### UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION

#### **COMMISSIONERS:**

Lina M. Khan, Chair Rebecca Kelly Slaughter Christine S. Wilson Alvaro M. Bedoya

In the Matter of
Prudential Security, Inc.,
a corporation,
Prudential Command Inc,
a corporation,
Greg Wier,
a natural person,
and
Matthew Keywell,
a natural person.

Docket No. C-4787

#### COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, as amended, 15 U.S.C. § 41, et seq., and by virtue of the authority vested in it by said Act, the Federal Trade Commission ("Commission"), having reason to believe that Prudential Security, Inc. ("Prudential Security"), a corporation; Prudential Command Inc. ("Prudential Command"), a corporation; Greg Wier, individually and as an officer and co-owner of Prudential Security, Inc. and Prudential Command Inc.; and Matthew Keywell, individually and as an officer and co-owner of Prudential Security, Inc. and Prudential Security, Inc. and Prudential Command Inc., hereinafter sometimes referred to as "Prudential" or "Respondents," have violated the provisions of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues this Complaint stating its charges in that respect as follows:

#### NATURE OF THE CASE

- 1. This action addresses the unfair use of post-employment covenants not to compete by Prudential Security, Inc. and Prudential Command Inc., affiliated security guard companies, and Greg Wier and Matthew Keywell, the sole co-owners and officers of these companies. The term post-employment covenants not to compete (or "Non-Compete Agreements"), as used in this complaint, refers to contract terms that, following the conclusion of a worker's employment with one employer, restrict the worker's freedom to accept employment with competing businesses, to form a competing business, or otherwise to compete with the employer. Such agreements tend to be coercive and exploitative.
- 2. Respondents' imposition of Non-Compete Agreements took advantage of the unequal bargaining power between Respondents and their employees, particularly low-wage security guard employees. Respondents' use of Non-Compete Agreements harmed employees by reducing job mobility, limiting competition for employee services, and thus depriving employees of higher wages and more favorable working conditions. Respondents repeatedly used their Non-Compete Agreements to block their employees from accepting alternative employment, including employment at significantly higher wages than the employees had earned working for Respondents.

#### RESPONDENTS

- 3. Respondent Prudential Security, Inc. (a.k.a. Trollpru, Inc.) is a corporation organized and existing under, and by virtue of, the laws of the State of Michigan that, prior to August 26, 2022, maintained its executive offices and principal place of business at 20600 Eureka Road, Suite 900 Taylor, MI 48180.
- 4. Respondent Prudential Command Inc. (a.k.a. Commandbabyyoda, Inc.) is a corporation organized and existing under, and by virtue of, the laws of the State of Michigan that, prior to August 26, 2022, maintained its executive offices and principal place of business at 20600 Eureka Road, Suite 900 Taylor, MI 48180. Prudential Command Inc. is an affiliate of Respondent Prudential Security, Inc.
- 5. Respondent Greg Wier is an owner and President of Prudential Security, Inc. and Prudential Command Inc. Individually or in concert with others, including Matthew Keywell, he formulated, directed, or controlled the policies, acts, or practices of Prudential Security and Prudential Command. His principal office or place of business is located at 4830 Wright Road, Milan, MI 48160.
- 6. Respondent Matthew Keywell is an owner and officer of Prudential Security, Inc. and Prudential Command Inc. Individually or in concert with others, including Greg Wier, he formulated, directed, or controlled the policies, acts, or practices of Prudential Security and Prudential Command. His principal office or place of business is located at 16654 Island Lake Road, Dexter, MI 48130.

#### JURISDICTION

- 7. At all times relevant herein, Prudential Security and Prudential Command have been, and are now, corporations, as "corporation" is defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44.
- 8. At all times relevant herein, Greg Wier and Matthew Keywell have been the sole owners and officers of Prudential Security and Prudential Command.
- 9. Respondents have engaged in commerce and activities affecting commerce in the United States, as the term "commerce" is defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44.

