

# Exhibit A

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

VERSATA SOFTWARE, INC. *et al.*,

Plaintiffs,

Case No. 15-cv-10628

(*consolidated with Case No. 15-11264*)

v.

Hon. Matthew F. Leitman

FORD MOTOR COMPANY,

Defendant.

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**JURY INSTRUCTIONS**

## **INSTRUCTION NO. 1**

You have now heard all of the evidence in the case as well as the final arguments of the lawyers for the parties.

My duty at this point is to instruct you as to the law. It is your duty to accept these instructions of law and apply them to the facts as you determine them, just as it has been my duty to preside over the trial and decide what testimony and evidence is relevant under the law for your consideration.

On these legal matters, you must take the law as I give it to you. If any attorney has stated a legal principle different from any that I state to you in my instructions, it is my instructions that you must follow.

You should not single out any instruction as alone stating the law, but you should consider my instructions as a whole when you retire to deliberate in the jury room.

You should not, any of you, be concerned about the wisdom of any rule that I state. Regardless of any opinion that you may have as to what the law may be—or ought to be—it would violate your sworn duty to base a verdict upon any other view of the law than that which I give you.

## **INSTRUCTION NO. 2**

As members of the jury, you are the sole and exclusive judges of the facts. You pass upon the evidence. You determine the credibility of the witnesses. You resolve such conflicts as there may be in the testimony. You draw whatever reasonable inferences you decide to draw from the facts as you have determined them, and you determine the weight of the evidence.

In determining these issues, no one may invade your province or functions as jurors. For you to determine the facts, you must rely upon your own recollection of the evidence. What the lawyers have said in their opening statements, in their closing arguments, in their objections, or in their questions is not evidence. Nor is it evidence what I may have said—or what I may say in these instructions—about a fact issue. In this connection, you should bear in mind that a question put to a witness is never evidence, it is only the answer that is evidence. But you may not consider any answer that I directed you to disregard or that I directed struck from the record. Do not consider such answers.

Because you are the sole and exclusive judges of the facts, I do not mean to suggest any opinion as to the facts or what your verdict should be. The rulings I have made during the trial are not any indication of my views of what your decision should be as to whether or not Versata or Ford has proven its case.

I also ask you to draw no inference from the fact that upon occasion I asked questions of certain witnesses. These questions were only intended for clarification or to expedite matters and certainly were not intended to suggest any opinions on my part as to the verdict you should render, or whether any of the witnesses may have been more credible than any other witnesses. You are expressly to understand that I have no opinion as to the verdict you should render in this case.

As to the facts, ladies and gentlemen, you are the exclusive judges. You are to perform the duty of finding the facts without bias or prejudice to any party.

### **INSTRUCTION NO. 3**

A corporation may act only through natural persons who are its agents or employees. Generally, any agents or employees of a corporation may bind the corporation by their acts and declarations made while acting within the scope of their authority delegated to them by the corporation or within the scope of their duties as employees of the corporation.

When you see the word “person” in these instructions, it includes both a natural person as well as a corporation, business trust, estate, trust, partnership, association, joint venture, government, governmental subdivision or agency, or any other legal or commercial entity.

## **INSTRUCTION NO. 4**

This is a civil case. Versata has the burden of proving its claims by what is called the preponderance of the evidence. That means Versata must prove to you, in light of all the evidence, that what it claims is more likely so than not so. To say it differently: if you were to put the evidence favorable to Versata and the evidence favorable to Ford on opposite sides of the scales, Versata would have to make the scales tip somewhat on its side. If Versata does not meet this burden, the verdict must be for Ford on Versata's claims. If you find after considering all the evidence that a claim or fact is more likely so than not so, then Versata has proved the claim or fact by a preponderance of the evidence.

Like Versata, Ford has the burden to prove its breach of contract claim by a preponderance of the evidence. If Ford does not meet this burden, the verdict must be for Versata on Ford's claim. If you find after considering all the evidence that a claim or fact is more likely so than not so, then Ford has proved the claim or fact by a preponderance of the evidence.

