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12
 13 UNITED STATES DISTRICT COURT
 14 NORTHERN DISTRICT OF CALIFORNIA
 15 SAN JOSE DIVISION

17 MAGIC LEAP, INC.,
 18 Plaintiff,
 19 v.
 20 CHI XU, an individual; HANGZHOU
 TAIRUO TECHNOLOGY CO., LTD., d/b/a
 21 NREAL,
 22 Defendants.

Case No. 5:19-cv-03445-LHK
~~PROPOSED~~ STIPULATED
 PROTECTIVE ORDER FOR
 LITIGATION INVOLVING HIGHLY
 SENSITIVE CONFIDENTIAL
 INFORMATION AND/OR TRADE
 SECRETS

1 Plaintiff Magic Leap, Inc. and Defendants Chi Xu and Hangzhou Tairuo Technology Co.,
2 Ltd., d/b/a Nreal (collectively, the “Parties”), by and through their respective counsel, and in
3 accordance with the Court’s May 19, 2020 Order Regarding Discovery Disputes (Dkt. No. 45),
4 hereby stipulate and agree to a protective order (“Stipulated Protective Order” or “Order”) as
5 follows:

6 **1. PURPOSES AND LIMITATIONS**

7 Disclosure and discovery activities in this action are likely to involve production of
8 confidential, proprietary, or private information for which special protection from public disclosure
9 and from use for any purpose other than prosecuting this litigation may be warranted. Accordingly,
10 the Parties hereby stipulate to and petition the Court to enter the following Stipulated Protective
11 Order.

12 1.1 Protected Material designated under the terms of this Stipulated Protective Order
13 shall be used by a Receiving Party solely for this case, and shall not be used directly or indirectly
14 for any other purpose whatsoever.

15 1.2 The Parties acknowledge that this Order does not confer blanket protections on all
16 disclosures or responses to discovery and that the protection it affords from public disclosure and
17 use extends only to the limited information or items that are entitled to confidential treatment under
18 the applicable legal principles. The Parties further acknowledge, as set forth in Section 14.4, below,
19 that this Stipulated Protective Order does not entitle them to file confidential information under
20 seal; Civil Local Rule 79-5 sets forth the procedures that must be followed and the standards that
21 will be applied when a Party seeks permission from the Court to file material under seal.

22 **2. DEFINITIONS**

23 2.1 Challenging Party: a Party or Non-Party that challenges the designation of
24 information or items under this Order.

25 2.2 “CONFIDENTIAL” Information or Items: information (regardless of how it is
26 generated, stored, or maintained) or tangible things that qualify for protection under Federal Rule
27 of Civil Procedure 26(c).
28

1 2.3 Counsel (without qualifier): Outside Counsel of Record (as well as their support
2 staff).

3 2.4 Designated In-House Counsel: Subject to Section 7.5, In-House Counsel who seek
4 access to Protected Material in this matter.

5 2.5 Designating Party: a Party or Non-Party that designates information or items that it
6 produces in disclosures or in responses to discovery as “CONFIDENTIAL,” “HIGHLY
7 CONFIDENTIAL – ATTORNEYS’ EYES ONLY,” or “HIGHLY CONFIDENTIAL – SOURCE
8 CODE.”

9 2.6 Disclosure or Discovery Material: all items or information, regardless of the
10 medium or manner in which it is generated, stored, or maintained (including, among other things,
11 testimony, transcripts, and tangible things), that are produced or generated in disclosures or
12 responses to discovery in this matter.

13 2.7 Expert: a person with specialized knowledge or experience in a matter pertinent to
14 the litigation who (1) has been retained by a Party or its Counsel to serve as an expert witness or as
15 a consultant in this action, (2) is not a current employee of a Party or of a Party’s competitor in the
16 field of spatial computing (which encompasses augmented, virtual and hybrid (or mixed) reality
17 technology , and (3) at the time of retention, is not anticipated to become an employee of a Party
18 or of a Party’s competitor in the field of spatial computing (which encompasses augmented, virtual
19 and hybrid (or mixed) reality technology.