### **RESPONDENTS' NON-COMPETE AGREEMENTS**

- 10. Prior to August 2022, Respondents provided security guard services across several states. Respondents hired security guards as employees who were then assigned to work at their clients' facilities. Respondents maintained offices in Michigan, Pennsylvania, South Carolina, Tennessee, and Wisconsin.
- 11. Prior to August 2022, Respondents required all of their security guard employees to sign Non-Compete Agreements as a condition of employment. These employees made up the vast majority of Respondents' workforce.
- 12. Respondents' Non-Compete Agreements require that, for two years following the conclusion of an employee's employment with Respondent, the employee may not "[a]ccept employment with or be employed by" a competing business "within a one hundred (100) mile radius" of the employee's primary jobsite with Respondents. Respondents' Non-Compete Agreements also contain other terms restricting their employees' post-employment activities that prevent them from joining or forming a competing firm. These restrictions include, but are not limited to, requiring that former employees may not "[a]ssist, aid or in any manner whatsoever help any firm, corporation, partnership or other business to compete with" Respondents.
- 13. Respondents' Non-Compete Agreements contain a "liquidated damages" clause, which requires that the employee pay Respondents \$100,000 as a penalty for any conduct that contravenes Respondents' Non-Compete Agreement.
- 14. Respondents' security guard employees typically earned hourly wages at or only slightly above minimum wage. Respondents did not offer their security guard employees any additional compensation in exchange for signing Non-Compete Agreements.
- 15. Respondents did not permit their security guard employees to negotiate the terms of their Non-Compete Agreements, and such employees were required to accept Respondents' standard terms as a condition of employment with Respondents. Respondents' security

guard employees seldom, if ever, consulted with attorneys before signing their Non-Compete Agreements.

- 16. In August 2022, Respondents sold the bulk of their security guard assets to another security guard company, Titan Security Group, LLC ("Titan"). Respondents no longer provide security guard services and former Prudential security guards who now work for Titan are not subject to Non-Compete Agreements with Titan. But approximately 1,500 of Respondents' former employees are still subject to Non-Compete Agreements with Respondents. These agreements enable Respondents to attempt to block former employees from working for any other security guard company for two years and to seek significant monetary penalties from such employees if they do seek to work for another such company.
- 17. Greg Wier and Matthew Keywell continue to own and control other businesses that employ workers. In addition, Mr. Wier and Mr. Keywell may launch new business ventures in the future.

# **RESPONDENTS' ENFORCEMENT OF NON-COMPETE AGREEMENTS**

- 18. Respondents used their Non-Compete Agreements to block their security guard employees from seeking or accepting alternative employment. Respondents threatened individual employees with enforcement of their Non-Compete Agreements if they accept positions with competing employers. Respondents repeatedly brought lawsuits against both individual employees and competing security guard companies to enforce their Non-Compete Agreements.
- 19. Respondents contacted competing security guard companies to ask the competing companies to refrain from hiring Respondents' security guard employees because the employees had signed Non-Compete Agreements with Respondents.
- 20. Respondents used their Non-Compete Agreements to block employees from accepting employment at higher wages with competing security guard companies. For example, in 2018, a competing security guard company offered employment to a number of Respondents' security guard employees. The competing security guard company offered Respondents' employees significant raises and more favorable working conditions. When Respondents became aware of the competing offer, they sued several of the security guards to prevent them from accepting employment with the competing company.
- 21. Similarly, in 2019, a competing security guard company hired one of Respondents' former employees. The former employee had joined Respondents as a security guard and had signed a Non-Compete Agreement as a condition of his employment as a security guard. Respondents sued the former employee and the competing company, seeking injunctive and monetary relief. The competing company terminated Respondents' former employee, and the employee reached a settlement with Respondents, which required the employee to refrain from working for any other security guard company.

22. In 2019, a Michigan state court held that Respondents' Non-Compete Agreements with their security guard employees were unreasonable and unenforceable under state law. Nevertheless, Respondents continued to require all of their security guard employees to sign identical Non-Compete Agreements.

### **EFFECTS OF THE CHALLENGED CONDUCT**

- 23. Respondents' use of Non-Compete Agreements has harmed employees.
- 24. Respondents' employees, particularly their security guard employees, had significantly less bargaining power than Respondents. Largely because of this unequal bargaining power, Respondents were able to impose onerous Non-Compete Agreements on their employees.
- 25. Respondents' use of Non-Compete Agreements limited their employees' ability to work for other firms in the security guard industry. Respondents repeatedly blocked their employees from accepting alternative employment. This interference with competition forced employees to accept significantly lower wages and less favorable working conditions.
- 26. Any possible legitimate objectives of Respondents' conduct as alleged herein could have been achieved through significantly less restrictive means, including, for example, by entering confidentiality agreements that prohibited disclosure of any confidential information.