In deciding whether any fact has been proved by a preponderance of evidence in the case, you may, unless otherwise instructed, consider the testimony of all witnesses, regardless of who called them, and all exhibits received in evidence, regardless of who produced them.

Versata also asserts an affirmative defense to Ford's breach of contract claim. Versata has the burden of proving the elements of the defense by a preponderance of the evidence. I will instruct you on the facts that will be necessary for you to find on this affirmative defense. An affirmative defense is proven if you find, after considering all evidence in the case, that those required facts are more likely so than not so.

You may have heard of the term "proof beyond a reasonable doubt." That is a stricter standard of proof and it applies only to criminal cases. It does not apply in civil cases such as this. So you should put it out of your mind.

## **INSTRUCTION NO. 5**

In this case, I have allowed certain witnesses to express their opinions about matters that are in issue. A witness may be allowed to testify to an opinion on those matters about which he or she has special knowledge, skill, experience, and training. Such testimony is presented to you on the theory that someone who is experienced and knowledgeable in the field can help you understand the evidence or in reaching an independent decision on the facts.

In weighing this opinion testimony, you may consider the witness's qualifications, his or her opinions, the reasons for testifying, as well as all the other considerations that ordinarily apply when you are deciding whether or not to believe a witness's testimony. You may give the opinion testimony whatever weight, if any, you find it deserves based on all the evidence in this case. You should not, however, accept opinion testimony merely because I allowed the witness to testify concerning his or her opinion. Nor should you substitute it for your own reason, judgment, and common sense. The determination of the facts in this case rests solely with you.

## **INSTRUCTION NO. 6**

You have heard testimony of witnesses called by each side to give their opinion about whether trade secrets were misappropriated and the amount of damages, if any, for trade secret misappropriation and breach of contract.

The witnesses who gave their opinions did so to assist you in reaching a decision on these issues. In deciding these issues, you are not by any means limited to the opinions of the witnesses. You are entitled to consider any other evidence that you believe is relevant.

The testimony of these witnesses is in conflict. They disagree. You must remember that you are the sole trier of the facts and their testimony relates to a question of fact—that is, whether misappropriation occurred or not and the amount of damages, if any—so, it is your job to resolve the disagreement.

The way you resolve the conflict between these witnesses is the same way that you decide other fact questions and the same way you decide whether to believe ordinary witnesses. In addition, because they gave their opinions, you should consider the soundness of each opinion, the reasons for the opinion, and the witness's motive, if any, for testifying.

You may give the testimony of these witnesses such weight, if any, that you think it deserves in the light of all the evidence. You should not allow a witness's opinion testimony to be a substitute for your own reason, judgment, and common sense.

You may reject the testimony of any opinion witness in whole or in part, if you conclude the reasons given in support of an opinion are unsound or, if you, for other reasons, do not believe the witness.

## **INSTRUCTION NO. 7**

You have heard evidence that at some earlier time the witness has said or done something that counsel argues is inconsistent with the witness's trial testimony.

Evidence of a prior inconsistent statement is not to be considered by you as affirmative evidence in determining liability. Evidence of a prior inconsistent statement was placed before you for the more limited purpose of helping you decide whether to believe the trial testimony of the witness who contradicted himself. If you find that the witness made an earlier statement that conflicts with his trial testimony, you may consider that fact in deciding how much of his trial testimony, if any, to believe.

In making this determination, you may consider whether the witness purposely made a false statement or whether it was an innocent mistake; whether the inconsistency concerns an important fact, or whether it had to do with a small detail; whether the witness had an explanation for the inconsistency, and whether that explanation appealed to your common sense.

It is exclusively your duty, based on all the evidence and your own good judgment, to determine whether the prior statement was inconsistent, and if so, how much, if any, weight to give to the inconsistent statement in determining whether to believe all or part of the witness's testimony.

## **INSTRUCTION NO. 8**

I have not expressed, nor have I intended to intimate, any opinion as to which witnesses are or are not worthy of belief, what facts are or are not established, or what inference or inferences should be drawn from the evidence. If any expression of mine has seemed to indicate an opinion relating to any of these matters, I instruct you to disregard it. You are, I repeat, the exclusive, sole judges of all the questions of fact submitted to you and of the credibility of the witnesses. Your authority, however, is not to be exercised arbitrarily; it must be exercised with sincere judgment, sound discretion, and following the rules of law which I give you. In making your determination of the facts in this case, you must apply your judgment only to that which is properly in evidence. Arguments of counsel are not in evidence, although you may consider those arguments in making up your mind on what inferences to draw from the facts which are in evidence.

