politics and the management of instant in the contract of the contract of instant interest of the contract of th	
	<ul> <li>Sust will implicate that the respective provision does not evid or estimate it (applicately different from the UTSA. Their provision into generalizate associated. Only are number food where no state heap-room in how been investigled that consequents in a printings UTSA.</li> </ul>	
	specifies. Cells received for originated information are also sentiled incl.	
	<ul> <li>Some cases have contact operate UTSA provisions from their version, as the providion would be resignated of outring state final.</li> <li>Applicable cases remove or checken is in most becomes provided above.</li> </ul>	
	Anasteclions	
	<ul> <li>Unstablished loss is language that has true isolated in a state's standar, but does not eak in the UTSA. Too that it sticken through it language looked within the UTSA that a state has ensked form its standar.</li> </ul>	
	<ul> <li>Amostration one principally interested to derectic substantiae, enther class tentures of differences. As slidly come anisolid forecasts in places inc.</li> </ul>	
	punctuativa and fortuniting have not been noted, to some times, where their field, immediated are entirely reformative and larkate and whose a scale's provided efform in meaning from a consequenting provided lattle USA.	
	Alloworthibre recupors the state's language to the oriented 1985 UTSA, Philippers, a equipter of states have adopted the sighted.	
	1979-UTSA, but ans in inter necessionem. There stones will true skylifferm differences in their Injunctive Relief." Conseque," and "Effect on Other Low" cestions (in purisolas).	**
management (Children	K The state of the	1

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# Trade Secrets Acts Compared to the UTSA

fwd/State	Dolform Track Secrets Act	Michigan Mich. Comp. Louis Ann. 35 445, 1903 - 445, 1910 Uniform Trado Secreta Act.
UTSA Version Adopted	1985 vierolon	1985
Definition	As used in this [Act], unless the context requires otherwise.	445,1902. Definitions Score to UTSA but for:
Prescutse and Procepts Makes	(1) "Improper means" includes theft, bribery, misrepresentation, breach or industment of a breach of a duty to maintain secrecy, or aspionage through electronic or other means.	Sec. 1. As used in this act unless the sentent requires attention:
Delinition	(2) "Misapprophation" means:	§ 445.1902(b)
Masppo pristion	(i) acquisition of a trade secret of another by a person who knows or has reason to know that the trade secret was acquired by improper means, or	Substantively identical to UTSA
	(iii) disclosure or use of a trade secret of another without express or implied consent by a person who	
	(A) used improper means to acquire knowledge of the trade secret, or	A.
	(6) at the time of disclosure or use, tnew or had reason to know that his involvinge of the trade secret was: (i) derived from or through a person who had utilized improver means to acquire it.	
	(iii) acquired under circumstances giving rise to a doby to maintain its secrecy or limit its use, or (iii) derived from or through a person who oved a duty to the person seeling relief to maintain its.	
	secrety or limit its use, or  (C) before a material change of his for her) positios, been or had reason to know that it was a grade	
	(a) before a material change or to the registeriors, where or not reacon to may that it was a special and that show ledge of it had been acquired by accident or mistake.	
Definition: Person	(3) "Person" means a entoral parson, corporation, business trust, extent, trust, partnership, association, joint venture, government, governmental subdivision or agency, or any other legal or commercial littlift.	§ 445.1902(c)
reson	renture, government, governmental succivision in agency, or any striler egas is commercial entity.	"Person" menon a matural preson on individual, corporation because tasks exists partnership, association, post contact powership, association, post contact powership, association, post contact powership, or any
		DESCRIPTION performance government professional subdivision of agency, government entity, or any other large governments and y
Definition:	(4) "Track secret" means information, including a formula, pattern, computation, program, device, method,	§ 445.1902(a)
Traige Secret	factorque, or process, that:	Same as UTSA
	(i) derives independent economic value, actual or potential, from not being generally known to, and not being results accept makes by proper means by other persons who can obtain accept to value from its disclosure or use; and?	
	(ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.	
Definitions Not in UTSA		

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# Trade Secrets Acts Compared to the UTSA

Fedfitate	Uniform Track Secrets Act.	Affekgan Mick Comp. Javos Ann. \$9 443 3501 - 345 1510 Haffern Triath Neurots Act
Principle Exist	(a) Actual of theseseed magaproprised may be explored, Upon againstant to the court, an important sales to be administed where the size search tax cased to sail, but the highest one pipe certained from a sidilitized market of the size	4-845 (1904). Actual or threatment minageopolistics of those sceners, (s)-junction  113 Actual or threatment minageopolistics may be expensed. Upon application to the count of compatibility  introducing an equivation than the semi-intensed when the trade scene has assessed to sket, but the significant  that could be a semi-intense and the semi
Diamages	a) Except to the edient that a material and projectical change of position prior to sequence browledge or mascal to lower of integropping or widers in mortical recovery inequitable, a complement is written to make the projection of the project	§ 405-1904. Recoming of damages for misappropriation, exceptional Congret to the extent that a missful and prostocial dange of position prior to adquiring involvingly or assert to increase of misspecial convolvers in monthly reconvolved prior, and control or adquiring involvingly or assert to increase of misspecial convolvers in monthly reconvolved prior, and or misspecial convolved to the actual loss caused by misspecial or and the upper enchanges manufactured by any other methods, the damages caused by misspecialization may be illess of damages manufactured by any other methods, the damages caused by misspecialization may be illess of damages manufactured by any other methods, the damages caused by misspecialization may be missured by misspecial of shallify for a consolved project for a misspecialization for unset of states section.  14.1 A missilian damages misspecialization in the control of the damages of the misspecialization of the misspecialization of the misspecialization of the damages of the misspecialization of the mis
Attorney's Fees	F(I) a claim of misapopropriation is made in bad faith, (ii) a motion to terminate an injunction is made or written of a faith of this port (iii) which is an elementary of the case, the toam may are of rescensible attempt of the faith or the prevailing party.	5 =45-100S. Claims made in cad fasts, motion to terminate injunction Some or UTON
Passwelling of Seciety	In an action under the LPCL, a court field preview the service of an alleged drives accret by resconsible makes, which may sucked printing practices (which is printed more than stocking practices, building in-corners havening, sealing the records of the 450ss, exil design any question browled in the linguistion not to disclose an alleged trade secret without prior cross approval.	9-485.1998. Preservation of secretary of alleged trade secret, means Some as UTSA
Statute of Dimitations	In action for misapopoistion must be begin within 3 years after the misapopoistion is discovered or by the exercise of inscription (given a book flow been discovered).  For the purposes of this section, a communing misapopopoistion contributes a ningle claim.	5 445 3907. Statute of limitations for bringing misappropriation action Some on UTSA

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### Trade Secrets Acts Compared to the UTSA

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Fed/State Effection Other Law	Uniform Track Service Act  (a) Scorpe is provided in a social on [b], this field displaces confirming that executionary, and other law of the State providing and provided in the exposuration of a state sound.	Otto: Comp. Less des \$44.350; 445.190 Otto: Comp. Less des \$44.350; 445.190 Otto: Il Talab Serent Act.  Com as UTSA  Com as UTSA
	bit has ledy does not affect.  (1) continuation undereduct, whether or not bisseld upon macaproporation of a trade except.  (2) ching call members that are not bisseld upon misappropriation of a findle except of (1) ching in a findle except of (1) ching	
Deformity of Application and Construction	This [ACL] shall be applied and continued by effectuate to general purpose to make uniform the law with respect to the soldest of this [Act] among states execting it.	9.455.3999. Application and comtruction of act Some or UTSA
Severebility	If any provision of this (Aut) or to application to any person or circumbateue in held invalid, the invalidity does not affect other provisions or applications of the (Act) which can be given affect without the invalid provision or application, and to this end the provisions of the (Act) are severable. In fact of adopting this provision, a majority of states have brighting personal exemplify statutes. For these	Nich Comp. Laws Ans. 8.8.5. Sewenbillty in the construction of the statistics of this state the following rules shall be observed, unless such construction would be inconstraint with the manifest intent of the legislature, that is to say.
	to lead by complement processing or chapter of stores own contring perfect absention) statutes have these trees the stable approache of the state of	If any potential of an act of the application has not be any precision of observations shall be found to be invalid by an own't such invalid, position greatly and position of the act which can be greatly effect to the control of the process of the control of th
Addition of Notes of No	The (Act) black effect on and does not apply to mrappropriation occurring and to the effective area. With expect to activities misappears about that lagran point of the effective date, the (Act) also does not apply to the continuum manappears that the does not apply to the continuum manappears that the does not apply to the continuum manappears that the does not apply to the continuum manappears that the does not apply to the continuum manappears that the does not apply to the continuum manappears that does not apply to the continuum manappears that the does not apply to the continuum manappears that the does not apply to the continuum manappears that the does not apply to the continuum manappears that the does not apply to the continuum manappears that the does not apply to the continuum manappears that the does not apply to the occurrence of the does not apply to the continuum manappears that the does not apply to the continuum manappears that the does not apply to the continuum manappears that the does not apply to the continuum manappears that the does not apply to the continuum manappears that the does not apply to the continuum manappears that the does not apply to the continuum manappears that the does not apply to the continuum manappears that the does not apply to the continuum manappears that the does not apply to the continuum manappears that the does not apply to the continuum manappears that the does not apply to the continuum manappears that the does not apply to the continuum manappears that the does not apply to the continuum manappears that the does not apply to the does not apply to the continuum manappears that the does not apply to the continuum manappears that the does not apply to the continuum manappears that the does not apply to the continuum manappears that the does not apply to the continuum manappears that the does not apply to the continuum manappears that the does not apply to the continuum manappears that the does not apply to the continuum manappears that the does not ap	\$40, ISSO, Effective date of act; application.  This act takes effect Orabbe 1, 3999 and does not apply to misappropriation occurring before the effective date. We research a community imaginary interpreparation by bagan before the effective date, this act does not epity to the condensing indepreparation that occur; after the effective date.

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### Trade Secrets Acts Compared to the UTSA

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Fed/State	Utafform Trade Secreta Act.	Michigan Mich, Comus, Lover, Ann. 84 446 1901 - 443 1908 Conform: Trade Sports Act
Additions H		
	Vuennostati flavore VISA 295 voeisia.	in.
Unless	<ul> <li>Overance Wis A 2005 version.</li> <li>While copil in Sixty that the respective provision is variously to the sure and JUSS U.S.A. While the exect waveley and forwarding.</li> </ul>	
Otherwise Specified	may differ, there is no material substantive difference. Where a standary provision is constant at "Some as WSA" releas textual or	
	focustions differences and white. Where these differences me more procurated, but will do not provent substantial distinctions from the USA, the colour marked "Substantials Montral to USA,"	
	<ul> <li>ratiow acts indicate that the respective permises is a substantive modified workin of the USA. In practice space of three modifications may ultimately be being from a in other cases, the substantive offsences require attention temporar in the yellow acts.</li> </ul>	
	is anostated to indicate have it water from the 1918 1974, Otwayls non-vot timber and miser valuation may not be supposed.  Spot and indicate that the negatifies possisten does not exist or extremite it vigallingers, affirment from the UFSA. This is provided into	
	generally not monotonic. Cuts the monitor including no code that providing has been placed that convergence to a postbular UTA, premion, Culture recent for additional information as entry pastice out.	
	<ul> <li>Some states how condited specific IPSA positions from their version, so the prevailor would be redicated of existing state this.</li> <li>Applicable state states or clotics it is most interest provided above.</li> </ul>	
	Annualities:	
	*Limitediscal less in language that has been included in a cluster's scenara, but does not exist lights UTSA. Tear that it strikken through in	A. 3
	Imagerage Analysised with list the LATSA that a state has conditud from its canada.	
	Annatation are primarly intended to denote substantive, rather than tentral differences. As field, come small differences in phoning.	
	printential, and formating law and been mored, in runs were when identified amendation this entirely substantia and indicate	(A) (A)
	ontrudien a sont's provision differs in meaning from a convey amiling provision in the UEsa.	
	* All associations compute the state's longuage to the amended 1985 UTFA, However, a builder of states have industrial the original	
	1979 UTA, but not be brev ome extraors. Dene states will have significant differences in this "Associale Helef." Commun. "Bids" "Effect on Onbo Low" sections (in puriosiss).	
5000 A 00 E 00 B	Physical community in the basic and the basi	1

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### Trade Secrets Acts Compared to the UTSA

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Fed/State	Uniform Trade Secrets Act	Millionesota Million, Stat., Amir., \$4 (20%), (1) - \$2.5C,(10) Literaturo, Francis Secreta, Act.
Adopted	1985 version	198
Definition freemiste and improper Moura	As used in their finding when the content requires enhanced in (1). "Improve meson" includes theft, Tokker, in improportation, breach or indicament of a breach of a day to resistant recisio, or explanage through electronic or other meson.	\$ 335C 01 Some or UTSA
Definition: Necespre- gretize:	(3) *Unappropriation** means: (3) *Consideration of a trade second of smother by a gashow who issues on her majors to finew that the trade sectors as exequively immorpar measure; (4) disclosure or use of a trade secret of exceller without expecte or implied consent by a person who (4) used inspecte means: to sequent intervalsage of the trade secret, or (3) section proper means: to sequent intervalsage of the trade secret, or (3) and inspecte means: to see that the secret is serviced and or of the secret to trade secret in (3) at the trade of a Goodward reads are used to require the secret in the secret intervalsage of the trade secret intervalsage of the relation secret intervalsage of the sec	\$ 235.00(8) Source of (PSA)
Distriction Person  Distriction Frada Secret	13. "Person "maker a robustal preson, corporation, business time, status, must partnership, porception, port venture, portnership, p	5 SECOLOS Some or USS  SECOLOS
	All demone representations commits unless actual or potential, from not being generally from to, and not being careful control and proper means by, other persons who can observe accommits and the being madely accordantable by proper means by, other persons who can observe accommits from its distributions or over any other persons accommits the persons according to the subject of efforts that are necessible under the discussionness to maintain its secrecy.	The sultaness of a class secure, a not regarded metally because an emissions or other remon his accounted that these secure who have because or specific notices than it is a study secure III under all this proportionance. It is accommodated that the proportionance is accommodated to the commodate of the commodate or commodate in the commodate of the base of information commodate, the tracks secure to be unautifiabled.
Deterations. Not in UTSA		

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# Trade Secrets Acts Compared to the UTSA

Fed/State	Uniform Trade Secrets Act	Afficience of the Control of the Con
trijuretive Relief	(a) Actual or theesteened misraproporation may be enjorate. Upon application to the count, as injunction shall be terminated when the trade secret and cases and event, but the injunction was be continued for an additional reasonable period of time in order to eliminate commercial advertage that otherwise would be derived from the misraproporation.	§ 3.25C.02. Injunctive relitef Some as UTSA
	b) in exceptional circumstenses, an injunction may condition future use upon payment of a resecutable county for no longer than the period of time for which are could have been primitined. Exceptional circumstances include, but are not limited to, a material and prejodicist distange of position prior to areasimg showledge or reason to from of misappropriation that renders a prohibitive injunction inequitable.	
	(c) in appropriate circumstances, affirmative acts to protect a cycle secret may be compasiled by court order.	
Damages	(a) Except to the entent that a material and pressional change of position prior to exquiring intervilege or associate factors of imagespreparities received as interesting recognising factors interpreted in antitrior of mesopie factors. For imaging can helpful be left the attaint for classed by misappropriation. Demagnic can helpful be left the attaint for classed by misappropriation and the enjoyed ententient classed by misappropriation that is not label into account of companing nature time. In least of demagnic measured by any other methods, the damagine cannot by misappropriation may be improved by improving our faithful factors.	\$ 325C.03. Exmages Some or UTSA
	or use of a triad secret.  (b) If wellful and mallicios miseppropriation exists, the coord may award exemplary damages; in an amount not exceeding force any award made under subsection (a).	
Attorney's	F(i) a claim of misappropriation is made in bad faith, in a motion to terminate an injunction is made or	§ 325CO4. Attorney's fees
Font	resisted in Sed faith, or (A) willful and mallicous misappropriation exist, the court may award reasonable attorneys fees to the preciding party.	Some or UTSA
Previousion of Secrety	In an action under this [Act], a court shall present the secrety of an alleged trade secret by reasonable means, which may include granting protective orders in connection with discovery proceedings, holding in	§ 325C.05. Preservation of secrecy Some as UTSA
	camero bearings, sealing the records of the action and ordering any person modered in the litigation and to disclose an alleged trade secret without prior court approval.	
Statute of Limitations	An addition for minageopolysism must be Wooglin within 3 years after the minageopolysism is discovered only the secretor of reasonable difference should have been discovered. For the purposes of this section, a continuing minageopolysism contributes a single claim.	3-325C/06. Statute of Immitations Some Gr. UTSA

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# Trade Secrets Acts Compared to the UTSA

FedState	Uniform Track Secrets Art.	Afficienteda Meins Stat Am. \$5 235 CB 325 CB Outloan Tradh Search Act
Effect on Other Line	(a) Every a provised in nationative (b), the (and displaces conflicting ton), restrictionary, and other his of the State provision, or invested for missipapopopolitics of a strate assess.  (b) The (Just) does not affect.  (c) The (Just) does not affect.  (c) It is (Just) the confliction of the final provision insuppropriate of a trade agency.  (d) Commission of the confliction of the final provision insuppropriate of a trade agency.  (d) commission of the confliction of the final provision of a trade agency.  (d) commission of the confliction of the final provision of a trade agency.	\$ 335.07. Effect on other law Some on UTSA
Uniformity of Application and Construction	This [Art], shall be applied and construent to effections its gammal purpose to make uniform the law well imposed to the subject of this [Art] among status enesting it.	New Control of the Co
General ability	If any personneed the (Act) or its applications is any person or commentance, in bild mustic the involving does not affected with processors or applications of the (Act) which was person office without the mustic promises or application, which the neith to provide or differ (Act) are served.  The original processors of the provided or differ (Act) are served.  The state of processors processors or application of the provided or application of the processors or application or approvided to a control or application or application or application or application or approvided to a control or application or application or application or approvided to a control or application or application or application or application or approvided to a control or application or a	Motion: Data, Amin. 566-530. Controllation of investibility continues.  Where in their is the second in this has the their perceivation and but the conceptible the previous of all later shall be a perceivation of a law in found to be exceptibilities and evolution of a law in found to be exceptibilities and evolution of a law in the exception of a law in the exception of the law are the execution of a law in the execution of the law are an execution of a law in the execution of the law are an execution of a law in execution of the law are an execution of the law are also as a second of the law are al
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### Trade Secrets Acts Compared to the UTSA

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fod/State	Uniform Trade Secrets Act	Minn Stat Ann. S§ 323C.01 - 325C.09 Uniform Trade Secreta Act
Additions li		
		,61
Sinbess	<ul> <li>Service and transcer UTS A 2005 sension.</li> <li>While with institute that the respective provision is equivalent to the accounted 1905 UTSA. While the exact working and for negating</li> </ul>	
Otherwise	white the matter from the respective providing a replacement to the account of the contract of the second contract	
Sparified	formatting differences may even. Where there offerences are more promised for the toll do not present substitutive dedications from	
	stor id S.A. also cells are marked "Substantials Manifestra UTSA."	
	<ul> <li>reform path indigate that the respective providing is a substantially modified was in a film 1856, to provide some of there modifications may oblimately be imagefront. In other owns, the cubatentian differences require attention. Language is the yellow outs.</li> </ul>	79254 (1994, V)
	in annatorical or indicate from it works from the 1705 UTSA, though non-relationship and interventibles may are the same of th	
	<ul> <li>Sections institute that the respective provision does not writer allowing it significantly afferent from the UTSA. There provides that open rathy and annotated. Only are marked and where no other than providen has been destified that corresponds to it gradients UTSA.</li> </ul>	
	pera naup as manearen. Den ara ambara kes antere sociative del provision del siere l'accapier sed corresponde le destination de se recision. Celle retenie d'foi intidicional leformatica are also maniaga est.	
	<ul> <li>Lower states have weighted specific UPSA pervisions from their version, as the providing world be redesided of existing state law.</li> <li>Applicable state receives or closure is la meet instances provided above.</li> </ul>	
	Agentation:	
	• Unstandent text in Suspense that has been included in ordate's stouch, but does not exist in the UFSA. Text that is strikken through it	A A
	transpurage technical within the UTSA that a state has resident from its ratione.	
	<ul> <li>Amostation are primarly intended to denote substantile, rather than testury office near. At shift, some small offerences highwaing, prentaceing and formating have not have mated, in some trees, where identified intentations for entirely retrievalses and criticals.</li> </ul>	\$ %
	outs who is a central purel in affire in meaning from a corresponding provinces with USA.	
	• All massentials compare the state's longwage to the amended 1965 LTSA. However, a dutable of states have industed the crigital	
	1979 UNA, but not is later amendment. These states will trave significant difference is their "rejunctive heliaf." "Compages," and. "Effect on Calvas Low" sections (in particular).	

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### Trade Secrets Acts Compared to the UTSA

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Fed/State	Uniform Track Secreto Act	Massings Mass Cook Ann. 55 75 76 1 - 75 76 19 Massings Uniform Trade Secrets Act.
Adopted  Definition From the and Increase Forese Forese	As award in this [Act], polety: the consect requires offserwise.  13 "Improper mission" includes thatfi, bottlery, minispowershops, breach or indicement of a breach of a distribution institution research, or explanage through electronic or other mission.	5 75 3c 4(a) Source ou UTSA
Definition: Westpep profiler	(3) "Manageroprisation" measure.  (in acqualation of a trade opered member by a partner who though a haz reason to leave that the code accretive as acquired by improper measure;  (ii) discharge or our of a reset access of another without expens or implied consent by a paragraph and (A) used improper measures to acquire browledge of the trade accret, or  (iii) at the time of discharge or use, those or had measure to account the topologic of the trade society.	5 75-36-93b) Some or UTSA
	uses  (II) delined from or through a period vino field infliend improper mission to acquire it. (II) acquired under circumstance giving rise to a duly to manufact in the same year limit to size, or (III) depression on through a period worder dudy to the period selecting relief for manufacts to selectly or limit its size, or (II) before its most change of the foreign position, lever or hard existing for limit in size, or (II) before a present change of this (or intelligation), lever or hard existing to lever that it was a trade- secret and that townsidigs of it had been acquired by accident or mistake.	
Definition  Person  Definitions  Linda count	(3) "Particus" means a minal person, proposition, humans trust, estado, sont, participation according policies and proposition of agency or one other gaps to remove the mass. (4) "Tade secret" means information, including a formula, pattern, companious program, dance, method, secretarings, or proposition.	\$ 75.26-26() \$ 75.26-26() \$ 75.26-26() \$ 75.26-26() \$ 75.26-26() \$ 75.26-26()
	(i), denote independent economic value, actual or potential, from not being gamently incoming and not being expensive to provide by proper mean by other present who are obtain economic value from its disclosurer own, as the control of the providence of the control of the cont	
Tellinitions Not to UTSA		

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### Trade Secrets Acts Compared to the UTSA

Fod/State	Uniform Trade Secreto Act	Misshappi Miss. Code Ann. § 75-26-1-75-26-19 Missespip Uniform Frade Secrets Act
injunctive Relief	(a) Actual or threatment miss appropriation may be enjorced. Upon application to the court, an injunction shall be terminated when the trade served has ceased to exist, but the injunction may be continued for an editional reasonable period of time in order to eliminate commercial actionage that otherwise would be derived from the miss appropriation.	5 75 26 S. Injunctions, protective orders. Same as UTSA
	b) to exceptional circumstances, an injunction may condition future use upon payment of a reasonable reveilty for no longer than the paried of time for which use could have been prohibited. Exceptional	
	circumstances include, but are not limited to a material and prejudicial change of position prior to acquiring inovikedge or reason to know of meappropriation that renders a prohibitive rejunction inequatable.  (c) in appropriate circumstances, affirmative acts to protect a trade secret may be compelled by court order.	
Daniages	(a) Except to the extent that a material and prejudicial change of position prior to acquiring knowledge or reason to know of misappropriation renders a monetary recovery inequable, a complainant is entitled to recover demange for misappropriation. Demange, our include both the actual lost caused by misappropriation	5.75-26-7. Damages  [1] Except to the extent that it material and prejudical change of position prior to acquiring knowledge or
	and the unjust enrichment assend by misraproporation that is not state into excount in computing actual loss. In less of demages measured by any other methods, the demages caused by misraproporation may be measured by imposition of liability for a reasonable soughty for a misrappropriety an auditorized disclosure for use of a table score.	reason to work of misappropriation renders a moretain recovery inequirable, a complainar is entitled to recover damages for misappropriation. Damages can include both the actual loss caused by misappropriation and the solpies and chreen caused by misappropriation that is not taken into account in computing actual.
	or the or a trade sector.  (b) If willful and multiclus misappropriation exists, the court may award asymptory damages in an amount not exceeding fever any award made under subsection (s).	loss. In list of disrugate measured by any other methods, the itemages caused by misoppropriation may be measured by imposition of liability for a reasonable royalty for a misoppropriator's unauthorized disclosure or use of a trade secret.
		[2] If willful and malicious misappropriation exists, the court way award exemplary damages us as executed as a constant of the court way award exemplary damages us as executed as a constant of the court way award exemplary damages us as executed as a constant of the court way award exemplary damages us as executed as a constant of the court way award exemplary damages us as executed as a constant of the court way award exemplary damages us as executed as a constant of the court way award exemplary damages us as executed as a constant of the court way award exemplary damages us as executed as a constant of the court way award exemplary damages us as executed as a constant of the court way award exemplary damages us as executed as a constant of the court way award exemplary damages us as executed as a constant of the court way award exemplary damages us as a constant of the court way award exemplary damages us as a constant of the court way award exemplary damages us as a constant of the court way award exemplary damages us as a constant of the court way award exemplary damages as a constant of the court of the court way award exemplary damages as a constant of the court way award exemplary damages as a constant of the court of the co
Atteney's Fees	F (i) a claim of misappropriation is made in bad faith, (ii) a motion to terminate an injunction is made or pasted in bad faith, or (iii) willful and malicious misappropriation exist, the court may award reasonable	5 75-25-9, Attorney's feet for prevailing party Samle or UTSA
	attorney of eas to the prevailing party.	
Preservation		
of Secrety	In an eation under this [And], a coart shall preserve the earpey of an alleged trade secret by reasonable meant, which may include granting protective orders in connection with Secrety proceedings, holding in- caments hearings, seeing the incredit of the section, and ordering any person involved in the inligation not to inforces an alleged trade over or inform constraints.	\$ 75-35-11. Preservation of secrecy during Higgetion Some or UTSA
of secrety	means, which may include greating protective paters in connection with discovery proceedings, holding in-	5.75-26-11. Preservation of secrecy during litigation Some as UTSA
of sacting	means, which may include granting protective orders in connection with discovery proceedings, holding in- comens hearings, sessing the records of the action, and ordering any person involved in the litigation not to	5.75-36-31. Reservation of secrecy during Hispation Some on UTSA
of #400	means, which may include granting protective orders in connection with discovery proceedings, holding in- comens hearings, sessing the records of the action, and ordering any person involved in the litigation not to	5 75-36-11. Preservation of secrecy during litigation Some as UTSA
of skeeny	means, which may include granting protective orders in connection with discovery proceedings, holding in- comens hearings, sessing the records of the action, and ordering any person involved in the litigation not to	\$75-36-11. Preservation of secrecy during litigation Some on UTSA
	means, which may include granting protective orders in connection with discovery proceedings, holding in- comens hearings, sessing the records of the action, and ordering any person involved in the litigation not to	5.75-36-11. Preservation of secrecy during litigation Some as UFSA
	means, which may include granting protective orders in connection with discovery proceedings, holding in- comens hearings, sessing the records of the action, and ordering any person involved in the litigation not to	\$75-36-51. Preservation of secrecy during litigation Some or UTSA
Stantie of Limitation.	mane, which nex include greating presentes orders to american with discover proceedings, holding manual of the access to the second of the literation of the control of the	Some or UTSA
Statute of	mone, which nee include greating presentes orders to american eith discover proceedings, fichting are processed or process	Some or UTSA    To 26-13. Limitations period

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### Trade Secrets Acts Compared to the UTSA

Fort/State	Uniform Trade Society Act	Microscopes Disc. Cardo Ann. 95 1-26 1-75 20-19 Mainteagop Intellien: Trank-Septent Act
Effect on Other pales	(a) Except a province in subsection bit, this fuel displaces conflicting toot, metitionismens, and other lies of this takes provincing in remodels for improprietion of a state passes.  (b) The fuel date and effect.  (1) It provinces illuminating verifier or not inseed upon miceparepression of a trade recept.  (2) other civil remodels; that are not inseed upon miceparepression of a trade specie; or provincing the civil remodels; that are not based upon miceparepression of a trade specie; or (3) control of amendes, whether or not based upon miceparepression of a trade specie; or (3) control of amendes, whether or not based upon miceparepression of a trade specie.	§ 75-26-15. Applicability of chapter Some as UTSA
Uniformity of Application and Construction	The (Ext) shall be applied and combrand to affectiate its general purposes to make uniform the law with report to the subject of this (Ant) among states exacting it.	§ 73-26-17. Continuation Some as UTSA
Sevies ability	If any provision of the Child or its application to any person or circumstations in belief invalid, the invalidity about all affect on the price of the Child viole can be given effect without the invalid provision or application, and to this each the provision of the India viole can be provided as the India viole India viole can be a long to the India viole viole can be a long to the India viole viole can be a long to the India viole	5 75 On Security States of UTSA.
Audithous se Visition visit onling Tarrier of Taking Office Valving Office Valvin	Fine (Left Sulse affect on	

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Fed/State	Ulation Trails Serves Act	Milani-Lode Fun. §§ 75-26-1-75-26-19 Milani-Lode Fun. §§ 75-26-1-75-26-19 Milani-Loging Uniform Francis Second. Act
Additions II		
	Serve a celle denace UTS A 2005 vereixa.	
Otherwise	<ul> <li>Mode only indicate that the respective provision is equivalent to the presented 1995 U.S.A. Mode the score wording and forwarding word for there is no material contractive difference. Where a statement provides is marked at "tome as USA" minor translet or</li> </ul>	
Specified	from minus difference may voks. Where these affrences are more pronounced but still do not prevent substantible distinctions from the 145A, the cells are resulted "Substantible Membrato USA."	
	<ul> <li>Petow polit indiana that the respective provision in a substantiarly mentfeet worken of the UTSA, to practice some of these montfeeting may obtainably be impellious, in other cares, the cubatomic efferences require attention, imagings in the yellow only.</li> </ul>	
	it ameritated to indicate have it weies fewal the 1915 CFSA, though non-substratile and mileo-veriation may ust be interdiffied.  * Not cells indicate that the very extin provision dars not exit to otherwise it répullantly different from the CFSA. They is revisions into	
	generally not associated. Critis wa marked red which no state has provinced that been dismit first that consequents that perfolacion USA rection. Critis reserved for matidizant information are also manted sed.	
16.00	<ul> <li>Former trades have constant operativ UFSA provisions from that version, on the provision would be reducedness of existing state flow Applicable (taxe sensing or charine is in most inconcer provided above.</li> </ul>	
	Austratifum;	
	*Charlesfeed took is hungarings that foot been included in a state is somete, but doos and evine in the USSA. Text that is all interest though is larguage included within the USSA tout artist in an existent force its statete.	
	Annatoriem ore primarily interneted to derive substantive, rather than tenturi differences. As with, rame werd differences in phrasing, functionalists and formations in a calculation with a calculation with a calculation of a calculation of a calculation of a calculation.	
	outs where a costs's province affirm in meaning from a coverpositing provision little UTSA.	
	<ul> <li>All one of talking compare the state 's longwage to the amended 1995 UTSA, Privative's developer of states have independ the enjoyed.</li> <li>1979 UTSA, has not be later amendments. These states will have slighten afficiencies in their frejunctive delay. "Company," top?</li> </ul>	
	"Effect on Citizes Law" notifiest (in particular).	

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# Trade Secrets Acts Compared to the UTSA

FediState Uniform Track Secrets Art  UTSA Version 1985 version	### ### ### ### ### ### ### ### ### ##
Advance  Definition: As used in this [Act], unless the context requires otherwise. Resemble and	9 417 45%1) 5 417 45%1) 5 area as UTSA
13 "Incorper mean" include that, bother, misrepresentation breach or indocument of the maintain parties, or expossing through electronic or other maintain.	e desirabilità di distri
Definition:	9 417 AS\$(2) 5 5 mer or UT 54
occer use acquired by improper interes, or  (ii) disclosure or use of a trade secret of another without express or implied consent by a p  (ii) used amproper interest to acquire knowledge of the trade secret, or	teriors who
(8) at this time of disclosure or use, linear or list missors to know that his browledge of time (1) derived from or through a person who had utilized improper means to acquire it;	
(ii) acquired under circumstance; giving rise to a duty to maintain its server; or limit (iii) derived from or thought a person in to used a duty to the person seeling raised or secreey or limit its use; or	The lock of 2 or maintain its
(C) before a material charge of his for hard position, how or had reason to know that it secret and that knowledge of it had been acquired by accident or microte.	was a treety
Defetter (3) "Retroit" means a natural person, concertion, business trust, extate, trust, partitioning venture, government, governmental subdivision or agency, or any other legal or commercial	recentury point \$417.454(3).  "Perior", a return justice, responsible, berines trust, extent, text, partnership, association, joint vertices, governmental updates our or garren, or any other legal or commercial ainth, yes
	pode-manufactural autocovation of agency, or any other right or commissions entirely <u>years on the Social Control Control</u>
Definition:  (4) "Trade secret" means information, including a formula, partiern, compilation, program, trade Secret inchesions or process. That	devis, meliod   8417-653() 4)
<ul> <li>derives independent economic value, actual or potential, from not being generally in being reach; accertainable by proper misons by, other persons who can obtain according</li> </ul>	fue from etc
disclosure on use, and  (iii) is the subject of efforts that are reasonable under the circumstances to maintain its	200 (100 to 100 to
	(b) is the subject of afforts that are ressonable under the circumstances to maintain its scoracy.
Datestask Net in UTSA	

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# Trade Secrets Acts Compared to the UTSA

Feel/State	Uniform Trade Society A.4	Mikkowiii Myo Ainn Stati 56 417 A20 - 417 A10 Mikowiii Ulahimii Trade Secreta Act
Injunctive Relief	(a) Actors or threatment misspecceration may be enjoyed. Upon application to the court, an injunction chall be terminated when this trace secret has cossed to east, but the injunction may be continued for an existing secret problem of the problem of the injunction may be continued for an existing secret problem.	3 41.735. Actual or threatened musa peropration-mjunction  Same as UTSA
	(b) In acceptional constitutances, an injunction may condition future use upon payment of a reasonable equality of two longer than the period of time for when time and between the best prohibited. Exceptional constitutations include, but are not limited to a restantial and prejudical disease of position prior to account providing or restant to fewer of limited to a restantial and projudical disease, injunction respects to a consideration for resters to relieve an impaction respects to the resters to relieve or respects to the resters to relieve and restant to fewer of the restant to fewer of the restant to fewer of the restant to the restant to fewer of the restant to fewer of the restant to the restant to fewer of t	
	cd in appropriate circumstances, affirmative sets to protect a trade secret may be compelled by court order.	
Danages	(s) Except to the extent that a material and prejudicial charge of position prior to acquiring innovineige or reason to brow of misappropriation renders a momentary recovery inequitable, a complainant is softlified to	5.417.457. Damage; for misappropriation
	reason is more on mappoproprior remove a nonzerany numer, legerature, a computation is entired to recover demaps for mappoproprior. Demaps can include both the statal for caused by mappopropriator and the unjust enrichment caused by misappropriation that is not feelen into account in computing actual loss. In lear of atmaps measured by any citize methods, the femaps caused by misappropriation may be measured by mispotrior of plastiffs or a responsible copility for a misappropriator's assurbmonded discinuar.	L. Except to the extent that a straterial and prejudicial change of position prior to acquiring knowledge or reason to how of misappropriation renders a monetary recovery inequitable, a complainant is entitled to recover disneger for misappropriation. Diamages can include both the actual for crusted by misappropriation and the unjugat enclarant caused by misappropriation that is not taken into account is computing actual.
	or use of a trade secret.  16 if willful and malicious misappropriation exists, the court may award exemplary damages in an amount and exemplary damages in an amount and exemplary damages in an amount.	loss, in lieux'd duringes messured by any other methods, the demages caused by misappropriation may be measured by imposition of liability for a descreeble riparty for a misappropriator's unauthorized disclosure or use of a trade secret.
		2. A will be and not become misoperizes after early, the court may award examples damages in an amount of concerning to court made concerning because of the misoperization is categorized because of the misoperization is obtained because of the misoperization is obtained because of the misoperization is out may award continued damages.
Atturney's Feets	If (i) a claim of misappropriation is made in bed faith, (ii) a motion to terminate an injunction is made or resisted in bed faith, or (iii) willful and malicious misappropriation exists, the court risk avairal reasonable attorney's fees to the prevailing party.	None
Preservation	In an action under this [Act], a coort shall preserve the secrecy of an alleged thride percet by responsible	5.417.459. Preservation of secrecy by court
of Secrety	means, which may include granting protective orders in commercial with discovery proceedings, noting in- convers licentum, sealing the records of the action, and occaring any person inclined in the litigation not to disclose an alleged trade except without prior count approval.	Same or UTSA
Statute of	Are action for mire parapriation must be brought within 3 years after the miseppropriation is discovered or by	E-617-661 Limitation of actions
Emstations	the exercise of resconsible difference should have been discovered.  For the purposes of this section, a continuing misappropriation constitutes a single claim.	An action for misappropriation shall be brought within shake five years after the misappropriation is discovered or by the sarcrise of reaconable diligence should have been discovered. For the purposes of this section, a continuing misappropriation constitutes a ringle claim.