# **UNFAIR METHOD OF COMPETITION**

- 27. The allegations in all of the paragraphs above are re-alleged and incorporated by reference as though fully set forth herein.
- 28. Respondents' use of Non-Compete Agreements is a "method of competition" within the meaning of Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45.
- 29. Respondents' use of Non-Compete Agreements is coercive and exploitative and tends to negatively affect competitive conditions.
- 30. Respondents' conduct is an unfair method of competition harming employees in the security guard services industry.
- 31. Respondents' conduct violates Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45. Such conduct, or the effects thereof, is likely to recur in the absence of appropriate relief.

**WHEREFORE, THE PREMISES CONSIDERED,** the Federal Trade Commission on this twenty-third day of February, 2023, issues its complaint against Respondents.

By the Commission., Commissioner Wilson dissenting.

April Tabor Secretary

SEAL

#### UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION

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Prudential Command Inc.,	}
a corporation, <b>Greg Wier</b> ,	) )
a natural person,	)
and	)
Matthew Keywell, a natural person.	) ) )

### **DECISION AND ORDER**

Docket No. C-4787

#### **DECISION**

The Federal Trade Commission initiated an investigation of certain acts and practices of Prudential Security, Inc. ("Prudential Security"); Prudential Command Inc. ("Prudential Command"); Greg Wier, individually and as an officer and owner of Prudential Security, Inc. and Prudential Command Inc.; and Matthew Keywell, individually and as an officer and owner of Prudential Security, Inc. and Prudential Command Inc. (collectively "Prudential" or "Respondents"). The Commission's Bureau of Competition prepared and furnished to Respondents the Draft Complaint, which it proposed to present to the Commission for its consideration. If issued by the Commission, the Draft Complaint would charge Respondents with violations of Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45.

Respondents and the Bureau of Competition executed an Agreement Containing Consent Order ("Consent Agreement") containing (1) an admission by Respondents of all the jurisdictional facts set forth in the Draft Complaint, (2) a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by Respondents that the law has been violated as alleged in the Draft Complaint, or that the facts as alleged in the Draft Complaint, other than jurisdictional facts, are true, (3) waivers and other provisions as required by the Commission's Rules, and (4) a proposed Decision and Order. The Commission considered the matter and determined that it had reason to believe that Respondents have violated the said Act, and that a complaint should issue stating its charges in that respect. The Commission accepted the Consent Agreement and placed it on the public record for a period of 30 days for the receipt and consideration of public comments; at the same time, it issued and served its Complaint. The Commission duly considered any comments received from interested persons pursuant to Commission Rule 2.34, 16 C.F.R. § 2.34. Now, in further conformity with the procedure described in Rule 2.34, the Commission makes the following jurisdictional findings:

- 1. Respondent Prudential Security, Inc. is a corporation organized and existing under, and by virtue of, the laws of the State of Michigan that, prior to August 26, 2022, maintained its executive offices and principal place of business at 20600 Eureka Road, Suite 900 Taylor, MI 48180.
- 2. Respondent Prudential Command Inc. is a corporation organized and existing under, and by virtue of, the laws of the State of Michigan that, prior to August 26, 2022, maintained its executive offices and principal place of business at 20600 Eureka Road, Suite 900 Taylor, MI 48180. Prudential Command Inc. is an affiliate of Respondent Prudential Security, Inc.
- 3. Respondent Greg Wier is a natural person with his principal office or place of business located at 4830 Wright Road, Milan, MI 48160.
- 4. Respondent Matthew Keywell a natural person with his principal office or place of business located at 16654 Island Lake Road, Dexter, MI 48130.
- 5. The Commission has jurisdiction of the subject matter of this proceeding and over Respondents, and the proceeding is in the public interest.

# **ORDER**

# I. Definitions

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

A. "Prudential Security" means Prudential Security, Inc. (a.k.a. Trollpru, Inc.), its directors, officers, employees, agents, representatives, successors, and assigns; the joint ventures, subsidiaries, partnerships, divisions, groups, and affiliates, including but not limited to Prudential Command Inc., controlled by Prudential Security, Inc., and the respective directors, officers, employees, agents, representatives, successors, and assigns of each. Without otherwise limiting the foregoing definition, Titan Security Group, LLC, Titan Prudential Security, LLC, and their respective subsidiaries and affiliates shall not be considered a successor or assignee of Prudential Security.