From time to time the court has been called upon to rule on the admissibility of certain evidence, although I have tried to do so, in so far as it was practicable, out of your hearing. You have no concern with the reasons for any such rulings and you are not to draw any inferences from them. Whether offered evidence is admissible is purely a question of law in the province of the court and outside the province of the jury. In admitting evidence to which objection has been made, the court does not decide what weight should be given to such evidence, nor does it pass on the credibility of the evidence. Of course, you will dismiss from your mind, completely and entirely, any evidence which I have ruled out of the case, and you will refrain from speculation or conjecture or any guesswork about the nature or effect of any discussions between court and counsel held out of your hearing or sight.

## **INSTRUCTION NO. 9**

It is the duty of the attorney on each side of a case to object when the other side offers testimony or other evidence which the attorney believes is not properly admissible. Counsel also has the right and duty to ask the court to make rulings of law and to request conferences at the side bar out of the hearing of the jury. I must decide all those questions of law. You should not show any prejudice against attorneys or their clients because they objected to the admissibility of evidence, or asked for a conference out of the hearing of the jury or asked the court for a ruling on the law.

As I have said, my rulings on the admissibility of evidence do not, unless expressly stated by me, indicate any opinion as to the weight or effect of such evidence. You are the sole judges of the credibility of all witnesses and the weight and effect of all evidence.

## **INSTRUCTION NO. 10**

There are two types of evidence which you may properly use in reaching your verdict.

One type of evidence is direct evidence. Direct evidence is when a witness testifies, including if by video testimony, about something he knows by virtue of his own senses—something he has seen, felt, touched, or heard. Direct evidence may also be in the form of an exhibit when the fact to be proved is its present existence or condition.

The other type of evidence is circumstantial evidence. This evidence tends to prove a disputed fact by proof of other facts. There is a simple example of circumstantial evidence which is often used in this courthouse.

Assume that when you came into the courthouse this morning the sun was shining and it was a nice day. Assume that the courtroom blinds were drawn and you could not look outside. As you were sitting here, someone walked in with an umbrella which was dripping wet. Then a few minutes later another person also entered with a wet umbrella. Now, you cannot look outside of the courtroom and you cannot see whether or not it is raining. So you have no direct evidence of that fact. But on the combination of facts which I have asked you to assume, it would be reasonable and logical for you to conclude that was raining.

That is all there is to circumstantial evidence. You infer on the basis of reason, experience and common sense from one established fact the existence or non-existence of some other fact.

Circumstantial evidence is of no less value than direct evidence; for, it is a general rule that the law makes no distinction between direct evidence and circumstantial evidence but simply requires that your verdict must be based on (*e.g.*, a preponderance of) all the evidence presented.

## **INSTRUCTION NO. 11**

You have heard and seen evidence in this case which is in the form of interrogatories. Interrogatories are written questions posed by one side which call for written answers under oath from the other side. Both the questions and answers are made prior to trial after the case has begun in what is called pretrial discovery, and each side is entitled to seek such discovery from the other.

You may consider a party's answers to interrogatories as evidence against a party who made the answer, just as you would any other evidence which has been admitted in this case.

In this regard, you do not have to consider a party's answers to interrogatories as true, nor do you have to give them more weight than any other evidence. It is up to you to decide what weight, if any, you will give to the interrogatory answers which have been admitted as evidence.

Some of the testimony before you is in the form of discovery depositions which have been received in evidence. A discovery deposition is simply a procedure where prior to trial the attorneys for one side may question a witness or an adversary party under oath before a court stenographer. This is part of the pretrial discovery, and each side is entitled to take depositions. Some of the testimony before you is in the form of a trial deposition, which is a deposition taken when a witness is unavailable to appear at trial. You may consider the testimony of a witness given at a deposition according to the same standards you would use to evaluate the testimony of a witness given at trial.