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### Trade Secrets Acts Compared to the UTSA

Fed/State	Uniforms Track Secrets Act	Necous ibb. Ans. Stat. \$5.317.650-517.467 Misseuri, Uniform Train Secreta Act
Effect on Office Laws	In Except a granded in subscriber high the End displace conflicting fort, exercisions, and other like of the later providing of innessing for insusperceptation of a trade scarce.  (b) This (Acid does not effect.  I.I.) contractual remodes, whether or not belief upon misspaceprisation of a trade scarce, (c) of other individuous has been only to be a subscriber or a trade scarce or (c) command remodes, whether or not based upon misspaceprisation of a trade scarce or (c) command remodes, whether or not based upon misspaceprisation of a trade scarce.	1.3 Exergi se provided in subrection 2 of this section, sections 427.450 to 417.467 displace conflicting text, institutionary, and short large of this state providing roll femous free for processing ordinaries.  2. Sections 4.17.450 to 427.467 shall not effect.  2. Sections 4.17.450 to 427.467 shall not effect.  (2. Obtenior) the resident text are not based upon insuppreparation of a final secret, or 13.10 chimical investigation, whether or not bear upon insuppreparation of a trade secret, or 13.10 chimical investigation, whether or not bear upon insuppreparation of a trade secret, or (4.1 The discount of facts, opinions, information, decoration, filters, and any other matters discountable, in Illiansion, assess on Illiansion, which a filense missappropriation of trade secrets as a cause of action.
Uniformity of Application and Contraction Severability	The [Act] shall be applied and construed to effectivate its gameral purpose to invalid uniform the law with respect to the subject of this [Act] among states enacting it.  If any provious of this [Act] or it, applications to any person or orientationers, it had invalid, the small discounter of this [Act] or it, applications to any person or orientationers, it had invalid, the small discounter of the applications of this [Act] or it, applications to any person or orientationers, it had invalid, the small discounter of the applications of this [Act] orientation are placed on the placed orientations or a first order or placed some orientations.	417.465 Application and construction of act Some os UTSA  No. Ann. Seat. 6.11,805 Spenishbility of statute provisions.
	proteins, a speciation, and to the low of the provision of this (left) are severable, which we described the provision is ready of States where safety appears is weekfully statutes. For interest their time statutes in another interest translation and the cell is marked where the statutes are statuted as a marked where the severable statutes are statuted as a severable for the severable state that show general severables from an another severable severable severable severable severables are statuted and	The positions of beary statuting an exemple. If any parameter of a statute is found by a court of competent productions to bis instructions (a) the consequence of a statute is found by a court of competent and grainform of the statute as as assessed as an exemple of connected with, and or depresent quart, the sould previously the statute of the s
Addition or Stokes including Time of Time of Taking offset when provided in Taketory post	The fact plane affect on	

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### Trade Secrets Acts Compared to the UTSA

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Fed/Stite	Uniform Frack Secrets Act	Answeri No. Apr. Set 35 417 AV - 417 67 Alissaul Uniform Trans Secrets Acc
Additions it		
		,%L
lis General and Unless		
Otherwise	<ul> <li>White outs indicate that the requestive groupism is equivalent to the proceeded 1905 1814. White the execute wording and framorting may differ there is no moterial existinting difference. Where a standary provision is constend as "Some on 1854" minor termal or</li> </ul>	
Specified	forwarding differences may exist. Where there difference are man pronounced but still do not present internative distinctions from the UESA the cells are marked "Substitutive's Mentions UESA."	
	military cults inclinate that the respective provision is a substantively modified us size of the UTSA, to procisio some of these	
	modification may utinizately be knopsficinal in other cases, the substantial differences require attention, Language is the yellow sylle.	
	is anadrated to indicate tono it conice from the 1935 OFSA. Strength non-cubic tables and miles contribute may but be emmediated.	
	Serd onto helicate that the corpection provision dates not exist or columnia; it significantly afferent from the UTSA. This is provisioned different from the UTSA, This is provided and contact the provision has been densified that contactable if it partials UTSA.	1,10
	eestion. Cells received for intititional information are also realized red.	
	<ul> <li>Some states have amilted specific UPSA provision from their version, as the providing would be rediginated of a visiting solds life.</li> <li>Applicates state and contaction is in most in traces provided above.</li> </ul>	
	Agestrics:	
	*Lieutenlined true is Despumpe that has been included in a state 's secrete, but does not unit for the UTSA. To at that it is different trough is	
	bacquage included solition the LITSA that a store has considered from its classife.	
	<ul> <li>Associates are principle intendials denote substantial rather than usual difference. As sult, some and difference in phoning,</li> <li>quaranties, and formating then not been count, in some count, where shallful instantial this instance when under a difference of indicate</li> </ul>	18 %
	only where a senter s provinting Gifers in meaning from a corresponding provision letter (IFA).	N. Carlo
	All autotations compone the crose's language to the one-sited 1995 UTS A. Phonocon distanter of nones have adopted the culphos	
	1979 USA, hat not its letter amendments. Dasse states will have significant differences in thick "highestive Beloft" "Conneges," and "Effect on Other Law" sections (in practicals).	

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## Trade Secrets Acts Compared to the UTSA

Fod/State	Uniform Track Secrets Act	Northern Nort Code Ann. §§ 36 64 401 3B 3B-409 Oddform Trade Springs Act
UTSA Version Adopted	1385 version	1\$65
Oefinition: Presentes and	As used in this (Act), unless the context requires otherwise:	§ 30-14-402(1) Same as UTSA
improper Means	<ol> <li>"Improper meant" includes their, bribery, misrepresentation, breach of indocement of a breach of a duty to misrealin servey, or explorage through electronic or other means;</li> </ol>	
Definition: Missupro-	(3) "Misappropriation" means	5 30-14-402(2) Same as UTSA
prietion	(i) acquisition of a trade secret of another by a person who knows or has resuce to know that the trade secret was acquired by improper means, or	
	<ul> <li>(ii) directoure or use of a trade secret of another without express or implied consent by a person wito         <ul> <li>(A) used improper means to acquire knowledge of the trade secret; or</li> </ul> </li> </ul>	ulies
	(8) at the time of disclosure or use, linew or had reason to seew that his knowledge of the trade secret was: (i) darked from or through a person who had utilized improper means to acquire it.	
	(ii) acquired under circumstances giving mainto a duty to maintain its secrecy of limit its use, or (iii) derived time nor through a person who outed a duty to the person seeking relief to maintain its vectory or limit its use; or	
	(C) Sefore a material change of his (or her) position, knew or had reason to know that it was a stada- secret and that knowledge of a half been acquired by accident or mintales.	
Definition: Person	(3) "Parson" means a natural person, exponetion, business trust, estate, trust, sentenessing sersolation, joint venture, government, governmental subdivision or agency, or any other legal or commercial entity.	\$ 30-14-402(3) Same as UTSA
Definitions:	(4) "Trade secret" means information, including a formula, pattern, compilation, program, device, misthod.	5 30-14-402241
Tracte Secret	technique, or process, that:  (i) denius; independent economic value, actual or potential, from not balling generally instent by, and not	(4) "Trade secret" means information as companies of were including a formula, pattern, compliation, program, districe, method, technique, or process, that
	being readily accertainable by proper means by, other persons who can obtain a conomic value from its disclosure or use, and	(e) derives independent economic value, actual or potential, from not being generally known to and not being restilly ascertainable by propar means by other persons who can obtain economic value from its
	(ii) is the solution of afforts that are reasonable under the circumstances to elaintain its secret,	disclosure of use; and  (b) is the subject of afforts that are teasorable under the circumstances to maintain its secrecy
Definitions Not in UTSA		
avar as U (Sa		
	Same 1	

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## Trade Secrets Acts Compared to the UTSA

Fod/State	Uniform Track Secrets Act	Montace Mont, Coak Jone, 93 to 4-401 - 30, 14-409 Uniform Trade Species Act
Injunctive Relief	(a) Acrual or threatened mispapropriation may be enjorated. Upon application to the court, an injunction shall be terminated when the trade scene has consisted to eart, but the injunction may be continued for an additional reasonable parted of time in order to eliminate commercial advantage that otherwise would be derived from the mispapropriation.	5 30-34-403. Injunctive reliefroyalty Some as UTSA
	Ibit in except cred circumstances, an injunction may condition future use upon payment of a reasonable country for no longer than the period of time for which use could have been prohibited. Exceptional circumstance include, but are not limited to a material and populdinal change of position prior to acquiring.	
	Insolvedge or result to know of imageopristion that randers a prohibitive franction inequitable.  (c) in appropriate croumstance, affirmative soft to protect a trade excret may be compelled by could order.	
Demages	(a) Except to the extent that a material and prejuilities change of occition orier to exquiring knowledge or	5 30-14-404. Cemsgas
	passes to know of missappropiation renders a minimary requester inequisible, a complainant is amfuled to second changed for missappropriation. Damages can include that the sectal loss caused by missappropriation and the virgid embedded in the property of the section of the second in comparing actual. One here of missappropriation that is not taken into account in comparing actual.	[1] Except to the extent that a material and prejudicial change of position prior to acquiring knowledge or reason to bowly of mispapropriation renders a monetary recovery inequitable, a complainant is antitied to recover dispapropriation of the propriation of the propriation of the propriation of the propriation. Damages may findule both the actual fore queued by
	measured by imposition of liability for a reasonable royalty for a misappropriator's unauthorized disclosure or use of a trade secret.  (b) if willful and melicious misappropriation exists, the court may averal exemplary damages in an amount.	misappropriation and the unjust enrichment caused by misappropriation that is not taken into account in computing script lose. In Bland changes pressured by any other methods, the dismagner caused by misappropriation may be measured by importion of liability for a reasonable invest, for a misappropriator's unsunthinities are of a triefs exercise.
	not executing trace any award made under subsection (a).	(2) If will d and malicious misappopriation exists, the court may award assimplary damages in encountered assistance in accordance to the design of the desi
Atterney's	If (i) a claim of misappropriation is made in had faith, (ii) a motion to terminate an injunction is made or	§ 30-14-405. Costs and attorney fees
Atterney's Fees	E(i) a claim of misaproprietton is made in bad faith, (ii) a motion to terminate an injunction is made or recreted in bad faith, or (iii) will fait indicate misaproprietion outs, the court may award reasonable attorney's feet to the preventing party.	Some or UTSA
	resisted in bad furth, or (iii) willful and malicious misappropriation exists, the court may award reasonable	Sorrie as UTSA
Fear	recental in Self field, or (iii) will all and exactous interprepatation ands, the court may even resonable automory's feet to the pressing party.	Some or UTSA
	resisted in bad furth, or (iii) willful and malicious misappropriation exists, the court may award reasonable	Some or UTSA
Prevervation	mounted in Section (p. (iii)) which and existious interpreparation entity, the court may exact resonable attorney's fact to the pressing party.  If an action under the Cold, a court trial passive the section of an interpretation party is executed in the court may exact trial passive the section of an interpretation party in the court may be considered in the court may be counted by the counted	Some of UTSA  3 30 14-406. Preservation of secret
Prevervation	mounted in Section (p. (iii)) which and existious interpreparation entity, the court may exact resonable attorney's fact to the pressing party.  If an action under the Cold, a court trial passive the section of an interpretation party is executed in the court may exact trial passive the section of an interpretation party in the court may be considered in the court may be counted by the counted	Some of UTSA  3 30 14-406. Preservation of secret
Prevervation	mounted in Section (p. (iii)) which and existious interpreparation entity, the court may exact resonable attorney's fact to the pressing party.  If an action under the Cold, source that section of an interpretation of the court may exact the court may be action of the court may be action of the court may be action of the court may be action.  If an action under the Cold, source that section of an interpretation of the court may be action. It is considered the court may be action of the court may be action of the court may be action.	Some of UTSA  3 30 14-406. Preservation of secret
Prevervation	mounted in Section (p. (iii)) which and existious interpreparation entity, the court may exact resonable attorney's fact to the pressing party.  If an action under the Cold, source that section of an interpretation of the court may exact the court may be action of the court may be action of the court may be action of the court may be action.  If an action under the Cold, source that section of an interpretation of the court may be action. It is considered the court may be action of the court may be action of the court may be action.	Some of UTSA  3 30 14-406. Preservation of secret
Prevervation	mounted in Section (p. (iii)) which and existious interpreparation entity, the court may exact resonable attorney's fact to the pressing party.  If an action under the Cold, source that section of an interpretation of the court may exact the court may be action of the court may be action of the court may be action of the court may be action.  If an action under the Cold, source that section of an interpretation of the court may be action. It is considered the court may be action of the court may be action of the court may be action.	Some of UTSA  3 30 14-406. Preservation of secret
Apper value of Nevrey	recental in Set faith, or jill) will faith and exist-out interpreparation musts, the court may event recombined actions or later to the premising party.  In an action under the (Act), a court that greeness the sectors of an alleged based secret by reasonable court of the court	Some or UTSA  \$ 30-14-406. Preservation of secret Some or UTSA  \$ 30-14-407. Statute of Immissions
Preservations of Secrety	recorded in Section (see could response to the property of the could response the section of th	Some or UTSA  \$ 30-34-406. Preservation of secret Some or UTSA

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## Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

FedState	Uniform Track Section Act.	Next. Cade dans. \$5 30-30-401 - 30-18-409 Onfrom Trada Secrets. Act
Effect on Other Law	(a) Except a provided in nutriental (in), this (bet) depulses confirming only restrictions, and other leve of this table providing of immediate form responsible of a studie scenario.  (b) The (bet) been an affect.  (c) It or person to responsible the studies of	Searne en UTSA.
Uniformity of Application and Construction	The [Act] shall be applied and controll to affections its general purpose to make uniform the less with research to the subject of this [Act] among states of	§ 33-3-44-325. Unformity of agalication and construction Some or UTSA
	If any provision of this (Ind.) or the application to any person or commissioners in that reside, the available control of the Cold values of the Book values of the provision or application of the Book values of the Book values of the provision of the Book values of the Book val	Receiver v. State in right (McCalledon, 708 F. 94 455, 450) (2012). Secretarity is a principle association of by cast but.
Additions on Notices Included Minds of	The fact lake effect on	

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#### Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

Fed/State	Uniform Track Secrets Act	Monte Code Ann. 55 No. 13 AD 1 - 30: 54 400 Uniform Trade Secrets Act
Additions II		
	Green nets despet UTSA 2005 worker.	
Unless Otherwise	Whish critic indicate that the respective provision is equivalent to the proceeded \$505 505A. While the exect waveling and/or contring	
Specified	mar differ, there is no material relationable difference. Where a statutory possible is marked as "Some as UFSA" misor tenteral or Formations differences way exist. Where there differences are more pronounced but old do not prevent relationship distinctions from	
	tia UESA, the cells are marked Nutatancivels identifiate UESA."	
	refloar-only indicate that the respective provision is a substantively modified septima of the GFSA, separative cover of these	
	modflorion may ultimately be insignificant, in other cases, the substantiae differences require attention is congresp in the politics of a second to indicate how it varies from the 1995 UTSA, though non-rubstantiae and asing varieties may not be executed.	
	*And costs in the fact the respective provision does not easily or otherwise it significantly different from the OFSA. Deep growkings that	
	generally not materialed. Calls are marked red where no state has privated for her been identified that consequents to a particular UTSA.	
	remion. Cets reserved for middlesed left market me the market wit.	
	<ul> <li>Some states have analysed specific UFSA provisions from their version, or the provision would be redisindent of entering state base.</li> <li>Applicable cross regions to obtain it in most instances provided above.</li> </ul>	
	Anastrica	
	*Limboldered to the distinguished that have been included in a state in Adulta, but door out a viry in the USSA. Text that is triples a through it	
	Anaguage Brokeded wildsin the UTSA that a state har conduced force its statute.	
	• Amototism we primarly intended to demne substantive, rather than tentool differences. As still, some small differences in planning	6 %
	punctoration, and formatility have not been wated, in state cases, where identified inaccinition inlex substitutes and indicate early where a state's pand ha differs in meaning from a corresponding position in the UTA.	
	• All answarmines compose the same's longuage to the assenced 1995 LTSA. However, it mobiler of states have adopted the original	F.s.
	All or least timber control to be state transporter to the orienters place union, nowmen, a position of states have adopted the driggest of the place to the state of the place to the place of the place to the place of the	M <sup>*</sup>
	"Effect on Other Law" sections (in particular).	

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## Trade Secrets Acts Compared to the UTSA

Ped/State	Brilliann Track Socrati Act	Helizaka Wei, Hen Stri. 55 U 501, - 27 507 Trade Sauest Act
ETSA Version Adapted	1385 version	1965
Definition Reconstile and Improper Masses	As quest in the [And], while the conduct requires collections:  (3) "Improper remain" includes their, behavior, intropresentation, breach or indicament of a breach of a day or assistant server, or explaining through distincts or other means:	\$ \$7-500(1) Series at UTSA
Enfinition Managero- position	(2) "Misapproposation" means:  (1) acquestion of a trade extract of another by a person who knows or has reason to know that the bade	5-87-502(2) Same or UTSA
	secret via sequent by improve makes (or (if distribution or use) at the table accepted of her harder accepted or makeled consist by a person rule. (A) used improper makes to equally involvingly of the trade accept or (iii) at the time of a science or use, have or that understo the row that is involvingly of the trade accept (iii) acquired since or though a person unit is had alloyed improve season to expend a (iii) accepted since or though a person unit is had alloyed improve season to expend a (iii) accepted since or though a person only had alloyed improve season to expend a (iii) accepted since or thought a person to bound a duty to the patient on season are limited to automation at person or the season of the seaso	
Confunition Passon	(3) "Person," means a solution person, corporation, business trust, estate, trust, grater, trust, procession, port, entropy, port, entropy, port, procession, port, entropy, port, procession, procession	Perior shall meet a natural perior, corporation, business trust, estate, trust, partnership, <u>implied liability, corporation, post venture, governmental visibilities or agency, or any other legal or commercial entity, and</u>
Definition Traile Sécret	4. This deposit makes information, including a formula pattern, comparison, program, genice, method, scottingue, or possess, bith?  (i) demail independent exposers value, actual or potentials from not taking generally shows the and not disclosure or you, pattern or program of the program of	§ 37 F02(4)  Trade secret that mean information, reclaiming job not limited to a through formula, pattern, completion, paragram, device, method, between, sogge, or process that:  (a) Device independent economic value, setual or potential, from not lessy throw to, and not lessy accordinate by proger means the, other persons who can other economic value from its displacation of use, and
		(b) Is the subject of efforts that are rescomble under the circumstances to maintain its sponcy.
Delinitana Res in UTSA		

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## Trade Secrets Acts Compared to the UTSA

Fed/State	Uniform York Servels Act	Hohanka Hela Hee Stat 56 EV 587 - 87-307 Trade Serven Act
hipenbox Refef	(a) Actual or threatment missporporation may be enjamed. Upon application to the court, an enjamenon shall be terminated when the trade seared tay coard to exist, but the injurnation may be certificated for an updational resolution between the time is order to eliminate commercial advantage that otherwise would be derived from the missporporation.	§ 87-903. Miss percentation, injunction, toyally, affirmative acts Some as UTSA
	th in exceptional circumstaines, an imprection may condition future use upon payment of a reasonable rought for no longer than the period of time for which use could have been prohibited. Exceptional circumstances endude, but are not limited to, a material and projudicial change of poctoria prior to according providedge or resort to drove of miscoppropriation that renders a prohibitive injurction inequipable.	
	<ul> <li>is appropriate circumstanciae, effirmative acts to protect a trade societ may be competed by controller.</li> </ul>	
Danases	(a) Except to the a stent that a metanal and projudical change of position prior to acquiring brownings or	\$ 97-504. Miss portipistion, clamages
	reason to know of misappropriation randers a monetary recovery inequitable, a complainment is entitled to	Dispit to this exident that a material and projection change of position prior to acquiring incovising or having reason to trovic of the managementation coales a moveless precisely recovery mechanists, a complainest shall be managementation to the coalest and the coalest projection of the coalest projec
Attorneys	If (i) a claim of misppropriation is made in the faint, (ii) a miglion to terminate on nunctions of mate or	QS*
Fens	excited in Self-sity, or (iii) writing and missions insuppropriation exist, the court may exact resonable atterney's Fefs to the pre-siling party.	
Preservation of Secrecy	In an account under the field, a count that present the sector of an imaged trade search by resourcible makes, which may include parting proteins under its colinocions of decovery proceedings, holding in- cames hearing, sealing the records of the attics, and othering an general meshed in the litigation not to children an alleged trade searce without prior count argonoid.	§ 87.00. Conf. proceedings, preserve secrors. In an action under the Trade Secrots Act, the court shall present the secrory of an aligned bade secret by resconsible means, which may include, but not be limited to growthey protective orders in connection with occurry proceedings before an extraction with secrory proceedings before an extraction with secrory proceedings before an extraction of the secret in the secret secret in the secret se
100		
Statute of Emitations	An action for insuppropsision must be trought entire? a jean offer the insuppropsision is discovered or to the securce of macentric disposes blood to be the discovered.  Cof this purposes of this section, a continuing micropropriation contributes a tingle claim.	\$27.000. Statute of invitation  As action for mispropriation half to descript within season large years after the mispropriation is discounted or by the searches of miscounties diligence should have been decolared. For purposes of this seaton, a communing mispropriation shall constitute a origin claim.

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## Trade Secrets Acts Compared to the UTSA

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FedPatate	Uniform Track Secrets Act	Habiraski Habi Ros Stat. 55 87 503 - 87 307 Trade Secrety Art
Effect on Other Leip	value long as provided in reflection (bit, the first discusse continuing tor, ventrations, and other less of the lotte prompting in remediate for inhappropriation of a tracks sense.  (b) This [Act] does not affect.  (c) controlled when the controlled whether or not based upon misageopropriation of a track sense.  (d) controlled inhamsolites, whether or not based upon misageopropriation of a track sense.  (d) criminal inhamsolites, whether or not based upon misageopropriation of a track sense.	
Uniformity of Application and Construction	This Sect shall be updated and construed to effect using in general purpose to make uniform the law with respect to the subject of this (Sect among taxos executing is:	
Savie solitiy	If any processing of this (Lett) or its application to any present of screeninsees is their levels if the treatilety occurs of first content of the first which read is powerful or supported the results operation or application, and in the next the procession of the left are severable.  As a population, and in the next the procession of the left are severable.  As a left of polatical formories or required visit of the left and the procession of the left are severable.  As left of polatical flow promises or required visit of the left and the left	Euroge Secte Build Control for of Equalization A20 (N.W.) 6 (55, 90-90) (1995).  Soverabolity is a principle established by cardiav.
coldification or flower including the flower Tailing of Tailing of the where proceeding the states and the states of the states and the states of the states	The fact bear effect on	is 8 - 907. Applicability of act  Will Fried September 14 with the signify to act or instagramphic to occurring prior to 1/4 of 9, 1999. If VIBN research to a continuous misagraprission for the spage proviso (a/4), 1999, cach act also deal not apply to the continuing misagraprisation that course offer such date.

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#### Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

Feel/State	Unitions Trade Secret Act	Nobracka Deb. Bev. Stat. §5 27-301. 87-507 Trada Sacreta Acț
Additions II		
		Α
lis General and Deless		
Officewise	<ul> <li>White or its indicate may the regretable provision is equivalent to the amounted \$955 White the wave wooding and formatting entertifier, there is no material existantly affiliatence. Where a statutory provision is contact at "Some as USSA" enject toward or</li> </ul>	
Specified	forwarding differences now write. Where these differences are more pronounced but and do not present autotractive distinctions from the UFSA, the color are more for "Substantively life about 0.074A,"	
	<ul> <li>reflow outs intigene that the respective provision it a subapantively modified werein of the UESA, in practice some of these modification and otherwise in incident, in other curve, the cubes native differences require attention. Language is the yellow acts.</li> </ul>	
	è mantaned le indicate hanc'è verès from the 1918 UFFA, Wough non-substanche and asinor verèntions may not be mantaned.	
	* Sectrath injuges that the unspecting previous does not writter alternance is significant for (Figure from the OTA). Digit providing this are north as an actually for many finite from the constitution of the particular of	
	section. Cells received for additional information are also areated as a	
	Some states have content specific UTSA provisions from their varies, or the provision would be reduited as of existing state (my).	
	Applicable scap review or chasten it in most becomes provided above.	
	Assortations:	**************************************
	*Controllered leve & tempurage that has been included in a state's statute, but does not suit in the UTSA. Tem that it stakken through it Improves included within the UTSA that a state has conduct from its statute.	4 %
	<ul> <li>Annatotion one primary intended to denote substantia, rather than tyring affiliations. As safety come cand affirm and the primary in the content of the conten</li></ul>	
	puresonitive, and formating have not been noted, in some cases, where identified, annotation are entirely substantive and indicate	
	onto ratice a state's provisita differs in menning from a corresponding provision in the DTSA.	E A
	<ul> <li>All announts on a power the state's language to the amended 1995 USA, However, a supplier of states have adopted the original 1979 USA, but not in large assentances. These states will have significant differences in their "Injunctive Relief," "Comagne," and</li> </ul>	
	**************************************	

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#### Trade Secrets Acts Compared to the UTSA

FedShifts Uniform Trade Secret Act	Rev. No. 5 text. No. 5 text. No. 1 text.
Premitie and Improve means' includes darth, bellow, misrepresentation, beach or independent of a breach of a da dates.  To maintain servery, or explorings through distribution or other means;  To maintain servery, or explorings through distribution or other means;	
Definition:  (2) "Mile propriethed" meets:  (3) acquisition of a trades sector of another by a section who brings or has reason to have that the trade sector of a mother by a section who brings or has a reason of the trades sector of a mother or without expects or implicit content by a person who (A) seed improper meets to account providing or without expects or implicit content by a person who (A) seed improper meets to account providing or without expects or implicit content by a person who (A) seed improper meets to account on the content of the trades sector was (A) and the trade of account of the trades sector was (A) and the trades of the trades	\$ 600A-0352)  Stone is UTLA but for the addition of:  a.i. Economistic of the trade source of another by a section by limitation means.
(C) Lettine a immertal change of this for finely position, times on had reason to breve that it was a trade- sord and that it would get at a had been recovered by a colored or more to the color of the	R ( SOAJSK4) Spire or UTSA
Collection  (4) "Trade secret" means information, including a formula, pattern, complication, program, device, method fracts beard  (5) deman independent exception has actual or patterns. Then set having parently hower to and not bear greated patterns and programs by the patterns and patterns. The set having parently hower to and having patterns are to actually bear patterns. By their patterns who can obtain accommission from the food for discovers or into, and.  (3) is the subject of efforts that are reasonable under the crownstreads to melitical its access.	\$ 200.0203)  Trade e-pool* means information, including, <u>soldood limitation</u> , of crimate, partient, complainting, pregiams, device, coolsists.  Trade e-pool* means information, including, <u>soldood limitation</u> , of crimate, partient, complainting, pregiams, device, coolsists.  (a) Derive independent economic value, actual or potential. From not being gamenity indoors to; and not being reachly secretarised to pyrapper means by the public or any other pursues who can obtain commental or economic value from its otherwise or saw (and
Durindens, Sirk is UTSSI.	(b) of the rulpical of efforts that are resourced to endow the circumstances to maintain its secrets,  \$ 5000.33(3)  "Owner" manage the persons who hidds legal or equitable little to a trade secret.

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#### Trade Secrets Acts

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	•	
Fed/State Injunctive Robel	Obstines Tasks South Art.  13 Actual or threatment in suppopulation may be expired. Upon approach for the point, an expection shall be serviced southern the state sector for an expection shall be serviced to expect the state of the state o	Notice Notes Act and Proceedings of the Committee Notes Act and Act an
Damages	(a) Except for the extent that a material and projudical change of persions prior to acquiring invavious or masor to know of minapopoporation notices a moveter process; moving the compliance is excelled to provide many to know of minapopoporation. Since proceed manages for the stand for caused in management of the process of the signal except and since principles and the signal except management of the signal e	Stock 550. Mospipopoistion: Demograp     Some at 17th Act for:  2. If will be a precise or ending insepreparation or discount of the state of the count of the trade secure exists, the cost this secret gramphay discount is not record for exemply type the execut made under subsection 1.
Attorney's Fear	(1) there of encompressions, each in the fail, (i) a motion is terminal an injection in made or extended in the fail, or (ii) will do not relation integraphical exist, the contrast ward exactly extensive feet to the pressing party.	S 200-860 - Stormy / S face Code or of 1/24
Preservation of Servery	has action order this [FG], accura half perhamen the security of an impact from search by reviewable, where, which may picked perhaps proceed under an improced or off decovery processing, children in common hearings, seating the records of the society, and ordering any person included in the litigation and to disclose an alleged trade section without processor approval.	EXDATO Preservation of sectors  many extension shows the Leak size command agains the court shall preserve the vertex; of an alleged trade seem by restorable means, which may include, against limitation  1. Greefing protective contex in connection with discovery proceedings;  2. Available having in context,  2. Available having in context,  3. Available having in context,  5. Available having in context,  5. Available having in context,  6. Available having
Statute of Limitations	In action for misappopolation must be brought within 3 years after the misappopolation is discovered or by the execution of reasonable follows brought within 1 been discovered.  For the purposes of this realize, a continuing misappropriation conditions a single claim.	\$ 5000LBBC Limitation of actions Some ou UFSA

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#### Trade Secrets Acts Compared to the UTSA

Fed/State	Uniform Profit Service Arts	New New Stat. Jun. 14 6560.010 - 6000-100 Uniform Teals Secteds Act
Effect on Other East	On Second a provided in subsection (b), the CAST displaces conflicting fort, estellations, was oblevile of this Siste provided or immediate form responsible of a trade exceed.  If the CAST does not effect.  If the CAST does not effect.  If it conflicted investments, subsect or not based upon interappropriates of a finish secret; if it conflicted investments, subsect or not based upon misappropriates of a finish secret; if it is conflicted investments, subsect or not based upon misappropriates of a finish secret; if it is conflicted investments of a finish secret.	GODASSE, Effect of theyers on other law and remember.  If the state provided in valuescolor, 2 feet chapter displaces conflicting ton; restrictionary, and other law.  If the state providing ovid remedies for invasproprienters of a state sense.  2 files displayed date set affect.  2 files displayed date set affect.  (3) Chapter about materials, whether or not based upon missipproprietion of a trade senset.  (3) Other chair amendies that are not based upon missipproprietion of a trade senset, or chapter about the chapter of the senset of the chapter of the
Uniformity of application and Construction	This (Act) thall be applied and construed to effectuare its general purpose to make uniform the law with respect to the subject of this (Act) among cables oracting it.	Nose
Sover skilling	they possible of this (Jet's) is a substitution to any person or committee as a lead which, the level and some or affect that promotive or supplication of the [Ent's) which are given effect unblind the reside provision or application, and on this earlier provision of the [Ent's) are overable. As level of policypring this provision, resportly of strate home usulting general serenditivity actually. For these receives the disclose a provisional exhibitor amountation and the cell is noticely solution. For those shows that allow generall serenditivity trought case low. Californ's provision to give that summerizes the middle give out the cell is more and one.	New New Seal, Cent 9, 00000 Sementality  1. If any province of the Newald Newald Sattawa, or the application Neward to any person, thing or circumstance is tool leveling, and intendify fault may all the province or application of NSS-West can be given effect without the mail of province or application of NSS-West can be given effect without the mail of province or application, and to the set of the province of NSS-west can be cleared to be remarked.  1. The including of an expect seclectation of speciality, in the current of any province of NSS-West can be compared to the remarked.  1. The including of an expect seclectation of speciality in the secretarized also province of NSS-West can be compared to the second of the second of the province or the second of the second
Additions on Notices including Torsical	Led does not apply to misapone below coursely price to the factor does not apply to misapone below the coursely does not apply to misapone below the factor does not apply to the continuing misapone process that coursely to the continuing misapone process that course a feet the effective date. The does not apply to the continuing misapone process that course a feet the effective date.	\$ 500.020. Repeated  SCOOL-10. Repeated  SCOOL

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#### Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