- B. "Prudential Command" means Prudential Command Inc. (a.k.a. Commandbabyyoda, Inc.), its directors, officers, employees, agents, representatives, successors, and assigns; the joint ventures, subsidiaries, partnerships, divisions, groups, and affiliates controlled by Prudential Command Inc., and the respective directors, officers, employees, agents, representatives, successors, and assigns of each. Without otherwise limiting the foregoing definition, Titan Security Group, LLC, Titan Prudential Security, LLC, and their respective subsidiaries and affiliates shall not be considered a successor or assignee of Prudential Command.
- C. "Wier" means Greg Wier, a natural person, any corporations, companies, businesses, partnerships, or joint ventures controlled by Greg Wier, and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.
- D. "Keywell" means Matthew Keywell, a natural person, any corporations, companies, businesses, partnerships, or joint ventures controlled by Matthew Keywell, and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.
- E. "Respondents" means Prudential Security; Prudential Command; Wier; and Keywell, individually, collectively, or in any combination.
  - i. "Corporate Respondents" means Prudential Security and Prudential Command.
  - ii. "Individual Respondents" means Wier and Keywell.
- F. "Commission" means the Federal Trade Commission.
- G. "Agreement" means any agreement, contract, understanding, or provision or term thereof, whether express or implied, written or unwritten.
- H. "Employee" means a Person employed by, previously employed by, or in the process of being employed by, any of Respondents, individually or in concert, whether directly or through any corporation, company, business, partnership, subsidiary, division, agent, servant, employee, trade name, or other device.
- I. "Noncompete Agreement" means an Agreement between any of Respondents, individually or in concert, and an Employee that restricts or restrains the right or ability of the Employee to seek or accept employment with any Person, to operate a business, or otherwise to compete with any of Respondents for any period of time after the conclusion of the Employee's employment with Respondents.
- J. "Person" means both natural and artificial persons, including but not limited to, corporations, partnerships, and unincorporated entities.

### II. Injunction

**IT IS FURTHER ORDERED** that Respondents, directly or through any corporation, company, business, partnership, subsidiary, division, agent, servant, employee, trade name, or other device, in connection with their activities in or affecting commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44, shall cease and desist from entering or attempting to enter into, maintaining or attempting to maintain, enforcing or attempting to enforce, or threatening to enforce a Noncompete Agreement or communicating to an Employee, or any prospective or current employer of that Employee, that the Employee is subject to a Noncompete Agreement.

# III. Notice to Employees

# IT IS FURTHER ORDERED that Respondents shall:

- A. No later than 60 days from the date this Order is issued, either directly or through a third party, deliver to each Employee who is or was party to a Noncompete Agreement at any time during the two years prior to the date this order is issued a letter in the form of Appendix A and a copy of this Order. Respondent shall deliver, or cause to be delivered, said letter to each Employee by name, either:
  - 1. By U.S. Mail to the last known address of each such Employee, return receipt requested; or
  - 2. Via email transmittal with a proof of a read-receipt.
- B. No later than 30 days from the date this Order is issued, and for a period of 10 years from the date this Order is issued, post a clear and conspicuous notice in: any documentation, electronic or otherwise, provided to new Employees of any of Respondents upon hire that states:

"IMPORTANT: Your employment with **[name of applicable person or entity]** is not and will not be subject to a noncompete provision. This means that once you stop working for us:

- You may seek or accept a job with any company or person even if they compete with us.
- You may run your own business even if it competes with us.
- You may compete with us at any time following your employment with us."

