

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

COMMISSIONERS: **Andrew N. Ferguson, Chairman**
 Melissa Holyoak
 Mark R. Meador

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	)	
In the Matter of	)	
	)	
Synopsys, Inc.,	)	
a corporation, and	)	DECISION AND ORDER
	)	Docket No. C-4820
ANSYS, Inc.,	)	
a corporation.	)	
	)	

DECISION

The Federal Trade Commission initiated an investigation of the proposed acquisition by Respondent Synopsys, Inc. of the voting securities of Respondent ANSYS, Inc. (collectively “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 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.

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 and an Order to Maintain Assets.

The Commission considered the matter and 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. 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 and Order to Maintain Assets. 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 Synopsys, Inc. is a corporation organized, existing, and doing business under, and by virtue of, the laws of the State of Delaware with its executive offices and principal place of business located at 675 Almanor Avenue, Sunnyvale, California 94085.
2. Respondent ANSYS, Inc. is a corporation organized, existing, and doing business under, and by virtue of, the laws of the State of Delaware with its executive offices and principal place of business located at 2600 Ansys Drive, Canonsburg, Pennsylvania 15317.
3. The Commission has jurisdiction over the subject matter of this proceeding and over the Respondents, and the proceeding is in the public interest.

ORDER

I. Definitions

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

- A. “Synopsys” means Synopsys, Inc., its directors, officers, employees, agents, representatives, successors, and assigns; and the joint ventures, subsidiaries, partnerships, divisions, groups, and affiliates controlled by Synopsys, Inc., and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.
- B. “Ansys” means ANSYS, Inc., its directors, officers, employees, agents, representatives, successors, and assigns; and the joint ventures, subsidiaries, partnerships, divisions, groups, and affiliates controlled by ANSYS, Inc., and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.
- C. “Keysight” means Keysight Technologies, Inc., a corporation organized, existing, and doing business under, and by virtue of, the laws of the State of Delaware with its executive offices and principal place of business located at 1400 Fountaingrove Parkway, Santa Rosa, California 95403.
- D. “Respondents” means Synopsys and Ansys individually and collectively.
- E. “Commission” means the Federal Trade Commission.
- F. “Acquirer” means:
 1. Keysight; or
 2. Any other Person that the Commission approves to acquire the Divestiture Assets pursuant to this Order.
- G. “Acquisition” means the proposed acquisition described in the agreement titled Agreement and Plan of Merger dated as of January 15, 2024 by and among Synopsys, Inc., ALTA Acquisition Corp., and ANSYS, Inc.
- H. “Acquisition Date” means the date Respondents consummate the Acquisition.
- I. “Business Information” means books, records, data, and information, wherever located and however stored, including documents, written information, graphic materials, and

data and information in electronic format used by any of the Divestiture Businesses. Business Information includes books, records, data, and information relating to sales, marketing, logistics, products, pricing, promotions, advertising, personnel, accounting, business strategy, information technology systems, customers, suppliers, vendors, research and development, registration, licenses, permits, and operations.

- J. “Confidential Information” means all Business Information not in the public domain, except for information that was or becomes generally available to the public other than as a result of disclosure by Respondents.
- K. “Consent” means an approval, consent, ratification, waiver, or other authorization.
- L. “Contract” means an agreement, contract, lease, license agreement, consensual obligation, promise, or undertaking with one or more third parties, whether written or oral and whether express or implied, and whether legally binding.
- M. “Direct Cost” means the cost of labor, materials, travel, and other expenditures directly incurred. The cost of any labor included in Direct Cost shall not exceed the hours of labor provided times the then-current average hourly wage rate, including benefits, for the employee providing such labor.
- N. “Divestiture Agreements” means:
 - 1. The Purchase Agreement by and between Keysight Technologies, Inc. and Synopsys, Inc. dated as of September 3, 2024, and all amendments, exhibits, attachments, agreements, and schedules thereto, attached to this Decision and Order as Nonpublic Appendix A;
 - 2. The Purchase Agreement by and between Keysight Technologies, Inc. and ANSYS, Inc. dated as of December 21, 2024, and all amendments, exhibits, attachments, agreements, and schedules thereto, attached to this Decision and Order as Nonpublic Appendix B; or
 - 3. Any agreement between Respondents (or a Divestiture Trustee appointed pursuant to Section IX of this Order) and an Acquirer to purchase the Optics and Photonics Assets or RTL PCA Assets, and all amendments, exhibits, attachments, agreements, and schedules thereto.
- O. “Divestiture Assets” means the Optics and Photonics Assets and the RTL PCA Assets.
- P. “Divestiture Businesses” means the Optics and Photonics Business and the RTL PCA Business.
- Q. “Divestiture Date” means the date on which Respondents (or a Divestiture Trustee appointed pursuant to Section IX of this Order) consummate the divestiture of the Divestiture Assets as required by Section II of this Order.
- R. “Employee Information” means for each Relevant Employee, to the extent permitted by law, the following information summarizing the employment history of each employee that includes:
 - 1. Name, job title or position, date of hire, and effective service date;