20 2.8 “HIGHLY CONFIDENTIAL – ATTORNEYS’ EYES ONLY” Information or
21 Items: extremely sensitive “Confidential Information or Items,” disclosure of which to another
22 Party or Non-Party would create a substantial risk of serious harm.

23 2.9 “HIGHLY CONFIDENTIAL – SOURCE CODE” Information or Items: extremely
24 sensitive “Confidential Information or Items” representing computer code and associated
25 comments and revision histories, formulas, engineering specifications, or schematics that define or
26 otherwise describe in detail the algorithms or structure of software or hardware designs, disclosure
27 of which to another Party or Non-Party would create a substantial risk of serious harm.
28

1 2.10 In-House Counsel: attorneys who are employees of a Party to this action. In-House
2 Counsel does not include Outside Counsel of Record or any other outside counsel.

3 2.11 Non-Party: any natural person, partnership, corporation, association, or other legal
4 entity not named as a Party to this action.

5 2.12 Outside Counsel of Record: attorneys who are not employees of a Party to this action
6 but are retained to represent or advise a Party to this action and have appeared in this action on
7 behalf of that Party or are affiliated with a law firm which has appeared on behalf of that Party.

8 2.13 Party: any party to this action, including all of its officers, directors, employees,
9 retired employees who receive a pension, consultants, retained experts, and outside counsel (and
10 their support staff).

11 2.14 Producing Party: a Party or Non-Party that produces Disclosure or Discovery
12 Material in this action.

13 2.15 Professional Vendors: persons or entities that provide contract document review or
14 other litigation support services (e.g., photocopying, videotaping, translating, preparing exhibits or
15 demonstrations, and organizing, storing, or retrieving data in any form or medium) and their
16 employees and subcontractors.

17 2.16 Protected Material: any Disclosure or Discovery Material that is designated as
18 “CONFIDENTIAL,” as “HIGHLY CONFIDENTIAL – ATTORNEYS’ EYES ONLY,” or as
19 “HIGHLY CONFIDENTIAL – SOURCE CODE.”

20 2.17 Receiving Party: a Party that receives Disclosure or Discovery Material from a
21 Producing Party.

22 **3. SCOPE**

23 3.1 The protections conferred by this Stipulated Protective Order cover not only
24 Protected Material (as defined above), but also (1) any information copied or extracted from
25 Protected Material; (2) all copies, excerpts, summaries, or compilations of Protected Material; and
26 (3) any testimony, conversations, or presentations by Parties or their Counsel that might reveal
27 Protected Material.
28

1 3.2 The protections conferred by this Stipulated Protective Order do not cover the
2 following information: (a) any information that is in the public domain at the time of disclosure to
3 a Receiving Party or becomes part of the public domain after its disclosure to a Receiving Party as
4 a result of publication not involving a violation of this Order, including becoming part of the public
5 record through trial or otherwise; and (b) any information (i) known to the Receiving Party prior to
6 the disclosure and not governed by any confidentiality agreement between the Designating Party
7 and Receiving Party or (ii) obtained by the Receiving Party after the disclosure from a source who
8 obtained the information lawfully and under no obligation of confidentiality to the Designating
9 Party. Any use of Protected Material at trial shall be governed by a separate agreement or order.

10 3.3 Nothing in this Stipulated Protective Order shall prevent or restrict a Producing
11 Party's own disclosure or use of Protected Material that it designated for any purpose, and nothing
12 in this Order shall preclude any Producing Party from showing Protected Material that it designated
13 to an individual who prepared the Protected Material.

14 3.4 Nothing in this Order shall be construed to prejudice any Party's right to use any
15 Protected Material in court or in any court filing with the consent of the Producing Party or by order
16 of the Court.