# IV. Compliance Obligations

**IT IS FURTHER ORDERED** that each Respondent shall:

- A. No later than 30 days after the date on which this Order is issued: (a) take all steps necessary to void and nullify all of its existing Noncompete Agreements and notify Commission staff in writing that all existing Noncompete Agreements are voided and nullified, once completed; and (b) not require any Employee who is or was party to an existing Noncompete Agreement to pay back any remuneration or otherwise to be penalized as a result of the voided and nullified Noncompete Agreement.
- B. For the duration of this Order, provide a copy of this Order and the Complaint to each of Respondent's directors, officers, and employees with responsibility for hiring and recruitment.
- C. For the duration of this Order, provide a copy of this Order and the Complaint to any Person who becomes a director, officer, or employee with responsibility for hiring and recruitment, and provide such copies within 30 days of the commencement of such Person's employment or term as a director or officer.
- D. Require each Person to whom a copy of this Order is furnished pursuant to Paragraph IV.B or IV.C above to sign and submit to the Respondent within 30 days of the receipt thereof a statement or written electronic acknowledgment that (1) represents that the undersigned has read the Order, and (2) acknowledges that the undersigned has been advised and understands that non-compliance with the Order may subject Respondent to penalties for violation of the Order.
- E. Retain documents and records sufficient to record the Respondent's compliance with its obligations under Section IV of this Order.

# V. Compliance Reports

**IT IS FURTHER ORDERED** that Respondents shall file verified written reports ("Compliance Reports") in accordance with the following:

- A. Respondents, either separately or collectively, shall submit:
  - 1. Interim Compliance Reports 30 days after the date this Order is issued, and every 90 days thereafter for a period of one year;
  - 2. Annual Compliance Reports one year after the date this Order is issued, and annually for the next 9 years on the anniversary of that date; and
  - 3. Additional Compliance Reports as the Commission or its staff may request.
- B. Each Compliance Report shall contain sufficient information and documentation to enable the Commission to determine independently whether the Respondent is in compliance with this Order. Conclusory statements that the Respondent has complied with its obligations under the Order are insufficient. The Respondent shall include in its reports, among other information or documentation that may be necessary to demonstrate

compliance, (1) a full description of the measures Respondent has implemented and plans to implement to comply with each paragraph of this Order, including a description of how the notices required by Section III of this Order were sent, and if sent by a third party, a statement from the third party that the notices were sent, and a list of all persons who received such notice; (2) upon the Commission's request, a copy of any employment Agreement that said Respondent enters or implements after execution of the Consent Agreement; and (3) if any Individual Respondent becomes an owner, operator, or becomes an officer or director in any corporation, company, business, partnership, or joint venture, a detailed description of the company and the role the Individual Respondent has within it, including how that company intends to comply with this Order.

- C. Each Compliance Report shall also (1) identify each of the Respondent's businesses that could violate the Order by all of their names, telephone numbers, and physical, postal, email, and Internet addresses; (2) describe the activities of each such business, including the products and services offered, number of Persons employed, and the involvement of any other Respondent; (3) describe in detail the Respondent's involvement in each such business activity, including title, role, responsibilities, participation, authority, control, and any ownership; and (4) specifically identify any businesses that were created, founded, or acquired by or that came under the control of the Respondent at any time following the submission of the prior Compliance Report.
- D. For a period of 5 years after filing a Compliance Report, the Respondent shall retain all of its material written communications with each party that it identified in each Compliance Report as required by Paragraph IV.B and all non-privileged internal memoranda, reports, and recommendations concerning fulfilling the Respondent's obligations under this Order during the period covered by such Compliance Report. The Respondent shall provide copies of these documents to Commission staff upon request.
- E. Each Respondent shall verify each Compliance Report in the manner set forth in 28 U.S.C. § 1746:
  - 1. Each Compliance Report submitted by a Corporate Respondent shall be verified by its Chief Executive Officer or another officer or employee specifically authorized to perform that function; and
  - 2. Each Compliance Report submitted by an Individual Respondent shall be verified by the Individual Respondent or an agent or employee specifically authorized to perform that function.

Each Respondent shall file its Compliance Reports with the Secretary of the Commission at ElectronicFilings@ftc.gov and the Compliance Division at bccompliance@ftc.gov; as required by Commission Rule 2.41(a), 16 C.F.R. § 2.41(a).

#### VI. Change in Corporate Respondents

**IT IS FURTHER ORDERED** that the Corporate Respondents, either separately or collectively, shall notify the Commission at least 30 days prior to:

- A. The dissolution of any Corporate Respondent;
- B. The acquisition, merger, or consolidation of any Corporate Respondent; or
- C. Any other change in any Corporate Respondent, including assignment and the creation, sale, or dissolution of subsidiaries, if such change might affect compliance obligations arising out of this Order.

#### VII. Change in Individual Respondents

**IT IS FURTHER ORDERED** that each Individual Respondent shall notify the Commission of any change in his, her, or their respective principal address within 20 days of such change in address.