Ped/State	Grefsyn Trade Secrets Act	May, Ney, Stat. Smr. 85 6008-010 - 6008-100 Uniform Trade Seculo Act
Add Sont II		
		,0,
	Simple code details USA 2009 virgina.	
Otherwise	<ul> <li>White calls indicate that the respective provision is equivalent to the amended THM LHSA. While the exact wording matrix exacting easy differ there is no partiries subscarpe differential. Where outputsing provision is not that as "Same at LHSA" which indentices</li> </ul>	
Specified	formating differences over each. Where these differences are more promised but this is not present substitutive distinctions from the UTSA, the odd one context "substitutionly distribution UTSA."	
	<ul> <li>Zettow ceth institute that the respective provision is a substantially analytical van him of the UPSA. In partice come of these modifications may obtain their in hydrount, in other coses, the volutionable office once require convolute a compage in the yellow ceth modifications may obtain their in hydrount, in other coses, the volutionable office once require convolute a compage in the yellow ceth modifications.</li> </ul>	
	is remonated to indicate tase it varies from the 1905 UTSA, though non-substantile and relate variations may not be menubilised.	
	<ul> <li>Bell and Andione fine the respective provision does not used to orthonologic in significantly different from the UTYA. These travel from the generally not a mandated, Coth over madered and where in extant love provision has been life of Flad that corresponds for a particular UTYA section. Other received for adultshoot information we also associated for.</li> </ul>	
	<ul> <li>Small stocks have unlitted specific MSW provision from their version, in the provision would be enablingion of existing some little.</li> <li>Applicable rate stocker or straking in appreciae sources provided above.</li> </ul>	
	Annenthre:	
	il Ageordh meddirdi 's hedd tan F. A.T.U. edi'ne plon sout von en von en von en von a gengant ei sant tendesim en and tendes en von en en von eilen behelve en granpe	
	<ul> <li>Acceptations are principly internated to discove substantial, while then neutral differences. As look, some sensed differences in phontage devangancies, and formation have not been accept to come some, where idealified supercontaging and entirely individually and location.</li> </ul>	
	only where a train's provided differs in recooling from a coversponding providing in the UTSA:	Resident Light
	<ul> <li>All mentations compose the state? Imagining to the excepted 1988-015A. Province in hisbitar of rates law-induped the original.</li> <li>1779-015A, but not it is trace intendmental. These content will have significant differences in this "laboration laws". "Exemple," init. "Affect on Third Law" extrinct life portfolials.</li> </ul>	

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## Trade Secrets Acts Compared to the UTSA

FedFState	Uniform Finds Secrets Act	Resy Hernother. H.H. New Stat. 54 350 Rt Uniform Frank Secret Act
UTSA Version Adopted	1995 version	1985
Definition: Presentie and	As used in this [ACT], unless the context requires otherwise:	\$ 350-8-1(I) Same as UTSA
improper Means	11 "Improper means" includes that; bribery, misrepresentation, breach or indicement of a breach of a duly to maintain secrecy, or aspiculage through electronic or other means;	Source Its CV.SN
Definition: Mesapro-	(2) "Miss poropriation" means	\$ 350-B:14(II) Some as UTSA
profess	<ol> <li>acquisition of a trade secret of another by a person who knows or has reason to know that the trade secret was acquired by improper means, or</li> </ol>	
	(ii) disclosure or use of a trade secret of existing without express or implied consent by a parcon who (ii) used improper means to acquire insocietige of the trade secret, or	
	(8) at the time of disclosure or use, soew or had reason to know that his knowledge of the trade secret.	
	(i) denied from an through a parson who had utilized improper means to acquire it. (ii) acquired under obcumatances giving rais to a dusy to maintain its secrecy or limit to use, or	
	(III) derived from or through a person who gived a duty to the person seesing relief to maintain its secrecy or limit its use, or	
	(C) before a material change of his (or her) position, basis or had reason to back that it was a trade secret and that thiomispige of it had been accurred by accident or missale.	
Definition:	(3) *Person* means a netural person, corporation, business trust, estate, trust, partnership, association, joint	\$ 350-8:3[III)
Person	venture, government, governmental subdivision or agency, or any other legal or commercial entity.	Same as UTSA
		\$ 350 B 31/M
Definition: Trade Secret	(4) "Trade secret" means information, including a formula, pattern, compitation, original, device, method, sectingue, or process, star.	9 301-9:12(V) Same or UTSA
	(i) derives independent economic value, actual or potential, from nici being generally known to, and not being readily accertainable by proper means by, other persons who can obtain accommic value from its	
	disclosure or use, and  (ii) is the subject of offorts that are reasonable ender the circumstances to maintain its cacrecy.	
Definitions Not as UTSA		

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## Trade Secrets Acts Compared to the UTSA

FodFState	Uniform Track Socrats Act	Havi Hampitrin 7.1.1. Rev. St.at. हो 350 B.3. 350 B.8 Uniform Trada Generat Art
Injunctive Relief	(a) Actual or threatment misappropriation may be enjorned. Upon application to the court, an injunction shall be be reministed without the timbs search accusant to excit, the injunction may be entitlissed for an additional reasonable particular time in other to alliminate commercial administing that otherwise would be derived from the misappropriation.	§ 3509 t2. Injunctive Relief Some or UTSA
	(b) in exceptional circumstances, an equication may condition future use years permitted of a resiscential quartity from longer than the period of time to vehicitive secold have been profitted. Exceptional circumstances include, but was not timined to a material and prejudical diverge of position prior to accepting introvidedge or reasons to intovir of misappropriation that reviden a profit offer injunction inequitable.	
	(c) in appropriate circumstances, affirmative acts to protect a trade secret may be compelled by most order.	
		å,
Demages	(a) Except to the attent that a material and simplicibility damps of position point to account in thinkings or in assent to know of misappropriation materials a moreton recorder incorpitaties, or complained is entitled to recorder damping for misappropriation. Desirager can include both the actual loss caused by misappropriation and the region employment caused by misappropriation that it and taken into account in comparing actual loss. In the of distance investment by any other methods, the damages caused by misappropriation may be	§ 350 è 3 Comages Some os UTSA
	measured by imposition of liability for a maximalian loyelity for a min-propopilator's unsubstitud disclosure or use of a finale lecture.  (b) if sulfilly and melacious minapopopilation exists, the coart may award exemplary damages in an amount not exceeding hivto any system made under subsection (a).	
Atturney's	# (i) a claim of misappropriation is made in bad faith, (ii) a motion to terminate an injunction is made or	§ 350-0-3 Antomey's fee:
Faits	recited at bud high, or (ii) willful and real-close mice perspiration exists, the court may award reasonable attorney's feet to the pressing party.	Some of UTSA
Preservation of Secrecy	In an azion under this [Act], a court theil preserve the secrety of an ellipsed field-secret by resconsistements, which way include greating understine orders in connection with discovery proceedings, holding migrams hearings, sealing the records of the action, and ordering any person broadwall and the litigation not to	§ 350-8.5 Preservation of secrecy Some as UTSA
	dischole on alleged made secret in thout prior court approval.	
Statute of Brottations	An action for misepropriation must be brought within 3 years after the initiappropriation is discovered or by the overcise of reasonable diligence should have been discovered.	\$ 350-B.5 Statute of limitations Some to UTSA
	For the purposes of this section, a continuing misappropriation constitutes a single claim.	

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## Trade Secrets Acts Compared to the UTSA

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Fed/State	Uniform Trade Securb Act	New Hampshire # 19 Per Stat \$5 200-013 350-000 Uniform Trade Secrets Act
Effective Other law	us Except a provided in spheric to (b), this (incl.) displaces confidence (set, exeminators, and other law of this State providing of immediate form responsible of a track-learner.  (b) This (and) does not affect:  (c) This (and) does not affect:  (c) This (and) does not affect:  (d) This (and) does not affect:  (d) This (and) does not affect:  (d) This (and) does not affect:  (e) This (and) does not affect:  (f) This (and) does not affect:  (g) This (and) d	5 339-8 7. Effect on other law Some as U.754.
Uniformity of Application and Construction	This [Set] shall be applied and combined to effectively be general purpose to make uniform the low with respect to the solitext of this [Aet] among states energing it.	9 397-98 3 Uniformity of construction and application Some or UTCA
Neve ability.	If any provisions of the (PAV) or its applications to any partons or circumstances in ledit mells), the involving does not affect on the provisions or application of the (Incl) which are played in files unbit the mellid provision or application, and to the ent the provisions of the large are serverals.  For large and provision of the large are the provision of the large are serverals or the large and the large are large as stress and success and are large as for these stress are arrowed without an evolution and the set (II) and only provided the case that quantitative are arrowed without an evolution and the set (II) are large are l	Associated Press - Offices (IRR A. A.) 23/6, 13/6 (2005). Solicities 2 hour is a semperal whom parable and consistent with liquisation intent.
Addition of Robins Including Time of Time of	The lack plane effect on	

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## Trade Secrets Acts Compared to the UTSA

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FedState	Delform Track Secrets Act	N.H. Rev. Stat. 55 (ASD-8:3 - ASD-8:5) Midform Trade Socreta Act
Additions II		
o General and Dilets Other wife Specified	Contraction Sealed of U.S. 2009 scales.  While a this draw for the expected provision is equivalent to the years for the extraction of the expected provision is equivalent to the extraction of the extracti	
	* For two words in States that the respective provides a a valuated who, modified over an of the UTSA. In positive some of these modifiers may attended to be information for their cases, the substantial differences require intended, imagings in the pollow college manufacted or indicated have be under from the 1988 OTTA, though now relatively and minor variation may not be invested.	
	<ul> <li>Bot dail indicates that the regressive provision over an entition ordinavals is injufficiently different from the UFA. Their provisions or extend the provision has been already from the UFA.</li> <li>Section Cells recovered for additional information are also assumed as it.</li> <li>Section Cells recovered for additional information are also assumed as it.</li> <li>Section UFA.</li> </ul>	
	Applicable state somete ce chable à le moss despaces provider aboue. Acastations	
	*Licetorabused band in forequency at hot from brown included in a return 's societae, that class cost societ in the UPSA. There than it is blickborn through it.	
	lampunger instituted with bin this IATSA that a state has consisted force its statute.	
	<ul> <li>Annotation or primary intended to despensuintancia, enter than tested difference. At their come small difference is planning.</li> </ul>	[ 3. 第
	paratuolista, onal formitalioj laine mal kont matad, la roma antaz valant elibili filod, importalioni del ontinto potrituativo and individe anti-sultano a zone la provisión affere la manunia famo a consequenting provision lettre UFLA.	
	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Pa'
	All associatives compare the state V language to the oriental 1905 UTSA. However, a subblev of states have adopted the subbled.	
	1979 UTSA, has not its inter assentionent. These states will have significent offerences in their "linjunctive Andry" "Damoyas," lead	
	"Effect on Other Law" sections (importants).	

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## Trade Secrets Acts Compared to the UTSA

EnglState	. Uniform Tipula Socreta Act	Here keray.  8.1. Start Alam, 95 Sol 3-1 - 36(15-3)  How kenony Frank Secreta Act
UTSA Version Adopted Definition	1665 version  As used in this (Act), unless the context regions otherwise	1905 § 56.15-2 Dafinhors
Programme and Improper Means	excess in early legg, versions controver require powerings.  (1) "Improver ressure" includes their, bithery, interepresentation, breich or indiscentent of a breach of a day, to resurrant sector, or exprove, through electrone or other meson.	2 or 4 2 - settlements So used in this set, under the contact requires otherwise Therepoor mann's means that both, below, minequentation, freech or inducement of a brench of an assess as inhelided not to ministen the recency, of or to limit the use or disclosured. I straig seem or assimings through electronic or other means, passes that, suinderbried accounts the store of administration, or other means that origins a serious statistication for the laws of this Seaso.
Definition:	(2) **Mraappoprietion* means:	5 56 15-2
priedion	(i) specialization of a made search of snother by a person who knows or has reason to linew that the triple search were accurred by improper means; or (ii) discharace or use of a made search of another without ourses or implied consent by a person who (iii) discharace or use of a made search of another without ourses or implied consent by a person who (iii) used improper means to account borovinedge of the trible search; or	Misappropriation "memory (1) Aquation of male served in another by a person wire linears or has reason to involv that the trade served was acquired by improper means; or (2) Disclosure or use of a trade served of another without express or implied consent of the trade served.
	(8) at the time of disclosure or use, knew or had reason to know that his browledge of the trade secret seas. (1) demand from or through a person who had billized insproper means to acquire at: (10) expulsed under circumstances, giving ross to a day, to maintain its teacher, or limit its use; or (11) displayed from to though a person who moved about the person season; paid for distribution is	(a) used improper mann to acquire involvings of the trade secret, or (b) at the time of disclasses or use, have or had reason to know that the knowledge of the trade secret was glasted from or acquired through improper measor.  (ii) destroid from or through or persons who had utilized improper measor to dequire it.  (iii) acquired within circumstance prints (see to destroy to maintain for deserge or limit is use; or
	exerces of third to make, at:  (C) before a medicard change of the (cirched) position have or had known to know that it was a trade- concret and that reconsides of it had been acquired by accelerator motivale.	Bit describes a final part of the part of
Definition: Parson	[5] "Retrio" means a septial parties, convenies hadronic trial, exists, that, partiernilla, procession, parties of partie	\$ 16 15-7 "Resort" Sene or UTSA
Defailbes Tolde Secret	4.1 Trade securit means information, including a formula, pattern, completion, program, device, method, technique, or prosess, lite! (i) demos independent economic value, actual or potential, from out being generally intoverso; and not being goalty proteins being by proper means by, other persons who can catalin scoremic value from its disclosure or year.	\$ 56.15.2 "Trade Securi"  Trade secure means information, <u>hald to one or more secule, without meant to form</u> including a formular, partners, <u>plainters, citis compilation</u> , popum, device, method, stechnique, <u>desiron, distrant, distran</u>
	(II) is the subject of afforts that are reasonable under the circumstances to relation the secrecy.	(3) Demon independent economic value, actual or potential, from not being generally income to, and not being readily accordantially propose insigne by, other persons who can obtain according value from the disclosure or use and (2) is the subject of afforts that are associable under the encountainous to maintain its eccency.
Deficitions the m UTSA		5 % 15-2 Definitions
## III J		"Tripper mazers" master discovery by religionated recentling discovery, by reverse angineering, discovery under a loanies from the overse of the states secure, observation of the efformation in policy case or at public disease, observing the tode secure from published infernation, or discovery or observation by any other recent toda is not improses.
		Theorem engineering "maps the processor of stating with the incores product and working sectional to find the method by which "was developed using as the acquestion of the incore product as level or from marrier being the legal right to convey it, such as the partiess of the item on the open market."

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## Trade Secrets Acts Compared to the UTSA

Feel/State	Uniferin Trade Secrete Act	New Jersey FE Stat. Am. 38 54:54-5 56:35 9 New James Trade Seats Act
Injunctive Relief	(a) Artial or theatened minageophration may be enjoined. Upon application to the court, an injunction shall be terminated when the trade sarred last cleaned to exist, but the injunction may be continued for an additional nationally period of these to order to eliminate commercial advantage that otherwise would be deviced from the misapeophration.	5 56 15.3. Injunctive relief for actual or threatened misappropriation, additional relief for exceptional circomatanees. Some ar UTS4.
	(b) in exceptional circumstances, an injunction may condition future use upon payment of a reasonable royalty for no longer than the period of time for which are could have been prohibited. Exceptional	
	circumstances include, but are not limited to, a material and projudicial change of exettion prior to acquiring inservience or reason to know of minappropriation that renders a prohibitive injunction inequirable.  (c) in appropriate circumstances, affirmative axis to protect a brade secret may be compelled by coort order.	
	(c) in appropriate circumstantes, arrithmine sixts to protect a made sector may be compensed by cook order.	
Ourrages	(a) Except to the extent that a material and prejudicial change of position prior to acquiring proviledge or reason to know of misappropriation renders a movetary receivery inequitable, a complainant to entitled to	§ 56:15-4. Award of damages, puritive damages
	recover demages for masporopration. Damages can include both the actual loss caused by misappropriation and the virtual recovered caused by mesappropriation that an act taken into account in companing actual loss. In less of demages measured by eny other methods, the damages caused by misappropriation must be measured by employed profile or misappropriation and the measured by employed caused so the caused of the cause	a. Except to ble interest the properties of including a material and prejudiced change of position prior to a separate the properties of the properties of including a material and prejudiced change of position prior to a separate the properties of the propertie
	or use of a trade secret. (b) it willful and malicious missipprogration exists, the court may award exemplary damages in an amount-	account in computing actual fort. In like of delingue, measured by any other methods, the demages caused by misupprocession may be measured by imposition of liability for a reasonable copally for a misuppropriation fund
	not examining trains any award made under subsection (a)	b. If willful and malicious misappropriation exists, the court may award punitive damages in an amount not exceeding twice any award made under subsection at of this section.
Attorney's	If (I) a claim of misappropriation is made in bad faith, (ii) a mobile to berminate an injunction is made or	§ 56.15-G. Attorney's fees and confis. bad faith Itiligation
Seas	recorded in the distrib, or (iii) writted and malicious missparophysics exists, the court may award reasonable attorneys feet to the powalling party.	The count may evered to the prevailing party reasonable attorner's fees and costs installing a reasonable sum to cover the service of excert interests, if a writful are mislicious installing proportation exists.
		b. a claim of misappropriation is made in bad faith, or. c. a motion to terminate an injunction is made or resirted in bad faith.
	100	For parcoses of this section, "bad faith", is that which is undertaken or continued solely to harses or materiascular immune another, or to delay or produce the residation of the filtrations, or that which is without any reasonable being in fact, or law and not capable of support, he a good furth anyment for an extension, modification or moranial of switching law.
Preservation of Secrety	In an action under this [ACL], a court shall preserve the sectors of an ellegast trade secret by reasonable means, which may sociate granting presentive orders in connection with discovery prospectings, holding in comment permanent, peaking the resolution of the active, seed covering any peaking the resolution of the active, seed ordering any peaking micro that the Hilligation not to	5 56.15-7. Preservation of secrecy In an action under this sci, a court shall preserve the secrecy of an alleged trade secret by rescondish means
	disclose an alleged trade secret without provident approval.	which they include greating protection under in connection with discourse, percentings, helding in contests bearings, scaling the seconds of the action, and entoring any pursues involved in the Higgston not to disclose an adapted trade accord without price second approval <u>complete</u> with the Rider of Court as added by the
		Supreme Court of Nov. Innery
Statute of	An action for interpropriation must be brought within 3 years after the intrappropriation is discovered or by the eventual of insernable diligence should have been discovered.	\$ 56.15-8. Statute of limitations; continuing misappropriations Some or UTSA
	For the purposes of this section, a continuing microperpoposition constitutes a single claim.	

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Fed/State	Waltern Trade Socrets Act	Nov Servey N.1. State Amo. 75 26-15-0 - 50-15-0 How Versey Trade Serveth Act
Effort on Other Law	(a) Exercise a provised in advancion (b), the [Cut] displaces conficient poir, michanisma, and other has of the State provising ori immediate for misrappropriation of a mode security.  (b) This [Ant] does not effect:  (1) confincted immediate, violenter or not finance upon misrappropriation of a trade security.  (2) of the cut of manded that are not beautiful provision of a trade security.  (3) commend security of the security.  (3) commend security of the s	3.6.5.1.9. Refer and remainin dearmed supplemental governing law is  a. This minutes and architecture questions under this act an in addition to an invasion of any contrast leads make an addition to govern the form that is an invasion to the first and packing contrast dearm shall be contrasted to deta. Advantage or minute any community or district leads of this batte and packing contrast deem invalid be contrasted to deta. Advantage or minute any community or district victor, immedi- contrast deem invalid be contrasted to deta. Advantage or minute any community or district victor, immedi- contrast deem invalid be contrasted to deta. Advantage or minute any community or district victor, immedi- contrasted contrasted invalidations of the contrasted or include properties of a visit or expertise or district and invalidation of the contrasted contrasted or invalidation or minute properties or district and acceptant  (a) an invalidation of the contrasted or district and or invalidation or district and or invalida
Enformity of Application and Caustroothou	This (Post) shall be applied and resolvant or Merchant in gament justices to make uniform the law with respect to the object of the (Post) among colors exacting it.	
Severability	If any processor of this (And), or its applications to any powers or commissiones in bell available, the invalidity of the first which the paper effect without the invalid previous or application, and to the real with provision of all the first are severalise.  If a first of application, and to the real the provisional of this field, are severalise.  If a first of application, part to the real of the first leveral strate general averability stitules, for first or the strategies of the first leveral strategies of the first leveral averability of the first strategies are provided without association and the cell in market pallow.  For first particular thind colling parents association from the cell in market pallow.	No. 2014. Ann. I 1.202 Potals incombinations by  Fary Dist solution, unprocessing control of the decided districts, or of any plantate or any provision  of the processing of the processing of the decided districts, or of any plantate or any provision  compared jurisdiction and the jurisdictic clauser, finding or appearing the processing of the processi
additions or Notice including Time of Taking Struct raking Struct where provided in and listony wed	The Lend Values "Best co	\$ 56.55. Confinence development specified in the confinence of the missing proportion that proper makes the conjugate of the

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#### Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

Fed/State	Uniform Trade Secrets Act	Mees Instep 9.1. Stat. Nov. 55 36:75-2 - 56:25-9 Hees Instep Trade Secrets Act
Additions II		
	* Gross risk Grasse UTS 4 2865 sprika.	-0_ VEX.5
Unless Otherwise	White cells indicate that the exceptable passission is equivalent to the proceeded 1505 UISA. While the except wooding and formating	
Specified	many differ, there is no material extended and foresten. Where a standary provided in its maked on "Some on UTSA" misse second or formating difference may with. Where these offerences are now pronounced, but still no not price as whetmaken distinctions from the UTSA, the note are maked "substandards distinction UTSA."	
	<ul> <li>* Februs odě, indicese that the respective providine à a publicatively mortified were in of the (IESA, in provide come of these and protein may obtain to be in typicous. In other course, the substantive difference require attention. Congruepe in the policy out?</li> </ul>	
	is annotassed so inclicate hour kvarsity foom tha 1905 MFSA, though non-substantiAe and misor variations may not be announties.	
	<ul> <li>Settands induces that the expective position about not when or otherwise is significantly different from the UEA. Their principles disponential and other on the other in the</li></ul>	
	<ul> <li>Some under horse emitted specific laTA providers from their version, as day providing would be redundant of existing state that Appricable state extense or challen is in most detaines provided above.</li> </ul>	
	Assolutions	
	<ul> <li>Linder-lived era is kinguage that has been included in a state is assure, but doce not croic in the UTSA. Year that it sit little in the ough it brownings includes within the UTSA that a state has an interference in state of e.</li> </ul>	
	Integrange technises within the UTA fines a state has consider from its statute.  • Amustealism are primarily international to denote substantiae, rather than motival Effect note. As inclusiveness and ifferences in physical.	
	purescotion, and formating have not been noted, in some some, where identified, immediated disconting substantive and indicate	
	and where a state's provision officer in necessing from a conversionling provision in this USA.  * All appropriates compare the state's language to the own-state 1995 USA. Powerse; a multiper of states have adopted the original.	
	1979 IFSA, but not in later assessments. There states will have significant differences in thick Universitie Relief. "Conseque," and	kw"
	Effect on Other Law arctions (in perticular).	

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## Trade Secrets Acts Compared to the UTSA

Fed/State	Uniform Track Secrets Act	THOM MOMENTO  K.N.C. Stat. Ann. 55: 57: 3A 2: 57:3A 7  (Inflorm Frails Secrets. Act
ETSA Version Adopted	1995 version	1905
Definition	As used in this EACE, unless the context requires otherwise.	5 57-24-2. Definitions
Preamble and Improper Means	(1) "Improper means" includes their, bibary, micrepresentation, breach or inducement of a breach of a duty to maintain sector, or explorage through electronic or other means;	As used in the Uniform Trade Secreta Act enlarge the contest requires otherwise:
e.s.s	Go marindari vastristy, uz espetiniąga (incrugi) elektromiti or utvier (freem)	A. "improper means" includes theft, bribery, misrepresentation, breach or inducement of a breach of a duty to maintain secreey or espionage through electronic or other means;
Definition:	(2) "Misapproprietios" meers:	9 57-24-2(B)
ргинал Диверго	(i) acquisition of a trade secrat of another by a person who knows or has reason so know that the trade	Some as UTSA
	servet was acquired by improper means, or  (ii) disclosure or use of a trade secret of another without express or implied consent by a person who	
	(A) used emperger means to acquire incoviledge of the trade secret, or	J.A.
	(8) at the time of disclosure or use, snew or had reason to know that his luximizings of the trade secret, was:	
	(i) derived from or through a pecson who had utilized improper means to acquire it; (ii) acquired under concurstances giving rate to a disty to maintain its secrety of little its use; or (iii) derived from or through a person who aved a duty to tries person seeking relief to maintain its	
	secrety of Smit Its use; or	
	(C) before a material change of his (or her) position, knew or had reason to know that it was a trade secret and that knowledge of it had been assured by acordent or mistake.	
Definition:	(3) "Person" means a natural person, corporation, business trust, extate, trust, partnership, association, joint	\$ 57:24:2(C)
Person	venture, government, governmental subdivision or agency, or any other legal or commercial exists.	Some as UTSA
Definition		\$ 57-BA-2(O)
Fracta Secret	(A) "Trade secret" means information, including a formula, pattern, compilation, program, device, method technique, or process, their	Some as UTSA
	(i) derives independent economic value, actual or potential. from not being generally known to, and not being readily econtamable by proper means by, other persons who can obtain economic value from its	
	disclosure or use, and  (ii) is the judgect of efforts that are reasonable, under the discunstances to maintain its secrety.	
Delinitions Not in UTSA		

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#### Trade Secrets Acts Compared to the UTSA

Fed/State	Uroform Frade Secrets Art	New Medics  R,M. Stat. Ann., \$5 Y-34-1 - 57-34-7  Uniform Trade Searchs Arr  Uniform Trade Searchs Arr
lejumtive Reliaf	(a) Actual or threatment misappropriation may be enjouned. Upon application to the court, an injunction shall be terminated when the trade secret has ceased to exist, but the injunction may be continued for an additional reasonable period of time in order to aliminate commercial advantage that criteriories would be derived from the misappropriation.	5 57-34-3. Injunctive relief Some or UTSA
	(b) in exceptional incumstances, an impaction may condition future use upon payment of a rescenable treats for no longer than the period of time for which use could have been prohibited. Exceptional conformationers include, but are not furnised us, material and prejudical develope of position prior to acquiring incovidedge or reason to know of misagenomistion that marken a prohibitive injunction inequitable.	
	(c) in appropriate circumstances, affirmative sets to protect a rede secret his in competed by our crise.	
Dansages	(a) Exempt to the extent that a material and prejudicial change of position prior to acquiring knowledge or reason to blook of misappropriation renders a monetary recovery/menutable, a complainant is entitled to recover damages for misappropriative. Demages can include both the actual lost caused by himappropriation.	§ 57-34-4, Damages Some at UTSA
	and the unjust excitinent caused by misspecticalities that is not been into account in completing schal- lors, in facility of demaper missioned by any other methods, the demaper caused by misspecticalities may be missioned by misophism of falsillity for a misophish repairt for a misspectivator's usual forested decisioner or use of a trade secret.	
	(b) # willful and malificour, misrappropriation exist, the court may award evemplary damages is an amount not exceeding to see any award made under subsection (a).	
Attorney's Fees	6 (i) a claim of misapproposition is made in had faith, (ii) a miction to terminate an injunction to made or resisted in had faith, or (iii) willful and malicious misappropriation exists, the court may award reasonable attorney's fees to the prevailing party.	§ 5.7-24-5. Attorney's fees Substantively identical to LTSA
Preservation of Secrety	in an action under this [Act], a court shall present the sectory of an alleged trade secret by reasonable means, which may include granting protestive orders in connection with discovery proceedings, heiding in- camera hearings, sealing the Ascards of the action, and ordering any person marked in the filigation not to disclose an alleged triade sector without prior court approval.	§ 57-34-6. Preservation of secrecy Same as UTSA
Statute of Similarions	An action for misappropriation must be snogth within 3 years after the misappropriation is discovered on by the average of reasonalise diligence should have been discovered.	§ 57-24-7. Statute of Limitations Some on UTSA
	For the purposes of this section, a continuing misappropriation constitutes a single claim.	

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#### Trade Secrets Acts Compared to the UTSA

#### Not Intended As Legal Advice

#ed/State	Uniform Trade Secrets Act	Rent Menites B.Rd Star Acos. 35 57 - 14.3 - 27. 34.7. Uniform Preed Species Act
Effect on Other Law	(a) Everya se avoided in subsection (b), the (b right depress confirming test, majorithmen, and other two of this foliate providing or immediate for majorithmen (a) execution (c) execution (c) of the confirming of the confirming of the confirming or conf	
Uniformity of Application and Construction	This [Act] field be applied and construde to effect also its general purpose to make uniform the law with respect to the subject of the [Act] among takes exacting it.	None
Server stelling	If my provision of this (Part) or the application to one person or circumstenees in taking distinct the invalid provision or application propriories or application of the (Inclin white are given effects white the invalid provision or application, and to this earth to provision of the (Inclin white application) and the control of the order of the Inclin and the Inclin and Incline and Incl	Boots I New Mercels Parts of Plants Gylers, 4 7 78 6441, 44445 (2002).  Alternacy of positions before were by partition or opposit or acceptability, but of statutes should be ensured where yours like out acceptance with Taylor Statutes insure.
Additions on horses increasing. Time of Facility Taking Effect (Additional Control of Facility where provided in stallutury loss.)	The fact just affect on early dependence of the continuence of the con	

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#### Trade Secrets Acts Compared to the UTSA

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Fed/State	Uniform Track Secrets Act	tipo Mikalian M.A. Sat. Am. 35 57 3A 2 127 3A 7 Unitern Trada Secreta Act
Additions If		
	General code devices UTSA 2595 visible.	
Unless Otherwise	White only indicate that the respective provision is equivalent to the amounted 1935 USA. White the experience worthing and formatting.	
Specified	pagy differ, there is no material solutionales difference. Where a stabutory provision is marked on "Some as UTSA" minor stowed or forwarding difference: was exist. Where these differences one more pronounced, but all do not present substantive distinctions from	
	the USSA, also collecte movined. Nobestanchedy klossicates USSA,"	
	<ul> <li>tedour call indicate that the respective previous is a substantively modified version of the USA, in practice some of these modifications may ultimately be insignificated, in other cases, the substantive differences require attention. Language is the policy orbi-</li> </ul>	79.5
	k atastated to indicate haw Averies from the 1505-041A, though non-substantive and universarities may not be assessed in	
	<ul> <li>Sort cuts indicate that the requestion provides down as track or otherwise is eightfrontly different from the CFFA. Third provides and growed und constituted. Lette are marked states for provides the provides that have been identified that corresponds the provides for IFFA.</li> </ul>	
	rection. Cells servered for exhibitoral information are also market real.	
	<ul> <li>Some states have confined openSt LPSA provisions from their version as the provision would be reduced as of exhibity state have.</li> <li>Applicable state status or challes it is most increase provided above.</li> </ul>	
	Annotations:	
	*-Underdised test is haspungs that has been included in writing's stance, but does not using in the UESA. Test slats it illustration of in	
	Engage Reducted within the DFS A that a state free condited force its variouse.	200
ine de la compa	<ul> <li>Anastráliza ene princulés interated or deresse substantion, rather than autorit différences. As épile, some constitutifacement in phonologie principalitat and formating time met train notes, le corne const. where identified, intendation interation determine cui individe</li> </ul>	
	only where a core's provided affers in movering from a consequenting providing in the UTSA.	
	<ul> <li>All autocontions compare the state's language to the one-used 1985 (FEA, Howeve, a state) represent a state of many adapted the original 1979 (FEA, but not its treat amendments. These states will have slightform afforcasts in their frajection in the fig.</li> </ul>	i <sup>di</sup>
	*Effect on States Law" costicus (Repurtisular).	