17 **4. DURATION**

18 Even after final disposition of this litigation, the confidentiality obligations imposed by this
19 Order shall remain in effect until a Designating Party agrees otherwise in writing or a court order
20 otherwise directs. Final disposition shall be deemed to be the later of (1) dismissal of all claims and
21 defenses in this action against all Parties, with or without prejudice; and (2) final judgment herein
22 after the completion and exhaustion of all appeals, rehearings, remands, trials, or reviews of this
23 action, including the time limits for filing any motions or applications for extension of time pursuant
24 to applicable law.

25 **5. DESIGNATING PROTECTED MATERIAL**

26 5.1 Exercise of Restraint and Care in Designating Material for Protection. Each Party
27 or Non-Party that designates information or items for protection under this Order must take care to
28 limit any such designation to material that qualifies under the appropriate standards. Mass,

1 indiscriminate, or routinized designations are prohibited. Designations that are shown to be clearly
2 unjustified or that have been made for an improper purpose (e.g., to unnecessarily encumber or
3 impede the case development process or to impose unnecessary expenses and burdens on other
4 Parties) expose the Designating Party to sanctions. If it comes to a Designating Party's attention
5 that information or items that it designated for protection do not qualify for protection at all or do
6 not qualify for the level of protection initially asserted, that Designating Party must promptly notify
7 all other Parties that it is withdrawing the mistaken designation.

8 5.2 Timing of Designations. Except as otherwise provided in this Order (*see, e.g.*,
9 second paragraph of Section 5.3(a) below), or as otherwise stipulated or ordered, Disclosure or
10 Discovery Material that qualifies for protection under this Order must be clearly so designated
11 before the material is disclosed or produced.

12 5.3 Manner of Designations. Designation in conformity with this Order requires:

13 (a) for information in documentary form (*e.g.*, paper or electronic documents,
14 but excluding transcripts of depositions or other pretrial or trial proceedings), that the Producing
15 Party affix the legend "CONFIDENTIAL," "HIGHLY CONFIDENTIAL – ATTORNEYS' EYES
16 ONLY," or "HIGHLY CONFIDENTIAL – SOURCE CODE" to each page that contains Protected
17 Material.

18 A Party or Non-Party that makes original documents or materials available for inspection
19 need not designate them for protection until after the inspecting Party has indicated which material
20 it would like copied and produced. During the inspection and before the designation, all of the
21 material made available for inspection shall be deemed "HIGHLY CONFIDENTIAL –
22 ATTORNEYS' EYES ONLY." After the inspecting Party has identified the documents it wants
23 copied and produced, the Producing Party must determine which documents, or portions thereof,
24 qualify for protection under this Order. Then, before producing the specified documents, the
25 Producing Party must affix the appropriate legend ("CONFIDENTIAL," "HIGHLY
26 CONFIDENTIAL – ATTORNEYS' EYES ONLY," or "HIGHLY CONFIDENTIAL – SOURCE
27 CODE") to each page that contains Protected Material.

28

1 (b) for testimony given in deposition or in other pretrial or trial proceedings, that
2 the Designating Party identify on the record, before the close of the deposition, hearing, or other
3 proceeding, all protected testimony and specify the level of protection being asserted. When it is
4 impractical to identify separately each portion of testimony that is entitled to protection and it
5 appears that substantial portions of the testimony may qualify for protection, the Designating Party
6 may invoke on the record (before the deposition, hearing, or other proceeding is concluded) a right
7 to have up to 21 days from receipt of the final transcript to identify the specific portions of the
8 testimony as to which protection is sought and to specify the level of protection being asserted.
9 Only those portions of the testimony that are appropriately designated for protection within the 21
10 days from receipt of the final transcript shall be covered by the provisions of this Stipulated
11 Protective Order. Alternatively, a Designating Party may specify, at the deposition or up to 21 days
12 from receipt of the final transcript if that period is properly invoked, that the entire transcript shall
13 be treated as “CONFIDENTIAL,” “HIGHLY CONFIDENTIAL – ATTORNEYS’ EYES ONLY,”
14 or HIGHLY CONFIDENTIAL – SOURCE CODE.”