2. Specific description of the employee's responsibilities;
 3. The employee's base salary or current wages;
 4. Most recent bonus paid, aggregate annual compensation for the last fiscal year, and current target or guaranteed bonus, if any;
 5. Written performance reviews for the past three years, if any, otherwise, summary of performance for the past three years;
 6. Employment status (i.e., active or on leave or disability; full-time or part-time);
 7. Any other material terms and conditions of employment regarding such employee that are not otherwise generally available to similarly situated employees; and
 8. At the Acquirer's option, copies of all employee benefit plans and summary plan descriptions (if any) applicable to the employee.
- S. "Governmental Authorization" means a Consent, license, registration, or permit issued, granted, given, or otherwise made available by or under the authority of any governmental body or pursuant to any legal requirement.
- T. "Identified Ansys IP License" means the technology related to the RTL PCA Assets detailed in Nonpublic Appendix E.
- U. "Identified Synopsys IP" means the code related to the Optics and Photonics Assets detailed in Nonpublic Appendix E.
- V. "Identified Timing Aware Ansys IP" means the code related to the RTL PCA Assets detailed in Nonpublic Appendix E.
- W. "Intellectual Property" means intellectual property of any kind, including patents, patent applications, trademarks, service marks, copyrights, trade dress, commercial names, internet web sites, internet domain names, inventions, discoveries, written and unwritten know-how, product recipes, process technology, engineering technology, product technology, product rights, trade secrets, and proprietary information.
- X. "Licensed Intellectual Property" means Intellectual Property of the Respondents, except for PIC Licensed Software, that is predominately or primarily used in or related to businesses not being divested, and is used in or related to either of the Divestiture Businesses.
- Y. "Optics and Photonics Assets" means all of Respondents' rights, title, and interest in and to all property and assets, real, personal, or mixed, tangible and intangible, of every kind and description, wherever located, used in, or relating to the Optics and Photonics Business, including:
1. The Transferred Properties and all other real property interests (including fee simple interests and real property leasehold interests), including all easements, and appurtenances, together with all buildings and other structures, facilities, and improvements located thereon, owned, leased, or otherwise held;
 2. Optical Research Associates, LLC;

3. All inventories;
4. All accounts receivable;
5. All Intellectual Property owned or licensed (as licensor or licensee) by Respondents that is not Licensed Intellectual Property;
6. The PIC Licensed Software;
7. All Contracts (except Shared Contracts identified in Nonpublic Appendix F or that are University/Educational Contracts) and all outstanding offers or solicitations to enter into any Contract, and all rights thereunder and related thereto;
8. All Governmental Authorizations and all pending applications therefor or renewals thereof, to the extent transferable;
9. All Business Information;
10. Optics and Photonics Marks;
11. Tangible personal property (other than inventories or accounts receivable), whether owned or leased, including machinery, equipment, tools, furniture, office equipment, computer hardware, supplies, materials, vehicles, together with all express or implied warranties by manufacturers, sellers or lessors and all maintenance records and operating manuals; and
12. All intangible rights and property, including going concern value, goodwill, telephone listings, internet sites, and social media accounts,

Provided, however, that the Optics and Photonics Assets do not include the Retained Assets.

- Z. “Optics and Photonics Business” means the research, development, manufacture, commercialization, distribution, marketing, exportation, advertisement, sale, licensing, and servicing of Optics and Photonics Design Products worldwide by Respondent Synopsys and excludes (i) the photonic integrated circuit design business, including the OptSim, and OptoCompiler products; and (ii) Sentaurus technology computer-aided design solutions.
- AA. “Optics and Photonics Design Products” means pipeline and on market tools, services, and equipment for the design analysis, virtual prototyping, optimizing, rendering, fabricating, measuring, and simulation of optical and photonics systems, devices, and components.
- BB. “Optics and Photonics Marks” means BeamPROP, Code V, Global Synthesis, LaserMOD, LightTools, LucidDrive, LucidLite, RSoft, LucidShape, ImSym, Visualization, VisionSym, and LSX trademarks and any marks (including trademarks and service marks) predominately or primarily used by the Optics and Photonics Business.
- CC. “Orders” means this Order and the Order to Maintain Assets entered in this action.

- DD. “Person” means any individual, partnership, corporation, business trust, limited liability company, limited liability partnership, joint stock company, trust, unincorporated association, joint venture or other entity, or governmental body.
- EE. “PIC Licensed Software” means the software related to RSoft detailed in nonpublic Appendix E.
- FF. “Relevant Employee” means (a) any full-time, part-time, or contract individual employed by Synopsys at the Optics and Photonics Business or whose job duties in whole or in part include supporting the Optics and Photonics Business as of September 3, 2024; and (b) any full-time, part-time, or contract individual employed by Ansys at the RTL PCA Business or whose job duties in whole or in part include supporting the RTL PCA Business as of December 21, 2024.
- GG. “Retained Assets” means the list of assets identified in Nonpublic Appendix C.
- HH. “RTL PCA Assets” means all of Respondents’ rights, title, and interest in and to all property and assets, real, personal, or mixed, tangible and intangible, of every kind and description, wherever located, used in, or relating to the RTL PCA Business, including:
1. All inventories;
 2. All accounts receivable;
 3. All Intellectual Property owned or licensed (as licensor or licensee) by Respondents that is not Licensed Intellectual Property;
 4. All Contracts (except Shared Contracts identified in Nonpublic Appendix G or that are University/Educational Contracts) and all outstanding offers or solicitations to enter into any Contract, and all rights thereunder and related thereto;
 5. All Governmental Authorizations and all pending applications therefor or renewals thereof, to the extent transferable;
 6. All Business Information;
 7. RTL PCA Name, including the PowerArtist name;
 8. Tangible personal property (other than inventories or accounts receivable), whether owned or leased, including machinery, equipment, tools, furniture, office equipment, computer hardware, supplies, materials, vehicles, together with all express or implied warranties by manufacturers, sellers or lessors and all maintenance records and operating manuals; and
 9. All intangible rights and property, including going concern value, goodwill, telephone listings, internet sites, and social media accounts,
- Provided, however, that the RTL PCA Assets do not include the Retained Assets.*
- II. “RTL PCA Business” means the research, development, manufacture, commercialization, distribution, marketing, exportation, advertisement, sale, licensing, and servicing of the RTL PCA Product worldwide by Respondent Ansys.