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## Trade Secrets Acts Compared to the UTSA

FedState	Delicen Trauk Servets Act	New York. 2015 WY Sentant Bill 58/70 Uniform Tracké Secrets Kcf. Phospinel Lee'station
Adopted		
Ordination Presentate and Inspresent Measure	As used in this Excell, writer the contact requires enhanced.  "The Property insure," includes their finite by interpretables, based or indicates of a lessed of a disk, the interpretable of the second or indicates of a lessed of a disk, to relatively second, of exploringly through districting or other maken.	\$ 7.79-1(1) Some at UTSA
Delinition. Misapre- position	(3) "Manageopointment" means:  (i) acquirellation of a trade secret of another by a person who latence or has reserved to have that the trade secret was acquired by improper ensemble. (ii) acquired the acquired another without houses or implied convert by a person who for disclosure or on a final secret of a denoter without houses or implied convert by a person who (ii) used improper means to acquire a final secret of another without houses or implied convert by a person who (ii) used improper means to acquire or in the acquired secret or (iii) acquired profession or of herealty acquired into acquired into acquired into acquired convertible acquired into acquired into acquired (iii) acquired profession or intervals a secret was one of acquired to the person secretary acquired into acquired acq	6.279-RNIB Missappropriation means: It acceptation of a total second of another by a parson who branch or has reason to know that the trade area was equally the propriet means: 2.2 displacations, sections, desired as a parson who branch or has a consultant place of a second control of
Definition Person  Definition Todd Secret	(3) Person merina natural parant, consolitors business trust, airtiate, trust, partnershilly association point, unitude, government, governmental subdivision or agency, or ain other legal or commercial entity, unitude, government, governmental subdivision or agency, or ain other legal or commercial entity. (4) Truda secret* means influentation, including a formula, patient, compristion, program, dense, method, because, as process, that (4) Offices redependent cocoming, volum, actual or gotterful, from too long gamenty fromt to got diet. (4) If dense redependent cocoming, volum, actual or gotterful, from too long gamenty fromt to got diet.	\$ 279VG  **Performance a natural pierror, corporation, limited inhibit commann, business trust, extents, trust, participation and production are space, or any other legal or communities entire, just to refuse potentials potentials full distriction or space, or any other legal or communities entire, just to refuse potentials for the production of the pr
	disclosure or use, and	conselled or an amountated absorball, wilest consults, each shall, distolate absorballs of an author, the  (1) derivation independent economic value, actual or potentials from one basic generally insoverto, and not  being repolly occurring table by appear many by other persons with can obtain reconstruction used from its  disclosures or see, and (2) is the subject of efforts that are reasonable under the circumstances to maintain sits secrecy.
Defines on Neria UTSU		

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## Trade Secrets Acts Compared to the UTSA

Fed/State	Unifismi Tradic Secrets Acti	Make Vort 2025 97 Senate BRS 53770 Obstinom Tride Soutests Act
Injury dies Heiter	(a) Actual of threetened misspectroshor may be equined. Upon application to be cost, an improvious shall be forming used under to their describe the cost of the misspectrosh product of the cost of t	
Cartrages	(a) Longer to the extent the a material and psychologic flaring of position place in accuracy in covering or accuracy to the cold manager place renders or material years over placetures, a complication is entitled to entitled to encourage for manager for managerial placeture. During an on holder both the actual lost scaled by managerial placetures of the signal excellent exceed by managerial placetures. The placeture is accurate to compling obtaining scaled to the signal excellent exceeds by managerial placetures. The placeture is accurate to compling obtaining scaled to the scaled by managerial placetures. The placeture is accurate to compline the scaled by managerial placetures are accurately	\$ 29% Changes Some as UTSL
Attonicy's Fees	If i) a dism of misapproporation is read-in basis fram, (ii) a ministration terminate in impaction is replace in section in large fair. (iii) willful and malicious inimpropriation exists, the court may sever freshore the address; it less it to the prevailing party.	In 2000 (Anothering's fees)  (I s) all good or incorproportation in most accusationated in hard fash), (ii) is involved to instrume an invalidation of the signal properties and in the signal properties are invalidated in the signal properties are invalidated in the signal properties are signal to count may are warred invariant and anothers of the signal properties (iii) in the signal properties are invalidated in the signal and anothers of the signal another invalidation and in
Physicial ac	It is nection under that (EAC), a count of their presence the velocity of an integral tools accret for resourcing integral to the count of the count	Is 2790. It received not described to the control of the control of the control of an alleged trailer access by reasonable means, including that not limited to princing protective orders in community with discovery precedingly designed and the community of the
Statute of familiations	an action for misspensibility must be length within 1 years after the misspensibility in decreased or by the restricts of missinguish different rounds have been decreased.  Continuous of this section, a continuing misspensprintion constitutes a single claim.	5 27% - Statute of Limitations Some ox UTSA

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#### Trade Secrets Acts Compared to the UTSA

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Fed/State	Uniform Trade Secrets Art	Anne Fork 2015 MY Sengte Bill 52770 Uniform Trabl Secrets Act
	si Suaga se provided in absencion IIII, Mis Desti displaces confirming ton, entrituionany, sell other leve of the States powelling of amendies for misappropriation of a trade search (9) The [Act] does not effect: (1) State [Act] does not effect: (2) griner (not introduce and best level level in misappropriation of a trade search (2) griner (not introduce shall are not based upon misappropriation of a trade second, or (3) criterical missodes, vivialitar or not based upon misappropriation of a trade second, or (3) criterical missodes, vivialitar or not based upon misappropriation of a trade second.	9 379-1 Effect on other law Some on UTSA
Uniformity of Application and Construction	This (Act) shall be applied and construent to effect state it is gamen purpose to make conflorer this line with respect to the subject of this (Act) among status electing it.	8.279-U. Uniformity of application and construction Some or UTSA
General Silver	If any generous of their lend or its application to any person or circumstances in held in orally, the investigation are defined to orally facilities of the final visit in the payment of the production or application, and the final visit in the final visit in held an exercise to application, send to the notified provision of the final an exercise to the production, send to the notified provision of the final visit in the final visit in the provision of the provision of the final visit in the p	5-79-V-invanishing Some or USS
Notes	The JACI Disse effect on	

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#### Trade Secrets Acts Compared to the UTSA

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##d/State	Uniform: Trade Secrets Act	2015 BF Senate Bill SA770 Uniform Trade Secreta Act
Additions II		
	Green Lett denate UTS & 2005 vestion.	
Unless Otherwise	White cells indicate that the respective provision is equivalent to the assessment 1935 USA. While the west working and formatting	A. 10
Specified	takuliffer, there is no material substructive difference. Where is statutory provision is marked as "Sums as UFSA" minor beaute or Journstong afferences may exist. Where these afferences are nove promounted for said to not present substructive distinctions from	
	the UPSA, the cells are marked "Substantively Mondarita UPSA."	400, 7500
	<ul> <li>Yellow acti indiges that the respective provision is a substantively medified servine of the UTSA, so provide some of these</li> </ul>	
	kandiflorrinu may urlansatolnin irajafismus. It ather amer, dan urbaneniu differencer raquim attention. Language is the yellaw oulk It amathatad to indicate have it works from the 1928-1919, though non-substancius and mister verialisms may met to amenabled.	
	Faul cells inskipate that the responsive provision does not exist or otherwise it significantly different from the UFSA. Thirte gravisions inc.	
	generally and consisterd. Cafe are method sed where no store have provided from him been blood for that corresponds to depositioning LETA's restrict. Cells reserved for indictional information are also intention and.	
	<ul> <li>Service states have medited specific UFA previous from their version, or the providing would be ordinated of existing state been.</li> <li>Applicable state restate or classic is in most incomes provided above.</li> </ul>	
	Appetents your space or consist in most we course provide provide ontoine.  Associations:	
	who contained text is language that has been included in accusted advanta, but done not exist lastle, UFSA. For that is thicken through in	
	Jarogskage Architekt withhis the UTSA that a state from needled floors its statude.	
	<ul> <li>Assessories on princedy intensing to decree subsecution, enter than to easy ifference. At white came small difference in phrasing, pure control on a formation and formation and personal many and to be a personal or of the phrasing.</li> </ul>	
	cub-vulnes a casa: s procisio affers in mesting from a constrounting procision delibration.	1. No.5"
	<ul> <li>All associations compare the state's inequage to the omerated 1995 UTSA. However, a associate of states have adopted the original.</li> <li>1979 UTSA, but not be later amendation. There states will have significant differences in their finjunction holds." Commune, Suid.</li> </ul>	
	"Effect on Other law" sections (in particular).	

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## Trade Secrets Acts Compared to the UTSA

Fed/State	Uniform Trade Secrets Act	N.C. Gen. Start Arm. 8§ 56-152 - 58-162 Trank Secret: Protection Act
UTSA Version Adopted	1983 varion	Not Officially Adopted
Defailton: Preamble and Improper Means	As used in this [And, unline the context requires defensions:  (1) "improprimenses" includes thats, bushers, minreproductation, breach or indicement of a breach of a duty to resistant sectors, or exponsings through electronic or other means:	
Definition Missipro position	(2) "Magazophased" means. (3) Exponention of a right second of another by a person who listens or has region to from that the trade- sector was acquired in improper means; or	5 66 152(1)  This appropriation: These acquisition disclosure, or per of a trade socrat of another vertical supress or implied without or coment unless post finds socrate vertical by independent development, reverse.
	III disclosure or any of a trade secret of arother or those express or implied consents by a person who (A) used improper means to account lecovilege of the trade secret; or  (B) at the time of disclosure or one, have or had reason to throw that his forwindips of the trade secret visit  (I) showed from or through a person who had altitled improper means to acque or,  (I) account and occommitations against near day day for maintenants to secrety or limit is out or  (III) deviced from or through a person who had altitled improper means to acque or,  (III) deviced from or through a person who had altitled improper means to secrety or limit is out or  (III) deviced from or through a person who could a duity to the person seeking relief to insentian its secrety or first its use, or	engineering, or was obtained from smother persons with a right to disclosis the trade secret.
Definition	(C) before a material change of this for hed position, how- or had research below their it was a trade secret and that is unableged of their beam required by accelerate minimum.  (B) "Perform "means a reducing proper, comprising, between true, states, forth, gentrescript, association, part	146 EX.(1)
Parabii Definition	venture, government, governmental statistism or specie, or any other legal or communical eights.  1. The species of the specie	Substantiary Science of to UT St.  8-66-15/2(3)
Practa Saucet	eachingue, process, late  (I) dender obligations describes visus, social or potential from not being governor, brown for sed me to describe the security of the process in the conditions security to describe the describes the describes of the de	Trode serves* means <u>hardway or inchined</u> information, including <u>that not limited to</u> a formula, pattern, program, abuse, compliation <u>or information</u> , mathod territoria, or process that program abuse, compliation <u>or information</u> , mathod territoria, or consent that the service of the serv
Definitions that in UTIA		The soldiness of a finite secret fails not be related mento because the information comprising the finite secret the abox less decelored, used or overed inheritation by more than one secret, of learned to other secret.
en visă		

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#### Trade Secrets Acts Compared to the UTSA

Fort/State	Unform Track Secrets Act	Rotth Carolina #1.C Gen. Stat. Ann. 35 to 532 - 56-362 Trady Security Probation Act
Injunctive Rakeri	(a) Actual of Prinsament miss programment may be explored. Upon application to the court, an imprecision state to be terminated evident for those describes considered to early, but has imprecision may be continued for an additional reasonable proof of time in count to elementar commercial advantage that otherwise evoid for additional reasonable proof of time in count to elementar commercial advantage that otherwise evoid for the country of the country	
Damages	(a) Except to the extent that a material and projected change of position prior to sequence involved prior massion is level of suspensymbols in select a structure recovery invalidation, corresponding to entitle of massion is level of the control of the party and control of the control of th	60-154 flammase.  (ii) is defining to the rail of sufficient by independing (a), solidar disregate may be recovered, researched by the excounts loss of the count derichment caused by independents and is trade second, whichever is greated (c) if sufficient and resimilation managements about the first of fact also may award punishs damages in figure to the country of the country o
Atlanty's Fods	f (ii) a claim of misapopopolation is made in haif tato, (ii) a multivito terminate an importancia medica or recepted in Sub-Path, or (iii) without and malatious interapopopolation exists, the sport may a word masses the	1-66-ISt(s)  1-6 Ellis(s)  1-7
Promodes of Society	The excitor voice this (E-d), a court of hell presence the legics; of an illegist hold receive the secret by reaconable means, which may include granting produce the court of the secret of the secre	566-136 Preservation of scorecy Solutionnierly identical
Statute of Ermitations	An accord for misagnopsistion must be brought eathin 3 years after the misagnopristion is despreaded in the seasons of reasonable diligions should have been discreted.  For the purposes of this section, a continuing meappropriation contributes a single claim.	\$ 66-137. Statute of limitations. Substantinity identical but for An action for misappoperation of a trade secret must be commissed within these years after the misappoperation complained of it or reacouldly should have been discounted. Far-this perpense of the continues a continuing misappoperation contributes a single plane.

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#### Not Intended As Legal Advice

## Trade Secrets Acts Compared to the UTSA

Fed/State	Uniform Trade Secrets Act	Morth Carolina M.C. Gen Stat Ann. 59 66-152 - 66-162 Trada Sacrets Protestion Act
Effect on Other Law	Accept as provided in subservine to (I), this (act) displaces confident post, mentalizant, and other two of this State powding of invention in the major projection of a track scene.  (a) contracted smallest, visible or on of based plan integraphyporation of a track screet.  (b) This (Act) does not affect.  (c) contracted smallest, visible or on of based plan integraphyporation of a track screet.  (d) contracted smallest, visible or on of based plan integraphyporation of a track screet.  (d) contract screen or one of the screen of the plan of the p	
emiformity of Application and Construction	The (and ) shall be applied and construed to all ecourse its general purpose to make uniform this issue with excess to the solved of the CACE) among states exacting E.	Read
Secretality	If my provisions of this Lifed of it is application to any person or intermissioner, in Medicanish, the handliffs of the control of the Control of the Lifed which can be given effect without the initial provision or application, and to the next the provisions of the Lifed was executed to application, and to the next the provisions of the Lifed was executed to the control of the Lifed and the Lifed was executed to the Lifed was exe	Source: Western State 25 59 55 1-1-2 (2006).  Rather should an adverse shore populate and constrained with legislative intent.
Additions of floors lett of ng Timos of Taxon gitted where generaled in relationsy best.	The JACL State effect on	16-06-306. Action for invagopopopolosis.  16-06-306. Action for invagopopopolosis.  16-06-306. Sourcited of proof.  16-06-306. Action in the stude secret is primar factor entiablished by the introduction of substantial evidence that the percent against whom initially a rought both.  16-06-306. Action in the proof of the percent against

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#### Trade Secrets Acts Compared to the UTSA

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Fad/State	Uniform Yearle Secrets Act	North Carolina N.C. Gen. Syst. Ann. Syst. Sci. 152 - 56 - 152 Tracks Secrets, Protection Act
Additions II		
In General and	Green ceth street UTA 2505 venion	<u> </u>
Union	White cells indicate that the respective provision is equivalent to the amended 1985 UFSA. White the exact weeking and forwarding.	
Otherwise Specified	may differ, there is no material substantive difference. Where a statutory provision is marked as "Some as UESA" taken tentual or	
	favorations differences may write. Where these differences are more pronounced but still do not present extensive distinctions from the UTSA, the cells are marked "Subsamplieds Memicatro UTSA."	
	<ul> <li>řeževa opři indiana stay the raspoznice provision is a submanskeh modified ven inn of the 1854, na pomije some of thase</li> </ul>	
	modifications may attinuably to insignificant to other cover, the substantive differences require attention Language is the yellow cubb is annototed to indicate hore it works from the 1905 UFSA chaugh non-constantive and action variations now ant to associate.	
	• Fact cutts indicate that the respecting provision does not wait or otherwise in rigofferently different from the UTSA. (Biblis provisions also	A 49.7
	generally not associated. Critic are associated and waters no state toes provided for how been identified that consequents this paintaular UTSA.  Section Cells reserved for intribiological information and after manked rest.	
	Some states have conflict specific USA provision from their version, so the provision would be included of entring state layer.	
	Applikable zom (amun ar cignola) ir in moss iertmanes provided above.	
	Acoustines:	
	*Uncoholised tota in language that too been included in restate's socute, but does not evita in the UTSA. That that it is relikted through it transports included within the UTSA that a stage has remitted from its statute.	
	Assessmines we prince the interstent to denote substantia, rather than account differences. As pich, some conditifferences in phoning.	
	puntantina, mat formating lane and beins soleted, in some color, where elektrick dissolution date indicity extensives and indicite enternace a some 's provide differs in agencia from a consequency provided WTA.	
	<ul> <li>All and content provides appear in memory man or conceptioning provides who leaves to see</li> <li>All and contents compare the state 4 imagings to the amended 1995 U.S.A. However, or knowledge of states have outspired the original</li> </ul>	
	1976 UTSA, but needs inter amountments. There status will have rightfrom differences in their Tinjunctive Rollof.* Country and	
	"Effect on Other case" rections (in particular).	

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## Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

Find/State	- Usiform Frank Secrets Act	Rom Debote  R.D. Care Code \$5.47.23, 3.01 - 67-23, 3.00  Gifform Trade Secrets Act  1865
Adepted Definition Prescribe and Prescribe and Intercept	As used in the IAME, unless the content regimes observed:  (1) "Emproper research for Content that his body interconnectation, beauth or reducement of a breaks of a disky to maintain research, of exposingly through selections; or other means.	\$47-25.1-20[1] Some as UTS4
Definition Sissepre printion	(2) "Misappropriation" means: (1) acquisition of a trade spectal of suchday by a parken who brieve or has reason to have that the trade special view parkens who brieve or has reason to have that the trade special view scalared by improper enters; or. (1) disclosures or use of a facility of special special view parkens or implicit convents by a paper into (3), media interpreter interest to acquire to including of the trade special convents or a contract or including of the trade special convents.	9-87-25-1-03[2] Some as UTSA
	(8) as the time of exclusion or case, bear on had measure to know that his sociologic of the frade exemption (9) derived from or through a person which test destinate improper interest to acquire it. (9) acquired outside controversions against the safety to market in the activity of interest do case or (9) acquired outside controversions are controversionally destinated processes and the first destination of the controversion	
Definition Recorp	(3) "Phronir means a resural penero, corporative, business trust, asstea, trust, partisemble, association, port window, government, governmental additivision or agence, or any other legal or commencial sortin.	647-25.5.018)  Penger Insens a natural person, corporation; <u>limited liability company</u> , but nest thurt, estate, frust, particularly, secondarion, services, governmental cubdimision or agency, or any other legal or otto
Definition Trade secret	(4) "Trade accret" mean information, including a formula, pattern, complication, program, decice, method, technique, or process, that  (1) derives independent exocomic crisis, actual or potential, from net being generally showed to and need being early secreticable by proper financing, soften process who can obtain accretions when the first financiation or use.  (1) is the subject of afforts that are recomble under the proper processors in migration to secretic.	\$47-25.1-014) Some or UTSA
Definitions foot in UTSA		

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#### Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

Fed/State	Undreim Trade Secrett Aut	Horn Dalons N.D. Cent. Cede \$54.7 ± 5.5 cm 37.2 ± 3.4 cm Dalderon Trade Secreto Acr
Relief	(a) Actual or threatened misappropriation may be endemed. Upon application to the court, an improcion shall be terminated when the trade series has caused to sold, but he insurement was be continued and additional reasonable period of time in order to all minutes commercial advantage that inherities would be derived from the misappropriation.	§ 47-25.102, injunctive relief Some as UTSA
	Is it is constituted circumstances, an injunction may condition fative use upon payment of a responsible towards for no longer than the period of time for which use could have been prohibited. Exceptional circumstances indicely, but a not fulfined to, a material and projudicial change of position prior to acquiring innovintedge or reason to know of misappropriation that renders a prohibitive injunction inequitable.	
	(c) in appropriate circumstances, affirmative acts to protect a trade secret may be compelled by court drien.	
Damages	(a) Except to the extent that a material and projudicial change of position prior to acquiring knowledge or treason to know of misapproporation renders a more tary recovery inequilable, a complanant is entitled to	5 47-25.1-08. Carminger. Some as UTS4.
	recover demiges for meappropriation. Demiges can include both the actual loss caused by meappropriation and the unjust enrichment caused by meappropriation that is not taken into account in comparing actual loss, to less of tempers measured by any other methods, the damages caused by misappropriation may be measured by imposition of biolitis for a reasonable royality for a misappropriator suresthicked disclosure on serious fail and surest.	
	Its if willful and malicious misappropriation exists, the court may award exemplary damages in an amount not exceeding twice any award made under subsection (a).	
Attorney's	If (i) a claim of misageropration is made in bad faith, (i) a motion to terminate an injunction is inside or	§ 47-25.1-94. Attorney's fee:
Pont	resisted in bad fath, or (ii) willful and mall-love misappropriation exists, the court may everal reactivable stationary's faces to the prevailing party.	Some on UTSA
	a section of the sect	
Preservation: of Secrety	In an action under the [Act], a court shalf preserve the section of an sile-god bade secret by reasonable means, which may include granting protective orders in connection with discovery proceedings, holding in	§ 47-25.1-05. Preservation of secrecy Same or UTSA
	cannow hormups, seeing the ecourts of the artists, and ordering any person suched in the fligation not to disclose an alleged frade servet without prior court approval.	
	100 mg/s	
Statute of Limitations	An action for measpropriation must be brought within a years after the interpreparation is discovered or by the eventure of resconsible diligence should have been discovered. For the purposes of this section, a continuing measpropriation constitutes a single claim.	§ 47-25.1-06. Statute of limitations Same os UTSA

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#### Trade Secrets Acts

# Compared to the UTSA

FedState	Venfrom Trado Segroto Act	N.D. Cent. Code §5.47/23.2.01 42/25.2.08 Uniform Frade Secrets Act
Effect or Other Late	(a) locate a provided in subsection (b), this furth displaces confirming nor, excitationary, and other law of the Stote providing of invested for final appropriation of a trade execut.  (b) The Local Sees on either.  (c) The Local Sees on either.  (d) International services, whether or not based upon misageroparation of a trade screen.  (d) other script executions that are not based upon misageroparation of a trade screen.  (d) other script executions that are not based upon misageroparation of a trade screen.	§ 3/7-25,1-07. Effect on other law Serve as UTSA
Uniformity of Application and Construction	This [Act] shall be applied and construent to effections by gamenic purpose to make uniform this line with respect to the subject of this [Act] among states enacting it.	Rosel
Severy shall to	If any positions of this (IACL) or its application is any period on circumstances; in both mobility the invalidity of one or affect of consistency or supportions or dependent on the IACL) which are given effect without the instant profession and profession of the IACL are assembled.  If the IACL is a support of the IACL is a support of the IACL are assembled.  If the IACL is a support of the IACL is a support of the IACL is an assemble assembled as in the IACL is a support of IACL	RS. Cent. Code § 607-20. Severability which even that the quant, existence, paragraph, chapter, or other gord of any title, is adjudged by any count of compatent or fined jurniciplics to be invanid, such judgment does one effect, organy, nor ministrate any other clause, severable, paragraph, severable, organized organized within, said solvential any other clause, severable, paragraph, severable, organized organized visitely, said solvential, said solvential, said solvential, paragraph as Sever moderned.  Severable of the controlled organized solvential organized organized solventials and solvential organized solventials.
Additions on Biocom Including "Entract" Taking Effort Taking Effort Software Softwar	The DRES bear effect on	

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#### Trade Secrets Acts Compared to the UTSA

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Fed/State	Uniform Frank Seriets Act.	Borth Dakots B.D. Cest. Codes § 6 47 27 5 1 01 47 25 1 08 Uniform Trado Secreta Act
Addition II		
		.8.
Unioss Otherwise	<ul> <li>Sween and the account of the second se</li></ul>	
Specified	am offer, there is an enteriorizational affice on. Makes a statutory provision is marked as "Some as UTSA" edent terminist or innosting ofference comp. with. Where these offerences are more pressured, the stift as not precent substantiae their status from the UTSA, the rate are marked "Substanties lat ministra UTSA."	
	<ul> <li>tekur odk indices dag the respective position is a substanciety medified venten of the UEA, to practic come of these medification may ultimately in intigational to other owns, the substantio differences require stancies to appear in the yellow origin.</li> </ul>	
	is antarioted to instruct tour k venior from the 1965 UTIA strough son-constructes and micro verialization may act he associated.  Sections instruct that the sequential provision does not each or attenuise it significantly afferent from the UTIA. (finise provisions does	
	generally not metrolited. Eath are marked rich where no state time providing had been blendfield that champonate in a political in UTSA section. CAB reserved for additional information are also mention test.	
	<ul> <li>Some states have united specific UTSA provident from their versing as the growt on would be individual of existing state life.</li> <li>Applicable rates (status or chastes is as most restaurs) provided above.</li> </ul>	
	Assolutions:	
	<ul> <li>*Limitar/level now in thingurage short has been included in a strant's sociate, but done not exist in the UTSA. Text that is stickless through it has proupe includes within the UTSA that a state has another from its societie.</li> </ul>	
	Ausstration are primarily intended to denote or behaviorable, pather than answell differences. As sittly some reach differences in phanting, construction, and formating have not deen control in some costs; when desirified intended and calcular solutions and indicate and control of control in the control of control indicate and cont	
	<ul> <li>All accordations compone the rases 's longuage to the amenated (IRSE LETS A, Powers, or Matthew of states have interpreted the original 1979 UFA, but not be liver amendment. These states will have significant affectives in this "hybridade finish," "Company," and "Higher or Otto Letter "Excellent for productive.</li> </ul>	

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### Trade Secrets Acts Compared to the UTSA

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Fed/State 1915/F Version Adopted	Wolfern Frank Sezent Act	Obio New Code Don Fill 131.61 (138.89 Uboliero Visido Secreta Act.
Deficition Presented and corpresent fricarro	As used in this (Act), unless the cortext requires discoverse.  (1) "improper mean" includes their, below, principesentation, breach or reducement of a breach of a law, to make their receive, or explaining a through determine or other means,	9 3333-61(A) Same or UTSA
Definition: Mapper position	(3) "Mitragoropistics" research (3) experience of a trade sector of sections by a person who beaut or has reason to know that the trade cores was sequipped by improper finance; (ii) disclosive use of a trade secret of another without expens or implied consent by a concent who (iv) seed improper means to occupie travelege of the trade secret, or (iii) disclosive means to expense travelege of the trade secret, or (iii) disclosive travelege of the secret of another without expense or (iii) disclosive travelege or the disclosive travelege of the tr	9 1335-62(8) Some or UTSA
	use: (I) derived from or through a genron who had dollade (insproper means to acquire it): (II) derived from or through a genron who had dollade (insproper means to acquire it): (II) despined with a creamatization global place to a day to make the first control or limit it is one or its property of the control of the control of the control of the second of the control of the second of the control of the cont	
Definition Parton	CI "Porces" here is interest person, convention, business trutt data, total particular, execution, personal waters, government, government substitute of agree, or any other legal or commercial entity.	Period: has the arms makining as in division (C) of action 1.59 of the Remedicate and includes assuminated sattless.  1.15(2)  1.15(3)  1.15(3)  1.15(4)  1
Englished on	(4) Trade access independent including a formula, patient, compliation, program, general, method, dechicique, or process, three.  (i) demines independent extraction unless actual or potential. Train mot being generally become in and not being seally accessionable by proper makes by college properties no obtain accessive value from the devictories are as as a second of the college accession of the college accession of the college access to the college accession of the college access to the college acce	5.3354(1) Trade second: means information, including the phole or any contion or phase of any scalable cytothesis, information, design, process, appoplies, formula, partiern, completion, program, device, method, technique, or manomental, or any business information or cales, financial information, or loster of menses, additional, contractive to the forth contractive common or process of the process
Definitions Not in UTSA		(2) it is the subject of efforts that are reasonable under the circumstance to machini its secrecy.

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# Trade Secrets Acts Compared to the UTSA

Fed/State	Uniform Trade Secrets Act	Office Office Rest Code: Res \$1330-51 -1333.69 Selform Trade Sevents Act
injunctive ficine fi	(a) Areas of interested misapoporphismon may be explained. Open agolitaction to the court, an impression shall be imminished when the trade above the court and early, but the impression may be explained for an auditorial reasonable period of views or order to eliminate commissed advantage of the other court and outlier described in the reasonable appearance.  (b) In exceptional criminates are in Equantition may countried for future was open payment of a reasonable explained provided by the countries of the coun	§ 3,333.42 injunctions (6) Actual or threatened minaporpolation may be admined. Upon application to this room, an injunction half insured to the property of the pro
Damages.	(a) Exempt on the extent that a material and proposition drange of position prior to expairing involvingly or inscribed how of minapopopolisms materials intensive involving a control prior to expairing involvingly or inscribed how of minapopopolisms in materials indicated by the control prior of the co	§ 133.165 Damages  (A) Exical stable standing a material and prejudical diargos of position prior to enquiring involvedign or secure to leave disappropriate to include a monthly recovery projectable, a comprision in a <u>Acid scale or access</u> to entitled to access disapper for misappropriation. Damages may include both the actual fore seased by misappropriate for access of purposes programs and acid scale or companying actual forth in leave of descapes from the secure of the actual programs access to the secure of the programs access to the secure of the actual programs access to the access to the actual programs access to the actual programs access to the acc
Attenney's Feets	(1) I dan et asproposition in regid in lact fail, 1) a neigh in terminal an invasition in make or executive fails fails, of the second machine interpreparation exists, the continuy second machine is attorney's feet to the prevailing party.	\$333 ft Allerany's New Strike or (If A.)
Preservation and Successive	on a rectivated this (E.C.), accord thall persons the anging of the alleged trade secret by recording means, which may relate agenting proteins received in commonstors of the Secone, proceeding, fielding transport cames hearings, sealing the seconds of the action and ordering are person excluded in the flight-time ord to disclose as alleged trade secret or those prior could approve.	9 333.65 Court preserving of trade secret Some as UTSA
State		

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# Trade Secrets Acts Compared to the UTSA

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Fed/State	Unitions Trade Secrets Act	Otto Otto Ban Lack Am. 59 133.00. 1343.00 Uniform Train Secrets Art
Effect on Other Law	(a) Everage a provision on subsection (iii), this [Act] displaness certificing fore, restrictioning, and other less of the fibrile providing of all sweetings for immorphisms of a trade secret. 10 This [Act] does not affect.  10 This [Act] does not affect.  11 Everage of the contraction of the con	§ 1383-67 Remedius Defeatementively inferencial to UTSA
Conformity of Application and Construction	This (Left) shall be applied and contracted to difference in the power purpose to make uniform the law with mapper to the inside of the (Fest) among states exacting it.	9. 3333.66 Construction of act Source on UTSA
Severability	If any provision of this (Lett) or its application is any person or commissioners to find jurisdit, the inveilibly does not affect of the provisioner or application of the [Act] which are given effect without the multiple provision or application, and to the earth to provision of this [Act] are coverable. Affect of advancing the provision of the act to provision of this [Act] are coverable. Affect of advancing the provision are major that where these entiring person is exercisely affected. If the cold advancing the provision of anything the provision of the cold is mosterly perform.	Onto the cooks Am 8.1.50 severalizing of relatively positions.  Any provided of second size the cooks are the specialization to the provided of second size (second size described in the specialization of the section of provided section of the section of provided section of the section of provided section of the section of second section of
	For blass (alleder fine) claiming parties the exercise fill, in trough case lows, interface is provided to a case fine communities the existing fine and the self-is modeled red.	
Additions on Morkes To disting "Time of Talong Effect" Where provided in statistics y best	and does not apply to helped on	

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### Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

Fort/State	Uniform Track Socrats Act	Ohio Ohio Paus Cacke, Ann. 36 133-55 1332 69 Doubren Trade Sautets Act
Additions II		
in General and Unless	* Ore early dense VISA 1985 ventus	
Otherwise	<ul> <li>White arth indicate that the respective provision is equivalent to the ownership 1995 into A. White the ensure wooding and functified some differ, there is no material sobotanthe difference. White a statutory provision is marked as "Same as USA" unless toward or</li> </ul>	
Specified	Journathing differences man wirk. Where these afferences are more pronounced, but still do not present substantive distinctions from the ITSA, the only one marked Substantively Manticatto UTSA,"	
	<ul> <li>indicay certi (natione than the respective persistor is a substantially modified vaning of the UFSA, to provide some of three modifications may witnessely be intigational, in other cover, the substantial officer new require attention. Company is the veiter with</li> </ul>	
	is manufactured to indicate its and socials from the 1925 UESA. Wangla non-unbakenshes and misor conjutions may not be exempted.	
	<ul> <li>Stort polity indicate class that anywords provisions does not written or otherwise it significantly affirment from star UTSA. Their provisions does generally not annotated. Crift are marked red where no state has provided has been blood first that corresponds to be paintised to UTSA.</li> </ul>	
	recision. Tells no revent for untilitiant information are also member out.  Some stores have availated specific UFSA provisions from their version as the providing world by evaluations of existing state light.	
	AppSystér stam ranning or obstèm à la most éstimone provident above.	
	Assolution:	
	<ul> <li>Author/Weed to a Schequinge that has been included in a reare's sounce, but does not a wish in that UTSA. There than it stickles a through it has groupe included with in the UTSA that a state has combined from its statues.</li> </ul>	
	<ul> <li>Americalizar pre primordy intended to denote subcompile, rather than remark difference. As oxide, cope small differences in planning personalizar, and formation and formation and formation and to be a motor and to a motor or a finite production.</li> </ul>	
	permissions, and formation faire and trice methy from a conseponding previous lettle USAs.  Only where a costs's provision office in necessary from a conseponding previous lettle USAs.	
	<ul> <li>All or contains a compare the state's language to the oncentral 1995 UTSA. Provents, a matther of motes have adopted the velocity 1979 UTSA, but not be forth amonatorines. These states will have significant of gravitate in this "Internative Being!," Company, "and."</li> </ul>	
	1979 or A, but not at the amount of the state of the stat	

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# Trade Secrets Acts Compared to the UTSA

Fed/State	Uniform Track Secrets Act	Okla, St. Am. Ht. 72, 85-35-45 Uniform Fraile Secrets der
UISA Version Adopted	1865 version	1005
Definition Freamble era Interoper Means	As used in this [Left, where the contact requires otherwise.  1) "Improper means" reclaim their, kindner, interpresentation, breach or telecomment of a breach of a data to realistics secretary or displacing through telecomic or other means.	9 89 (1) Some as UTSA
Detinition Measuppro pristion	(2) "Milegoporested means."  (Security of a first executed mediate by a payout with book of the passor by these that the type security was acquired by inscripant means, or  (ii) declarate or such as a first security acquired principle or implied consent by a parson who  (ii) declarate means to such an execute acquired principle or the pass decrete, or  (iii) such incorpore means to such inscribing of the pass decrete, or	\$ 98(2) Some or UTSA
	(ii) a the bare of inferious or one, letter on the freedom to have that his bookings of the trade except (iii) demonst from or through a particle into a distance in proper means to adaptive it. (ii) a control object constructions prings from to a disk to constitute it is except or limit for one or (iii) and object of the control object in the control of the particle interest of the particle interest of percent or limit for one, or	
	(C) before a reasonal change of the (or held possible, however his dreason to have that it was a badde cover and that boundings of it had been required by accident or mutates.	
Definition Parson	<ol> <li>Percent meant a natural person, concention, business from, existe, trust partnership, association, joint venture, government, covernmental auditions or agency, or any other legal or commercial action.</li> </ol>	5 80(ii) Same or UTS
Definitions Trade Secret	(4) "Toda leadet" mains information, including a formula, pattern, companion, corporate, covers, method, destination or process, that	5 56(4) Some as UTSA
	(i) Sense independent expansion laws, actual or potential, from not long generally beautit, and so because quality activities by proper makes by other persons also can obtain accommit value from its delections or law, and	
	34	
Ordinations Not by UTSA		

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### Trade Secrets Acts Compared to the UTSA

FedfState	Uniform Trails Secrets Act	OMaloma OMa, S.E. San, 111, 72, 65 85 195 Uniform Trade Secrets Act
Ripinettee Robisi	(a) hotaled of breatened missappropriation may be enjoined. Upon application to the court, an injection shall be terminated when the trouble accords an exact on each care the highest contraction may be entitled from a solitional researched parties of the real solitional researched parties of the real solitional researched solitional parties of the real solition of the solition of the real solition of the solition of the real	Same or UTSA
Panni ages  Attentory's  Fore	(a) Except to the exemit this a remainst and projection diverged position prior to account plants who ledge or animation indexes of extendible a compliants an individual statistics for animation indexes or provided by a compliants and self-defer or control to any prior or animation of the state of	\$ 90. Derages Some of UTSA.  \$ 5.90, Attorner's feets Some of UTSA.
Prevenuation of Security	In or action cases this [set], a root shall preserve the service of an alleged fields somet by reacception are received by the service of the	\$ 90. Meeter of preceding braids secrets  is an action brought persuant to the provisions of the Uniform Todals Secrets Act, a court that present the same control of the Uniform Todals Secrets Act, a court that present the same control of the Uniform Todals Secrets Act, a court that present the same control of the Uniform Todals Secrets Act, a court that present to control of the Uniform Todals Secrets Act, and the Uniform
Statute of Unitations	As exists for misaposposition must be longist within 3 years after the misaposposition is discovered at by the investment franconstabilities was fixed byte beam discovered.  For the purposes of this section, a continuing misaposposition contribute a single chain.	5-93). Limitation of actions Some or UTSA

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### Trade Secrets Acts Compared to the UTSA

Fed/State	Uniform Trade Seitels Act	ORIGINATE ST 24, 25 % 95 Union St 24, 25 % 95 Union State April & Act
Effect on Other Linu	(a) Except a provised in subsection (b), this (Cal) displaces conflicting toric methodisonin, and other low of this State proving intermediate for mapping proprietion of a trade screen.  (b) This (feet) does not affect.  (c) other states of the confliction of a trade secret.	6 92. Operation and affect of act-Exemptions Some or UTSA
Uniformity of Application and Construction	This [Act] that he applied and contrast to effect use in personal purposes to make uniform the lare with expect to the subject of this [Act] among states exacting it.	\$ 93. Application and construction of act Some or UTSA
Severability	If any provision of the [Act] or its application to any person or circumstences is held invalid, the invalidity does not diffect other provisions or applications of the [Act] which can be given effect without the invalid provision or application, and to this and the provisions of this [Act] are asserbable.	Olds St. Ann. Int. 75 § 11s. Construction of statistics: Severability  In the construction of the statutes of this state, the following rules shall be observed:
	In fier of adopting this growinch, a regionly of states have existing general seminating statutes. The thiese states his estate is provided without encotation and the cell is material plane.  For these astes from large even all exemples, the cell is material plane.  In this continue is the cell is the cell is material even as a continue to a size that summerces the analysis law cell his cell is material end.	1. For siny and exactles on or after July 1, 1999, milest there is a processor in the act that the act or any portion thereof or the application of the act shall not be averaged, the provisions of wear act or application of the act shall not be averaged, the provisions of wear act or application of the act shall not executed in any overaged or application of the act shall not execute the control of the act act or act or found to be controlled as a control of the act act or act or severally and executed view, and to despendent open the order provision of the act act or act severally and executed be remaining united provisions or application of the act act or assertably and executed the remaining united provisions without the united ones, or be the act
Additions or Notes including Time of Taking Ffscore where or provided in challeng taking	also does not apply to the continuing releappropriation that occurs after the effective date.	19.4. Comparison     The Uniform Tracks discless, Ark1, shall not be construed to apply.     1. Los animageoparisation occurring small to the effective date of this act, or animageoparisation occurring the effective date of this act, or animageoparisation occurring the effective date of this act, or animageoparisation that cours after the effective date of this act.  9.55. Repeated

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### Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

ked/State	Dinform York Secret Act	Oblications Oblication 78, 55 68 - 95 Uniform Trails Surjets Act
Addition II		
Its General an Unless	Green neth deviate UTSA 1985 visibles.	
Otherwise	<ul> <li>White talk indicate that the reprecise provision is equivalent to the amonated 1895 USA. White the exerc wooding and for marting manifers, there is no material substantial difference. White a statutory provision is martered as "Some as USA" minor trivial or</li> </ul>	
Specified	formating differences may evin. Whose these differences are more pronounced that old do not present substantive distinctions from	
	the USA, the cells are moded "Substantively identicates USA."  • refer well inflate that the respective position is a unimaritely modified version of the USA. In position state of them	
	modification may attenuely be intigrificant, to other cases, the substantial differences require attention, Language is the yellow solls	
	It desistated to indicate how it varies from the 1205 UFSA, though non-substantial and minor stablishes may not be embeddish.	
	<ul> <li>Sect onth indicate ches the respective possisten does any each or otherwise is eigenfrontly different from the UESA. Biblis provisions with generally and consistent. Self- are marked sest where no state the provision has been identified that consequents to differ both on UESA.</li> </ul>	
	norston. Cells revenued for middlicensi information are who members next.	
	<ul> <li>Sevies states have consisted specific USA provisions from their version, or the provision would be individual of a latting state law.</li> <li>Applicable space provide or checken is in west liveraces provided above.</li> </ul>	
	Assaultion:	
	*Livric diseast in thinguage shot has been included in a state? I state in that not exist in the UTSA. From that it inciden through it	A 1/4
	Ampungs Nedwile is within the UTSA that a state has neadlest from its statute.	
	<ul> <li>Amuseutions was principly introduct to denote subversally, rather thou to mad differences. As inch came amontally remove in phoning,</li> <li>principalities, and formation have not been noted, in contempt, where intelliging amontained but entirely arthropoide and indicate</li> </ul>	
	only where a state's province differs in meaning from a corresponding provision in the UTSA.	
	All associations conspare the state's inequippe to the amended JSBS STSA. However, a puniter of states have adopted the original	
	1979 LFSA, but not its later amendment. These crass will have significant affect near in their Tinjunctive Redef." Conseque? and	l'
	*Effect on Other Linux' sections (in particular).	