## **INSTRUCTION NO. 12**

During the trial you have heard the attorneys use the term “inference,” and in their arguments they have asked you to infer, using your reason, experience, and common sense, the existence of some fact from one or more established facts.

An inference is not a suspicion or a guess. It is a reasoned, logical conclusion that a disputed fact exists based on another fact which has been shown to exist.

There are times when different inferences may be drawn from facts, whether proved by direct or circumstantial evidence. One side may ask you to draw one set of inferences, while the side may ask you to draw another. It is for you, and you alone, to decide what inferences you will draw.

The process of drawing inferences from facts in evidence is not a matter of guesswork or speculation. An inference is a deduction or conclusion which you, the jury, are permitted to draw—but not required to draw—from the facts that have been established by either direct or circumstantial evidence. In drawing inferences, you should exercise your common sense.

So, while you are considering the evidence presented to you, you are allowed to draw, from the facts which you find to be proven, such reasonable inferences as would be justified based on your experience.

## **INSTRUCTION NO. 13**

You have had the opportunity to observe all the witnesses. It is now your job to decide how believable each witness was in his or her testimony. You are the sole judges of the credibility of each witness and of the importance of his or her testimony.

It must be clear to you by now that you are being called on to resolve various factual issues raised by the parties in the face of very different pictures painted by both sides. In making these judgments, you should carefully scrutinize all the testimony of each witness, the circumstances under which each witness testified, and any other matter in evidence that may help you decide the truth and the importance of each witness's testimony.

How do you decide where the truth lies? You watched each witness testify. Everything a witness said or did on the witness stand counts in your determination. How did the witness impress you? Did he or she appear to be frank, forthright, and candid, or evasive and edgy as if hiding something? How did the witness appear; what was his or her demeanor—that is, his or her carriage, behavior, bearing, manner, and appearance while testifying? Often it is not what a person says but how he or she says it that moves us.

You should use all the tests for truthfulness that you would use in deciding matters of importance to you in your everyday life. You should consider any bias or hostility the witness may have shown for or against any party as well as any interest the witness has in the outcome of the case. You should consider the opportunity the witness had to see, hear, and know the things about which he or she testified, the accuracy of the witness's memory, the witness's candor or lack of candor, the witness's intelligence, the reasonableness and probability of the witness's testimony and its consistency or lack of consistency and its corroboration or lack of corroboration with other credible testimony.

In other words, what you must try to do in deciding credibility is to size a witness up based on his or her demeanor, the explanations given, and all of the other evidence in the case. Always remember that you should use your common sense, your good judgment, and your own life experience.

## **INSTRUCTION NO. 14**

You have heard evidence of discrepancies in the testimony of certain witnesses, and counsel have argued that such discrepancies are a reason for you to reject the testimony of those witnesses.

Evidence of discrepancies may be a basis to disbelieve a witness's testimony. On the other hand, discrepancies in a witness's testimony or between his or her testimony and that of others do not necessarily mean that the witness's entire testimony should be discredited.

People sometimes forget things and even a truthful witness may be nervous and contradict himself. It is also a fact that two people witnessing an event will see or hear it differently. In weighing the significance of a discrepancy, you should consider whether it pertains to a fact of importance or only to a trivial detail; but a willful falsehood always is a matter of importance and should be considered seriously.

It is for you to decide, based on your total impression of the witness, how to weigh the discrepancies in his or her testimony. You should, as always, use common sense and your own good judgment.

## **INSTRUCTION NO. 15**

This case involves a claim by Versata that Ford breached a contract. A contract is a legally enforceable agreement to do or not to do something. In this case, the parties do not dispute that there was a contract between them.

Versata has the burden of proving:

1. that Ford breached the contract; and
2. that Versata suffered damages as a result of the breach.

If you find after considering all the evidence that Versata has proved both these elements, then your verdict should be for Versata. However, if Versata fails to prove either of these elements, your verdict should be for Ford.

This case also involves a claim by Ford that Versata breached a contract. With respect to Ford's claim, Ford has the burden to prove:

1. that Versata breached the contract; and
2. that Ford suffered damages as a result of the breach.