- JJ. “RTL PCA Name” means any name predominantly or primarily used by the RTL PCA Business, including PowerArtist.
- KK. “RTL PCA Product” means pipeline and on-market tools, services, and equipment for register transfer-level power consumption analysis.
- LL. “Separated Marlborough Facility” means Suite 3.105, Apex Center, 11 Apex Drive, Marlborough, Massachusetts.
- MM. “Shared Contracts” means Contracts that relate to both a Divestiture Business and other businesses retained by Respondents and that are (a) identified in Nonpublic Appendices F and G; or (b) University/Educational Contracts.
- NN. “Transferred Properties” mean the leased Synopsys facilities at (a) Pôle d'Activité Hyérois 1128 route de Toulon 83400 Hyères, France; (b) Haus Technologiepark Nr. 9, 33100 Paderborn, Germany; (c) 199 South Los Robles Ave., Suite 400, Pasadena, California, United States; (d) 400 Executive Boulevard, Suite 101, Ossining, New York, United States; and (e) at the Acquirer’s option, the Separated Marlborough Facility.
- OO. “Transitional Assistance” means services and support as required by the Acquirer to facilitate the transfer of the Divestiture Businesses and operation of the Divestiture Assets, including services and support related to human resources, payroll, employee benefits, accounting and finance, information technology systems, supply chain management, vendor relations, customer relations, marketing, research and development, engineering, quality control, customers, Contracts, Governmental Authorizations, and use of trademarks or trade names for transitional purposes.
- PP. “University/Educational Contract” means any agreement to purchase or use a Divestiture Asset between a Respondent and a customer (or reseller) that is a university, college, high school, or technical school.

II. Divestiture

IT IS FURTHER ORDERED that:

- A. Respondents shall, no later than 10 days after the Acquisition Date, divest, absolutely and in good faith, the Divestiture Assets to the Acquirer, and grant a perpetual, non-exclusive, fully paid up, fully transferable, and royalty-free license to the Acquirer for the Licensed Intellectual Property related to the Divestiture Businesses;

Provided, however, that, if within 12 months after issuing this Order, the Commission determines, in consultation with the Acquirer and the Monitor, the Acquirer needs one or more Retained Assets to operate the Divestiture Assets in a manner that achieves the purposes of this Order, Respondents shall divest or, at the Commission’s sole discretion, license, absolutely and in good faith, such needed Retained Assets to the Acquirer;

Provided further, however, that if Business Information includes information (i) that also relates to other Retained Assets of the Respondents and cannot be segregated in a manner that preserves the usefulness of the information as it relates to such Divestiture Assets; or (ii) that also relates to other Retained Assets of the Respondents and cannot be segregated

in a manner that preserves the usefulness of the information as it relates to Respondents, but only if Respondents have provided notice to the Monitor on or before the Divestiture Date; or (iii) for which Respondents have a legal obligation to retain the original copies; then Respondents may provide copies of the Business Information (with redactions as appropriate) and shall provide the Acquirer access to the original materials if copies are insufficient for regulatory or evidentiary purposes;

Provided further, however, that Respondents may receive a license from Acquirer for the Intellectual Property and the PIC Licensed Software included in the Optics and Photonics Assets and divested in this Paragraph II.A, provided the Intellectual Property is needed by Respondents to operate any business conducted by Synopsys prior to the Acquisition Date that Respondents are not required to divest and used solely for the purpose of operating those businesses consistent with Synopsys's operation prior to the Acquisition Date or Divestiture Date, whichever occurs first;

Provided further, however, that Respondents may receive a license from Acquirer for the Intellectual Property included in the RTL PCA Assets and divested in this Paragraph II.A, provided the Intellectual Property is needed by Respondents to operate any business conducted by Ansys prior to the Acquisition Date that Respondents are not required to divest and used solely for the purpose of operating those businesses consistent with Ansys' operation prior to the Acquisition Date or Divestiture Date, whichever occurs first.

- B. If Respondents have divested the Divestiture Assets to an Acquirer prior to the date this Order becomes final, and if, at the time the Commission determines to make this Order final, the Commission notifies Respondents that:
1. An Acquirer is not acceptable as the acquirer of the Divestiture Assets, then Respondents shall rescind the divestiture to that Acquirer within 5 days of notification, and shall divest the Divestiture Assets no later than 180 days from the date this Order is issued, as ongoing businesses, absolutely and in good faith, at no minimum price, to a Person that receives the prior approval of the Commission and in a manner that receives the prior approval of the Commission; or
 2. The manner in which the divestiture to an Acquirer was accomplished is not acceptable, the Commission may direct Respondents, or appoint a Divestiture Trustee, to modify the manner of divestiture of the Divestiture Assets as the Commission may determine is necessary to satisfy the requirements of this Order.
- C. Prior to the Divestiture Date, Respondents shall provide the Identified Synopsys IP to the Acquirer. Respondents shall maintain an interface in Sentaurus TCAD that automates the exchange of data with RSoft.
- D. No later than 60 days after the Divestiture Date, Respondents shall provide to the Acquirer a copy of the Identified Timing Aware Ansys IP that enables the Acquirer to operate, maintain, and make available the RTL PCA Assets in the same manner in which Respondent Ansys operates, maintains, and makes available the RTL PCA Assets as of

the Acquisition Date and until 60 days after Respondents deliver a copy of the Identified Timing Aware Ansys IP, Respondents shall grant a non-exclusive, fully paid up, fully transferable, and royalty-free license to the relevant Retained Assets as used by the RTL PCA Assets as of the Divestiture Date.

- E. Starting on the Divestiture Date, Respondents shall grant to the Acquirer the Identified Ansys IP License for a period of 2 years;
- Provided, however,* that within 15 days after a request by the Acquirer, Respondents shall file a request that the Assistant Director of the Compliance Division of the Bureau of Competition grant an extension of the Identified Ansys IP License for an additional 12-month period, and the Assistant Director may grant such request no more than 3 times.
- F. Respondents shall obtain, no later than the Divestiture Date, at their sole expense, all Consents from third parties and all Governmental Authorizations that are necessary to effect the transfer of the Divestiture Assets to the Acquirer; *provided however,* that Respondents may satisfy the requirement to obtain all Consents from third parties by certifying that the Acquirer has entered into equivalent agreements or arrangements directly with the relevant third party that are acceptable to the Commission, or as otherwise obtained all necessary Consents and waivers.
- G. For Shared Contracts, Respondents shall:
1. Starting on the Divestiture Date, take all action necessary to provide the Acquirer with at a minimum the economic benefit and operational equivalent as Acquirer would have had under each such Shared Contract had it been assigned;
 2. Assist and cooperate with the Acquirer in obtaining such third-party Consent to assign the portion of the Shared Contract that relates to a Divestiture Business or to enter into a Contract directly with the Acquirer; and
 3. Remove and not enter into any impediments that may deter customers from providing Consent to assign the portion of the Shared Contract that relates to a Divestiture Business or to enter into a Contract directly with the Acquirer including, for contracts with a flexible spending component or remix rights, offsetting required customer payments by the amounts provided in Appendix H for that customer.
- H. For Shared Contracts identified in Nonpublic Appendix F and Nonpublic Appendix G, Respondents shall:
1. Within 10 days of the Divestiture Date, provide written notification to the applicable customer of each such Shared Contract including: that the Respondents have divested the Divestiture Assets to the Acquirer, the Acquirer's contact information, the Monitor's contact information, and that the customer may terminate the Shared Contract as it relates to a Divestiture Business at no cost and is relieved of any obligations relating to a Divestiture Business, including future payments, to Respondents upon such termination in order for that customer to enter into a contract with the Acquirer, by delivering a letter via U.S. mail or electronic mail in the form of Exhibit 1;