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# Trade Secrets Acts Compared to the UTSA

Fed/Statu	Dealform Trade Searces Act	On Rev. Start. Start, Sp. 546-161 - SEE, 275 Limitisms Tradio Secrets Act 1965
Adapted  Oeffeeties: Presentile and	As used in this [Act], unless the corbot requires otherwise.	\$ 546,45(1)
Proproper Masers	(1) "Improper meens" includes their, boliers, micrearesemation, breach of inconcernent of a breach of a duty to maintain success, or applicage through electronic or other meens:	"Improper means" includes their, billens, interspensionation, preach or indecement of a breach of a dust to maintain access or explorage through electrones or other means. <u>Release analyses not independent, deselectrones also state to the consistent of more than the consistent of the consist</u>
Deficition: Missource phation	(2) "Misappropriation" means:  (i) acquirition of a trade secret of another by a person who knows or has reason to know that the trade	§ 564.461[2] Some as UTSA
	sector was acquired by impropar means, or (ii) disclosure or use of a tuste secret of another without express or implied consent by a person who (A) used improper means to acquire Incovidege of the trinds secret, or.	
	(8) at the time of disclosure or use, there of had reason to know that he knowledge of the trade secret was  (6) derived from or through a person who had utilized improper means to acquire it;	
	(II) anaptived under circumstances giving rose to a duty to maintain its secrety or limit its use, to (III) derived from or through a person who owned a duty to the person seeping relief to maintain its secrety or Smith Its use, or	
	(C) before a material change of the for her jookillon, knew or had reason to know that it was a trade secret and that knowledge of it had been acquired by accident or mistains.	
Definition: Parton	(3) Thereon, meant a servial person, corporation, business trush, entate, trush, partnership, escolation, joint senture, government, governmental subtlivious or agency, or any other logal or commercial entity.	\$ 646.45(3) Some os UTSA
Definition: Trade Secret	(4) "Trade-secret" means information, including a formula, pattern, compilation program, busins, method. Sechnique, or process, that	\$ 546.451\d\
	(i) deriver independent economic value, actual or potential, from not being generally brown to, and not being maridly accertainable by proper means by, other persons who can obtain economic value from its disclosure or use and	Track secret* means information, including a <u>drawing cost data-customer list</u> formula, partiern, compilation, program, distice, method, technique of process that:  (a) Derives independent aconomic value, actual or potential; from not being gamerally known to the
	(iii) in the subject of efforts that are reasonable under the procurationals to maintain its secrecy.	public or to other persons who can obtain economic value from its disclosure or easy and  (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.
Definitions Not in UTSA		

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# Trade Secrets Acts Compared to the UTSA

Fed/State	Uniform Track Socrats Act	Chegan Cr. Peio: Stat. Ann. 39 (46.37) (46.37) Uniform Train Separat Act
Injunction Robot	(a) Actual or threatment microproporation may be engined. Upon application to the court, air injunction shall be about the properties of the properties o	§ 646.463. Enjoining misappropriation, payment of royaltles; affirmative acts Substantively identical to UTSA
	(b) in exceptional circumstances, an injunction may condition fixture use upon payment of a resconsiste royalty for no longer than the period of time for which use could have been prohibited. Exceptional circumstances include, but are not kineded by a material and prejudicial change of position prior to argument.	
	incontribge or reason to know of instappropriation that renders a prohibitive rejunction megulatable.  Its in appropriate circumstances, affirmative acts to protect a smale secret may be compelled by court order.	
Damages	(a) Except to the extent time a material and prejudicial change of sculton prior to acquiring involving ex-	6 646.465. Miss porceptiblion: dentagas
	reason to know of misappropriation renders a minortary receivery inequitable, a complainant is entitled to incore damages for misappropriation. Damages can include both the actual for caused by misappropriation and the organization account in compating actual force. In less of damages measured by any other methods, the damages caused by misappropriation damages.	(1) A complainant is entitled to mover damages adequate to compensate for meappropriation, unless a material and prejudical rhange of position by a defendant prior to acquiring knowledge or reason to know of the mispapoporation renders a monetary recovery inequitable.
	measured by imposition of Nability for a reasonable roughly for a misappropriator's anauthorized disclosure or use of a trade secret.	(2) Carrages may include both the actual loss caused by misappropriation, and the unjust enrichment caused by misappropriation that is not taken into account in computing actual loss, but shall not be less than a
	(b) if willful and malicious interproportion exists, the court may award exemplary damages in an amount not exceeding twice any award made under subsection (a).	responsits ova ity for the unsubstaced discours or use of a trade secret, in lease of demages resourced by any other medices, the damages accord by mesophyration may be measured by imposition of liability for a resourced by reporting the control of the contro
		(8) Sport a finding of volfa[ or malicious misappropriation, paritive diamages may be available in an amount- oct exceeding typical any available made under subsections (1) and (2) of the section.
Attorney's	If (i) a claim of misuppropriation is made in bad faith, (ii) a motion to terminate an injunction is made or	§ 646-467. Attorney fees
Attorney's Fees	If (i) a claim of misappropriation is made in bad faith, (ii) a mobile to terminate an injunction is made or instituted in bad faith, or (iii) within and malicinus misappropriation exists, the court may evend reasonable actionary if fees for the prevailing party.	§ 566-667, Attorney fees Sorie or UTSA
	resisted in had faith, or fill willful and malicipus misappropriation exists, the court may award reasonable	Same as UTSA
	resisted in had faith, or fill willful and malicipus misappropriation exists, the court may award reasonable	Same as UTSA
	mainted in bad faith, or july willist and maintener misapropriation exist. The court may event massivable attorney's faits to the prevailing paint.  The interest makes the prevailing paint of the properties of	Same as UTSA
Fees Passers allow	mainted in back faith, or all I willide and maintener minapropriation exists, the court may count manipulation authorizing faith to the prevailing paint;  I are nector under this faith, a court that preview the species of an artifact under the faith, a court that preview the species of an artifact under this faith, a court that preview the species of an artifact under the faith, a court that preview the species of an artifact that preview the species of an artifact that preview the species of the artifact that the species of	Some or UTSA  5 546-469. Trade secret, presentator, methods
Fees Passers allow	mainted in bad faith, or july willist and maintener misapropriation exist. The court may event massivable attorney's faits to the prevailing paint.  The interest makes the prevailing paint of the properties of	Some or UTSA  5 546-469. Trade secret, presentator, methods
Fees Passers allow	mainted in bad faith, or july willist and maintener misapropriation exist. The court may event massivable attorney's faits to the prevailing paint.  The interest makes the prevailing paint of the properties of	Some or UTSA  5 546-469. Trade secret, presentator, methods
Fees Passers allow	mainted in bad faith, or july willist and maintener misapropriation exist. The court may event massivable attorney's faits to the prevailing paint.  The interest makes the prevailing paint of the properties of	Some or UTSA  5 546-469. Trade secret, presentator, methods
Fees Passers allow	mainted in bad faith, or july willist and maintener misapropriation exist. The court may event massivable attorney's faits to the prevailing paint.  The interest makes the prevailing paint of the properties of	Some or UTSA  5 546-469. Trade secret, presentator, methods
Fees Passers allow	maintain in bad faith, or all is willing and maintain in an appropriation exist. The court may even of mass-make attorney's faits to the prevailing paint.  In an action under this fact, a court fall greates the section of a sileped faith a sport by reasonable mann, which may include greating present up of the court of a sileped faith a sport by reasonable mann, which may include greating present up of the control of the court of t	Service or UTSA  5-546-MSD. Trade secret; preservation; methods Some os UTSA
Property of Service of	mainted in bad faith, or july willist and maintener misapropriation exist. The court may event massivable attorney's faits to the prevailing paint.  The interest makes the prevailing paint of the properties of	Service or UTSA  5-546-MSD. Trade secret; preservation; methods Some os UTSA

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# Trade Secrets Acts Compared to the UTSA

Fed/State  Lifect so Ottos Less	Uniform Trans Service, Act  (a) Except as provided in subsection bit, the first displace conflicting form, exceptionary, and other has of this Sata providing child analysis for misapprographs of a trans-servet.  (b) This (Anal) Service wheelers, whether or hot based upon misappropriation of a trade-servet.  (c) other can immediate that is not bound upon misappropriation of a trade-servet.  (d) Other can immediate that is not bound upon misappropriation of a trade-servet.  (d) Other can immediate that is not bound upon misappropriation of a trade-servet.	On the Charles and American Ch
Uniformity of Application and Construction	The [Set] that he equival and construct to effectable to govern purpose in make underst the law with respect to the subject of the [Set] among tables executing it.	\$ 546,4753.1 Application and construction, short title, Invalidity Some or UTSA
Secretal Physics	If we provide the Lead of its application to any exerce or constructions in facilities the invalid, the invalid, see you affect without the model provides or application, and to this lead of the facilities to the facilities the general facilities without the invalid provides or application, and to this lead the model provides of the facilities seemed to the seemed of the control	5.66.6.75(3). Application and construction, short title, insultidity Sente or UTS.
Audition of fisches the fisches of fisches the highlight of the fisches of the fi	The first black effects or any other properties of the control propert	

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### Trade Secrets Acts Compared to the UTSA

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FetFState	Uniform Trade Secrets Act	Or Rev. Stat. Ann. 55 545451. 566.875 Uniform Trade Searchs Art
Additions It		
		A
In General and Union	Grove and desire UTSA 1985 weeks.	
Otherwise	<ul> <li>While nells indicate that the properties provision is equivalent to the area pixel 1885 USA. While the exact equiding and forwarding may differ, there is no testerial outstackly difference. Moving a plantatory provision is marked at "Some at USA" minor testeral or</li> </ul>	
Specified	forecuting afferences any exist. Where there differences are more procounted but told as not proceen entransbe-diffications from the UFSA, the relia are marked "fulctionshelp themisatio UFSA."	
	<ul> <li>Vélou colt indicat the respective position à orabitantists, sandfest we int of the USA, sa protipe come of these most limites may alkanately to intigrificant in other cares, the substantive ifferences require attention totapage in the prijest colt</li> </ul>	
	is anatorised to inchesion have a veries from the 1995 CFTs. Wounds non-robitions and under-varieties may as the corresponding	
	Paint all is subtract that the extractive provision does not extra active attenuate in eignificant, utilities of from the USSA. Delief provision sinc convents and accounted. Uselv free constant and where an artist line provision has been identified that convey and to a posticular USA provision. User reterved for individual referencies are state provision and the provision of the reterved for individual referencies are stated.	
	Some costs have undited specific UTSA providers from their version, or the providing would be redisposet of existing state law.	
	Appliciphis study sexum co chathu is lemnes irrepans provided above. Acontaches:	
	• Unstablished beval in Danguages that have been included it as made is constant, but alone can exist in the UTSA. Yest that it stricken through in	
	language kaluded within the UFSA that a state has condited from its statute.	
	Assistațium ore primardy intenderito demote substantire, sabor itan testual differences. As sied, resoc smolt differences is phorning.	
	pormioritisa, mel formantisy have and been nested, in name calls, where blenkfield, intendations left entirely substantive and indirects outstanding a cost of providing a liffers in mounting from a corresponding provision of the UTSA:	
	All mass solves compare the state's longuage to the own saled 1985 of SA. However, a glassker of states have subspiced the oxigited.	Lä:
	1979 GFSA, has not its inter-assessments. These states will have significant afferences in their departure facility. "Domograph and	Par.
	Viffect on Otter Line" sessions (imperituals).	

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# Trade Secrets Acts Compared to the UTSA

Fed/State	Hellens Track Secrets Act	Personaphinarier 2 5% Start Sant Cores Start Ares SS 5300 5300 Uppletter Trade Secure Ary
UTSA Version Adopted Definition:	1983 version  As specify this (Act), unless the context requires otherwise:	1905 9.5002, Definitions
Presented and improper News	as used in this press, includes their contex registers observable.  If "improper means" includes their, briban, misrepresentation, breach or indusement of a breach of a duty to maintain sectors, or exponents through electronic or other misans.	The following worsts and phrases when used in this chapter shall have the meenings given to them in this section unless the context clearly redicates otherwise.
		"Improper means." Includes, but is not limited to, theft, bribery, misrepresentation, breach or indiscement of a breach of a didy to maintain sectiony or espionage through electronic or other means.
-		
Definition: Allowappro- profiles	(2) "Micappropriation" means (1) acquisition of a frade secret of another by a parson who knows or has reason to know that the trade	§ 5302. "Misa propriation" Some as UTSA
	secret was sequined by improper misems, or (III disclosure or use of a trade secret of another without express or implied consent by a parson who (A) used improper misems to acquire knowledge of the trade secret, or	
	(B) at the time of discipline or use, knew or had reason to show that his knowledge of the (table secret)	
	It denoted from or through a person who had stillized improper means to scripin it.  (ii) acquised under promotines galary is set as duty to maintain to secretor or first its use, or  (iii) derived from or through a person who proved a duty to the person is sesting relief to maintain its secretor or limit its use.	
	(C) before a material charge of his for hel) position, bown or had reason to know that it was a trade server and that knowledge of it had been acquired by accident or ministe.	
Delleman	31 Tensor oneam a letural person, popporation, believs trust, estate, trial, authoritis, accounting, bird.	5 532. "Parson"
Parson	of requirement a resonal petion, copressor, polyres (tot, series), vol., periodicipal execution, polyrestice, government, governmental subdivision of agency, or any other teggl or commercial exists, venture, government, governmental subdivision of agency, or any other teggl or commercial exists,	Same as UTSA
Definition:	(4) Trade searet means information, including a formula, pattern, compilation, program, severe, method,	6 5302. "Trade socret"
Trade Secret	technique, or process, that:  (i) deriver independent economic value, actual or potential, from sick being generally known to, and not	information, including a formula, <u>deviolog</u> pattern, compilation <u>includios a customer list,</u> program, device, mechos, technique or process that:
	being result's acceptamble by proper means by, other params who can obtain acceptions value from its directiouse or cas, and (If is the subject of efforts that are reasonable under the conceptance to maintain its secree).	[1] Dermes independent aconomic value, actual or potential, from not being gainerally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use.
		(2) to the subject of efforts that are reasonable under the circumstances to maintain its secrecy.
Definition		\$ 5302. "Milital and malicious."
Not in UTSA		Such intentional acts or goes register of duty as to writte a nativate indifference of the right; of others on the part of the vernegous, and an entire want of care so as to raise the precumption that the payon at fault
		is conscious of the correspondence of his corelections

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### Trade Secrets Acts Compared to the UTSA

Fert/State	Helfsten Texas Secrets Sec	Geometriumin 12 Pa. Start and Cons. Frat. Am. 85 5201 - 5209 Uniform Trade Sacreta Act
injunctive Relief	(a) Actual or threatment meappropriation may be endemed. Upon application to the court an injunction shall be terminated when the trade screen has cassed to easy, to the impuration may be continued for an additional responsible period of time in order to eliminate commercial additional properties of the continued of the derived from the misappropriation.	§ 3303. Injunctive relief Some op UTSA
	(b) In exceptional insumptiance, an injunction may condition flature use upon payment of a reasonable toularly for no longer than the painted of time for which use could have been prohibited. Exceptional discussions include, but are not limited to a mosterial and prejudical change of socition prior to according have letting or execution to include the interest and included to a mosterial and prejudical change of socition prior to according have letting or execution to insure of misperceptation that endears a prohibitorie injunction receptible.	
	(g) in appropriate circumstances, affirmative acts to protect a trade secret may be compelled by cost order.	
Damages	(a) Except to the eithert that a material and prejudical change of position prior to acquiring knowledge or	5 5304. Damages Soute os UTSA
	ensours to force of misappropriation predicts a moretary receiver receivable, a combinator is exhibited to more demands of misappropriation. Demogrape can include both the shall have caused his registeration and the system entrances of the system into excess the shall have caused his registeration and the system into excess if a comparing exhall see. In her of dimension measured by an office methods, the stranger caused by misappropriation may be misappropriation of liability for a rescreable sould, for a misappropriation and substitution of the self-at the second.  (b) if writted and mislation misappropriation exists, the court may availed learninging demands in particular.	
	nd exceeding force my locard made under piloadition (s).	
Attorney's Fees	If it is claim of misapproporation is made in task finth, it is a notice to terminate an injunction is make or reviewed in both first, in it is finther interested in both first, in it is fintly interested in the first, in it is first in the providing party.  If leas to the presulting party.	3.90% Attorney lease.     A count may a season size extramy, fees, <u>populates and costs</u> to the prevailing party.     (1) if a claim of mesognoparation is made in the first.     (2) a mation to beaminable as impaction is made or resident in back faith, or     (3) a wall-out and melacious map appropriation exists.
Presentation at Surveys	in an extion under their (Anti, a count shall preview the reappy of an inlegative secret by reservoisher manage, which may include garring procleon protein in internetion and viscours proceedings, to being a convex beauting's, satisfy the proceed of the solicits, and otherwise are general emphasis as the inspaction and to decide the sillings trade exercise states, per or compligations.	5.305-Preservation of secrecy Some as UTSA
Statute of Limitations	as edicer for insuppropriation must be brought within 3 years after the insuppopulation is discovered or by the exercise of macrostic diffigures includ twee been discovered. For the purposes of this section, a continuing misappropriation contributes a single claim.	5 5307. Statute of limitations:  As actions under this chapter for imagipropriation must be brought within three years after the imagipropriation was discovered or by the exercise of restorated diligence should have been discovered. For the purposes of this action, a continuing encoppropriation acceptables a single-distinct.

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#### Acts Not Intended As Legal Advice

# Trade Secrets Acts Compared to the UTSA

Fed/State	Uniform Frade Security Act	Penniştiyadla 11 Fa Stat and Coss. Stat. Am, §§ SAR1 - SAQE Uniform Trade Servick Act
Effect or Other (and	(a) Except a growled in subsection (b), this (both displace conflicting tone estimations, and other law of the foliage conflicting investigations are subsections;  (b) The (both done and officer.)  (c) The (both done and officer.)  (c) It the confirmation of the foliage confir	§ 5306: Effect on other law Some ar UTSA
Heristonity of Application and Construction	The [Act] shall be applied and community of effectuals its general purpose to make uniform the law with respect to the subject of this [Act] among states enacting it.	
Service and Try	If any provision of this (Ant) or Ne againstain to any person or incriminatenes is held revisit, the limitative deep certification of the provision or application of the [Ant] which can give effect without the insolid protection or application, and to this cent the provisions of this [Ant] are reversible. The provision of the provision of the provision of the limit [Ant] are reversible. The application of the provision of the provision of the limit [Ant] are reversible provision of purpose provision of the provision of the limit [Ant] are reversible provision of purpose approvision of the provision of the limit [Ant] are reversible provision of the provision of the limit [Ant] are reversible provision of the provision of the limit are reversible for these systems that other general severability stronger case are a characteristic for these systems that other general severability stronger case are a characteristic for these systems (and the provision of the limit and the provision of the limit and the limit are accomplished to the provision of the limit and the limit and the limit and the limit and the limit and the limit and the limit and the limit and the limit and the limit and the limit and the limit and the limi	I Ps. Sele, and Conj. Self. Ann. 3. 1205. Constitutional construction of habitates.  It is processed in development exhausts and approximate of any statute of the application these of the processed in development of any statute of the application flower and purpose of the confidence of the development of the application of each provision to other persons of exconstructions also laid to be affected beneating the set through any other development of the application of each provision of the addition are consentially and inceptantly connected with, and so depart upon view and provision or development of the application of the applicatio
Authors or Notice Institution of Testing Process	The fact issue effect on	

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### Trade Secrets Acts Compared to the UTSA

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Fed/State	Uniform Teach Secrets Act	12 Pa. Stat. and Coop. Stat. Ann. 55 5301 - 3308 Uniform Track Section Act
Additions it		
in General and	Green Life Streets LITS A 5905 stratus.	A
Unless Otherwise	While cally leaficate that the respective provision is equivalent to the associated 1985 USA, While the exect wording and formating	
Specified	mantiffer, there is no material substantive difference. Where a statutory provision is marked at "State at USA" minist bround or Forcesting afferences may even. Where these afferences are more pronounced, but all do not present substantive abstancions from	
	the USA, the cells are marked "Substantively Manifortto UTSA."  * Hillow cells indicate that the respective provision is a substantively mostlikel version of the UTSA, supractice come of these	
	amodification may ultimately be impellional, in other carea, the industrials offerences equies estention, lossings of the yellow active an active of the product of the pro	
	<ul> <li>Red cally deflecte that the emportion payer is payer in the extension of a significant affected from the extra . This provisions the</li> </ul>	
	gir acrolly med namodatest. Crifts are anarked bed volure no statis have provided from tream identified that corresponds this positionals (1879) persions. Crifts reserved for untakingal information are also enaded red.	
	<ul> <li>Some stores have amilitad specific VFSA provisions from their version, so the provision would be reddinglant of seking statisfied.</li> <li>Applicable come remain or chabbe in in most instances recolled above.</li> </ul>	
	Anostotice:	
	*Constrainted from in benganger than has been included in a court 's expense, but alone one a sign in the GESA. Text that it striking through is	
	inaquinge included within the LTSA that a state has condited from its statests.  A decision one policies in included the decision included in the states of	
	cumporation, and formating have and before moted, in contention, where identified dissociations also entries constitution and instructe and values as that is provided affiles in meaning from a consequenting provided USA.	
	<ul> <li>All associations compare the state's language to the assessed 1985 I/TSA, wherear joint work of states have activated the exighat</li> </ul>	
4	1979 of SA, but not be been amendate to. These seater will have slightfree differences in this "Valueties Relaf." "Comagne," slight "Effect on Other Line" section (in particular).	

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# Trade Secrets Acts Compared to the UTSA

Fed/State	Urafform Trade Searnts Act	Rinck fuland 1968 R.I. Gen. Leon dam. \$4 (4. E.I.) (4. E.I.) [1] Uniform Trada Secrets Act
UTSA Version Adopted	1905 Upraion	1905
Definition	As used in this [Act], whiles the context requires otherwise	\$ 6-41-1(1)
Preamitie and Improper	(1) "Improper means" includes theft, bribery, misrepresentation, breach or and cement of a breach of a duty	Some as UTSA
Means	to malifean secrecy, or asplonage through electronic or other misens;	
Deficition: Missaper	[2] "Nicappropriation" means	§ 6-41-1(2) Same as UTSA
printion	(i) acquisition of a trade secret of another by a person who know or has reason to know that the trade secret was acquired by improper means, or	
	(iii) disclosure or use of a trade sacret of another without express or implied consent by a person who.  (A) used emproper means to acquire knowledge of the trade secret; or	
	(8) at the time of disclosure or use, knew or had reason to know that his knowledge of the trade secret	
	was:  (i) derived from or through a person who had utilized improper means to acquire it.  (ii) scquired brider circumstanted giving rise to a duty to maintain its secrecy or limit its use, or	
	<ul> <li>ii) acquired order or countraines giving risk to a duty to maintain its secrety or limit its use, or</li> <li>iii) derived from or through a person who awed a duty to the person seeking relief to maintain its secrety or smill the use, or</li> </ul>	
	(C) before a material change of his jor her) position, snew or had reason to know that it was a trade	
	secret and that incovinings of it had been acquired by accident or mistake.	
Crefigittist: Parson	(3) "Person" means a natural person, controlland, business trust, estate, trust, sertherable, association, joint centure, government, governmental subdivision or agency, or any other legal or commercial entity.	5 6-92-1(3) Some as UTSA
		<i>2</i>
Gaffeibloe:	(4) "Trade secret" means information, including a formula, pattern, compilation, program, service, method,	\$ 6-41-1(4)
Trade Secret	technique, or process, thet	Same as UTSA
	(3) deriver independent economic value, actual or potential, from not being generally known to, and not being readly accertainable by proges means by, other persons who can obtain accessing value from its disclosure or use, and	
	(iii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy	
Definitions Not in UTSA		

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# Trade Secrets Acts Compared to the UTSA

Fed/State	Uniform Trade Servers Act	Ricole Stated 1956 R.L. Gym. Leon Am. 55 6-43-12 6-41-13 Onlinen Trade Sacrots Act
Fijunctive Pauline Pauline	<ol> <li>Actual or threatment managementation may be explaind. Upon application to the court, an expendition tests additional resourcing period of time in cream to alternate commercial advantage that otherwise could be determed from the managementation.</li> <li>(a) In example of commercial actual period of the court of</li></ol>	Service Survey Set 1 Service Service Survey Set 1 Service
Damages	(a) Except to the extent that a material and prejudicial change of position prior to acquiring knowledge or	\$ 6-41-8. Damages:
	mason to lower of interpretation miles is invested recovery impulsation, a complement is emitted to concrete demands of managements (in legacy on Facility data that all lost caused in managements and the implication of the contraction of t	Some as UTSA
Atteney's Fees	If (I) a claim of misappropriation is made in bad faith, (ii) a motion to terminate an injunction is made or resisted in bad faith, or (ii) willful and malicious misappropriation exists, the court may even directoristic	§ 6-41-4. Attomey's fees Seine os UTSA
	attorney if feet to the prevailing party.	
Preservation of Section	In an ection under this IARLL a count of their parameter the persons of an integrat funds accret by reasonable means, which may include graving problems, ording in integrating the first persons problems, following incomes hearings, sealing the eccord of the algion, and ording any person provided in the fligation act to disclose as a sileged trade score without prior closel septices.	\$6-43-8. Preservation of secrecy Some or UTSA
Statute of Limitalians	As action for misapopopistor must be lought within 1 was a flor the misapopopistics in discovered of by the reservice of insectional diagrams include have been discovered.  For the purposes of this section, a continuing misapopopration constitutes a single claim.	5 6-13-5. Statute of limitations Same et UTSA

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# Trade Secrets Acts Compared to the UTSA

#### Not Intended As Legal Advice

Fed/State	Uniform Track Sevens Act	Roock Mind 3556 Kir Gene Laws Am 5 5-43-3 3 -6-41-33 Uniform Tradit Secreta Act
Effect on Other Law	a) Essays a powded in indeedcorb bilt, this End's displaces conflicting not, methodismans, and other law of this State promising or immediate for misageoposition of a tode sevent   b) This End's disear and effect   b) This End's disear and effect   c) This End's disear and effect   c) It of the could mendious that we not based upon misageoposition of a trade secret, or   c) It other could minimize that we not based upon misageoposition of a trade secret, or   d) Inthinal namedies, whether or not based upon misageoposition of a trade secret.	§ 6-42-7. Effect on other law Some as UTSA
Uniterrity of Application and Construction	The EAST full his spatied and construct to Mechanish to general purpose to make uniform the law with expect to the subject of this EAST entire tested maching it.	§ 6-1-1-8. Uniformity of application and construction Some or UTSR
Source arb Lifty	If any provision of this (And) or its application to any premior or cramanistance is their limited free injusting above the difficult into provision of application, provided the injusting provision of application, part to the set the provision of the fact are severally.  As a least of publication in annuals, an amplicat of Affrech seve existing personal assemblishly statistics. For these reviews the actions is approximately assembled annuals, and application of the confidence of a monthly application of the confidence of the action of the confidence of the confide	5 G-4 13.7 Seem billing. Some of UTS.
Additions or flooting. "Tunes of 1 along Effect where precision in a precision in a 2 along effect where a constraint and a 2 along effect where	The Incel lower effect on	\$6.46.14.1 Time of taking effect.  The expanse rating effect or in (a) 1,00%, and there are tagging to interpretation occurring principle (a) (a).  The expanse rating effect or in (a) 1,00%, and there are tagging to inverse the (a) 1,10%, the present of (a) (a) 1,10%, the present of (a) (a) 1,10%, the present of (a) (a) 1,00%, the present of (a)

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# Trade Secrets Acts Compared to the UTSA

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Fed/State	Uniform Trade Secrets Act	Shouk saland 1996 R.I. Gen. Luca Ann. 96 6-41-1 - 6-41-11 Uniform Trade Sagrata Act
Additions it		
	April 1	
In General and Union	Green pelli transa UTSA 1985 vzvikas.	
Otherwise	<ul> <li>White orth inspets that the impactive province is equivalent to the amended 1905 USA. While the executivening and formatives amend for these is no material solutionists of Berkings. White a stability provides it content or "Some as USA" notes transit or</li> </ul>	
Specified	formating differences new exist. Where these differences are were pronounced for slift to not present substantive distinctions from	
	the USA, the relic on parked "Sukstanting Healinits USA."	
	<ul> <li>Yellow cells indigent that the temperative provision is a substantiant modified various of the USSA, in practice come of these anadiferrious may obtainably be insignificant, to other cares, the substantial differences require attention, Language in the yellow cells.</li> </ul>	
	among partners may obtained be an speciment. In other carer, the mentionities of fervices require otheritors, congruence as the sciticus colls is interested by indicate him it varies from the 1906-UFSA though non-vertables and misor verbalism reprint the amounted.	
	<ul> <li>Set desit initions stop the respective provision and exist or otherwise is significantly affer out from the UTA. There provision are generally not according. Only the attribute modern and trave two provision has been described that consequently to distribute UTA.</li> </ul>	
	escribion. Della reservari fili intribità mil inframmation ana nation analesta non come a servizi più trata commissioni con estimation ana atrio analesta est.	
	<ul> <li>Some status have united specific IEEA provision from the version, as the provition would be redisident of existing statistics.</li> <li>Applicable state supports or challen is in most legislace provided above.</li> </ul>	
	Acconditions	
	*Lineare throat as at it is happening to that their theories included its arrivate is consume, but done not explicit paths (UTSA. Text that it is stillake in the explicit	
	Dangwaye Ancholed webblis the EPTSA that a state has condition from its statute.	
	<ul> <li>Autostations one print only internated to denote substantian, rather than tentage differences. As with come smoot differences in phonoists.</li> </ul>	
	punctionium, and for mating have not been miled, in nomic times, where this life of dimensioning and enthely substantive and institute only rather a state is provided affice in marriage from a corresponding provision cross UTSA.	
	All associations compare the state of impuring to the associated 1985 UTSA. However, including or states have adopted the cripical	
	1979 (USA, but are its inter ameraturents. There states will have algorithme differences in thick "hybriciae Reliaf." "Communs" had.  Effect on Other Low' sections (in particular).	<u>"</u>

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# Trade Secrets Acts Compared to the UTSA

Fool/State	. Uelform Trade Secrets Act 1985 version	South Cardina S.C. Code Sam. 65 394-101-396-130 South Cardina Tran Search Act 1305
Adopted Definition:	As used in this (Act), unless the context requires otherwise.	9 39-9-20(1)
Presmille and Improper Mesms	(3) "Improper mean" includes that", Enlaws, managementation, breach or indiparament of a breach of a device or markets source; or explainings though described on stakes means.	"Improper mean" include their, believe, manappearation, breach or indicement of a breach of a daily to monitors enviewe, daths monitors to be the other base of a daily to monitors enviewe, daths monitoring to the other base of the control of a daily to monitoring means of the control of the
Definition Missopro- priation	(3) "Magagingostation" means: (3) sequilibrium of a trade second of another by a param who leaves or has sequent to brow that the trade acrost view appared in improper means; or	\$ 30 to 20(2) Some at 175% but for the following: Auditional provision added as first in the:
	(ii) disclosure or use of a titude secret, of enother without express or implied content by a person who (ii) used improper means to acquire knowledge of the trade secret; or (ii) 4.1 the time of disclosure or use. There or that of secret is indice that is knowledge of the trade secret (iii) 4.5 the time of disclosure or use. There or that of secret is indice that is knowledge of the trade secret (iii) (if served from or through a paymon which had utilized improper means to orquire or.)	Oil acquisition of a trade sport of accritic lay a propor by improper means.  Additional words abded one second closure in subsection standing with "of the time of disclosure or use, serve in the result to know that it is known adapt of the trade secret van"  CILICIA I supported to montate or under circumstances griding men to a dust to maintain its correct, or limit to variety.
	of elements of the controlled persons that has been improve makes of exceptions.  (II) deviced from or through a particular bounds of dufy to the particular been greated from the bound of the controlled persons are seen to be the controlled persons are seen to be the controlled to the particular bounds of the controlled persons are seen to be the controlled to the controlled persons are the controlled persons to be the controlled persons are the controlled to the controlled persons are the controlled persons to be the controlled persons are the controlled persons to be the controlled perso	
Gelinition; Fersee	(N. Person resons a salura person, corporation, business trans, state, trans, partienting, paccession, part written, government, governmental subdivision or agency, or any other legal or commercial exists.	\$ 99 - 20(4) Substantively directed to UTSA
Definition Trade Secret	Trade parest "mean information, rectuding a formula, pattern, complication, program, device, method, such acquire, or process, fast	5.39-6.20(5) **Trade secret means
	away and/y sentended by proper treamby, what persons who can allerate extensive calculation from the disclosure or use, and the sentended of the sentended of the committee of the sentended of the (ii) is the subject of efforts that are reasonable and/or the committee on maintain its secrecy	Us information including, <u>but not immediate</u> , formals, patients, completion, pregiment, above, methods describenase, products, <u>products</u> , <u>programs</u> , <u>programs</u> , <u>products</u>
Definitions	7	In A tries asset may control of a stroke far, term, as prosident, or a sine or consensed from ac- procedure, which subjust inflorables because the provision as relative time or crimine, indistribute, and make a substantial differencies in the efficiency of a provision of the production of a another or rise to be the control of the provision of the efficiency of a provision of the production of a another or rise to be the controlled of an another of the efficiency of a provision of the service in two lateral or another or another of the efficiency
Not in UTSA		Corner means the person or entity in a born or in which rightful legal or equitable follow to the trade secret, in recood.