If you find after considering all the evidence that Ford has proved both these elements, then your verdict should be for Ford. However, if Ford fails to prove either of these elements, your verdict should be for Versata.

## **INSTRUCTION NO. 16**

Versata and Ford each claim the other breached a contract called the Master Software Services Agreement (MSSA) and related agreements.

Versata claims that Ford breached the MSSA:

1. by misusing and disclosing confidential information;
2. by refusing to permit Versata to exercise its audit and/or verification rights under the contract, and/or by continuing to use Versata's software without a license and without payment of licensing fees; and/or
3. by reverse engineering Versata's software for its own commercial use.

Ford claims that Versata breached Addendum #1 to Subscription Schedule #4 to the MSSA by prohibiting Ford from continuing to use the ACM software from January 15, 2015 to December 31, 2015.

## **INSTRUCTION NO. 17**

Each party to a contract has a duty to perform its obligations under the contract. A contract is breached or broken when a party does not substantially perform what the party promised to do in the contract. When I say that a party must have “substantially performed” the contract or that “substantial performance” of the contract is required, I mean that, although there may have been some deviations or omissions from the performance called for by the language of the contract, the other party received the important and essential benefits for which the contract was made. The extent of nonperformance is to be viewed in light of the full performance promised. If the defect or uncompleted performance is of such extent and nature that there has not been practical fulfillment of the terms of the contract, then there has not been substantial performance. A party who substantially performs may be required to pay as damages the costs of remedying any defects in performance.

## **INSTRUCTION NO. 18**

I have ruled in this case that Section 1.7(iii) of the parties' contract, the MSSA, is ambiguous. That section prohibits Ford from "examining the machine-readable object code that controls the Software's operation and creating the original source code or any approximation thereof by, for example, studying the Software's behavior in response to a variety of inputs."

When a contract is ambiguous, that is, when the language is reasonably susceptible of two different interpretations, you must decide its meaning. To determine what the parties intended by the ambiguous language, you should consider the statements of the representative parties, the conduct of the parties, and the custom and usage of the industry.

Versata has the burden to prove what the parties intended this provision to mean. You should interpret the contract so as to give effect to the parties' intentions. You cannot make for the parties a different contract than the parties made for themselves. It is the intent expressed or apparent in the writing that controls.

In determining the parties' intentions under the written contract, you should consider the agreement as a whole, including all of its parts and attachments.

You must give the words of the contract their ordinary meaning, and a contract must be interpreted, when possible, so as to give every effect to every word, phrase, and clause in the contract, and to avoid an interpretation that would render any part of the contract unnecessary, meaningless, void or unenforceable.

You may consider the conduct of the parties after they entered into the contract and before they discovered that they disagreed with one another, as evidence of their agreed intent. It is up to you to decide what the conduct of the parties was, whether the conduct is reasonably related to the terms in question, and whether it reveals what they intended by the contract.

## **INSTRUCTION NO. 19**

As an affirmative defense to Ford's breach of contract claim, Versata claims that any breach of contract by Versata was rendered actionable by Ford's own breach(es). One who breaches a contract cannot maintain an action against the other contracting party for his subsequent breach or failure to perform. To succeed on this defense, Versata has the burden of proving that Ford's initial breach was substantial, which means that Versata did not obtain the benefit that it was reasonably expected to receive from Ford under the contract.

## **INSTRUCTION NO. 20**

If you find that Ford is liable to Versata for breach of contract, then you must decide the amount of money, if any, to award to Versata as contract damages. If you find that Ford is not liable, then you do not award Versata contract damages.

Likewise, if you find that Versata is liable to Ford for breach of contract, then you must decide the amount of money, if any, to award to Ford as contract damages. If you find that Versata is not liable, then you do not award Ford contract damages.

The party seeking damages must prove by a preponderance of the evidence the amount of any damages to be awarded. However, that party does not need to prove its damages with mathematical precision because it is not always possible that a party can prove the exact amount of its damages. Therefore, it is necessary only that Versata or Ford prove its damages to a reasonable certainty or a reasonable probability. However, you may not award damages on the basis of guess, speculation or conjecture.