2. Starting on the Divestiture Date, until the portion of the Shared Contract that relates to the Optics and Photonics Business or the RTL PCA Business has been assigned to the Acquirer or the Acquirer has entered a Contract directly with the relevant customer, make payments to the Acquirer in the manner set forth in Nonpublic Appendix H;
 3. Not modify any Shared Contract in Nonpublic Appendix F to include Lumerical, Speos, Zemax or successor products until the portion of the Shared Contract that relates to the Optics and Photonics Business has been assigned to the Acquirer or the Acquirer has entered a Contract directly with the relevant customer; and
 4. Not modify any Shared Contract in Nonpublic Appendix G to include PrimePower RTL or successor products until the portion of the Shared Contract that relates to the RTL PCA Business has been assigned to the Acquirer or the Acquirer has entered a Contract directly with the relevant customer.
- I. Respondents shall designate Person(s) employed by each Respondent responsible for ensuring compliance with the requirements of Paragraphs II.G and H;
 - J. Respondents shall assist each prospective Acquirer to conduct a due diligence investigation of the applicable Divestiture Assets and Divestiture Businesses, including by providing sufficient and timely access to all information customarily provided as part of a due diligence process, and affording each Acquirer and its representatives (including prospective lenders and their representatives) full and free access, during regular business hours, to the personnel, assets, Contracts, Governmental Authorizations, Business Information, and other documents and data relating to the applicable Divestiture Businesses, with such rights of access to be exercised in a manner that does not unreasonably interfere with the operations of Respondents.
 - K. Starting on the Divestiture Date, Respondents shall not use the “PowerArtist” name or any derivation thereof, including PowerArtist-SC, in the marketing, promotion, sale, or servicing of any product.

III. Divestiture Agreements

IT IS FURTHER ORDERED that:

- A. The Divestiture Agreements shall be incorporated by reference into this Order and made a part hereof, and any failure by Respondents to comply with the terms of the Divestiture Agreements shall constitute a violation of this Order;
Provided, however, that the Divestiture Agreements shall not limit, or be construed to limit, the terms of this Order. To the extent any provision in the Divestiture Agreements varies from or conflicts with any provision in this Order such that Respondents cannot fully comply with both, Respondents shall comply with the Order.
- B. Respondents shall not modify or amend the terms of the Divestiture Agreements after the Commission issues this Order without the prior approval of the Commission, except as otherwise provided in Commission Rule 2.41(f)(5), 16 C.F.R. § 2.41(f)(5).

IV. Transition Assistance

IT IS FURTHER ORDERED that:

- A. Until Respondents have transferred all Business Information, Respondents shall ensure that the Business Information is maintained and updated in the ordinary course of business and shall provide the Acquirer with access to records and information (wherever located and however stored) that Respondents have not yet transferred to the Acquirer, and to employees who possess the records and information.
- B. At the option of the Acquirer, Respondents shall provide the Acquirer with Transitional Assistance sufficient to (1) transfer efficiently the Divestiture Assets to the Acquirer; and (2) enable the Acquirer to operate the Divestiture Businesses in a manner that is equivalent in all material respects to the manner in which Respondents operated the Divestiture Businesses prior to the Acquisition.
- C. Respondents shall provide Transitional Assistance:
 - 1. As set forth in the Divestiture Agreements, or as otherwise reasonably requested by the Acquirer (whether before or after the applicable Divestiture Date);
 - 2. At the price set forth in the Divestiture Agreements, or if no price is set forth, at no more than Direct Cost; and
 - 3. For a time period sufficient to meet the requirements of this Section IV.
- D. Respondents shall allow the Acquirer to terminate, in whole or part, any Transitional Assistance provisions of the Divestiture Agreements upon commercially reasonable notice and without cost or penalty.
- E. Respondents shall not cease providing Transitional Assistance due to a breach by the Acquirer of the Divestiture Agreements, and shall not limit any damages (including indirect, special, and consequential damages) that an Acquirer would be entitled to receive in the event of Respondents' breach of the relevant Divestiture Agreement.

V. Employees

IT IS FURTHER ORDERED that:

- A. Until one year after the Divestiture Date, Respondents shall cooperate with and assist the Acquirer to evaluate independently and offer employment to any Relevant Employee.
- B. Until one year after the Divestiture Date, Respondents shall:
 - 1. No later than 10 days after a request from the Acquirer, provide a list of all Relevant Employees and provide Employee Information for each;
 - 2. No later than 10 days after a request from the Acquirer, provide the Acquirer an opportunity to privately interview any of the Relevant Employees outside the presence or hearing of any employee or agent of any Respondent, and to make offers of employment to any of the Relevant Employees;