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### Trade Secrets Acts Compared to the UTSA

Fort/State	Uniform Trade Secrets Act	South Carelina 5.4. Cade Arm, 95 pt 12: 36-9:130 South Carelina, Fee Secreta Art
Egus to ve Pallet	a) Actuals of heatened miss appointed or may be enjoined. Upon againston to the sourt, an important shall be be imminised upon the total early on the case of the source of the vicinity and upon the source of t	
Damages	Of Ecopy Coulter erects (fair x material and population during of portices open in securing providings are considerable of the control of th	5 39-540. Decreasing of valual damages, exemplarly deranges.  (1) Except to the selection field or selected and exceptions change of position price to excepting the network of the selection of the selection of the selection of the selection. The price of the selection of the selection of the selection of the selection. A material and materials change of position price of the selection of the se
Astronomy & Form	fül a dann of minagroprositors in make in bad fram fül ja mitter betermiste a rejunctions in make in sensition in had finis (in wirfiel and minalization minagropriphilities asiet, the court may aveid messenable ettermin is lies to the possibility party.	\$ 98-900, but finite, award of attorneys fee. Some or 1754.
Proceedings of Secretary	is an extron order the LPALE, a count thall greamen the serging of an integrabilities becard by excessable man, which may exchange partial problems of the service of the s	3.93-9.0. Therementarion of secromy during discours proceedings of soul account, postabilities level deblood. Continue the July 12 agreement on selectional accordance of chairing transformer of cross exercit. Ser. J. 24-9-0006-32 (co. "Additional Sit" of Selection.
Statute of Limitations	ha action for emagaging that must be trught within 3 where other the imaging relation is discovered or by the merities of reasonable diagrams should have been decovered.  For the purposes of this section, a continuing missippropriation constitutes a linguisticism.	\$ 59-570, Time limit for bringing action. Science of USA

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# Trade Secrets Acts Compared to the UTSA

Fed/State	Unitform Trade Secreto Act	South Carolina S.C. Code, Ann. 89, 20-39-8-130 South, Carolina Tree Secrets Act
Effect on Other Law	(a) Except as provided in subsection (b), the [Ard] displaces conficing test, epitholiseany, and other law of this State providing ori mendes for misapproprieties of a trade-assets.  (b) This [Act) does not affect.  (c) (constants immedies, whether or not based upon misappropriation of a trade assets.  (d) (1) other lost immedies, whether or not based upon misappropriation of a trade assets.  (d) (1) other lost immedies, whether or not based upon misappropriation of a trade assets.  (d) other lost immedies, whether or not based upon misappropriation of a trade assets.	\$393-10. Outpair effect on conflicting out, restitutionary and other levus effect on other remedies.  All Except as provided in subsections (ii) and (c), the integer displaces conflicting text, restitutionary, and other levo of this follow providing but investides for misappropriation of a trade secret or production of the strate secret in the secret or production of a trade secret or production of the secret or production of a trade secret or used production or production assembly in the secret or used production assembly the control of a trade secret or used production, assembly the secret or used to the
Uniformity of Application and Construction	This [Act] shall be applied and continent to effectuate (it general purpose to make undown the law with respect to the subject of this [Act] among states exacting it.	Nove
See aboth	If any provision of this (Sed) of a segliculation to any person or consistence in the Minimal, the insulfive discent of effect of the promises or seglicitation of the (Act) which are large with Equivalent to the given effect which is invalid provision or explication, and to the end the growthom of this (Jed) are expected when the himself of standard provision or explication from the provision of the sed of the second section of the sed of the s	STRP 1-12. Securability. Some or UTS.
Additions or States States   S	The Lety blue effect on  which can be a continuing missing properties of the lety described as a continuing missing properties of the district date. We describe the continuing missing properties the district date, this let describe the continuing missing properties that course after the effective date.	\$5.90.00 Trades secrets, encloses of supervised to refrain from discipling and actions and remailiae.  (A) Trades secrets, encloses of supervised to refrain from discipling and actions and remailiae.  (A) A rade secrets inside and an operate also and enforcemble with it is discipled or discovered by proper.  (B) Early encloses selve in information of a trade inconsist view brown from the circumstance of the subsection of any appropriate continuous properties.  (B) Early encloses selve in information of a trade inconsist view brown from the circumstance of the subsection of a supervise continuous co

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### Trade Secrets Acts Compared to the UTSA

Fed/State	Uniform Track Servets Act	South Carolina 8.C. Code Ann. \$5 30 8-10 - 39-8-120 South Carolina Trees Secrets Act
ddtions ii		§ 39-8-60(8-1). Preservation of secretly during discovery proceedings of civil actions, substantial need
		defined.  (8) In any civil action where discovery is assignt of information designated by its holder as a trade secret before ordering discovery a court shall find determine whether there is a substantial need by the party caseling discovery for the information.
		Substantial need" as used in this section means:  (1) the allegations in the initial pleading setting forth the factual predicate for or against liability.
		have been plead with particularity.  (2) the information cought is directly relevant to the allegations plead with particularity in the initial pleating.
		(3) the information is such that the proposent of the discovery will be substantially prejudiced if not permitted access to the information, and
		(4) a good field basis exists for the belief that testimony based on or evidence deriving from the trade secret information will be estimissible at trade.
		(4) Direct occess to computer databases containing trade secret information, so called "not time." discovering what me be ordered by the court unless the count finds that the proposent of the discovery business obtain this information by any other oneurs and provided that the information sought is not subject to any.
		prolege  (D.I.) per motion of the holder of the trade secret information, a court may condition the production of trade secret information on the posting of an appropriate bond.
		(E) information produced persuant to the section must be governed by an appropriate written protective order of the court.
		(F) Information are during a property to this section may only be disclosed to cancers identified in the written protective order of the court and may be used or disclosed only in the entire in which it is produced. Lifeation change orders perfaming to trade secret information must not be entared by the court.
	Sirect code drawne UTSA 2865 services.	IGLA person researing track secret information personnline this section is subject to the jurisdiction of the courts of this State.
iclese Other salse	White cells indicate that the respective provision is equivalent to the annealed 1915 USA. White the exect wording and favorating	(Hi) When information produced pursuant to this section is discussed or otherwise disclosed at a trial or
exilled	may differ, there is no material whiteother difference. Where a statutory provision is movined at "Some as UTSA" miles tentral or formations differences may user, Where these differences are more promounced, but this do not present substitution (intentions from	hearing, the owner of the produced trade secret information is allowed to obtain individually signed
	the 6FSA, the criticale maked "Substantiesty Membrian UFSA."	confidentiality agreements from all parties that are present in the countdoorn or are party to any protedure where trade secret information is discussed, presented, or otherwise made record to any party not already
	<ul> <li>tellow solv indicate that the responsive position is a substantively modified vertica of the UESA. In paretice scare of them</li> </ul>	under a confidentiality agreement with the trade secret owner.
	most firstions may utilize that he impossed. In other cover, the substantive differences require attention, imagings in the yellow cutte	(I) All trade secret information and gry copies, displicates, or other untings which reflect or contain the
	is amostated to indicate from Evenin From the 1925 OFSE though non-outstantive and taken variations may be be exceeded.	trade secret information, or excerpts therefrom, must be returned to the holder of the trade secrets at the conclusion of the litigation.
	• Red with indicate that the inspection provides that the inspection from the UESA. These provides that	12: The section applies to any goal action brought within or without this State where discovery is cought
	pe norally not accountered. Cets are monitored ord watere accounter law possitions have been identified that concerpoints for a particular IATA or receives, Cets reserved for notificional leformation are also manisod red.	of trade secret information present in this State.
	<ul> <li>Some states have availated specific UPSA provisions from their version, or the providion would be endended of existing state law.</li> <li>Applicable state statute or clusten is in most improve provided delaw.</li> </ul>	
	Annotation:	The state of the s
	• Destroined less in language that has been included in a state's contact, but does not exist in the UTSA. Towethan it strickes through in	- Tale
	braguinge kickurled withhirthe UTSA that a state har original from its spatiale.	
	Annotation or printed intented to denote substancial, rather than to study differences. As such, some ansat differences in placeing.	2.76
	puretwition, welforwriting least not been noted, in come circs, where interfed, translations are united, substantive and indicate	
	onto where a contact provision officer in meaning from a contropolating provision with UTsA:	
	All annotations compare the state's begauge to the amounted USBS UTSA. However, a reventor of states have adopted the original.	
	1979 UTSA, has not as later amendments. These review will have significant afforences in their Sajanchie Actes "Communic" held	
	"Effect on Other Low" sections (in protingle).	

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# Trade Secrets Acts Compared to the UTSA

UTA Version  155 version  156  157  158  158  158  158  158  158  158	fivito
Describe and I improper mental includes their, bridery, managementation, breach or inducement of a breach of a disky. I was admitted from the factor, who was the content and appropriate to the latest the content and the factor of the factor	evto
(1) "Improper means" includes theirt, britany, miningsweentactor, breach or indocement of a breach of a duty. No med in this [141], unless the content requires efficiency or composing through electronic or other means to maintain security, or exponenge through electronic or other means.  [1] "Improper," includes theft, britany, miningsweentactor, breach, or inducement of a breach of a distance of the content	ev to
<ol> <li>III "Improper," includes theft, bribery, misrepresentation, breach, or inducement of a breach of a d</li> </ol>	tv.to
Definition: [2] "Alterproporation" means: 5.7-29-112) Milesprop Some or UTSA	
unitation (i) acquisition of a trade exercit of equiling by a person who knows or has reason to logor that she trade septent was inquired by improper means; or	
(ii) disclosure or use of a trade secret of another in should express or implied consent by a person who iii) used improper means to acquire incredeging of the trade secret; or	
(3) at the time of declonize or use, snew on his direason to show that his knowledge of the trade secret	
(1) derived from or through a perion who had utilized improper means to appaire it. (ii) acquired under circumstance giving tree to a start to maintain its secretary or limit this year, or	
(III) derived from or through a person in to owed a dony to the person seeking raised to insulate in its secrecy or limit its use, or	
(C) before a material change of his (or her) position lines or had meanin his from that it was a trade server and that translating of it had been accounted by accelert or ministria.	
Debatran: (3) "Neston" means a matural person, corporation, business that, exists, must, partnership, scoodation, pain § \$7-20-1(3)	eses
Person: a natural governments, governmental subdivision or agency, or any other agail or commercial earty.  Person: a natural person, corporation, business triat, estate, triat, limited liabilities company, particular legal or commercial association, joint vertural, government, gov	ership,
continuers antity	
Definition: (4). Trace secret means information, including a formula, pattern, compilation, program device, method. § 37-29-1(4)	3055
Trade Series Interringue or process; that:  Some or UTSA  (ii) districts independent economic value, actual or potential, from not being generally known to, and not	
being readily accentainable by proper ineatro by, other persons who can obtain accounts value from its decisions or use, and	
(ii) in the subject of efforts that are reasonable under the circumstances to maintain its secrety.	
Definitions:	
Natio IITS	

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### Trade Secrets Acts Compared to the UTSA

Feel/State	Hoffens Trade Secrets Act	Seefi Ondore  S.D. Cod find Loses \$3.77.05.1, 37.28-11 Hoferen Trade Secret Act.
Inpuctive Rulef	(a) Actual or thinesteriod misappropriation may be enclaned. Upon explication to this court, an injunction shall be terminated when the trade sector has cassed to exist, but the injunction may be continued for an additional reasonable period of time in order to eliminate commercial adentings that otherwise sould be derived from the misappropriation.	§ 37-79-2: Injunctive relief Same as UTSA
	b) In exceptional promisences, an injunction may condition future use upon payment of a restorable could for no longer than the period of time for which use could have been probleted. Exaptional concentrations enrichely, but are not timefeld us a material and prejudicial favorage of position profits of excepting indevelope or respon to fellow of misappropriation that renders a prohibitive injunction inequalities.	
	<ul> <li>(c) In appropriate circumstances, affirmative acts to protect a trade secret may be compelled by court order.</li> </ul>	
Damagna	(a) Execut to the extent that a material and projectical change of position prior to acquiring immediate or reasons to know of misappropriation renders a momentary recovery requisitable, a complainant is entitled to recover advanges for misappropriation. Demange can include both the secul focus clueby the image propriation.	§ 37-29-3. Damages: Some os UTS4.
	and the unjust eminiment caused by misappropriation that is not taken into account in computing entual loss. In list of disringer measured by any other methods, the disringer caused by misappropriation rins jac measured by misotron of liability for a neasonable royality for a misappropriator's sealchorouse disclosure or use of a trade storet.	
	(b) It willful and maliciose manapropolistion axists, the coort may award exemplary damages is an amount not exceeding twice any award made under subsection (a).	
Altomey's	(F)) a chairn of misappropriation is made in hald faith, (ii) a motion to terminate an injunction is made or	§ 37-29-4. Attorney's fees
Fem	relished in lead faith, or list willful and mail-clous misappropriation exists, the court may award reasonable attorney's fees to the prevailing party.	Some as UTSA
Preservation	In an action under this [Ar3], a court shall preserve the secrecy of an alleged trade secret by reaccoable.	§ 37-29-5. Presentation of Secrecy
of Sucrety	means, which may include granting protective orders in consection with discovery proceedings, holding in- camera learnings, seeiing the records of the action, and crossing any person another in the hitgation and to disciose an alleged trade secret without prior court approval.	Same as UTSA
Statute of	Air action for misappropriation must be brought within 3 years after the misappropriation is discovered or by	E 37.7946 Statuta of limitations
Umitations	The extension for interappropriation fears are breight women a year or refer the interappropriation of oncovered or dy the extension of reasonable diffigures about these beam discovered.  For the purposes of this section, a continuing misappropriation combitation 3 single claims.	s 27-29-6, Switted of Heritations Some as UTSA

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### Trade Secrets Acts Compared to the UTSA

Fed/State	Unitario Tradi Serreta Art	South Dateda 5.D. Caching Louis \$5,37.29.1.32.29.53 Uniform Trada Secreta Act
Effect on Other Law	(a) Europe a provinción in alteraction (b), the facil displasas conflicting lost, establicionary, and other less of this Stella provinción i medicale form inserproprietor of a trainia confliction.  (b) This facilitation del affect.  (c) other facilitation of affect.  (c) other facilitation of affect.  (d) other facilitation of affect.  (e) confliction of a trainia successivation of a trainia	5 3 2-27 - Effect on other law Some are USA
Differently of Application and Construction	This (loc) shall be applied and combroid to effectuals in general purpose to have surform the law with waspect to the subject of this (Art) among states energing it.	§ 37.2% Uniformity of applications and construction Some or UTSA
Soner skilly	If any provision of this (Incit) or the applications to any person or commissioners in the disminist, the Incellishing control of the Incit of Incit of the Incit	Some er er Finning Wertigen. 4.3 VAIV.26 (SR), SD (1955). Court from a day, an averal stature when pass like and consistent with legal limbe interest.
Additions on blockes (sections). The control of the	This facility bear effect on	\$ 37.00 for 1.0 received.  \$37.00 for 1.0 received relating effect.  The chapter lates of first see [all 5, 150], and doze not apply to interpropriation expering prior to the affective date. It is a second to the affective date. The chapter lates of the second received date in the second received date. The affective date is the affective date in the second received date in the second received date in the affective date.

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# Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

Fed/State	Uniform Trade Secret: Act	S.D. Codified Laver §§ 37.79.1. 37.29-13. Uniform, Trade Secrets Act
Additions it		
100		
in General and	General Deliance UTS A 2555 version.	7574
Unioss Otherwise	<ul> <li>White god, infinite that the expensive provision is equivalent to the expensed LSGS USA. White the expensed depart providing another infinitely and immediate difference.</li> <li>Where a relative is no contributed in infinitely difference.</li> </ul>	
Specified	ampungst, war a transcription of the entire office were are more procurated, but till do not present substantial distinction from the UTSA for relin one market "Substantials Mandato UTSA,"	
	<ul> <li>testaw pati intipute that the respectful provides is a substantiable modified over its of the UFSA, in popular some of those</li> </ul>	
	modifications may utimizely be designificant. In other cases, the substantile differences require attention. Language in the yellow cells is constant to indicate found order from the 1945-0154, though our publishmen, and miner variations may not be conscated.	
	<ul> <li>Step cells indicate that the preprint a previous date at a continuence it significantly afferout from the UTAA. This is provident date.</li> </ul>	
	generally and nanotated. Cells are marked and where no state has privilent has been blend find that consequent (this partitions 1854) section. Cells reserved for unitational information we also marked red.	
	Some states have condited specific UTSA provision from their various as the provision would be redicated of cubing state law.	
	Applicable ( pre-strouts or silation is in most in conces provided whove.	
	Annutotice:	
	<ul> <li>Linderlined ton in longuage that has been included in a start is status, has does not exist in the UTSA. Text that it inklien through it impange installed within the UTSA that a start has amidisel form in statute.</li> </ul>	
	Amazration we principly interested to denote substantive, rather than analysis differences. As with come small differences in phorning.	
	euniterativa, and formating have and here abled, in recta cases, where ideal field providented deligration whiteache and infrate and relieve a state's provision differs in recording less a consequenting provision in the 1854.	(A) A C
	<ul> <li>Allianceristics recopore the state's language to the assented 1985 UTSA, resurvey, or existent of states have adopted the original</li> </ul>	r <sub>e</sub>
	4 Hillondoristans rompine the rode y sungwage in the dair inner state of this interest, a guidar of rodes have interest the original 1976 UTSA, but not be later amendments. These states will have significant differences in this "Thyractive Asias". "Commiges", limit	PA'
	"Effect on Other Low" scribes (Imparticular).	

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# Trade Secrets Acts Compared to the UTSA

Fed/State	Distant Track Secrets Art	Terrinescae Terrin Corde, Ann. 53 47 25 1701 - 47 25 1709 Uniform Trade Socrety Act
ettsA Version Adopted	1995 version	1985
Definition	As used in this [Act], usless the context requires atherwise	§ 47-25-1702(1)
Presentive and Interceptor foliants	13. "Improper means" includes their, bribery, interspresentation, breach or indocement of a breach of a duty to maintain sectecy, or espinnage through electronic or other means;	Same as UTSA
enegan,	co maintairo sauviecy, un esponiega uno uigo erectromo un conten reseato.	
Definition	ESI "Miss paraphisticn" means.	6.47-25-1702(2)
Missipro sostion	(i) application of a trade secret of another by a person who knows or has reason to know that the trade	Some or UTSA
	secret was acquired by Improper means, or  (ii) disclosure or use of a trade secret of another without express or implied consent by a person who	
	(ii) used an proper means to acquire looke/edge of the trade secret, or	ats
	(8) at the time of disclosure or use, knew or fad reason to know that his knowledge of the trade secretures.	
	If demoid from or through a person who had utilized improper means to acquire it.  (ii) acquired interfer orcurrent receipting rate is a duty to maintain its seriory or limit for use; or  (iii) derived from or through a person who overed a duty to the person weeking relief to maintain its.)	
	secrety or Smith Its use, or	
	(C) before a material change of his (or her) position, knew or had reason to know that it was a trade secret and that incovinings of it had been acquired by accident or mistake.	
Definition:	(S) "Person" means a natural person, corporation, business trust, estate, trust, partnership, sessiciation, joint	8.42-15-17(VI).
Perton	venture, government, governmental subdivision or agency, or any other legal or commercial entity.	Same as UTSA
	The second secon	
Definition: Trade Secret	(4) "Trade series" means information, including a formula, pattern, compilation, program, device, method, technique, or process, that	§ 47-25-1702(4)
	(1) derives independent economic value, actual or potential, from not being generally shown to, and not being match; accordanable by proper means by, other parcents who can obtain economic value from its	"Trade scoret" means information, <u>without repard to form</u> , including <u>but not limited to becknical</u> , <u>hondeshored or limited date</u> , a formula, pattern compilation, program, device, method technique, especies, <u>or plan</u> that
	disclosure of use, and	(A) Derives independent economic value, actual or potential, from not being generally known to; and not
	(ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrety.	being readily accerta mable by proper means by other persons who can obtain economic value from its disclosure or use, and
		(B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.
Definition		
North UTSA		

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# Trade Secrets Acts Compared to the UTSA

Feditate Injunctive Railef	Uniform Track Security (1) Acts of the Newtonian of the Acts of the Newtonian of the Court is a rejunction rate of the Court of the Court is a rejunction rate of the Court of	Temoreses Types: Code, Jan. 89 47 23-1701 - 37-25-1708 Uniform Trade Search (etc.) 5-97-26-1709, Injunctions, conditioned Transmissions uses 1/4 Actual or the related missappropriation risp to adjoined. Upon application to the court air injunction table to terministate when the rade search to exist, but the registerior may be continued for an additional reasonable period of time in appropriate commissione for reasonal including, but not limited to, and elimination of the Commission Search gets and to exist, but the implication may be continued for an additional reasonable period of time in appropriate commissione for reasonal including, but not limited to, and elimination of the commission missappropriation, or when the trade search casely the exist the to the. Sast of the existence after or coldenia by insulation missage that of the discontinued and or coldenia by insulatione misses.  Ibi in exceptional circumstances, air injunction may continue relate to the properties of the commission of the continued to the continued of th
Demograe  Attorney's Fax	All Sugar to the cheek that is instantial and projected change of position gives to experient proceeding consists followed interproprieties consists on more improprieties consists on more improvements. It is expected that the consists of	\$43-53-100. Contager for manageroprotein Softmannier (1997) Softmannie
Presentation of Success	that action useful the [Let], count at all postwork the protein of an illigated from sport by responsible maters, which may related a notificing proteins entering inspection in the foreign proceedings, knifting on the countries of the countries	\$47.25-1706. Presenting secrecy of alleged trade secrets.
Statute of Liontations	as allow for inhappropriation must be located within 3 years after the magningation is discovered or by the eventure of reasonable obligates should have taken decovered. For the purposes of this section, a confining mass	547.25-107. Status of limitations As action for misappropriation must be brought within those (3) years after its misappropriation is discovered by the sensitive of rescovable diligence, should have been discovered. For the purpose of this section, a conclinual mesappropriation by any person contriction as rigin (stime, against the Secon). But his existion, a solid less and less described association, as only a selection and the second but his existion shall be a collect association to any clean assistant seek order, so received a track section from another section who has personal sections are considered association of the section of the sect

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### Trade Secrets Acts Compared to the UTSA

Fed/State	Uniform Trade Secrets Act	Teinstear Till 47 25 2789 Teins Code Ann. 56 47 25 278 2789 Uniform Tildal Secrets Set
Effect as Other Law	(a) isospic as provided in subsection bit, the IAPS displaced conflicting ton, institutionary, and other law of this Solate providing or inneclate for missipapoproteins of a ratio accept.  (b) This (bot) does not affect.  (c) Inter (bot) does not affect.  (d) Inter (bot) does not affect.  (e) Inter (bot) does not affect.  (f) Inter (bot) does not affect.  (f) Inter (bot) does not affect.  (g) Inter (bot) does n	§ 3-72-5-7100. Conflicting remedies.  (a) Except an provided in submidden (b), this part displaces conflicting four, restrictionary, and other law of these state providing old remedies for imaging-content of a trade secret.  (b) This part does not all feet.  (b) Conflicting remedies, whether or must based upon misappropriation of a trade secret, <u>provided, that a contractual day to maintain secrets or limit secret a trade secret shall not be deemed to be used or contractual and to the state of part of the secret and the secret s</u>
Uniformity of Application and Construction	This (left) that he applied and construed to effect and its general purpose to make uniform the law with support to the subsect of the Endy among states entering it.	\$ 47.52-1709. Application and construction Some or UTSA
Servedally	flary provision of the LS-CI or the application to an previous or circumstraces in the shadil, the shalling because of affection the provisions or explications of this place whose the provisions of the place of the provisions of the place where the previous of the place of the provisions of the place of the provisions, and to the set of the provisions of this (left) are severable.  If the late of probability that provisions is married from the shadility operand restricting statistics for the late of probability that provisions are provided without constitutions and the cell is marked pallows.  For those states that driving prevent extendibly through one low, place on a provided for a case that automaticate the activity line and the cell is marked red.	Fam. Code, Ann. 8, 2-8, 210. Severability.  It is hearby, described that the sections, relatives, continues, and part of the Temestree Code are severable, are no instruct of medical cavalegial indexioned, and any of them that its execution of the code visual defendance and the code of the code
Audition of forces instanting "Time of Jaking Black place and the stanting black possible of the stanting black possible of the stanting black possible of the stanting black stanting black	The Letal State affect of	

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### Trade Secrets Acts Compared to the UTSA

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Fed/State	Uriform Stade Secrets Act	Territ, Cods. Anni, \$5 x37 25, 1703, 437 25, 1709. Unificem Tradit Socrato Act
Additions II		
In General an	Neprocet Brance UTS & 2005 venions	
Unless Otherwise	White cost judicate that the respective provision is equivalent to the assented 1505 (PSA. White the exect wording and for costing.)	
Specified	may riffer, there is an material contracted difference. Where a remaining provides is contest in "Came in UTSA" micro tomest or from sting differences may exist. Where these differences are more promunent but stiff as not present cultivative distinctions from	
	the UTSA, do not are marked "Substrative's Atmismits UTSA."	
	<ul> <li>Yelow opli indicate that the respective position is a quintantively positive ven in of the liftsh, in proving name of these modifications may obtain dely be integrifuged in other caree, the minimized differences require attention, i anguage in the yellow calls</li> </ul>	
	in an ordated to indicate how it varies from the 1905 UTSA through non-velocitation or and inter-verificities may not be expected that	
	<ul> <li>Must will indicate that the expection provious does not exist or otherwise is rigoficantly affer out from the UTSA. Third provision the generally not appropriate. Only we enabled relevators no state this provision has been investible that corresponds to a particular UTSA.</li> </ul>	
	receion. Celi revenued for ad illianal information are also monteri sest.	
	<ul> <li>Some stocks have emitted upositic IPSA provision from their version, or the provision would be reliableed of existing state that Applicable upon resemp or chaties is in most instances provided above.</li> </ul>	
	Assertations:	
	*Lieuteviland tone is dangunge after has been included in a series's stanter, but does not a site to the USA. Foul than it includes the range is to provide a state in the USA body a stane has resident from its sample.	
	Assentation on principle in a count to construct or makes than tended. Afternoon A 1984, case caugh affering a princip.	
	purchasisse, and furnicing time not been extent in some ones, where shallful, demonstrate the entirely extremits and enthants are consistent of the USA.	
	All annountables compare the state's language to the announded 1945 UTSA. However, a quarker of states have valuated the original.	
	1979 UPSA, but not be knot amendments. These orages will have significant differences in this "Injunctive Solid," "Somoges," unid "Effect on "Ather Low" sections (in particular).	

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# Trade Secrets Acts Compared to the UTSA

Fed/State	Welfow Trade Seprets Act	Texas Tex City Pies, & Rem Code Am 44 1344 (CC): 1344 (CR) Texas Historian Taylo Sarvati Act
UTSA Version Adopted	1983 version	195
Debution: Preamble and Improper	As used in this [Act], unless the context requires otherwise:  (1) "linproper massis" includes that, britany, mixrepresentation, breach or inducement of a breach of a duty	§ 134A.002. Definitions  As used in this fact, unless the cented reparts otherwise in this chapter.
Mauri	to maintain secilery, or aspionage through electronic or other means;	"Improper means" includes theft, bitleny, misrepresentation, breach or inducement of a breach of a duty to maintain secrecy to limit use, or to prohibit discovery of a trade secret, or espicinese through electronic or
		other means.
Definition	(2) "Misuppropriation" means:	6 1304 002/31
Missopro	<ol> <li>most programmer intensic</li> <li>acquisition of tridge secret of another by a person who knows or has reason to know that the trade sorrer by a expired by improper means.</li> </ol>	y Lawnouze) Substantively identical to UTSA
	(ii) disclosure or use of a triade ascret of another without express or implied consent by a person who (A) used enjoyaer means to scourse knowledge of the trade secret, or	
	(B) at the time of disclosure or use, linear or had reason to know that his knowledge of the trade secretures	
	(i) derived from or through a partiern who had utilized improper means to acquire it.  (ii) acquired under circumstances giving rise to a duty to maintain its secrety or limit this ass, or  (iii) derived from or through a person who creed a duty to the person seeking relief to maintain its	
	secretor or limit its use, or  UT before a material shange of his for her) gostion; knew or had reason to knew that it was a trade	
	secret and that knowledge of it had been acquired by accident or tristate.	
Definition Person	(3) "Person" means a natural person, corporation, business trust, assate, tout, partnership, essociation, joint remove, government, governmental subdivision or agency, or any other legal or commercial antity.	Ten. Gov. Code Arm \$311.005(2)
		*Parior; teams <u>Includes</u> a water-all persons corporation, organization, government or governmental subdivision or agency, business trust, estate, trust, partnership, association, and any other legal experimentals and/y.
Deferition: Trada Secret	(4) Trade secret means information, including a formula, pattern, compilation, program, devices, method technique, or process; that	§ 134A.902(6)
	(i) derives independent economic value, actual or potential, from not being generally brown to, and not being read in absentionable by proper means by other persons who can obtain according value from its	Trade secret" meant all forms and toses of information, including <u>instinuts</u> , scientific technical economic, or engineering information and any a-formula, <u>design, prototypes</u> pattern, plan, complainting <u>program</u> design, program, code, device, method techniques, secretings, programs, financial state, not list actual or design, program, code, device, method techniques, secretings, programs, financial state, not list actual or
	directorurs or use, and  (ii) is the subject of afforts that are reasonable under the circumstances to maintain its secrecy.	potantial sustomers or suppliers, whether tanable or intanable and whether or how stored, complied, or memorialized phoisally, alectronically, shadosally, obstocrachically, or in writing if there
		(A) the owner of the trade server has taken as the subject of effects that are resonable measures under the circumstances to leap the information server resembles to core, and
		(8) the information derives independent economic value, actual or potential, from not being generally lender to, and not being readly, ascertamable through proper means by, <u>another</u> effect persons who can obtain economic value from text to disclosure or use of the information.
Definitions Not in UTSA		5 134A-802. Definitions  11-al. "Cear and convincing" means the measure or degree of proof that will produce in the miss! of the ther
		of fact a film belief or conlection as to the truth of the allegations sought to be satablished.  [1] "Claimant" means a party seeking to recover demages under this chapter, including a plaintfit.
		counterfall man, cross-claimant, or think-partyplaintiff, fin an action in which a party seeks recovery of damages protect this chapter to behalf of another person, "claimant" recludes both that other person and the party seeking second of damages.
		(3 a) "Owner" means, with respect to a trade secret, the person or critity in which or in which rightful, legal, or equitable title to, or the right to enforce rights in, the trade secret is reposed.
		(d) Proper means "means discovery by independent development, reverse expineering unless prohibited, or any other means that is not improper means."
		(3) "Reverse engineering" means the process of studying analyzing, or disassembling a product or device to discover its design, structure, construction, or source sole provided that the product or device was acquired lawfully of force a person tensing the legal right to convier, in.
		17 Willful and melicious meappropriation means intentional misappropriation resulting from the connectors disregard of the rights of the owner of the trade series.
		* Proper recans are substantially addressed by UTSA commedia.