#### VIII. Access

**IT IS FURTHER ORDERED** that, for the purpose of determining or securing compliance with this Order, and subject to any legally recognized privilege, and upon written request and upon 5 days' notice to any Respondent, such Respondent shall, without restraint or interference, permit any duly authorized representative of the Commission:

- A. Access, during business office hours of the Respondent 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 the Respondent related to compliance with this Order, which copying services shall be provided by the Respondent at their expense; and
- B. To interview directors, officers, or employees of the Respondent, who may have counsel present, regarding such matters.

#### IX. Purpose

**IT IS FURTHER ORDERED** that the purpose of this Order is to remedy the harm to competition the Commission alleged in its Complaint and to prevent the Respondents from entering into, attempting to enter into, maintaining or attempting to maintain, enforcing or attempting to enforce, or threatening to enforce a Noncompete Agreement.

# X. Term

**IT IS FURTHER ORDERED** that this Order shall terminate 20 years from the date it is issued.

By the Commission, Commissioner Wilson dissenting.

April J. Tabor Secretary

SEAL:

ISSUED: February 23, 2023

# **APPENDIX A**

### Letter to Employees

[Applicable letterhead]

[Name and address of Employee]

Re: Your Noncompete Agreement with Prudential

Dear [name of Employee]:

We are writing to you because you currently have, or recently had, a Noncompete Agreement with Prudential Security, Inc. or Prudential Command Inc. or with Greg Wier or Matthew Keywell, the co-owners of those companies ("Prudential," "we," or "us").

The Federal Trade Commission ("FTC") has alleged in a complaint, issued on XXXXX XX, 20\_\_, that our use of Noncompete Agreements with you and other employees restricts job mobility, harms competition, and is unlawful. Effective immediately, and pursuant to an FTC Order that reflects the agreement between Prudential and the FTC, we have agreed, among other things, to void any rights we may have to enforce your Noncompete Agreement.

As you likely know, Prudential's security staffing operations were recently acquired by Titan Security Group ("Titan").

- If your employment was transferred to Titan in connection with this acquisition, you should know that we will not enforce against you any Noncompete Agreement that you may have signed when you worked for Prudential. While we no longer control the terms of your employment, we understand that Titan has provided you with similar notice, stating that you are not subject to a Noncompete Agreement with Titan and that Titan will not enforce any rights to a Noncompete Agreement that it may have acquired from Prudential.
- If your employment did not transfer to Titan in connection with the acquisition or if you left Prudential before the acquisition, as discussed below we will not enforce against you any Noncompete Agreement that you may have signed when you worked for Prudential.

# What is a Noncompete Agreement?

A Noncompete Agreement is an agreement that restricts an employee's ability to seek or accept a job with another company, to operate their own business, or otherwise to compete with their former employer after they have left the company. These agreements sometimes (but not always) use words like "non-competition" or "non-compete."

# How the FTC Order affects you

The FTC Order requires Prudential to:

- 1. Cancel and void all Noncompete Agreements we maintain with any current or former Employees and rescind any rights we have under those Noncompete Agreements;
- 2. Stop entering into Noncompete Agreements; and
- 3. Refrain from limiting your right to accept employment or start a business.

This means that Prudential cannot prevent you from:

- seeking or accepting a job with any company or person even if they compete with companies that provide security guard services, as Prudential did.
- running your own business even if it competes with companies that provide security guard services, as Prudential did.
- otherwise competing with companies that provide security guard services, as following your employment with Prudential.

### Where to get more information

To learn more about this case, please read the attached Decision and Order in *In re Prudential Security, Inc., et al.*, C-4787, or visit [URL that goes to the ftc.gov press release]. This letter summarizes the main points of the case, but the only official source of information is the FTC Order. The Decision and Order reflects a settlement between the FTC and Prudential and does not constitute an admission by Prudential that it has violated the law or that any of the facts alleged by the FTC regarding our conduct are true.

If you have concerns about whether Prudential is complying with their obligations under the Order – or how the Order applies to you or your colleagues – contact the FTC by contacting Danielle Sims, (202) 326-3241, dsims1@ftc.gov, or Ben Lorigo, (202) 326-3717, slorigo@ftc.gov.

Sincerely,

[name and title]