3. Remove and not enter into any impediments within the control of Respondents that may deter Relevant Employees from accepting employment with the Acquirer, including, but not limited to, removal of any noncompete or confidentiality provisions of employment or other contracts with Respondents that may affect the ability or incentive of those individuals to be employed by the Acquirer, and not make any counteroffer to a Relevant Employee who receives an offer of employment from the Acquirer,
Provided, however, that nothing in this Order shall be construed to require Respondents to terminate the employment of any employee or prevent Respondents from continuing the employment of any employee;
 4. Continue to provide Relevant Employees employed by Respondents with compensation and benefits, including regularly scheduled raises and bonuses and the vesting of benefits;
 5. Provide reasonable financial incentives for Relevant Employees to continue in their positions, and as may be necessary, to facilitate the employment of such Relevant Employees by an Acquirer; and
 6. Not interfere, directly or indirectly, with the hiring or employing by the Acquirer of any Relevant Employee, not offer any incentive to such employees to decline employment with the Acquirer, and not otherwise interfere with the recruitment of any Relevant Employee by the Acquirer.
- C. Respondents shall not, for a period of 3 years following the Divestiture Date, directly or indirectly, solicit or otherwise attempt to induce (1) any former Synopsys employee who is employed by the Acquirer to work in the Optics and Photonics Business to terminate their employment with the Acquirer or (2) any former Ansys employee who is employed by the Acquirer to work in the RTL PCA Business to terminate their employment with the Acquirer; *provided, however,* Respondents may:
1. Hire any such Person whose employment has been terminated by the Acquirer;
 2. Advertise for employees in newspapers, trade publications, or other media, or engage recruiters to conduct general employee search activities, in either case not targeted specifically at one or more such Persons employed by the Acquirer; or
 3. Hire any such Person who has applied for employment with Respondents, as long as such application was not solicited or induced in violation of this Section V.
- D. Respondents shall not enforce any noncompete provision or noncompete agreement against any individual who seeks or obtains a position with either the Optics and Photonics Business or the RTL PCA Business except for those employees both (1) identified in Nonpublic Appendix D; and (2) with whom the Acquirer or any of its representatives had contact, or about whom the Acquirer or any of its representatives received confidential information, in connection with the acquisition of the Divestiture Assets.
- E. Respondents shall not enforce a non-solicit agreement against the Acquirer except in respect to those employees both (1) identified in Nonpublic Appendix D and (2) with

whom the Acquirer or any of its representatives had contact, or about whom Acquirer or any of its representatives received confidential information, in connection with the acquisition of the Divestiture Assets; provided, however, that the Respondents shall not enforce such agreement in respect to an employee where (i) the employee was not intentionally targeted by an advertisement or recruiter, or (ii) the employee (x) voluntarily terminated his or her employment with Respondents at least 180 days prior to such solicitation or (y) was terminated by Respondents without cause.

VI. Asset Maintenance

IT IS FURTHER ORDERED that Respondents shall ensure that the Divestiture Assets are operated and maintained in the ordinary course of business consistent with past practices until such assets are fully transferred to the Acquirer, and shall:

- A. Take all actions necessary to maintain the full economic viability, marketability, and competitiveness of the Divestiture Businesses and the Divestiture Assets, to minimize the risk of any loss of their competitive potential, to operate them in a manner consistent with applicable laws and regulations, and to prevent their destruction, removal, wasting, deterioration, or impairment (other than as a result of ordinary wear and tear);
- B. Not sell, transfer, encumber, or otherwise impair the Divestiture Businesses and Divestiture Assets (other than in the manner prescribed in this Order and the Order to Maintain Assets), or take any action that lessens their full economic viability, marketability, or competitiveness;
- C. Not terminate the operations of the Divestiture Businesses and Divestiture Assets, and shall conduct or cause to be conducted the operations of the Divestiture Businesses and Divestiture Assets in the ordinary course of business and in accordance with past practice (including regular updates, repair, and maintenance efforts) and as may be necessary to preserve the full economic viability, ongoing operations, marketability, and competitiveness of the Divestiture Businesses and Divestiture Assets; and
- D. Use best efforts to preserve the existing relationships with suppliers, customers, employees, governmental authorities, vendors, landlords, and others having business relationships with the Divestiture Businesses and Divestiture Assets.

Provided, however, that Respondents may take actions that the Acquirer has requested or agreed to in writing and that have been approved in advance by Commission staff, in all cases to facilitate the Acquirer's acquisition of the Divestiture Assets, and consistent with the purposes of this Order and the Order to Maintain Assets.

VII. Confidentiality

IT IS FURTHER ORDERED that:

- A. Respondents shall not (x) disclose (including as to Respondents' employees) or (y) use for any reason or purpose, any Confidential Information received or maintained by

Respondents, *provided, however*, that Respondents may disclose or use such Confidential Information in the course of:

1. Performing their obligations or as permitted under the Orders or any Divestiture Agreement; or
 2. Complying with financial reporting requirements, obtaining legal advice, prosecuting or defending legal claims, investigations, or enforcing actions threatened or brought against the Divestiture Assets or the Divestiture Businesses, or as required by law or regulation, including any applicable securities exchange rules or regulations.
- B. If disclosure or use of any Confidential Information is permitted to Respondents' employees or to any other Person under Paragraph VII.A of this Order, Respondents shall limit such disclosure or use (1) only to the extent such information is required, (2) only to those employees or Persons who require such information for the purposes permitted under Paragraph VII.A, and (3) only after such employees or Persons have signed an agreement to maintain the confidentiality of such information.
- C. Respondents shall enforce the terms of this Section VII and take necessary actions to ensure that their employees and other Persons comply with its terms including implementing access and data controls, training their employees, and other actions that Respondents would take to protect their own trade secrets and proprietary information.
- D. If Acquirer exercises its option to the Separated Marlborough Facility, Respondents shall ensure that Respondents' employees located at the Separated Marlborough Facility are physically separated from the Acquirer's employees located at the Separated Marlborough Facility in the manner described in Nonpublic Appendix E to this Order.

VIII. Monitor

IT IS FURTHER ORDERED that:

- A. The Commission appoints S&W Partners LLP (formerly known as Evelyn Partners LLP) as the Monitor to observe and report on Respondents' compliance with their obligations as set forth in the Orders.
- B. The Respondents and the Monitor may enter into an agreement relating to the Monitor's services. Any such agreement:
1. Shall be subject to the approval of the Commission;
 2. Shall not limit, and the signatories shall not construe it to limit, the terms of this Section VIII or Section VI of the Order to Maintain Assets ("Monitor Sections"), and to the extent any provision in the agreement varies from or conflicts with any provision in the Monitor Sections, Respondents and the Monitor shall comply with the Monitor Sections; and
 3. Shall include a provision stating that the agreement does not limit, and the signatories shall not construe it to limit, the terms of the Orders in this matter, and to the extent any provision in the agreement varies from or conflicts with any

provision in the Orders, Respondents and the Monitor shall comply with the Orders.

