

**UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION**

COMMISSIONERS: Robert Pitofsky, Chairman
Sheila F. Anthony
Mozelle W. Thompson
Orson Swindle
Thomas B. Leary

In the Matter of

COMPUTER SCIENCES CORPORATION,
a corporation,

and

MYND CORPORATION,
a corporation.

DOCKET NO. C-3991

**ORDER TO MAINTAIN
ASSETS**

The Federal Trade Commission (“Commission”), having initiated an investigation of the proposed acquisition by Computer Sciences Corporation of all the voting securities of Mynd Corporation; and

Computer Sciences Corporation and Mynd Corporation (collectively, “respondents”) having been furnished thereafter with a draft of Complaint that the Bureau of Competition proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge the respondents with violations of Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45; and

The respondents, their attorneys, and counsel for the Commission having thereafter executed an Agreement Containing Consent Orders (“Consent Agreement”), containing an admission by the respondents of all the jurisdictional facts set forth in the aforesaid draft of Complaint, a statement that the signing of said Consent Agreement is for settlement purposes only and does not constitute an admission by the respondents that the law has been violated as alleged in such Complaint, or that the facts as alleged in such Complaint, other than jurisdictional facts, are true, and waivers and other provisions as required by the Commission’s Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that respondents have violated the said Acts, and that a Complaint should issue

stating its charges in that respect, and having determined to accept the executed Consent Agreement and to place such Consent Agreement on the public record for a period of thirty (30) days, the Commission hereby issues its Complaint, makes the following jurisdictional findings and issues this Order to Maintain Assets:

1. Computer Sciences Corporation is a corporation organized, existing, and doing business under and by virtue of the laws of Nevada, with its office and principal place of business located at 2100 East Grand Avenue, El Segundo, California 90245.
2. Mynd Corporation is a corporation organized, existing, and doing business under and by virtue of the laws of South Carolina, with its office and principal place of business located at One Mynd Center, Blythewood, South Carolina 29016. Mynd Corporation was formerly known as Policy Management Systems Corporation.
3. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondents, and the proceeding is in the public interest.

ORDER

I.

IT IS ORDERED that, as used in this Order, the following definitions shall apply:

- A. "CSC" means Computer Sciences Corporation, its directors, officers, employees, agents, representatives, predecessors, successors, and assigns; its joint ventures, subsidiaries, divisions, groups and affiliates controlled by Computer Sciences Corporation, and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.
- B. "Mynd" means Mynd Corporation, its directors, officers, employees, agents, representatives, predecessors, successors, and assigns; its joint ventures, subsidiaries, divisions, groups and affiliates controlled by Mynd Corporation, and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.
- C. "Respondents" means CSC and Mynd.
- D. "Acquirer" means any Person that acquires the Assets To Be Divested pursuant to the Decision and Order.
- E. "Acquisition Date" means the date, if any, on which CSC first acquires any voting securities or assets of Mynd.

F. “Assets To Be Divested” means all of Mynd’s rights, titles, and interests in assets, tangible and intangible, relating to the Mynd Claims Assessment Systems Business, regardless of whether such assets relate exclusively to such business and regardless of where such business or assets are located worldwide, including, but not limited to:

1. Specified Tangible Assets and other tangible assets;
2. all intellectual property, inventions, technology, trademarks, trade names, brand names, formulations, specifications, contractual rights, patents, patent applications, trade secrets, copyrights, know-how, research materials, technical information, marketing and distribution information, customer lists, prospect lists, vendor lists, catalogs, sales promotion literature, advertising materials, information stored in management information systems (and specifications sufficient for the Acquirer to use such information), software, designs, drawings, processes, production information, manufacturing information, integration information, testing and quality control data.
3. all rights, titles and interests in and to contracts;
4. all rights under warranties and guarantees, express or implied; and
5. all books, records and files.

Provided that the definition of “Assets To Be Divested” shall not include (i) Specified Tangible Assets that do not relate exclusively to the Mynd Claims Assessment Systems Business, (ii) the “Mynd” names and/or trademarks, (iii) the “Policy Management Systems Corporation” names and/or trademarks, (iv) the “Mynd Asia Pacific” names and/or trademarks, (v) catalogs, sales promotion literature, advertising materials, and marketing and distribution information relating exclusively to software packages known as “RiskMaster” and as “Litigation Advisor,” (vi) information in books, records, and files that does not pertain to the Mynd Claims Assessment Systems Business, and (vii) duplicate copies of books, records, and files from which all information pertaining to the Mynd Claims Assessment Systems Business has been redacted.