The fact that I am instructing you on the subject of damages does not mean that Versata or Ford is or is not entitled to recover damages. I am expressing no opinion one way or the other. These instructions are only to guide you if you find from a preponderance of the evidence that Versata or Ford is entitled to recover damages.

## **INSTRUCTION NO. 21**

Contract damages are intended to give the non-breaching party the benefit of the party's bargain by awarding it a sum of money that will, to the extent possible, put it in as good a position as it would have been in had the contract been fully performed. The non-breaching party should receive those damages naturally arising from the breach. Neither Versata nor Ford can recover a greater amount in damages than it could have gained by the other party's full performance of the contract.

## **INSTRUCTION NO. 22**

If you find, after considering all the evidence presented, that a party breached a duty owed to the other party, but the non-breaching party suffered no injury as a result of this breach, you may award “nominal damages.” “Nominal damages” are awarded as recognition that a party’s rights have been violated.

You would award nominal damages if you conclude that there was a breach but that the breach did not result in any financial damage. You may also award nominal damages if, upon finding that some injury resulted from a breach, you find that you are unable to compute monetary damages except by engaging in pure speculation and guessing.

You may not award both nominal and compensatory damages to a party for the same breach; either the party was measurably injured, in which case you must award compensatory damages, or else it was not, in which case you may award nominal damages.

Nominal damages may not be awarded for more than a token sum.

## **INSTRUCTION NO. 23**

Versata also brings a claim against Ford for trade secret misappropriation. To prove its claim with respect to any one of these alleged combination trade secrets, Versata must prove the following facts by a preponderance of the evidence:

1. Versata owns a valid combination trade secret, which means:
  - a. The information claimed as a combination trade secret qualifies for protection under the law as a trade secret; and
  - b. Versata owned the alleged combination trade secret; and
2. Ford misappropriated the alleged combination trade secret, which means:
  - a. Ford had knowledge of the alleged combination trade secret;
  - b. Ford knew or should have known that it acquired the knowledge of the alleged combination trade secret under circumstances giving rise to a duty to maintain the secrecy of the trade secret or limit the use of the trade secret; and
  - c. Ford disclosed or used the alleged combination trade secret in violation of that duty.

In determining whether Versata owned the alleged combination trade secrets, you may consider contractual provisions that concern the parties' ownership rights.

For each alleged combination trade secret, Versata must prove that Ford misappropriated every element of that combination or else there is no misappropriation of that combination. The elements of each alleged combination trade secret are described on the next page of these instructions.

You should consider separately whether Versata proved by a preponderance of the evidence that Ford misappropriated each of the alleged combination trade secrets. If you find after considering all the evidence that Versata has proved all of the required elements for misappropriation of a particular alleged combination trade secret, then your verdict should be for Versata for that combination. However, if Versata does not prove each of these elements for a particular combination, your verdict should be for Ford for that combination.

## **INSTRUCTION NO. 24**

Versata claims that Ford misappropriated four alleged combination trade secrets that Versata calls “the Grid,” “Buildability,” “Workspaces,” and “MCA.” Versata claims that each alleged combination trade secret consists of multiple elements.

Specifically, Versata claims that:

1. “the Grid” consists of five elements:
  - a. “the dynamic grid,”
  - b. “error resolution workflow,”
  - c. “rule splaying and overlap prevention,”
  - d. “local summary codes,” and
  - e. “grid templates”;
2. “Buildability” consists of six elements:
  - a. “buildability using minimized tries,”
  - b. “directed acyclic graph (DAG),”
  - c. “filtering non-buildable rules,”
  - d. “retiming,”
  - e. “rule layers and manipulation,” and
  - f. “use of polar sets to represent modeler intent”;
3. “Workspaces” consists of three elements:
  - a. “workspaces,”
  - b. “engineering/marketing views and flowthrough,” and
  - c. “modelling process”;
4. and “MCA” consists of three elements:
  - a. “automatic generation of accurate and augmented configuration (i.e., feature strings) as baselines for parts and materials forecasting,”
  - b. “use of feature optionalities in feature string generation to isolate parts cost,” and
  - c. “inclusion of dynamic effectivity for feature strings.”