C. The Monitor shall:

1. Have the authority to monitor Respondents' compliance with the obligations set forth in the Orders;
2. Act in consultation with the Commission or its staff;
3. Serve as an independent third party and not as an employee or agent of Respondents or of the Commission;
4. Serve without bond or other security;
5. At the Monitor's option, employ such consultants, accountants, attorneys, and other representatives and assistants as are reasonably necessary to carry out the Monitor's duties and responsibilities;
6. Enter into a non-disclosure or other confidentiality agreement with the Commission related to Commission materials and information received in connection with the performance of the Monitor's duties and require that each of the Monitor's consultants, accountants, attorneys, and other representatives and assistants shall also enter into a non-disclosure or other confidentiality agreement with the Commission;
7. Notify staff of the Commission, in writing, no later than 5 days in advance of entering into any arrangement that creates a conflict of interest, or the appearance of a conflict of interest, including a financial, professional, or personal conflict. If the Monitor becomes aware of a such a conflict only after it has arisen, the Monitor shall notify the Commission as soon as the Monitor becomes aware of the conflict;
8. Report in writing to the Commission concerning Respondents' compliance with the Orders on a schedule set by Commission staff and at any other time requested by Commission staff; and
9. Serve until Commission staff determines that Respondents have satisfied all obligations under Sections II, IV, and VI of this Order, and files a final report, unless the Commission or its staff determines otherwise.

D. Respondents shall:

1. Cooperate with and assist the Monitor in performing its duties for the purpose of reviewing Respondents' compliance with their obligations under the Orders, including as requested by the Monitor, (a) providing the Monitor full and complete access to personnel, information, and facilities; and (b) making such arrangements with third parties to facilitate access by the Monitor;
2. Not interfere with the ability of the Monitor to perform its duties pursuant to the Orders;

3. Pay the Monitor's fees and expenses as set forth in an agreement approved by the Commission, or if such agreement has not been approved, pay the Monitor's customary fees, as well as expenses the Monitor incurs performing its duties under the Orders, including expenses of any consultants, accountants, attorneys, and other representatives and assistants that are reasonably necessary to assist the Monitor in carrying out its duties and responsibilities;
 4. Not require the Monitor to disclose to Respondents the substance of the Monitor's communications with the Commission or any other Person or the substance of written reports submitted to the Commission pursuant to the Orders; and
 5. Indemnify and hold the Monitor harmless against any loss, claim, damage, liability, and expense (including attorneys' fees and out of pocket costs) that arises out of, or is connected with, a claim concerning the performance of the Monitor's duties under the Orders, unless the loss, claim, damage, liability, or expense results from gross negligence or willful misconduct by the Monitor.
- E. Respondents may require the Monitor and each of the Monitor's consultants, accountants, attorneys, and other representatives and assistants to enter into a customary confidentiality agreement, so long as the agreement does not restrict the Monitor's ability to access personnel, information, and facilities or provide information to the Commission, or otherwise observe and report on the Respondents' compliance with the Orders.
- F. If the Monitor resigns or the Commission determines that the Monitor has ceased to act, has failed to act diligently, or is otherwise unable to continue serving as a Monitor due to the existence of a conflict or other reasons, the Commission may appoint a substitute Monitor. The substitute Monitor shall be afforded all rights, powers, and authorities and shall be subject to all obligations of the Monitor Sections of the Orders. The Commission shall select the substitute Monitor, subject to the consent of the Respondents.
- Respondents:
1. Shall not unreasonably withhold consent to the appointment of the selected substitute Monitor;
 2. Shall be deemed to have consented to the selection of the proposed substitute Monitor if, within 10 days of notice by staff of the Commission of the identity of the proposed substitute Monitor, Respondents have not opposed in writing, including the reasons for opposing, the selection of the proposed substitute Monitor; and
 3. May enter into an agreement with the substitute Monitor relating to the substitute Monitor's services that either (a) contains substantially the same terms as the Commission-approved agreement referenced in Paragraph VIII.B; or (b) receives Commission approval.
- G. The Commission may on its own initiative or at the request of the Monitor issue such additional orders or directions as may be necessary or appropriate to assure compliance with the requirements of the Orders.

IX. Divestiture Trustee

IT IS FURTHER ORDERED that:

- A. If Respondents have not fully complied with the obligations to assign, grant, license, divest, transfer, deliver, or otherwise convey the Divestiture Assets as required by this Order, the Commission may appoint a trustee (“Divestiture Trustee”) to assign, grant, license, divest, transfer, deliver, or otherwise convey these assets in a manner that satisfies the requirements of this Order. In the event that the Commission or the Attorney General brings an action pursuant to § 5(l) of the Federal Trade Commission Act, 15 U.S.C. § 45(l), or any other statute enforced by the Commission, Respondents shall consent to the appointment of a Divestiture Trustee in such action to assign, grant, license, divest, transfer, deliver, or otherwise convey these assets. Neither the appointment of a Divestiture Trustee nor a decision not to appoint a Divestiture Trustee under this Section IX shall preclude the Commission or the Attorney General from seeking civil penalties or any other relief available to it, including a court-appointed Divestiture Trustee, pursuant to § 5(l) of the Federal Trade Commission Act, or any other statute enforced by the Commission, for any failure by the Respondents to comply with this Order.
- B. The Commission shall select the Divestiture Trustee, subject to the consent of Respondents which consent shall not be unreasonably withheld. The Divestiture Trustee shall be a Person with experience and expertise in acquisitions and divestitures. If Respondents have not opposed, in writing, including the reasons for opposing, the selection of any proposed Divestiture Trustee within 10 days after notice by the staff of the Commission to Respondents of the identity of any proposed Divestiture Trustee, Respondents shall be deemed to have consented to the selection of the proposed Divestiture Trustee.
- C. Not later than 10 days after the appointment of a Divestiture Trustee, Respondents shall execute a trust agreement that, subject to the prior approval of the Commission, transfers to the Divestiture Trustee all rights and powers necessary to permit the Divestiture Trustee to effect the divestitures required by this Order. Any failure by Respondents to comply with a trust agreement approved by the Commission shall be a violation of this Order.
- D. If a Divestiture Trustee is appointed by the Commission or a court pursuant to this Section IX, Respondents shall consent to the following terms and conditions regarding the Divestiture Trustee’s powers, duties, authority, and responsibilities:
 - 1. Subject to the prior approval of the Commission, the Divestiture Trustee shall have the exclusive power and authority to assign, grant, license, divest, transfer, deliver, or otherwise convey the assets that are required by this Order to be assigned, granted, licensed, divested, transferred, delivered, or otherwise conveyed;
 - 2. The Divestiture Trustee shall have one year from the date the Commission approves the trust agreement described herein to accomplish the divestitures,