G. “Claims Assessment Systems” means computer software and other intellectual property used by insurance companies and others to evaluate appropriate payments for claims for bodily injury or to evaluate return-to-work plans in workers compensation claims, including, but not limited to, the software packages known as Claims Outcome Advisor and Colossus.

H. “Commission” means the Federal Trade Commission.

I. “Confidential Information” means trade secrets and other proprietary information to be conveyed to the Acquirer pursuant to the Decision and Order.

- J. "CSC Claims Assessment Systems Business" means the research, development, manufacture, marketing, distribution, sale, license, customer support, and maintenance of Claims Assessment Systems by CSC.
- K. "Divestiture Date" means the date that the Respondents divest the Assets to be divested to the Acquirer.
- L. "Key Employees" means Linda Neely, Carol Garren, Lee Everett Fogle, Andrew M. Blume, Marvin E. Jones, Anthony Mattioli, Eva Turner, Terry Tuttle, Earl Knaus, Pete Askins, Donna L. Crapps, Kellie Lynette Gobble, Deborah L. Rivers, Michael T. Rivers, Nancy G. Roddy, Clarence Leroy Royson, Ronald Everett Summer, Douglas J. Zellner, Mary Kathryn Evans, Sandra R. Harrington, Harriet Louise Hobbs, Jacqueline Suzann Parker, Patty Ann Yingling, Kelly Gardner, Sharleen Craig, Angela Martin, David Smart, Tracy Shadbolt, Michael Dixon, Justin Goodwin, Philip Tench, Simon Bradshaw, Bryan Harries, Simon Powell, and Mark Strang.
- M. "Mynd Claims Assessment Systems Business" means the research, development, manufacture, marketing, distribution, sale, license, customer support, and maintenance of Claims Assessment Systems by Mynd, but does not include assets relating exclusively to software packages known as "RiskMaster" and as "Litigation Advisor."
- N. "Person" means any natural person, partnership, corporation, company, association, trust, joint venture or other business or legal entity, including any governmental agency.
- O. "Persons with Access to Confidential Information" means all natural persons who provided services to Mynd at any time since January 1, 1998, whether as employees, consultants, contractors, or in any other capacity, and who had access to any Confidential Information.
- P. "Specified Tangible Assets" means buildings, plants, manufacturing operations, machinery, fixtures, equipment, vehicles, transportation facilities, furniture, tools, inventory, and owned or leased real property (including any improvements, appurtenances, licenses and permits relating to such real property), but does not mean any intangible assets, such as computer software and other intellectual property, imbedded in such tangible assets.

II.

IT IS FURTHER ORDERED that:

- A. Respondents shall maintain the viability, marketability, and competitiveness of the Assets To Be Divested, and shall not cause the wasting or deterioration of the Assets To Be Divested, nor shall they cause the Assets To Be Divested to be operated in a manner inconsistent with applicable laws, nor shall they sell, transfer, encumber or otherwise impair the viability,

marketability or competitiveness of the Assets To Be Divested. Respondents shall conduct or cause to be conducted the business of the Assets To Be Divested in the regular and ordinary course and in accordance with past practice (including regular repair and maintenance efforts) and shall use their best efforts to preserve the existing relationships with suppliers, customers, employees, and others having business relations with the Assets To Be Divested in the ordinary course of business and in accordance with past practice.