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### Trade Secrets Acts Compared to the UTSA

FedState	Uniform Track Socrets Act.	Teas. Sei Fran; A Rèm Cade Ann. SÉ 2844 RDL - 2344 ADR Teass Uliforn Trads Sugrets Act
Injunctive Relief	(a) Actual or threatment misappropriation may be explained. Upon application to the costs, an injunction shall be terminated unber the trade search face cased to easilt, but the liquincision may be continued for an additional crassinable period of time in order to eliminate commercial advantage that otherwise social be derived from the misappropriation.	§ 134A 003 injunctive Reliaf (a) Actual or threatened minappopriation may be enjoined if this poder does not prohibit a parties from using entered in the second or the second or the second during engloyment.
	(b) in exceptional circumstances, an injunction may condition future use upon payment of a reasonable regular for no longer than the period of time for which use could have been prohibited. Exceptional circumstances include, but are not limited to a relatental and periodicial changes of positions of contractions.	(a. 3) On seen application to the court, an injunction shall be terminated when the trade secret has ceased to exist, but the injunction may be continued for an additional reasonable partied of time in order to all nimits communications and additional transportations.
	inovietge to resion to know of misappropriation that renders a prohibitive injunction inequitable.  (c) in appropriate circumstances, affirmative act to protect a trade secret may be compalled by court order.	(b) In exceptional circumstances, an injunction may condition future use upon payment of a reasonable moviety for no longer than the period of time for which use could have been published. Exceptional Circumstances include a material and peopletical change of positions before equipment involvedge or reason to
		inose of misappropriation that renders a prohibitive injunction inequitable.  (c) In appropriate occuminance, affirmative acts to protect a trade secret may be compelled by court order.
Danages	(a) Except to the extent that a material and prejudicial change of position prior to acquiring into elege or reason to know of misappropriation renders a movetary recovery inequiliable, a complainant is entitled to	\$ 1304-004 Damage
	recover damages for minispropriation. Damages can include both the actual loss soused by misappropriation and the injust enrichment caused by misappropriation that is not taken into account in computing actual loss in fear of damages measured by any other methods, the damages caused by misappropriation may be measured by imposition of inability for a misappropriation can enably any other manager caused by imposition of inability for a measured by inability for a measured by inability for	(a) Goods to the output field a material and procedural strongs of position own to expering an adoption or exceeds a few or insperior or restore a meetably recovery integrabation, consistent in addition to relied a clean or its entire of output or insperior or inspection or insperior or insperior or inspection or insperior or inspection or inspectio
	or use of a fraide secret.  (S. F. wilful and malicilus misappropriation exists, the court may award evemplary damages in an amount not exceed by the early award made under subsection (a).	misappropriation that is not failing into account in comparing set in the control of damages measured by a other methods, this damages counted by misappropriation may be necessarily by importion of inability for a reasonable or your for an impropriet or "unability did colours or use of a trade account."
		(b) If or that and malicine, misappropriation exert, the second is ground to clear and common evidence the fact lines may award exemplary damages in an emount not acceeding twice any award made under Scheeding (s).
Astorney's Feet	If (i) a claim of misappropriation is made to bed faith, (ii) a incloor to terminate an injunction is made or secreted in bad faith, or (iii) willful and malicious misappropriation exists, the court may award massinable.	\$ 134A.005 Attorne/s Fees Same av UTSA
	attorney if Fees to the prevailing party.	
	In the action under this (Act), a court shall preserve the secret of an alleged back secret to recessable	\$13A4.006, Preservation of Secretar
	In an action under this [Ast], a court shall preserve the accept of an alleged time accret by reasonable meet, which may include granting protective orders a connection with discovery proceedings, holding include accretion accounts alleged representations of the country of th	(a) In an action under this chapter, a court chall preserve the secrecy of an alleged tricle secret by reasonable manner, which may include greating protection orders in connection with discovery proceedings. There is a presumption in favor of granting protective orders to preserve the secrecy of trials exerct. Protective order.
	meens, which may include grenting protestive orders in connection with discovery proceedings, holding in- comera hearings, seeling the records of the action, and ordering any person involved in the litigation not to	bit in an action under this chapter, a court that preserve the screep of an alleged code screet by resconds month, which may exclude possible presents under an amountain with discovery procedure. These is a composition in face of manino protection under the connection which discovery procedure. These is a composition in face of manino protection, under the connection of the connection of the connection of may be considered in the connection of the connection of the connection of the connection of may be connected in the connection of the connection of the connection of the connection of manifest of the connection of the conn
	meens, which may include grenting protestive orders in connection with discovery proceedings, holding in- comera hearings, seeling the records of the action, and ordering any person involved in the litigation not to	(a) In an extron under this chapter, a court that preserve the screecy of an alleged tools screet by rescousing more under many schools may reside position proteins extend an expectation with discovery proceedings. Them is, a consistent of cold screen, the following proceedings and the control of the cont
Property didn	meens, which may include grenting protestive orders in connection with discovery proceedings, holding in- comera hearings, seeling the records of the action, and ordering any person involved in the litigation not to	(a) It are action under this chapter, a court that preserve the increase of an alleged tode scrint for rescondary more included position generation seekers in accordance with discovery presentation. Then it is a server to the contraction of the country presentation of the country included position of the country included the
Vocary all dri of Sarsecy	meens, which may include grenting protestive orders in connection with discovery proceedings, holding in- comera hearings, seeling the records of the action, and ordering any person involved in the litigation not to	bit in an extrem under this chapter, a court that preserve the screecy of an alleged crode screet by rescondal monor, which may include periodic presents orders in asserted many the description procedure. There is a semicrotion in the court by rescondal monor under the inscreection in the court from the present or description procedure. There is a semicrotion in contract the court from the cou
	meens, which may include grenting protestive orders in connection with discovery proceedings, holding in- comera hearings, seeling the records of the action, and ordering any person involved in the litigation not to	(a) It as extron under this chapter, a court that preserve the screep; of an alleged tode score by rescending more under the chapter, as court that preserve the screep; of an alleged tode score by rescending more under the chapter of the court of the c
	meens, which may include grenting protestive orders in connection with discovery proceedings, holding in- comera hearings, seeling the records of the action, and ordering any person involved in the litigation has to	(a) In an extron under this chapter, a sourt that preserve the screecy of an alleged code screet by resconds more under his device position proteins extend an extraction with discovery procedure. Then it is a commercial to the code of manifest and the code of the screen of these procedure. Then it is a commercial to a code of the code of th

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#### Not Intended As Legal Advice

# Trade Secrets Acts Compared to the UTSA

FedfState	Uniform Track Secrets Act	Texas (No. Pres. St. Apert. Code Series \$5, 1344.001) - 1344.008 Texas Uniform Trade Septemble Act
Effect on Other law	In Except a provided in advantage the Third Part distribution conflicting stort, representationary, and other law of third Sake provided (will reminded for managed proposal for of a strade section.)  (M.) Thir (field) does not affect.  (I.) Confinctual remedies, wheeler or not barred upon missappropriation of a trade sector.  (2) other total mendels that we not these disposit proposal proposal for individual sector.  (3) Commission amended that we not be fixed upon missappropriation of a trade sector or (3) Commission amended that we not be fixed experimentage proposal or of a trade sector.	5 1345.007. Effect on O'ther Law Some as UTSA
Emiliarists of Application and Construction	The [Act] that he applied and construed to effective to greated purpose to make uniform the law with respect to the exploral of this [Act] among states emerge it.	§ 13MA 00SL Veriformity of Application and Construction Some or UTSA
Succeededility	If any provision of the (Anti In Is application to any period or circumstance in hald include, the initiality does not affect of the provision or application, after fact in the (Anti-In-In-In-In-In-In-In-In-In-In-In-In-In-	Tac Core Code And, \$13,002, Seamblify of Statutes (a) If any citative contains a procision for averability, that provision provails in interpreting that statute. (a) If any citative contains a provision for averageability, that provision prevails in interpreting that statute (b) If any destude contains a provision for averageability, that provision prevails in interpreting that statute (b) If any attacks that does not contain a provision for averageability or monoscenability, it are provision of the statute or in Saginguistics to average persons or contains an include a statute or in Saginguistics to average persons or contains a provision or in Saginguistics or the statute or in Saginguistics or in Sagingu
Additions or trains training the state of th	The Control of the Co	TOO T 11/54 amendments became effective on September 2, 4027

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### Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

FedfState	Uniform Trade Suppost Act	Tox. Civ. Stor. St Stem Code Arm. \$4 1343,001 - 1544,008 Toxan Uniform Traple Sourch Act
Additions II		
in General and	Green cells dennier UTSA 2995 version.	250.
Uniters Otherwise	<ul> <li>White and inframe that the appreciae production is equivalent to the appendent 10th USA. While the expet your long and for containing</li> </ul>	
Specified	may differ, there is no meterial and stanker difference. Where a statutory provision is asocked as "Some or USA" misor textual or formatting differences may wrist. Where these afferences are more procounced, but old to not prevent substantive distinctives from	
	the UFA, the cells are marked "Substantieth Montarita UFA."	
	<ul> <li>kellow ools indicate that the respective provision is a substantively modified werken of the MSA, in greation score of these modifications may whimstely be insignificant, in other carrer, the substantive differences require attention. Language is the yellow acids</li> </ul>	
	is annotated to indicate how knowles from the LRS UPIA Clausificate restaurate and misor varieties may not be associated.	
	<ul> <li>Spd opti inflicate that the anyworks paracion they not express otherwise is significantly different from the UFSA. Their paraciding integration of any animal paraciding in the convenience of the paraciding in the convenience of the paraciding in the convenience of a paraciding in the convenience of a paraciding in the convenience of the paraciding in the paraciding in the convenience of the paraciding in the paraciding in</li></ul>	
	pecition. Cedi reserved for artiblismat information are also manked rick.	
	<ul> <li>Force states have conduct specific UEA provision from their version, as the provision would be milliopase of existing state law.</li> <li>Applicable state expects or clother is in most intenses provided above.</li> </ul>	
	Assessint fore:	
	*Austrolineal took is language that has been included in ortima's expense, that does not unit to the UTSA. That that it slinkkes through it.	
	Imaginage Reducted within the INTS A that is state has needleriffense its risance.	%
	<ul> <li>Amostation are primarily intensive to denote substantive, rether than metarly differences. As fally name need differences in phoning, purposetion, and forwarding however to be a note.</li> <li>Linear contents and forwarding however to be noted.</li> </ul>	
	cody values a status's provintia afflire in automing from a consequencing previous dethic USAs.	Man.
	<ul> <li>All our contribut compare the state's imprope to the own admit 1985 UTSA. Province, a register of states have adopted the original.</li> <li>1579 UTSA, but not be interconnectations. There states will have significant differences in their fregions in high from the first frequency.</li> </ul>	
	25 or brisk, but not all other associations. There shows used to significant agreement in their disjunction word, "Libraryte," into	

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# Trade Secrets Acts Compared to the UTSA

FacUState	Uniform Trade Secreto Act	ttak Otah Code Aur. 85 13-34-1-15-24-9 Uniform Trads-Secrets Act
STSA Version	1985 version	Lightson trade society art
Adopted		
Definitios: Pregentes and	As used in this (Act), unless the context requires otherwise	§ 13-24-2(1) Some os UTSA
improper Means	<ol> <li>"improper means" includes their, bribary, misrepresentation, breach or independent of a breach of a duty to maintain secrety, or explorage through electronic or other means;</li> </ol>	
Definition: Mossppro-	(2) "Misappropriation" means	5 13-24-2(2) Same & UTSA
pristion	(i) acquisition of a trade secret of another by a person who knows or has reason to know that the trade secret was acquired by improper means, or	0000 CO 0000
	(iii) disclosure or use of a trade secret of another without express or implied consent by a person who	
	(ii) disclosure or use or a trace secret or another without express or implies content by a serior with     (A) used improper means to acquire knowledge of the trade secret, or	
	(B) at the time of disclosure or use, snew or had reason to know that his knowledge of the trade secret	<0\
	tives  (i) derived from or through a person who had stillized improper means to acquire it:	
	(ii) adquired under circumstances giving rate to a duty to maintain its secrety or limit its use; or (iii) derived from orthrough a person who owed a duty to the person seeking relief to maintain its	
	secracy of limit its use, or	
	(C) before a material change of his (or her) position, brieve or had reason to know that it was a briefle secret and that knowledge of it had been acquired by accident or mistake.	
Definition Person	(3) "Person" means a natural person, corporation, business truet, estate, truet, partnership, esociation, plint contains, government governmental subdivision or agency, or any other legal or commercial entity.	§ 13-24-2(3) Same as UTS4
P-9/302	rentered, government, governmentar apportunition agency, to any other legal of commercial entity	Jaurie to Oran
Definition:	(4) "Trade secret" means information, including a formula, pattern, compilation, program, device, method,	§ 13-24-2(4)
Trade Secret	technique or process that	Same as UTSA
	(i) deriver independent economic value, actual or potential, from not being generally known to, and not being merelly eccentainable by proper means by, other persons who can obtain accommic value from its	
	disclosure or use, and	
	(II) is the subject of efforts that are reasonable upder the circumstances to maintain its secrety	
Definitions Not in UTSA		

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### Trade Secrets Acts

#### Not Intended As Legal Advice

Fedinate  (a) Actual or threatened misappoparation may be engines. Upon againstice to the court, an enjurishment all the terminated when the track sever that created to entity, but the injurishment on the court, an enjurishment and the terminated values that created to entity, but the injurishment on the control of the end of the court of the end of	State Code Sens #5 33-14-3 (\$-20-15) Sinthern Trade Basents #41 \$ 13-24-3. Injunction relief Some on UTSA
(a) Seeple for second the a material and proposition always of protein price for schooling is belowing as the control of the schooling of the control of the	\$ 13-3-5. Alternay* fees
Preservation In an action under this [Act], a cost shall pleasew the access of an allegad trade seate by reasonable, and lesses, which are juiceless greating procedure offset in connection and discovery procedure, incident, incident, and actions having, a shall be secret of the state, and develope any person implied in the linguistion out to discover and alleged trade secret either prior cost approximation.  States of the secret of the secret of the prior cost approximation and the secret of the secre	\$ 13-24-5. Presentation of secrety  Some as UTSA  \$ 13-24-7. Startus of limitations  Some as UTSA

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#### Not Intended As Legal Advice

# Trade Secrets Acts Compared to the UTSA

Fed/State	Difficitin Yearde Secrets Act	Otah Otah Cade Ann. \$\$ 13-24-1-13-24-5 Uniform Trade Sacreta Act
Other Law this State providing (b) This [Act] does (1) contractual a 2) other contractual and (2) other contractual and (3) other contractual and (4) other contractual and (4	bed in advances (b). Net (build injudence conflicting for a certificities) and other law of cell immediate for misageoprated in of a trade source.  And affect.  Minimum of the certificities are based upon misageoprated or of a trade source, misageoprated or of a trade source, misageoprated or of a trade source, and misageoprated or of a trade source or misageoprated or of a trade source or so	5 is 3-4-2 effect on other law Same or UTSA
	applied and construct to effectivate its parental purpose to make uniform the law with act of the [Ad] among stated executing it.	8 13-24-9. Uniformity of application and construction Some or UTSA
does not different to provide on a spiritude of the control of the	He fund or its application to any proves or consentations is chell in what the maintiful person of provincing or applications of the fund of them to be given effects whose the invention can also the first the service of the fund of the fund of the service or the service of the fund	Source Logacy, 500 P.20 (35), 150 (1500). Statistics should be covered when possible and consistent with legislative intent.
	ext on and does not apply to mesappropriation occurring into the he for superior or community misosponyments but though cure to the reflective date, the light to be to the conditioning misosponyment into score, after the effective date.	

### Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

Ped/State	Uniform Trada Secrets Act	Urah Caste Ann: 95 13-24-1-23-24-9 Uniform Trade Secrets Act
Additions H		
	Sirector cells (Avaitate UES A 2505) version.	,6 <sup>3</sup> 5
en General and Union	<ul> <li>which also better the Letter version.</li> <li>Which cells indicate that the respective provision is against for the new rated ISSS USA. While the exect wording only to conting</li> </ul>	
Otherwish	wante trus materia met tre repressive province a significant to significant province to 54. What the material continued an increasing analytic stated or material continued as "Significant and the significant and the significan	
Specified	forwarding differences may writ. Where these differences are more promounced, but will do not prevent substitution distinctions from	
	the MFSA, the cells are marked "Substantive's identification UFSA,"	
	<ul> <li>tedow only indicate that the respective proxision is a substantially nodified version of the USA, in provide some of there.</li> </ul>	
	modification may obtained by insignificant, in other owner, the substantian differences require attention. Language in the yellow colle	
	it mastated to indicate how it while from the 1985 UTSA, though non-substantia and arter variations may not be association.	
	<ul> <li>By death indicate start the conjugation provides along not each to extraordism is eignificantly different from the SESA. Theirin provisions dis- generally and monotoried. Cells are monited and vertexture no state how providing has been distributed from convergence to a provision UTSA.</li> </ul>	A. Barra
	persion. Cells reserved for midisional information me also method and	
	<ul> <li>Some wholes have confirmed operafic LHVA provisions from their various, so the providing would be reclaimfunct of existing state likes:</li> </ul>	
	Applicable (1886 septing as chaticals in most instances provided above.	
	Aurototinas	
	*Livelorities of text in Europeage, that has been included in a years is a lower, but does not exist to the UFSA. Text that it strikken through it	A. A.
	Jampunger kookedeed with kerthe UESA than a state har conditied from its statute.	
	<ul> <li>Amostoticas one principly intended to denote substantive, rather than to study inflorences. As mixty come rand differences in planning.</li> </ul>	
	pomonostim, antifermitting have metwer notrel, in conte anner, vitere identified, insentation till entirely substantie antifetiente ont-where a contra provision officer in securing from a consequencing provision in the UTSA.	V 7854,
	<ul> <li>All autosoties compare the state's language to the owned of 1985 UTSA. However, a rainbor of states have adopted the unighed</li> </ul>	
	1979 UESA, has not its later associatents. These states will have significant differences in their "Topicative Robot" "Compages," and	P <sup>2</sup>
	*Effect on Other Law!" sections (in particular).	

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# Trade Secrets Acts Compared to the UTSA

Fed/State	Uniform Trads Sarrets Act	Vermort YC Stat. Ami. HC 9, 55 4603 - 4609
UTSA Version Adopted	1985 section	1995
Definition: Presentes and	As used in this [Act], unless the context requires otherwise:	§ 4601. Definitions Substantively identical but for
improper Means	<ol> <li>"Improper means" includes theft, bribery, instrepresentation, breach or inducement of a breach of a duty to maintain section, or espionage through electronic or other means.</li> </ol>	As used in this [Ast], unless the contest requires atherwise As used in this charter.
Definition Managero printion	(2) "Misappropriation" means: (1) acquisition of a trade secret of another by a person who knows or has reason to know that the trade.	9 4601(2) Same as UTSA
praecon	secret was acquired by improper meam; or	
	(iii) disclosure of use of a trade secret of another without express or implied consent by a parson who (A) used improper means to acquire inowledge of the trade secret; or	
	(B) at the time of disclosure or use, their or laid reason to know that his locardedge of the trade secret was	
	(i) demoid from or through a person who had utilized improper means to acquire it. (ii) acquired under cocumitations giving rise to a duty to maintain its acquire of hint for one or it. (iii) derived from or thought in person who grouded duty to the person seeking pleif to maintain its	
	secrety or limit its use, or	
	(C) before a material change of his for hard position, knew or had nearen to know that it was a scale secret and that showledge of it had been acquired by accident or mistake.	
Delinatos Person	(3) "Person" means a natural person, corporation, business trust, estate, trust, partnership, association joint centure, government, governmental subdivision or agency, or any other legal or commercial entity.	01. Stat. Ann. lift. 1 § 138
		Person in the Implication of the State of Vertical Person in Concentration of the State of Vertical Person of Technique Pe
		STATE STATE
Seficition: Trade Secret	(4) "Trade secret" means information, including a formula, pattern, compilation, program, device, method, technique, or process, that	\$ 480,[13] Some as UTSA
	(i) decrees independent economic value, actual or potential, from rice baing generally become to, and not being ready accordantable by proper means by, other persons who can obtain economic value from its	
	disclosure or usa, and	
	(ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy	
Definitions Web in UTSA		

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### Trade Secrets Acts Compared to the UTSA

Fed/State	Uniform-Trade Secrets Act	Nermont Nt. Stat. Am., tt. 9, 95 4601 - 4669
ngian two naive	si Artiale of thesistend map opposition may be eight unit (upon agplication to the court) an impressor data be terminated when the table depend has counted to work, put the imprison may be certificated from a solitional resources period of less is unair to eliminate commercial advantage that otherwise would be dependent than the interpressor than the counterpressor of	5-4602. Injunction railed Some or UTSA
Damage	on Europe to the extent that a material and prospection before of proteins prior to experting him-before unknown to favour of imaging proteins centered an emotive youthory levelates. As complianted in entitled to income changes for imaging-rote mission specific controlled both the actual loss caused by mission-proteins controlled by the actual loss of distingent missions by any come methods, the distingent caused by mission-proteins caused by any come of about the actual loss of distingent caused by any common distingent caused by any common distingent caused by any common distingent caused by a mission-protein caused distinguished and actual loss of the actual loss of	§ 1600. Lorrages  (a)(1) Except to the extent that a material and projection change of position prior to explains prior before the reservoir to lower of misappropriation renders a monetary recovery requirable, a complainant to entitled to recover disnager for misappropriation.  (3) To termate or misappropriation.  (3) In lieu of dismages necessaried by any other method, the disnager caused by interpreparation or may be measured by interpreparation of training to control of the strength of the properties of t
Attenny's Fees	If ye do and if inappropriation make it and filter, fully an intend is terminate an expection or major consistent index filts, for jurified and maliciaus insuppropriation event, the court may used resemble attorney affect to the press ling portry.	A count shall event a subshimbly compating early has or her count and face. Including responsible attorner, feet, and action from the servant to the change.  4 is a color of missing report to the change of the count of the count of the country o
Petersyalion of Secrecy	in an action under this (Arid, a cook of their prevent the service of an illegad finded server by reasonable mean, which may lack greating profits of the cook of the service of the servi	§ 4800- Preservation of servey Some or UTSA.
Statute of Limitations	An action for misappropriation must be brought written a pass of their the insuppropriation is discussed or by the wasters of insuppropriate discussed by the beam decreated. For the purposes of this section, a condouring misappropriation constitutes a single claim.	As Stat Ans, 18.12.6.372. Trade secrets  As ection for misapoportation of trade secrets under 9 V.S.A. chapter IAS shall be commonced within elementary layers after the sace of action secrets, and risk other. The cause of action shall be deemed to scrive as of the cite the misapoportation was discovered or rescensively should have been discovered.  The first purpose of the section, a communing misapoproproteon constitution, a single claim.

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# Trade Secrets Acts Compared to the UTSA

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Fed/State	Uniform Trade Secrets Act	Vermont 711 Stat. Son. 121. 9, 55 (600) - 4609
Effect on Other Less	(a) Ecopia provided in subsection (b), this (final disables conflicting tot), excitableshars, and other law of this State perioding of immedias for missippropriation of a tracks seems.  (b) This (Aci) does not affect:  (c) construction remotives, whether or not haven query missippropriation of a track secret.  (c) construction remotives, whether or not haven query missippropriation of a note secret.  (d) command remotives, whether or not Secret upon missippropriation of a note secret.	3-460). Effect on other law Some as UTSA
Uniformity of Appelication and Construction	The EAST shall be applied and construct to effective to a general purpose to make uniform the law with empirity to the subject of that EAST among others emaring it.	§ 4696. Uniformity of application and construction Some or UTSP:
Server ability	the provision of the (Fed) of its applications to an previous or crossifications in SM invalid, be invalidly offered in a state of processors or applications of the (Fed) which are placed from the provision of the (Fed) which are placed for the short of the provisions of the file of the provision, and to this can the provisions of the file of the provision of the file of the provision, and the first of the provision of the file of the file of the provision of the file o	vs. Seat, Ann. 19. 1, 6.215. Away before processor of an ext is smalle, and if any application thereof to any paramo of remarkations is movile, the translate paid not affect other previsions or applications which are law paramo of remarkations in movile to the translate paid not affect other previsions or applications which are law paids of fact without the movied provision of application.
Addition of Mittee Including Time of Taking Effect where provided in statutory text	The Decil between effect on	54 4602. A from of busing effect. 54 4602. Then of busing effect of business and business of

### Trade Secrets Acts Compared to the UTSA

Not Intended As Legal Advice

FedfState	Uniform Trade Serrets Act	Vt. Stat. Arm. Ut. 9, 95 4001 - 4609
Additions II		
		4
In Getier of one Unless	Grace cells threate DTNA 2015 vertical.	
Officeusse	<ul> <li>White or it instant that the repeater precision is equivalent to the amonated 1985 USA. White the expertential and formatting manuface, there is no state in the state of the result of the amonated as a state of the expertence of the</li></ul>	
Specified	towarting difference may exist. Where their difference are more protounted, but AN do not present substantian distinctions from the MTSs, the orderne myster? Substantials distincts MTSs."	
	<ul> <li>below odd indices that the respective provision is a substantialy modified was int of the MTSA, in provide some of these</li> </ul>	
	modifications may obtavantelph insignificant. In other curses, the reinterable differences require attention. Language in the veltaw will is associated to indicate how it whole from the 1965 OFTA, though non-systematic and misor condition rises and to constitute.	
	<ul> <li>Design to the indicate stops that maps make you against each or externable it significances affecting than the UTSA. The providence are green ally not accordated. Cells are marked with where no state how providen has been developed that converponds it is pathly by UTSA.</li> </ul>	
	vestion. Cells reservail for additional iglassission me also madited and.  * Some status have condited specific UTSA providing from their sension, on the providing would be unblinked of existing statisting.	
	Applifonder trans propuez or chasine is laspropri de consers provided abous.	
	Accolations	
	Hamforbland too it language that her been included in a state is a source, her door out with in the UTSA. Tout that it sticken through it broguage included within the UTSA that a state has contined from its statute.	
	<ul> <li>Acceptations are primarily intended to denote substantiae, other than testing differences. As such come small differences in phoning.</li> </ul>	
	construction, and foreinting have not been extent to voice costs, when identified amountained individual substantive and invisite continues on a contract of the continues of th	SPARE CONTRACTOR OF THE SPARE
	<ul> <li>All accordings compare the state's language to the conemical 1985 LTSA. However, it includes of states have estigated the original 1979 LTSA, but not its later accordington. Does states will have significant afforeness in their (Injurisian Robe). "Transages," and:</li> </ul>	
	"Filter on Gither Land" continue Germanimoteck	I

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# Trade Secrets Acts Compared to the UTSA

Feel/State UTSA Version Adopted	treform Trade Secrets Spt 1985 nervinn	**************************************
Definition Presentle and Improper Means	As used in this (And, unless the consider deplices oftenings).  (3) "Improper messor" includes their, highest, minorpresentation, foreign or indicement of a breach of a day to real-fall increasing, or embruoge firmum electrons of other mean.	59.5.1-30.  **Propose means** includes that, briban, manaposentation, <u>use of a computer or computer pathods. The proposed of a doctor includes and the second of a doctor includes and the second of a doctor includes and the second of a doctor than an activity, or implement the second of a doctor than activity, or implement the second of a doctor than activity, or implement the second of a doctor than activity or implement that is a doctor than activity or implement that it is a doctor than activity or implement that it is a doctor than activity or implement that it is a doctor than activity or implement that it is a doctor than activity or implement that it is a doctor than activity or implement that it is a doctor than activity or implement that it is a doctor than activity or implement that it is a doctor than activity or implement that it is a doctor than activity or implement that it is a doctor than activity or implement that it is a doctor than activity or implement that it is a doctor than activity or implement that it is a doctor than activity or implement that it is a doctor than activity or implement that it is a doctor than activity or implement that it is a doctor than activity or implement that it is a doctor than activit</u>
Definition: Massager position	(2) "Mesapopopetion" means.  (1) acquisition of a trains server of section by a person who happer or that makes to know that the leads secret was septiment by improper means; or (ii) disclosures or as of a train secret of a scriber without servers or implied consent by a person who (iii) disclosures have or of a train secret of another without servers or implied consent by a person who (iii) disclosures have or of a train secret or a scriber or introduced increase means to secret, or (iii) disclosure have been or disclosured to the or through a person who had will read introduced make introducing of the trade secret secret (ii) desired from or through a person who had will read introduced make the consensation of the secret secret in the secret secret or (iii) desired from or through a person who had will read introduced make the consensation of the secret secret in the secret secret or in the secret secret in the secret secret or in the secret secret secret in the secret se	Notapproposition means:  1. Application of a trade score of another by a person who hones or his reason to from that the trade score via another by a person who hones or his reason to from that the trade score via another by improper means; or a considerable of the proper person via the score via another by a person who a. Used improper means to accept to have kingle of the trade score; or .  2. Disciouse or use of a trade score of another without express or implied correct by a person who a. Used improper means to accept the score of another without express or the score of the score
Definition	peoper or firmt its use or  (C) lathor a meaninal binage of this for half position, here or that meaning to have that it was a basis second and that brookledge of it had been assumed by accolder or minibia.  (D) "Person" means a solution serious, opposition, business frost, states, but a personal association, unit	(3) Derived from or through a person who overall educates the person seeking relief to resintain its; exercy or limit its concept of the first person of the person of
Person  Definition	writurs, government, governmental auditions or game, or any other ingal or commercial units).  1. "Trade society" means information, including a formula, pottern completion, arogens, design, markets.	Some or UTSA
Track Secret	inchine, as process, farts.  (i) devine independent economic value, actual or potential, from nith being generally intower to, and not being ready vaccion and being ready vaccion to be proper makes by other persons often can other economic value from its distribution or use, and  (ii) is the subject of efforts fast are earenable under the circumstance to restinate its servery.	Same as UTSA
Definitions four in: UTSA.		

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# Trade Secrets Acts Compared to the UTSA

Fed/State	Unitions Trade Secreti Act	Yinginis Yin Cosh Star \$9.53.1300 - 55.13813 Shifteen Tosha Shoreta Art
Signed on Relief	oil Actual of theatened mesapoposition may be episored. Does application to the court, an improches shall be interminated when the total bearing the court of the court on improches shall be administration may be continued from a solidinated vaccination and the court of the cour	5 59.3-327. (Eigenthon relief Some at UTSa).
Distrages	(a) Execut to the extent that a material and projection change of position prior to acquiring brown beign or material below of minappeopration enters a mouther recovery inequitable, a complainment is entitled to exceed interest of the recovery designation of the projection of the recovery designation of the complainment of the recovery designation of the recovery	§ 30.1-338. Damage:  A. Except the the answer test consequence and amplificate strange of position system consequence productions are as the assemble of the answer test of the answer test of the assemble of
Attenty's Fees	(1) Early of magazing various to make the set the (3) a rather to extract an experience in region or region with a result of used from you will write the set of may expert resolvable attermary feet to the preparing purp.	\$ 302-3561, interrupt fees  # phaspace interrupts that  (I) a call and integraperation is made in bad faith, as  (II) a call and integraperation is made in bad faith, as  (III) a managed integration is a managed in the call that is a call that a call that is a call that it is a cal
Preservation of Secretary	have refor under the India, seen of any process the service of an impact how sport to resourced manner, which may include grading processing consistent or increased now the storeway proceedings, which go camera inamings, salling the records of the section and othering any period possible in the linguistics not to disclose as alleged trade secrets without prior count approas.	5 39.1-359. Preservation of scorecy Grane as UTSA
Statute of Unitations	As auton for misappopriation must be fought within 3 years other the misappopriation is discovered or by the surross of reasonable dispress should have been described.  For this purposes of this section, a communing misappopriation contribute a single claim.	5 5) 1.340. Suture of limitations Some oc UTSA

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### Trade Secrets Acts

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	Compared to the UTSA		
Fed/State  Effect on Other Laws	Substant Trade Secreto Act  (a) Except as provided in capacitors (a), this PACE displaces conflicting both, methatismany, and other law of this State providing continematics for invisappropriation of a trade secret.  (b) This PACE deep our effort.  (c) confliction emedies, whether or not based upon misappropriation of a trade secret.  (c) inher both remodes that are not based upon misappropriation of a trade secret, or  (d) confliction between the are not based upon misappropriation of a trade secret, or  (e) criminal remodes that are not based upon misappropriation of a trade secret.	Vegelet  Fis. Code time (§ 161.338-55.1.348)  Colorier Touris Secrets Act  5.93.1-341. Bitect on other law  Some or UTSA	
Use formitty of Application and Constauration	The first shall be applied and construed to effectuate its general purpose to make uniform the lear with expect to the solders of the [Act] among stake entiting it.	Note:	
Saverability	If any promision of the [Ant] or the application to any person or circumstenant is held institut, the invalidations are effect other procisions or applications of the [Ant] which can be given effect unbout the institut provision are application, and to this and the provisions of the [Ant] are inversable.  In least of application, and to this and the provisions of the [Ant] are inversable.  In least of application, and to this and the provisions of the least are inversable. If there exists the stream or in provision are unabsolute of the rest is noticed performed. For three exists the stream is provided arthrost consolution of the rest is noticed performed.  For those actions that allow person inversability introductions. In providing to a case that automations the existing laws and the call is marked and.	Vs. Code Anni 8 1 448. Severability  The provision of Jacts of the Glaseral Airsembly or the application thereof to any genose or circumstations that are had involved that in our affect the wildright of other test, provisions, or applications that can be given selfect without the involved and in our affect of the set	
Addition or Series including Time of Calong Affact whose proceded in statutory sect.	The Jack places effect on and does not apple to example opportunities counting prior to the offsetive data. We inspect to a continuing, no inspection prior to be provided to the provided of the prior of the offsetive data. We find the order of apply to the continuing militageorge often that occurs after the effective data.	§ 56.1-324. The persists (SR) - 324. They of white, defect. The chapter south some effects on rule (1.1967, and shall not apply to misappropriate occurring piece to the effective data. White regist is a continue mapping project in the large prior to the affects a fails, the chapter also shall not apply to misappropriation that occurs after the effective date.	

### Trade Secrets Acts Compared to the UTSA

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Ferifitation	Uniform Trade Secrets Act	Virginia Va. Cods Nan, §§ 53, 1-35 - 55 1-365 Gottom Tagle Securis AH
Additions II		
to General and	"Green cells strate UFFA Zillis unidas.	et. 1986.
Unless Otherselse	<ul> <li>White calls indicate that the respective provision is equivalent to the convented 150% (ISSA White the wast vary thing and foregraining emptingly, there is no existered substructive difference. Where a statisticity provision is marked or "Some on USA" minor transfer</li> </ul>	
Specified	forcenting difference wow with. Where there differences are more processed, for all to not prevent substantive defination from the UTSA, the cells are marked "Substantively Atministra UTSA."	
	<ul> <li>Yestive rath indicate that the respective provision is a substantially exactly do we have if the USSA, in prostice come of store modification may advantable to imprificant, in other cases, the contention difference require attention transparpe in the yellow politi- manifold in the content of the content in the USSA (hough not reductable and makes resident error set to enablish the manifold in the content of the desired from the 1860 USSA (hough not reductable) and makes resident error set to enablish the manifold in the content of the content in the USSA (hough not reductable).</li> </ul>	
	<ul> <li>Sud cells indicate that the empactive growings does not early to otherwise it chaptlemets different from the URSA. Division provisions are generally not knowledge that convergents for justices not take two provisions from Period for that convergents for justices URSA.</li> </ul>	
	cersion. Cotte consense for additional information with the matter in it.  Some create those weblind specific UTSA providing from their various, on the providing mound be redundant of exiting rate law.  Applicable tree season or change is in most increase; provided above.	
	Acestativas	
	<ul> <li>Under direct each is because that hop be on included in a state is stream, but door not exist in the USSA. That that it strikken through is bropunger included within the USSA that actain has continue from its sources.</li> </ul>	
	<ul> <li>Amendations are principly intended to decrees substantive, rather than to study differences. As high some small officeraces in phonology.</li> </ul>	
	puntronina, and formating have not born intent to some construction in the fifth intentation in surface undertaction and indicate out with only when a construction puntroning from a construction provided MAA.	
	All annual recions compare the store is longuage to the assessed 1995 LFSA, reviewey, a kilables of stores have adopted the coupled.	
	2079 UTA, but not be trou constituents. Days states will have significant differences in their Meiotecke Relia Communication.  "Offices on Other Low" Sections (in punitation).	