which shall be subject to the prior approval of the Commission. If, however, at the end of the one-year period, the Divestiture Trustee has submitted a plan of divestiture or the Commission believes that the divestitures can be achieved within a reasonable time, the divestiture period may be extended by the Commission,

Provided, however, the Commission may extend the divestiture period only 2 times;

3. Subject to any demonstrated legally recognized privilege, the Divestiture Trustee shall have full and complete access to the personnel, books, records, and facilities related to the relevant assets that are required to be assigned, granted, licensed, divested, delivered, or otherwise conveyed by this Order and to any other relevant information, as the Divestiture Trustee may request. Respondents shall develop such financial or other information as the Divestiture Trustee may request and shall cooperate with the Divestiture Trustee. Respondents shall take no action to interfere with or impede the Divestiture Trustee's accomplishment of the divestitures. Any delays in divestitures caused by Respondents shall extend the time for divestitures under this Section IX in an amount equal to the delay, as determined by the Commission or, for a court-appointed Divestiture Trustee, by the court;
4. The Divestiture Trustee shall use commercially reasonable best efforts to negotiate the most favorable price and terms available in each contract that is submitted to the Commission, subject to Respondents' absolute and unconditional obligation to divest expeditiously and at no minimum price. The divestitures shall be made in the manner and to Acquirers that receive the prior approval of the Commission as required by this Order,

Provided, however, if the Divestiture Trustee receives bona fide offers from more than one acquiring person for a divestiture, and if the Commission determines to approve more than one such acquiring person for the divestiture, the Divestiture Trustee shall divest to the acquiring person selected by Respondents from among those approved by the Commission,

Provided further, however, that Respondents shall select such person within 5 days of receiving notification of the Commission's approval;

5. The Divestiture Trustee shall serve, without bond or other security, at the cost and expense of Respondents, on such reasonable and customary terms and conditions as the Commission or a court may set. The Divestiture Trustee shall have the authority to employ, at the cost and expense of Respondents, such consultants, accountants, attorneys, investment bankers, business brokers, appraisers, and other representatives and assistants as are necessary to carry out the Divestiture Trustee's duties and responsibilities. The Divestiture Trustee shall account for all monies derived from the divestiture and all expenses incurred. After approval by the Commission of the account of the Divestiture Trustee, including fees for the

Divestiture Trustee's services, all remaining monies shall be paid at the direction of the Respondents, and the Divestiture Trustee's power shall be terminated. The compensation of the Divestiture Trustee shall be based at least in significant part on a commission arrangement contingent on the divestiture of all of the relevant assets that are required to be divested by this Order;

6. Respondents shall indemnify the Divestiture Trustee and hold the Divestiture Trustee harmless against any losses, claims, damages, liabilities, or expenses arising out of, or in connection with, the performance of the Divestiture Trustee's duties, including all reasonable fees of counsel and other expenses incurred in connection with the preparation for, or defense of, any claim, whether or not resulting in any liability, except to the extent that such losses, claims, damages, liabilities, or expenses result from gross negligence or willful misconduct by the Divestiture Trustee;
 7. The Divestiture Trustee shall have no obligation or authority to operate or maintain the Divestiture Assets required to be divested by this Order;
 8. The Divestiture Trustee shall report in writing to Respondents and to the Commission every 30 days concerning the Divestiture Trustee's efforts to accomplish the divestiture; and
 9. Respondents may require the Divestiture Trustee and each of the Divestiture Trustee's consultants, accountants, attorneys, and other representatives and assistants to sign a customary confidentiality agreement,
Provided, however, that such agreement shall not restrict the Divestiture Trustee from providing any information to the Commission.
- E. The Commission may, among other things, require the Divestiture Trustee and each of the Divestiture Trustee's consultants, accountants, attorneys, and other representatives and assistants to sign an appropriate confidentiality agreement related to Commission materials and information received in connection with the performance of the Divestiture Trustee's duties.
- F. If the Commission determines that a Divestiture Trustee has ceased to act or failed to act diligently, the Commission may appoint a substitute Divestiture Trustee in the same manner as provided in this Section IX.
- G. The Commission or, in the case of a court-appointed Divestiture Trustee, the court, may on its own initiative or at the request of the Divestiture Trustee issue such additional orders or directions as may be necessary or appropriate to accomplish the divestitures and other obligations or action required by this Order.

X. No Reacquisition

IT IS FURTHER ORDERED that for a period of 10 years from the date this Order is Issued, Respondent Synopsys shall not acquire, directly or indirectly, through subsidiaries or

otherwise, any leasehold, ownership interest, or any other interest, in whole or in part, in the Divestiture Assets.