- B. From the date Respondents sign the Consent Agreement until the Divestiture Date, Respondents shall:
1. Maintain the Assets To Be Divested in substantially the same condition (except for normal wear and tear) existing at the time Respondents sign the Consent Agreement and take such action that is consistent with the past practices of Respondents in connection with the Assets To Be Divested and is taken in the ordinary course of the normal day-to-day operations of Respondents;
 2. Keep available the services of the current officers, employees, and agents of the Mynd Claims Assessment Systems Business; and maintain the relations and good will with suppliers, customers, landlords, creditors, employees, agents, and others having business relationships with the Mynd Claims Assessment Systems Business; and
 3. Preserve the Assets To Be Divested intact as an ongoing business and not take any affirmative action, or fail to take any action within their control, as a result of which the viability, competitiveness, and marketability of the Assets To Be Divested would be diminished.
- C. From the date Respondents sign the Consent Agreement until the date this Order to Maintain Assets terminates pursuant to Paragraph V:
1. Respondents shall not assign Persons with Access to Confidential Information to the CSC Claims Assessment Systems Business.
 2. Respondents shall take reasonable steps to cause the Key Employees to accept offers of employment from the Acquirer. Respondents shall not hire or solicit Key Employees who accept such offers unless the employees have been terminated by the Acquirer. Respondents shall not offer incentives, other than those contained in the existing benefit programs, to Key Employees to stay with Respondents.
 3. CSC shall not accept, nor seek to obtain, any Confidential Information from any Persons with Access to Confidential Information.
- D. From the Acquisition Date until the date this Order to Maintain Assets terminates pursuant to Paragraph V:

1. Respondents shall require that, as a condition of continued employment with Respondents after the Divestiture Date, any Persons with Access to Confidential Information shall immediately enter into agreements with the Acquirer not to disclose any Confidential Information to Respondents or to any third party.
2. To permit the Acquirer to protect the confidentiality of intellectual property conveyed to it, Respondents shall assign to the Acquirer (to the extent assignable) such rights under contracts between Mynd and Persons with Access to Confidential Information as require such persons to preserve the confidentiality of Confidential Information. To the extent that such agreements are not assignable, Respondents shall enforce such confidentiality provisions at the request and expense, and with the assistance of, the Acquirer.
3. Respondents shall not enforce any covenants not to compete preexisting the Divestiture Date against any Key Employees who accept employment with the Acquirer, except to the extent that competition from such employees is entirely unrelated to their employment with the Acquirer.
4. Respondents shall not enforce any covenants not to compete preexisting the Divestiture Date against any current or former employees of Mynd, or against any consultants, contractors, or other Persons who provided services to the Mynd Claims Assessment Systems Business, in a manner that would prevent those employees or Persons from providing services to the Acquirer in the field of Claims Assessment Systems. Respondents shall not enforce against current or former employees of Mynd, or against any consultants, contractors, or other Persons who provided services to the Mynd Claims Assessment Systems Business, any contractual requirements that would prevent those employees or Persons from disclosing to the Acquirer any information to be conveyed to the Acquirer pursuant to the Decision and Order.
5. Mynd shall not accept, nor seek to obtain, any Confidential Information from any Persons with Access to Confidential Information.

III.

IT IS FURTHER ORDERED that Respondents shall notify the Commission at least thirty (30) days prior to any proposed change in the corporate Respondents such as dissolution, assignment, sale resulting in the emergence of a successor corporation, or the creation or dissolution of subsidiaries or any other change in the corporation that may affect compliance obligations arising out of the Decision and Order or this Order to Maintain Assets.

IV.

IT IS FURTHER ORDERED that for the purposes of determining or securing compliance with this Order to Maintain Assets, and subject to any legally recognized privilege, and upon written request with reasonable notice to Respondents, Respondents shall permit any duly authorized representatives of the Commission:

- A. Access, during office hours of Respondents and in the presence of counsel, to all facilities, and access to inspect and copy all books, ledgers, accounts, correspondence, memoranda, and all other records and documents in the possession or under the control of Respondents relating to compliance with this Order to Maintain Assets; and
- B. Upon five (5) days' notice to Respondents and without restraint or interference from Respondents, to interview officers, directors, or employees of Respondents, who may have counsel present, regarding such matters.

V.

IT IS FURTHER ORDERED that this Order to Maintain Assets shall terminate at the earlier of:

- A. three (3) business days after the Commission withdraws its acceptance of the Consent Agreement pursuant to the provisions of Commission Rule 2.34, 16 C.F.R. § 2.34; or
- B. such time as all Assets To Be Divested have been divested pursuant to the terms of the Consent Agreement.

By the Commission.

Donald S. Clark
Secretary

SEAL
ISSUED: December 20, 2000