The content of each of these elements is described in a document that will be provided to you.

## **INSTRUCTION NO. 25**

To prove that information is a trade secret, Versata must prove each of the following:

1. The information is secret. Absolute secrecy, in the sense that no one else in the world possesses the information, is not required; and
2. The information derives independent economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use.

In this case, Versata asserts that its alleged trade secrets are “combination” trade secrets. A combination qualifies as a trade secret only when the combination creates value beyond the sum of its individual parts. A unique combination of characteristics, components, or features can constitute a trade secret, even if some or all of the individual characteristics, components, or features are in the public domain or well known, so long as the unified process or design is not generally known to the public or to people who could obtain value from knowing it and affords an actual or potential competitive advantage to persons possessing the information.

A trade secret may take many forms, including (but not limited to) all forms and types of financial, business, scientific, technical, economic, or engineering information. A trade secret may include (but is not limited to) patterns, plans, compilations, program devices, formulas, designs, prototypes, methods, techniques, processes, procedures, programs, or codes. A trade secret may be tangible or intangible. A trade secret does not have to be stored, compiled, or memorialized. But if it is, it does not have to be stored, compiled, or memorialized in any particular manner, such as physically, electronically, graphically, photographically, or in writing.

## **INSTRUCTION NO. 26**

To “derive independent economic value from not being generally known” means that the information gives a business a competitive advantage over other businesses that do not know the information. Information that is generally known or understood within an industry, even if not known to the public at large, does not qualify as a trade secret. But information that requires considerable time, effort, and expense to duplicate, even if it is derived from public sources, can still qualify as a trade secret.

### **INSTRUCTION NO. 27**

You must determine whether Versata sufficiently disclosed each of its alleged combination trade secrets to Ford such that Ford had knowledge of each trade secret under the totality of the circumstances. In making this determination, you should consider whether, taking into account all of Versata's relevant disclosures, and the circumstances under which they were made, it would be reasonable to infer that Ford had knowledge of each of the alleged combination trade secrets.

## **INSTRUCTION NO. 28**

“Use” means any exploitation of a trade secret that is likely to result in injury to the trade secret owner or enrichment to the defendant. Thus, marketing goods that embody the trade secret, employing the trade secret in manufacturing or production, relying on the trade secret to assist or accelerate research or development, or soliciting customers through the use of information that is a trade secret all constitute “use.”

## **INSTRUCTION NO. 29**

If Versata has not proved its claim for misappropriation of an alleged combination trade secret, your verdict must be for Ford on that alleged combination trade secret, and you must not consider trade secret damages with respect to that alleged combination trade secret. If Versata has proved its claim for misappropriation of an alleged combination trade secret, you must decide the damages, if any, to which Versata is entitled.

Versata has the burden of proving its damages to a reasonable certainty. Although damages based on speculation or conjecture are not recoverable, damages are not speculative merely because they cannot be ascertained with mathematical precision. Therefore, it is sufficient for Versata to prove its compensatory damages by a reasonable basis for computation to a reasonable certainty.

Compensatory damages for trade secret misappropriation in this case must be in the form of a “reasonable royalty.”

The fact that I am instructing you on the subject of damages does not mean that Versata is or is not entitled to recover damages. I am expressing no opinion one way or the other. These instructions are only to guide you if you find from a preponderance of the evidence that Versata is entitled to recover damages.

The reasonable royalty damages must be limited to the amount of time you decide it would have taken Ford to independently develop the alleged combination trade secrets you found were misappropriated.

## **INSTRUCTION NO. 30**

If you find that Ford has misappropriated an alleged combination trade secret, then you may consider whether to award additional damages that are known as exemplary damages for that misappropriation. You may award exemplary damages only if you find, by a preponderance of the evidence, that Ford has engaged in willful and malicious misappropriation of the alleged combination trade secret.

Conduct is willful if done with a purpose or willingness to commit the act or engage in the conduct in question, and the conduct was not reasonable under the circumstances at the time and was not undertaken in good faith.

Conduct is malicious if it is motivated by spite or ill will and a disregard for the rights of another with knowledge of probable injury.