XI. Compliance Reports

IT IS FURTHER ORDERED that:

- A. Respondents shall:
1. Notify Commission staff via email at bccompliance@ftc.gov of the Acquisition Date and of the Divestiture Date no later than 5 days after the occurrence of each; and
 2. Submit the complete Divestiture Agreements to the Commission at ElectronicFilings@ftc.gov and bccompliance@ftc.gov no later than 30 days after the Divestiture Date.
- B. Respondents shall submit verified written reports (“compliance reports”) in accordance with the following:
1. Respondents shall submit interim compliance reports 30 days after this Order is issued, and every 30 days thereafter until Respondents have fully complied with Section II (except if Respondents have not fully complied with Paragraphs II.C, II.H.2 or if an extension of the Identified Ansys IP License has been granted pursuant to Paragraph II.E, then fulfillment of Paragraphs II.C, or II.H.2 or such extension period alone shall not require 30-day reports), Sections IV, and VI, and annual compliance reports one year after the date this Order is issued, and annually for the next nine years on the anniversary of that date; and additional compliance reports as the Commission or its staff may request;
 2. Each compliance report shall contain sufficient information and documentation to enable the Commission to determine independently whether Respondents are in compliance with the Order. Conclusory statements that Respondents have complied with its obligations under this Order are insufficient. Respondents shall include in their reports, among other information or documentation that may be necessary to demonstrate compliance:
 - a. a full description of the measures Respondents have implemented or plan to implement to ensure that they have complied or will comply with each paragraph of this Order;
 - b. a description of the transition services Respondents are providing to Acquirer, including the reason for the transition service, the length of time Respondents expect to provide the transition service, and an identification of the personnel responsible for overseeing the provision of the transition service;
 - c. a description of any transition services each Respondent is receiving from the Acquirer, including the reason for the transition service, the length of time Respondent expects to receive the transition service, and an

- identification of the personnel responsible for overseeing the receipt of the transition service;
- d. a detailed description of the progress in complying with the requirements in Paragraph II.C and the remaining actions Respondents intend to take to fully comply with the requirements set out in the paragraph;
 - e. unless completed, a detailed description of the progress in complying with the requirements in Paragraph II.D and the remaining actions Respondents intend to take to fully comply with the requirements set out in the paragraph; and
 - f. unless completed, a detailed description of the progress in complying with the requirements in Paragraph II.G relating to Shared Contracts and the remaining actions Respondents intend to take to fully comply with the requirements set out in Paragraph II.G.
- 3. For a period of 5 years after the Divestiture Date, Respondents shall retain a copy of all Shared Contracts not assigned to Acquirer as of the Divestiture Date and shall provide copies of these documents to Commission staff upon request.
 - 4. For a period of 5 years after filing a compliance report, each Respondent shall retain all material written communications with each party identified in each compliance report and all non-privileged internal memoranda, reports, and recommendations concerning fulfilling Respondent's obligations under this Order during the period covered by such compliance report. Respondents shall provide copies of these documents to Commission staff upon request.
 - 5. Each Respondent shall verify its compliance reports in the manner set forth in 28 U.S.C. § 1746 by the Chief Executive Officer or another officer or employee specifically authorized to perform this function. If the compliance report is verified by someone other than the Chief Executive Officer, Respondents shall include documentation in the compliance report establishing that the verifier is authorized to verify the compliance report on behalf of the submitting Respondent. Respondents shall file their 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). In addition, Respondents shall provide a copy of each compliance report to the Monitor if the Commission has appointed one in this matter.

XII. Change in Respondent Synopsys

IT IS FURTHER ORDERED that Respondent Synopsys shall notify the Commission:

- A. At least 30 days prior to:
 - 1. Any proposed dissolution of Synopsys, Inc.;
 - 2. Any proposed acquisition, merger, or consolidation of Synopsys, Inc.; or

3. Any other change in the Respondent Synopsys, including assignment and the creation, sale, or dissolution of subsidiaries, if such change may affect compliance obligations arising out of this Order; and
- B. No later than 10 days after Synopsys, Inc. files a petition for bankruptcy.

XIII. Access

IT IS FURTHER ORDERED that, for purposes of determining or securing compliance with this Order, and subject to any legally recognized privilege, upon written request and 5 days' notice to the relevant Respondent, made to its principal place of business as identified in this Order, registered office of its United States subsidiary, or its headquarters office, the notified 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 business and other records and all documentary material and electronically stored information as defined in Commission Rules 2.7(a)(1) and (2), 16 C.F.R. § 2.7(a)(1) and (2), 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 the request of the authorized representative of the Commission and at the expense of the Respondent; or
- B. To interview officers, directors, or employees of the Respondent, who may have counsel present, regarding such matters.

XIV. 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 ensure an Acquirer can operate the Divestiture Businesses in a manner equivalent in all material respects to the manner in which Respondents operated the Divestiture Businesses prior to the Acquisition.

XV. Term

IT IS FURTHER ORDERED that this Order shall terminate 10 years from the date it is issued.

By the Commission.

SEAL
ISSUED: October 16, 2025

April J. Tabor
Secretary

NONPUBLIC APPENDIX A
OPTICS AND PHOTONICS DIVESTITURE AGREEMENT
[Redacted From the Public Record Version But Incorporated by Reference]

NONPUBLIC APPENDIX B
RTL POWER CONSUMPTION ANALYSIS DIVESTITURE AGREEMENT
[Redacted From the Public Record Version But Incorporated by Reference]

**NONPUBLIC APPENDIX C
RETAINED ASSETS**

[Redacted From the Public Record Version But Incorporated by Reference]

**NONPUBLIC APPENDIX D
IDENTIFIED EMPLOYEES**

[Redacted From the Public Record Version But Incorporated by Reference]

NONPUBLIC APPENDIX E
Certain Defined Terms
[Redacted From the Public Version But Incorporated by Reference]

NONPUBLIC APPENDIX F
UNASSIGNED OSG CUSTOMER CONTRACTS
[Redacted From the Public Version But Incorporated by Reference]

NONPUBLIC APPENDIX G
UNASSIGNED RTL PCA CUSTOMER CONTRACTS
[Redacted From the Public Version But Incorporated by Reference]

NONPUBLIC APPENDIX H
PAYMENTS TO KEYSIGHT FOR UNASSIGNED OSG AND RTL PCA CONTRACTS
[Redacted From the Public Version But Incorporated by Reference]