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# Trade Secrets Acts Compared to the UTSA

Fed/State	Malform Trails Secrets Act	Washington Wash, Nev Code Sen 5§ 19/102/00 18/108/340 Uniform Talla Servet: Act
UTSA Version Adopted	1985 version	1579
Definition:	As used in this [Act], safes the context requires otherwise	\$ 19:108.010. Definitions
Presentie and Improper Means	(1) "Improper means" includes their, bribary, mirrepresentation, breach or inducement of a breach of a duty to maintain secrecy, or espionage through electronic or other means:	Substantively, identical but for  Unless the contact <u>clearly</u> requires otherwise, the definitions set forth in this section apply throughout this
- marca	to The Invest Section, or as provide strough electronic on your means.	Chapter  The part of the Content Content of the Content of the Content of the Section of the Content of the Con
Definition	(2) "Misappropriation" means:	§ 19.108.010(2)
Afrespero pration	)) acquisition of a trade-secret of another by a person who knows or has reason to know that the trade	Same or UTSA
	secret was acquired by improper means, or	
	(ii) disclosure or use of a trade secret of arctifier without express or implied consent by a person who (A) used improper means to acquire knowledge of the trade secret, or	0.
	(8) at the time of disclosure or use, knew or had reason to lock that his incovalge of the trade secret was	
	(i) derived from or through a person who had stillized improper means to acquire it. (ii) acquired under circumstances group rise to a dusy to maintain its secrety or limit its use; or	
	(III) derived from or through a person who owed a duty to the person seeking relief to maintain its secrety or limit its use, or	
	(C) before a material change of his (or her) position, been or had reason to know that it was a trade secret and that knowledge of it had been acquired by accident or mistake.	
Defmitten: Person	(3) "Parson" means a natural person, corporation, business trust, estate, trust, partnership, according joint venture, government, governmental subdivision or agency, or any other legal or commercial actity.	\$ 19.108.010(3) Some as UTSA
Definition: Tracks Secret	(4) "Trade secret" means information, including a formula, pattern, compilation, program, device, method, technique, or process, that.	\$ 19.108.010(4) Surre on UTSA
	(i) derives independent economic value, actual or potential, from not being generally known to, and not	
	being reachly accertainable by proper meant by, other persons who can obtain economic value from its disclosure on use, and	
	(ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrety	
	The Contract of the Contract o	
Definitions		
Not in UTSA		

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# Trade Secrets Acts Compared to the UTSA

Fed/State	Uniform Trade Secrete Act	Waviting ton: Wayds, Revr. Code Ann. 35, 35, 105, 0720 - 28, 2010;3343 (berlim) Hadde Salondo Act
Ress	(a) Action of thesebook designoproduction may be epidead. Lipson application to the court, an implement mallot be term instant when the disease that exceed the cells, but the implement making the instant of the implement making and instant of the instant commercial substitution may be contained from a create the elements commercial substitution plant collection and the content of the instant commercial substitution and the content of the instant content o	\$ 3.00.000. Remoder for misoproprietor—fujuration, repairs  (1). A factor of treatment misoproprietor may be expressed by their application to that count, an expresse shall be terminated orient free trans scarce the result, but the injuration may be continued for an administration returned by period of time in extra of administrat commissional administration recognition. The country of the continued for an administration returned by period of time in extra of administrat commissional administration free oriented and administration of the continued and administration of the commission of the continued and administration of the continued and period of the continued and administration of the continued and period of the continued and administration of the continued and period of the continued and administration of the continued and period of the continued and administration of the continued and period of the continued and administration of the continued and period of the continued and administration of the continued and period of the continued and administration of the continued and period of the continued and administration of the continued and period of the continued and administration of the continued and period of the continued and administration of the continued and ad
Diamagus	(a) Except to the solent that a material and projudice change of position point to acquiring knowledge or more related to the control of the	5.15.100.000. Remedies for misappropriation-Cartinger
	measured by imposition of liability for a masorable routility for a magnetic story unsurfacioned disclours or use of a tobe extend or consumer of the contract	controlled the city of the council by removable the council of the council of the council of the project exercises (caused by misspecified to that is not a failed to the council of the project exercises (caused by misspecified to that is not a failed to the council or competing damages are exercised to the council or council of the council or council
Atterney's Fund	If it a claim of mapagroproton in made in but fails, (ii) a modelno forminate an imprecious is made for context in but fails, (iii) white and malicious minappropriation exists, the court may provid rescended attorney is feet to the presenting gents.	S. 9.19.000, Award of attorney's teas     Sonie of USA      15.100.000, Court creten to presence secretly of alleged trade secretly.
al Section	mame, which may include granting proceeding order in deconcision with discovery proceedings, holding included in concern havings, subject in the control of	Senne vs. UTSA
Statute of Emitations	In action for misappopulation must be bought within 3 years after the misappopulation is discounsed or by the execute of reservoids disposed should have been discounsed. For the purposes of this reading, a continuing misappopulation contribute a single claim.	\$ 19.106.960. Actions for miss appropriation—Time limitation Some as UTSA

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### Trade Secrets Acts Compared to the UTSA

Fed/State	Uniform Trade Society Act	Webbeston Web, Ser. Cop. Am. 55 19 106 010 - 19 106 595 Uniform Trade Section Act
Effect vs Other Life	(a) Evergive promised in advanced (b), this (her) displaced confirming text, resettanceurs, and other law of the State promise, or wheeling for management of a trace execution.  (b) The (he) laws the affect.  (c) The (he) laws the affect.  (c) Confirmation interests, whether co not hissed upon minappropriation of a trace source.  (c) other point interests, whether co not hissed upon minappropriation of a trace source.  (d) the point interests that are not based upon minappropriation of a trace source.  (d) transition in amendica, whether or not based upon minappropriation of a trace source.	\$ 9.3 (0.80) of Fifter of chapter on other law (1) This chapter dispets conflicting ton, relativishing, and other has of the state personing to critically interest experience of a trade specia.  (2) This chapter does not affect.  (2) This chapter does not affect.  (2) This chapter does not affect.  (3) Individual analysis of the confliction of the confl
Sulformity of Application and Construction	The Lext shall be applied and construed to affections its general purpose to make uniform the law with respect to the object of this [Act] among states areasing it.	§ 13.108.910. Construction of uniform act Some as UTSA
Saveeddillty	If any provision of this (Left or its application in any person or circumstance); I had anality the investiga- cion and infect of the provision or application of the (Left) which are preventions of the intelligence of the provision of the local are secretally provision or application, sortice the world be provision of the local are secretally of the local area of the local area of the local area of the lo	\$ 3,000 Asi, Several Report Code  For providing of this control Report Code Re
Additions or follows and follows and follows or follows of Taking Street where proceeded in statutors been	The Mart New effect on	13 105 1956 Ciffection date—deplication - 105 1, 226.  This implies refuse offset on Lamenty 1, 1955, and does not apply to minageness when unusuring arms to the effective state.

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### Trade Secrets Acts Compared to the UTSA

Fed/State	Uniform Youle Secrete Act	Washington Wash, New Code Jon. 59, 19, 102, 010. 12, 109, 340 Uniform Trade Sacrote Act
Additions II		
	General rath denote UTSA IRIS vention.	
Unless Otherwise Specified	<ul> <li>White path institute that the respective procession is equivarient to the consensed 2005 UTA. White the every enoising and for copying may differ, there is no control of substantive difference. Where a statestory provision is considered as "Some on UTA" misor technol or</li> </ul>	
Specmen	forwarding differences any exist. Where these differences are none procumented but still do not precent overtimities distinctions from the BTSA, the note are numbed "Substantinaly identicatio UTSA."	
	<ul> <li>řebou poří indiane dny the respective provisive je a substantivol modified venian of the UESA, so provide some of these modificacion nosy ukinsmolybe insignificant in other cures, the subnamble differences require attention, Language is the politice poli-</li> </ul>	
	à constable des indicate how it ambé from the 1915 UTSA, though aure existenciae and meter variations may use be manutable.  - Bed cells indicate that the respective previous days not exist or otherwise is classificately different four the UTSA. Disting provisions into	
	ge nevolyvasi annotariest. Celle na murkod och where no vlate lan privi ina han böön Henlifiksi tiral con exponde 10 å görlikulte UTS K section. Celli reviveri for additional leformation ave also menteri red.	
	<ul> <li>Some states have writted specific UTSA provision from their version, or the provision would be evaluation of existing state law.</li> <li>Applicable stage statement of closes is in most instances provision factors.</li> </ul>	
	Annotations:	
	• Linderlined lost in lesspange that has been believed in restate's essente, but door not exist leater UPSA. Four that is sidely an illnowgh in	A. 35
	Ausgauge belautest uelthen blie UESA that ar state from besidered Jeson dit statute. • Aussandians one primapily internited to denome substantiae, rather them meterly differences. As high, come ranoft differences de phonologi.	
	<ul> <li>entroperation and protection from mixture control in control control where inhalf field detectables of a mixture and indicate</li> </ul>	( S. 37
	only where a costs a process of first on meaning from a consequenting processor in the UTSA.	P. Art.
	<ul> <li>Allowed after compare the state's language to the assented 1985 VTSA, Physical a simpley of states have released the solubled</li> </ul>	f 3
	<ul> <li>All account on some or the state's language to the assended 1985 of SA, However, a quarter of states have adopted the original.</li> <li>1979 OFSA, but not its inter assentaneets. Dasse status will have significant afforences in their "laginative Resid," "Counsepts," and</li> </ul>	
	2010 to Section to the improvious to the common terms are supported approximate the common street, consequently and "Effect on Other Low" teachers (in particular).	
Economic States	25 NATURE OF STREET	L

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#### Not Intended As Legal Advice **Trade Secrets Acts** Compared to the UTSA

Fed/State	Uniform Trade Secrets Act	West-Virginia W. Van Cede Arm. 54 47-25, 47-22, 16 Uniform Frieds Exercity Act
1975A Version Adopted	1995 wirelot	1985
Definition: Presmise and	As used in this (Act), unless the context requires otherwise.	5 47-22-1(a) Særie os UTSA
Schurfe Means	<ol> <li>"Improper masers" includes theft, tolliery, misrapresentation, breach or indocement of a breach of a duty to maintain secrecy, or explorage through electronic or other means;</li> </ol>	
	100 July 100	
Delinoser: Missopro-	(2) "Meappropriation" mesus	§ 47-22-1(b) Some as UTSA
printion	(i) acquisition of a trade vaccet of another by a person who knows or has reason to know that the trade vaccet was acquired by improper means, or	
	(ii) disclosure or use of a trade secret of another without express or implied consent by a parson who (A) used emproper means to acquire knowledge of the trade secret, or	
	(8) at the time of disclosure or use, lissor or had reason to brow that his isportedge of the trade secretives.	
	(i) derived from or through a person who had stillaged improper means to acquire it.  (ii) Acquired under circumstances giving rise to a duty to maintain its secrety or limit its use, or  (iii) derived from or through's person who creed a duty to the person seering railed to maintain its.	
	Secrety of Smit his last or  (C) before a material change of bis jor herf position, block or had reason to know that it was a trade	
	secret and that incovering of it had been acquired by accident or mintain.	
Definition:	(3) "Person" means a natural parton, corporation, business trust, estate, trust, partnership, association, joint	
Parson	venture, government, governmental subdivision or agency, or any other legal or commercial entity	Same as UTSA
Deficitive: Tolde Secret	(4) "Trade secret" means information, including a formula, pattern, compilation, program, device, method technique, or process, that	§ 47-22-1(c) Substantively identical to UTSA
	(i) derives independent according value, actual or potential, from not being generally income to, and not being reachly ascertainable by proper means by, other persons who can obtain accepting value from its disclosure or use and	
	(ii) is the subject of afforts that are reasonable under the circumstances to maintain its sucresy.	
Definition Not in UTSA		

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Fed/State	Uniform Trade Servets Act	West Virginia  W. Va. Codo Ann. §§ 47 22-1 - 47-22-20  Uniforn. Trado Serroto Act
Sequentivs Statist	(a) Afraiga of trevescend missignoporation may be equivaled. Upon againstino to the court, an expection solid to be remissed when the track scarce the country less of the court and indicated in each country of the	
	conventioners include, but are not invited by a research and projectional change of position prior to available, howologing or some other work of merceproprioration for sometre a relative injuration required in prioration of the projection of the projection of the project a trade variet may be compatited by part order.	
Danjanes	as Except to the extent that a materials and projuded drawage of position poor to occupying involving or	94722-3 Damages
	reason is low of misoproposphion moders a morectary recovery requirable, a complainant is effected to severe disampset from image promotion. Demosphise can include both the total loss caused to make the image promotion of the promotion of the severe can be a not bear in the severe of compating aduat on in level of female, measured by any distance method, the demangs caused by misoproprised may be measured by reposition of liability for a reasonable requisity for a misoproprised or usual both common or are of a facts bear caused by any distance of the court may are not exemple by demags; in six amount of the wildful and make loss misopropristion exists. The court may are not exemple by demags; in six amount not weekeding howe any averall made until or tablection (s).	a) Except to the extent fluid a mitiativial and projectional change of position prior to acquiring involved go or reason to involve of misaporopicistion renders a ministral processy inequitative, a complainant is entitled to miscretic-strainage of incompanying the control prior to the control processor to the control
Atherinys	F(j) a claim of misopopopolation is made in bad fieth, (ii) a modeleto terminate as in Nucleton is finade or	Not encoming three any entern house under subsection (a).
Faces	mechad in bad fath, or, (III) willful and malicinus mile appropriation exists, the good may avoid reasonable afformers, feet to the preventing jump.	Serie or UTSA
Presentation of Security	here action under the (Act), a court half-presence his sector of ext deposit delic secret by exposured in means, which may acting some greatest orders a consection with closury presentage, public jain remains bearing the secret of the action, and advanting any general recycled in the Higation rick to disclose an alleged trade sorrer without prior court deposits.	3-9-22-S. Preservation of secrecy. Some or UTSA
Starbite of Limitations	An action for missprophation must be brought within 3 years after the missprophation is discovered or by the avertice of nationable diffigures should have been discovered.	§ 41-22-6. Statute of limitations Some os UTSA
	the tentraction, a parameter supprise product view down conceptual.  For the purposes of this section, a continuing misappropriation constitutes a single claim.	

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### Trade Secrets Acts Compared to the UTSA

Fed/State	Unitions Trade Servets Act	West Virginia W. Va. Code Ann. 35, 47, 27, 4. a 3, 72, 1.0.  Simform Flash Searchs Ant
Effect an Other Laws	(a) Except a provised in subsection (b), the Sect distallation conflicting toot, restrictioners, and other law of this Section providing of smealing for managements of a trade-assess. (b) This (sect does not affect.) (2) other confirmments that whether or not bessel agree insupercentation of a state assess.) (2) other confirmments that was not based upon misagementation of a state assess.) (3) criminal annualist, whether or not bread upon misagementation of a trade-assess.)	§ 3.5-22-7. Effect on other law Series of UTSA
Proformity of Application and Construction	The (CC) shall be applied and contraval to effective in general purpose to this analyze the law with respect to the subset of the (field among testes emissing it.	\$ 47.21.9. Uniformity of application and construction Some or UTSA
Severability.	If any provision of this (And) or its application to any persons or circumvasance, in field levels, the small life, does not affect clearly provision as application for the (End) which are provided that the provision of the (End) which are provided that the provision of the (Left) are secretary as a provision, and to the end the provision of this (Left) are secretary as a secretary as a fine of provided provision, and the tenth of the control of the Co	W. V.S. Code Jenn. 9, 2-2-30, New For construction of entations,  The following riples table the degeneral in the construction of statutes, justes a different intern on the part of the lag jubicous te segment from the content.  COL United there is agreement from the content.  COL United there is agreement from the content.  COL United there is agreement in a section, a sticle or pupils of this code specifying that the prevailson  thereof shift subdice coverable, the provincions of energy action, and short or chapter of the code, whether  exacted before or independent in the effective disease of the subdiction, shall be assemble to that if any  consistent of any sub-action, article or object in held to be inconstituted or only the meaning  on executively and image visit, committed with, and so departed upon, the uncontitudinate or cold province  that exconstitutions or continued from the content of the conten
Addition of States States This of Telephone Time of Telephone States Time of Telephone Time	The Test Dake effect on.  In the company of the com	\$4.7.3.18. Time of taking offset.  This active tables effect on the first day of alway, one thousand nine hardenst eighty-six, and does not apply to embassyons of the counting piece to the effective date of on meappropriations which began prior to the effective table and continue good the effective date.

### Trade Secrets Acts Compared to the UTSA

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Fed/State	Destorm Trade Society Act	West Coppin W. Va. Code Am. 55 4 7 2 7 1 7 7 2 10 Uniform Trade Secrets Act
Additions II		
	55.00 E.S.	
		.5%
to General and Unless	Green cells denote UTSA 100% version.	
Officials	<ul> <li>While copie indicate that the exception provision is replanted to the assential (SS). (II SA: While the exact yearding and foregoting may differ three is no material volutionally difference. Where a statestry polythis is transferd at "State as USA" minds to had or</li> </ul>	
specifica	from thing differences may exist. Whose these differences are more pronounced for sill do not present substantive distinctions from the LESA, the cells we marked "Substantively Mandrato UFSA."	
	<ul> <li>Velous ands indicate that the respective provision is a substantial provided sension of the USSA, so provide some of these modifications may aliament by inspections, in other career, the substantive differences require attention. Congresse is the sellow with</li> </ul>	
	e manifested to indicate how A writes from the 1265 UELA stought our substantive and major variations reward to manifested.	
	<ul> <li>Bed gells indicate class the expective provision does not exprove any regisferests affer our from the OFFA. Thirdy provisions gip:     provally not amounteed. Calls are mathed and where no store how provident has been should fell that conveyance to a probable UTSA.</li> </ul>	N. N. N.
	reation. Cells reserved for additional information are also remined real.  • Some succes have conduct specific UTSA providing from their consists or the providing month be additionally fractions (see Table line).	
	Applicable rune camera process or his provincial pour aire version, or one provincial recommend or camera, contrast,	
	Anniaris es:	
	Ministerial and is beganing that has been included in a matrix 5 someta, but stors and exist in the UTSA. Test that it stockes through in troppose included within the UTSA that a state has another (from its counse).	<b>1</b>
	Accordations one print substanted to deserte submantiar, rather than to shart differences. As sinth, some small rifferences in placeing contribution, and for making slave and been easily according to some part of the contribution and contribution.	
	only when a costs's povision offices in meaning from a consequenting provision in this MEA.	
	<ul> <li>All annotations compare the state is larguoge to the assented 1995 UTA. However is hander of states have adopted the original 1979 UTA, but not its inter assentation in. Dose states with how significant differences in their "injunctive Robid," "Conseque," unit</li> </ul>	
	Effect on Other Law" sociom Sequeticals).	

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### Trade Secrets Acts Compared to the UTSA

Fee/State	Uniform Track Sources Act	Miss Stat Amis 3, 333,760 Uniform Trade Salents Act
UTSA Version Adopted	1985 version	123
Definition: Prescribe and Intercees	As used in this [Act], unless the centest requires otherwise.  (1) "followings reason" includes theft, bribery interpresentation, treach or inducement of a breach of a duty.	§ 134 30(1) Definitions
Magni	to maintain secrety, or exprinings through electronic or other means	(a) "Improper means" includes espionage, the®, bribery, misrepresentation and breach or inducement of a
		bresch of duty to maintain secrety <del>, or representable like the secrety of the sec</del>
Definition: Michigaro produpt	(2) "Misappropriation" means:  (i) acquisition of a trade secret of another by a person who knows or has reason to know that the trade	§ 134.90(2) Meappropriation Codified as actionable conduct rather than a definition
	secret was sequired by improper means; or (iii) disclosure or use of a trade secret of another without express or implied consent by a person who	"Miseppropriation" recent bits certain, incliding the state, may mise populate or threaten to miseppropriate a trade secret by doing any of the following.
	(A) used improper means to acquire includings of the trade secret, or (B) at this time of disclosure or use, snew or had reason to know that his knowledge of the trade secret.	(a) Assumption of a basic context of a problem type person rule denous on the representations which this basic sector was acquired by improper meaning as equating the trade secret of another by means of this decrea- lations or has reason to find constitute improper means.
	vias  (i) derived from an through a packet who had additited improper means to acquire it;  (ii) acquired under concumptances griving rise to a duty to maintain its secrety or limit its use, or	In Discourse of use of a trace second of another without express or implied consent by a person who. Discourse or using without payars or implied consent a trace sepret of another if the person did any of the
	(III) derived from or through a person who award a duty to the person seeking relief to maintain its secrecy or limit its use; or	Used into oper means to acquire knowledge of the trade secret.     At the time of disclosure or use, I saw or had mason to know that he or she obtained by overlede of the
	(C) before a material change of his (or har) position, knew or had resistent to know that it was a trade secret and that knowledge of it had been acquired by accident or mistake.	trade secret through any of the following means:  a. Dewise <u>Destinant</u> from or through a parion who utilized improper means to acquire it.  b. Aveyand <u>Acquiring it</u> under circumstances giving rise to a duty to maintain its secrety or brint its use.
		<ul> <li>Derived <u>Deriving</u> is from or through a person who owed a duty to the person seeking relief to maintain the scropicy firm? Its use.</li> <li>Sefore a material shape of he (se her) position, how or had associate because that it was a trade.</li> </ul>
	23. "Person," meets a natural person, concentrari, business trust actate trust, natures has accordation joint	secret and that have radge of a had been exquired <u>Acquires a</u> by scrident or mintale.  Wie Stat. Ann. § 990.01/26)
Defeation. Person	132 Person <sup>®</sup> means a natural paraon, corporation, business trust setate, tout, partnership, association joint venture, government, governmental subclivision or agency, or any other ingal or commercial entity.	"Perion" means a Autori Forest, especiation, business trust, estate, freet, includes all partnerships,
		association (see vertice, government), governments exhibition or agency, or an other legal or commenced antisy and incline politic or correspond
Continuos Lante Secret	(4) Triade socret: means information, including a formula, pattern, compilation, program, device, method, tachnique, or process, that	\$ 134.90(1)(c) Same as UTSA
	(i) derives independent economic value, actual or potential, from not being generally known to, and not being readily accertainable by proper means by, other percons who can obtain economic value from its	
	disclination or use, and  [iii is the subject of afforts that are real-braiche under the consensuraries to injuntion to reusessy.	
Delinitions took in UTSA		<ul> <li>\$134.50(1)(b)</li> <li>(b) "Readily ascentaivable" information close act include information accessible through a license agreement.</li> </ul>
		or by an amployee under a confidentiality agreement with No or her amployer.

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# Trade Secrets Acts Compared to the UTSA

End/State	Delfloom Track Secrets Act	Wisconsin Wis Stat Ann. 9 204-00 Uniform Hade Souries Act
square tive Koles f	(a) Actual of threatment misspectiment may be equipment. Supposition to the court, an equipment main and additional retraction and position and additional retraction and position and additional retraction and position and additional retractional positional additional retractional positional retractional retra	1.3 - 1.5 cold impaction in the first process of the second of the secon
Demages	(a) Despit to the extent that a material and posjudical change of position point to requiring lowerings or cascord to book of misspecyclotics medies a mountain recover inequitable, a complainment is entitled to exceed the representation of the material control of the representation of the representation of the respective control of the respective cont	\$13.5.50(1) Damages Substantierin John Call St. JTS hat for If you have been supported to the substantial and projected should be good to the substantial substantial and projected should be good to the substantial substant
Attorney's Feet	If it is that of histogeneous risk in mode in and from, it is an ordinal to remove an expectative in register.  If it is that it is not the property of the pr	5 (3.8 300)(1)(3 Substansive) Gentical to UTSA
Pro-stration of Sectory	is a ection under the IACL, a court feel preserve the species of an allegad level a great by resemble mean, which may induce greating proteins quality in primitation with sources proceedings, folding in- cames havings, sealing the seconds of the aptillin, said owing any present movimed in the Nigation not to disclose an integral trade, second in those gives round spread or an integral trade in the second in the second spread of the second sprea	5 134 953) Presentation of secrecy Some as UTSA
Statute of Gentlations	As action for encapproposition and he longly to within 2 who a file? the imaging-projection is discovered or by the search of transmission shipping in broad have been discovered. For the purposes of this section, a continuing misappropriation contributes a single claim.	Wis, Stat. Arm. 9 893-53(2). Action for wrongful taking of personal property Some as UTSA

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# Trade Secrets Acts Compared to the UTSA

Effect on Other Law	Telefrom Track Scenes Act  In Surgag as provided in subsection (b), this [Act] displaces conflicting test, notificinately, and other law of the Solar providing cert invended for misuppropriation of a track sector.  13 contractual remodes, whether or not based upon misuppropriation of a track sector.  13 contractual remodes, whether or not based upon misuppropriation of a track sector.  13 commiss inventors, whether or not based upon misuppropriation of a track sector.  13 commiss inventors, whether or not based upon misuppropriation of a track sector.	Wils Track Ace, \$2.5000 Wils Track Ace, \$2.5000 Uniform Track-Sevent Act  2.154-50(6) Effect on other loss Substantinely identical to UTSA
Deformity of Application and Construction	The (ECC) shall be applied and constraint to effectivate its general purpose to make uniform the low with respect to the subject of the [rick] among cases executing it.	\$135.9073 Uniformity of application and construction.  The \$4.01 jub like application construction or effectuates the general purpose so make writtens the law width reasons to the exclusive obless, final enemy states anastings. It is register that the application and constructed to make authorn the law installing to misasperpoint tion of trade accretic amount interes anastings and distribution.  The property of the property of the property of the accretic amount interest anastings additionally interested and the property of the property
aerentality	If any powers or this (And) or its application is any person or ricerumisteners in bell awalet, the final laily about the second	Visc. See. Ann. 9 9000000, controllection of large, robe feet.  UIL perceibility for principles of the states on the season. The precisions of any service feet are season. The properties of any perceive feet are season. The properties of the states or of a symbol by it invalid, or if the application of all their to any persons or excursations, or making but hereby, that may affect other provisions or applications which can be given effect on the properties of the provisions of applications which can be given effect on the but the world provision or application.
Addition or Make Individual Indiv	The (Art) blaw effect on	

# Trade Secrets Acts Compared to the UTSA

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Ferd/State	Graforni Trade Secreta Act	Win, Stat. Ann. § 134.70 Dolforn: Trade Secress Act
Additions II		
in General and	Group with driving UFFA (Inth-section).	
Unless Otherwise	<ul> <li>While egt indicate that the expective provision is equivalent to the amounted 1985 USA. While the exect wooding and formatting</li> </ul>	
Specified	mandiffer, there is no material relationship difference. Where a straightry provision is marked as "Some as UTSA" miles instead or formations differences way visit, Where these differences are more promounted from this still do not propose substantive distinctions from	
	the UTSA, the cells are number "Substantially USSA."	
	<ul> <li>Vertice well fedicate the respective provision is a submatively wealfed you is a of the MSA, in practice game of these medifications noty obtainably be insignificant, in other owns, the substantive Afferences require attention, Language in the yellow selfs.</li> </ul>	No. 1
	is maximent to indicate how it works from the 1916 UTA, through non-substancible and minor combined may not be amounted.	
	<ul> <li>Section is indicate that the asypection previous days not wat to estimate in significants different from the UTSA. [Section in the previous days are confirmable of the confirmation of the confi</li></ul>	
	section. Cells reserved for redditional information are sitto morked rest.	
	<ul> <li>Some stores have unlitted use effect/PSA proxitions from their version, or the proxition would be radioactors of existing state took.</li> <li>Applicable store statute or charles is in west instances proxided above.</li> </ul>	
	Anestatios:	
	• Understined text in Sungaryor that has been included in a state's statute, but does not unit in the UTSA. Text that it origines through it	A STATE OF THE STA
	tanguage sindused within the UTA that a scale has condited focus in visited.  Amazonisms are primarily intervied to derrote publishmiss, makes than pureal, differences. As a liet, some secust differences in phrasing.	
	point order on the process of the control of the co	LA. 3º
	ontroduce a cone's province differe in econolog from a consequenting province in the BFSA.	
	All annotations compare the state's longways to the ownesded (BiR UTSA. However, a pulpher of richers have industrial the original.	<b>S</b>
	1979 W.S.A. but not its later assessment. There errors will have significant afferences in this "lajorable Soling" "Comages," and	
	"Effect on Cobes saw" sentions (in particular).	<u> </u>

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### Trade Secrets Acts Compared to the UTSA

Fed/State	Dollarm Track Series Act	Wyconing Wyc. Stat Aon. 1973 \$4 40 24 -101 (-40-24 110 Uniform Trada Sacreto Act
Adopted Definition	1995 version  Vivided in this [Act], unlies the context requires otherwise:	100% (§ 40-24-10)(a)(1)
Preamble and Improper Means	(3) "Improper means" includes that't, bribery, inderpresentation, breach or indicament of a breach of a duty to maintain secrety, or explorings through electronic or other means.	Same as UTSA
Alleappro- protion	(2) "Miseppropriation" means: If acquisition of a trade secret of enother by a person who knows or has reason to know that the trade.	5 40-24-103(b)(ii) Same as UTSA
	secret was acquired by improper means, or (iii) disclosure or use of a brade secret of another without express or implied coreset by a person who (A) used improper means to acquire loowledge of the trade secret, or	,a.
	(8) at the time of disclosure or use, these or had reason to know that his showledge of the trade secret use. (1) delived from or through a person who had distinad improper means to acquire it. (ii) acquired under circumstances giving rise to a study to mainfain its secrety or limit its use, or	
	(iii) derived from or through a person who owned a dust to the person seeding relief to maintain its secrecy or limit its use; or (C) before a material change of his (or had) position, threw or had reason to know that it was a trade.	
	sacret and that Incodedge of it had been sequently accident or mistake.	
Definition:	<ol> <li>"Person" muanti a natural person, corporation, business trust, actate, trust, partnership, sonociation, juint</li> </ol>	5 40- 24-103/a)(iii)
Parson	venture, government, governmental subdivision or agency, or any other legal or commercial entity.	Some as USA
Definition: Trade Secret	4) Trade securif mean information including a formula, pattern, compilation program, deepe, method technique, or process, that:	5:40-24-101(a)(iv) Same as UTSA
	(i) device independent concentration, actual or potential, from not being generally involve to, and not being read to accentanable by proper mann by, offer persons who can obtain a committee value from its introduction or one, and  This is the subject of efforts that are reasonable under the properties to maintain its sense.	
Definitions Not in UTSA		\$40-24-103(a)(v)  This act means W.S. 40-24-103 through 40-24-110.

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Fad/State	Dieform Trade Sarrets Art	Wysothig Wyso Stat Ann. 1977 65 46:24-161 - 40:24-110 Uniform Trade Seption Act
Injunitive Resists	a) Actual or threatened managementation may be encounted. Your application to the count, an implication status is deministed when the product several securities required to each, put the highest deministed from a conditionate instruction and the counter of a more conditionate instruction and the counter of a more counterfact advantage and the otherwise vocal in a demand from the measurementation. (b) In except direct discussionablesses, an importion may condition future one upon premieter of a representation of the counterfact of a managementation of the counterfact of a managementation of the counterfact of the counterfact of a managementation of the counterfact of the counterf	\$49-34-122. Injunction maked Series or UTSA
Datiages	49 Except to the extent that a smarral and projectional Charge of pacticina prior is occurring involving or practice forces of respreparation forces or investigate post considers in a memorary recessive projections. For a receivant of the extent less studied by memorarism in extended to receive decreages for missipproparation. Disregare can be clock both this stitual less studied by memorarism and the support extended counsely by missipproparation bettle in the time of account in less information and the support extended counsely for a studied projection of the properties of clocking the content of pacific projection of the properties of the projection of countered by my projection of information of	\$40-24-120. Demages; Some or UTS4.
Attenney's Fees	fill a Count of managementation is made in that fills, if it is updated to terminate and expertation is make a central in that fills, millimit and multicolor managementation and story, the court may award reasonable attorney's feet to the preceding pany.	\$ 40;24-194. Attorney's fees Soine <i>an UTSA</i>
Preservation of Servicy	In an extract variety of the CPAT, a count of which preserve the servecy of an inlegation the interest preserved in a mean servery of the county of the coun	§ 40-24-125. Preservation of secretry Sene or UTSA
Statute of Distillations	An extinct for misegonogenision must be brought within 2 years of the file improprietion is discovered or by the outside of accounts of dispens should be been discovered.  For the purpose of this section, a continuing mesuperposition complicates a lingle disen-	§ 40-04-100. Statute of limitations.  An action for misappopriation must be brought within these 400 four III years after the misappopriation is discovered in the secretic of inscirculation discovered results have been discovered. For the propose of the secretic, a continuing misappopriation conditions a single claim.

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Fed/State	Uniform Trade Secrety Act	Wyn Stat dani 1972 35 40 524 101 Wyn Stat dani 1972 35 40 524 101 Uniform Trada Sacrists Act
Effect on Other Law	All Dongs to provided in numerical tritly, this [Part] displaces confirming test, emittablears, and other has of the State providing or immediate for immagnetistics of a tracks security.  (b) This [Act] does not affect.  I.3] confirming from the confirming of the state of the state security.  I.3] confirming from the confirming from the state of the state of the state security.  I.3] command immediate, whether or not based upon misagenerations of a track security.	\$49-34-197. Effect on other law Some as UTSA
Instantity of Application and Construction	The Earth And the append and constrained to effectivate its general quanties to invalid uniform the law with expect to the object of this Earth among states executing is:	\$49,04-108. Uniformity of application and construction Some or UTSA
Sever stality	If my previous of this (End) of its application to are precise or occuminates in the left ank in, the installay about on a High color provision or application of the (End) which the pages without the installay provision or application, and to the one the provision of this (End) are separative. When the installay provision or application, and to the one the provision of this (End) are separate extra the end of the e	ways, Sast, Ann. § 62, 139, Rules of contraction for straintee.  (vi) any projection of any act denated by the Wyaming legislature of its application to any persons or concentratives is shall noted, the invalidity skee and office they promise or application of the act which are contracted to the state of the least developed to a separative and for the seal state provision of any sock are are except 569.
Abditious or Motes (Including Motes (Including Including	The (Act) base effect on	\$40.94.20.7 mar of selegia officer.  This act down crit space is an inappropriation occurring prior to lab (1, 2, 2006, With respect to a continuing managerophic for the selection for target prior to lab (1, 1, 1006, the act does not appeal to the continuing managerophic for the contin

### Trade Secrets Acts Compared to the UTSA

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Fod/State	Griffern Tradi Secrets Act	Wyming Wyn. 301. 8m. 307. § 48.24.381 - 40.25.120 Differen Frank Genetis Act
Additions II		
	Gerenoe's droste (IPSA 1965 seedos.	
Unfect Otherwise	While cells lasticate that the respective provision is equivalent to the appended 1995 UTA. While the event wooding and favourable	
Specified	m vydfer, tere i na meteriolosketenske afforene. Where estavere provision i makod ar "some ar VESA" mina textuster Famoting differency may evit. Where these differency are uses pronounced for tall do not provent substantion distinction from	
	The right in eagli our modest proposesses processes are now to express on the 22 year breaks treatment contracts living The right in the right our modest processes processes are now to express of our sunday and breaks treatment contracts living	
	Yestpownelly leadings that the respective provising is a sylvabantiesly modified very intend the MEA. In practice come of these	
	mosflorium was skieserbyte in igniform, in other ower. We extensible differ now require streation Language is the yellow cells is smoothed to leakens how it series from the 1975 UTCA, disciplinate released to leakens when any not be automobili.	
	• Sout with indicate that the responsible provision steep and exist or otherwise is significantly different from the UNA. These provisions that	
	generally not remarked. Cells are motival reduction as state law growk for tax been blendfled that corresponds to a playbular UTSA	
	raction. Or the reversed for artiklicant information are about contact and.	
	<ul> <li>Some states have resident specific UTSA possibles from their writing on the providing would be rediscated of existing stated by Applicable (the summer or chatter is in word increases provided above.)</li> </ul>	
	Annaxion	
	*Liveto disert land it language that has been included in 10000 to 100000, but done are exist in the UTSA. Find that it stocks a stocker through it	
	Language industria within the LIFSA nine or rose nor construition in source.	
	Accountations are grainwork intension to denote substraction, rather than tension differences. At eight come work differences in phranics,	[ 2 N
	consumities, and formatting have not been noted, to some more, where identified developing the reducty solvanetic and indicate	
	to the makes a copile is busing a agricular to account your a consideration for representing the processing the	Ph."
	<ul> <li>All nanowiness compare the state 1 language to the oriented 1966 UTA. Province (3 signifier of states from adopted the neighbol 1979 UTA, but not be bree one nature at. These states will have rightly and offerences in their Topicache Reliaf. "Consumpto," and</li> </ul>	ir and the second secon
	*Effect on Salus Lour' southern Sapurakusus.	

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