Exemplary damages may be awarded in an amount not more than two (2) times the amount awarded for compensatory damages (i.e., the amount awarded for a reasonable royalty).

### **INSTRUCTION NO. 31**

In answering questions about damages, answer each question separately. Do not increase or reduce the amount in one answer because of your answer to any other question about damages. Do not speculate about what a party's ultimate recovery may or may not be. Overall recovery, if any, will be determined by the court when it applies the law to your answers at the time of judgment.

## **INSTRUCTION NO. 32**

When you retire to the jury room to deliberate, you may take with you these instructions and your notes. You should select one member of the jury as your foreperson. That person will preside over the deliberations and speak for you here in open court.

You have two main duties as jurors. The first one is to decide what the facts are from the evidence that you saw and heard here in court. Deciding what the facts are is your job, not mine, and nothing that I have said or done during this trial was meant to influence your decision about the facts in any way.

Your second duty is to take the law that I give you, apply it to the facts, and decide if, under the appropriate burden of proof, the parties have established their claims. It is my job to instruct you about the law, and you are bound by the oath that you took at the beginning of the trial to follow the instructions that I give you, even if you personally disagree with them. This includes the instructions that I gave you before and during the trial, and these instructions. All the instructions are important, and you should consider them together as a whole.

Perform these duties fairly. Do not let any bias, sympathy or prejudice that you may feel toward one side or the other influence your decision in any way.

As jurors, you have a duty to consult with each other and to deliberate with the intention of reaching a verdict. Each of you must decide the case for yourself, but only after a full and impartial consideration of all of the evidence with your fellow jurors. Listen to each other carefully. In the course of your deliberations, you should feel free to re-examine your own views and to change your opinion based upon the evidence. But you should not give up your honest convictions about the evidence just because of the opinions of your fellow jurors. Nor should you change your mind just for the purpose of obtaining enough votes for a verdict.

When you start deliberating, do not talk to my case manager, to me or to anyone but each other about the case. During your deliberations, you must not communicate with or provide any information to anyone by any means about this case. You may not use any electronic device or media, such as a phone (like iPhones), a computer, the internet, any internet service, or any text or instant messaging service (like Twitter); or any internet chat room, blog, website, or social networking service (such

as Facebook or YouTube), to communicate to anyone any information about this case or to conduct any research about this case until I accept your verdict.

You may not use these electronic means to investigate or communicate about the case because it is important that you decide this case based solely on the evidence presented in this courtroom. Information on the internet or available through social media might be wrong, incomplete, or inaccurate. Information that you might see on the internet or on social media has not been admitted into evidence and the parties have not had a chance to discuss it with you. You should not seek or obtain such information and it must not influence your decision in this case.

If you have any questions or messages for me, you must write them down on a piece of paper, have the foreperson sign them, and give them to my case manager. She will give them to me, and I will respond as soon as I can. I may have to talk to the lawyers about what you have asked, so it may take some time to get back to you.

One more thing about messages. Never write down or tell anyone how you stand on your votes. For example, do not write down or tell anyone that a certain number is voting one way or another. Your votes should stay secret until you are finished.

Your verdict must represent the considered judgment of each juror. For you as a jury to return a verdict, each juror must agree to the verdict. Your verdict must be unanimous. In your deliberations, you should weigh the evidence with an open mind and consideration for each other's opinions. If differences of opinion arise, you should discuss them in a spirit of fairness and frankness.

A verdict form has been prepared for you. It has a series of questions for you to answer. You will take this form to the jury room and when you have reached unanimous agreement as to your verdict, you will fill it in, and have your foreperson date and sign the form. You will then return to the courtroom and your foreperson will give your verdict. Unless I direct you otherwise, do not reveal your answers until you are discharged. After you have reached a verdict, you are not required to talk with anyone about the case unless I order you to do so.

Once again, I want to remind you that nothing about my instructions and nothing about the form of verdict is intended to suggest or convey in any way or manner what I think your verdict should be. It is your sole and exclusive duty and responsibility to determine the verdict.

If you discover a juror has violated my instructions, you should report it to me right away.