15 Parties shall give the other Parties notice if they reasonably expect a deposition, hearing, or
16 other proceeding to include Protected Material so that the other Parties can ensure that only
17 authorized individuals who have signed the “Acknowledgment and Agreement to Be Bound”
18 (Exhibit A) are present at those proceedings. The use of a document as an exhibit at a deposition
19 shall not in any way affect its designation as “CONFIDENTIAL,” “HIGHLY CONFIDENTIAL –
20 ATTORNEYS’ EYES ONLY,” or “HIGHLY CONFIDENTIAL – SOURCE CODE.”

21 Transcripts containing Protected Material shall have an obvious legend on the title page that
22 the transcript contains Protected Material, and the title page shall be followed by a list of all pages
23 (including line numbers as appropriate) that have been designated as Protected Material and the
24 level of protection being asserted by the Designating Party. The Designating Party shall inform the
25 court reporter of these requirements. Any transcript that is prepared before the expiration of a 21-
26 day period for designation shall be treated during that period as if it had been designated “HIGHLY
27 CONFIDENTIAL – ATTORNEYS’ EYES ONLY” in its entirety unless otherwise agreed. After
28 the expiration of that period, the transcript shall be treated only as actually designated.

1 (c) for documents produced electronically in native format, such electronic files
2 and documents shall be designated for protection under this Order by including the confidentiality
3 designation on the placeholder sheet for each file, or shall use any other reasonable method for so
4 designating Protected Materials produced in electronic format. When electronic files or documents
5 are printed for use at deposition, in a court proceeding, or for provision in printed form to an Expert
6 or consultant pre-approved pursuant to Section 7.4, the party printing the electronic files or
7 documents shall affix a legend to the printed document corresponding to the designation of the
8 Designating Party and including the production number and designation associated with the native
9 file; and

10 (d) for information produced in some form other than documentary form and for
11 any other tangible items, that the Producing Party affix in a prominent place on the exterior of the
12 container or containers in which the information or item is stored the legend “CONFIDENTIAL,”
13 “HIGHLY CONFIDENTIAL – ATTORNEYS’ EYES ONLY,” or “HIGHLY CONFIDENTIAL –
14 SOURCE CODE.” If only a portion or portions of the information or item warrant protection, the
15 Producing Party, to the extent practicable, shall identify the protected portion(s) and specify the
16 level of protection being asserted.

17 5.4 Inadvertent Failures to Designate. If timely corrected, an inadvertent failure to
18 designate qualified information or items does not, standing alone, waive the Designating Party’s
19 right to secure protection under this Order for such material. Upon timely correction of a
20 designation, the Receiving Party must make reasonable efforts to assure that the material is treated
21 in accordance with the provisions of this Order.

22 **6. CHALLENGING CONFIDENTIALITY DESIGNATIONS**

23 6.1 Timing of Challenges. Any Party or Non-Party may challenge a designation of
24 confidentiality at any time. Unless a prompt challenge to a Designating Party’s confidentiality
25 designation is necessary to avoid foreseeable, substantial unfairness, unnecessary economic
26 burdens, or a significant disruption or delay of the litigation, a Party does not waive its right to
27 challenge a confidentiality designation by electing not to mount a challenge promptly after the
28 original designation is disclosed.

1 6.2 Meet and Confer. The Challenging Party shall initiate the dispute resolution process
2 by providing written notice of each designation it is challenging and describing the basis for each
3 challenge. To avoid ambiguity as to whether a challenge has been made, the written notice must
4 recite that the challenge to confidentiality is being made in accordance with this specific Section of
5 the Stipulated Protective Order. The Parties shall attempt to resolve each challenge in good faith
6 and must begin the process by conferring directly (in voice to voice dialogue; other forms of
7 communication are not sufficient) within 25 days of the date of service of notice. In conferring, the
8 Challenging Party must explain the basis for its belief that the confidentiality designation was not
9 proper and must give the Designating Party an opportunity to review the designated material, to
10 reconsider the circumstances, and, if no change in designation is offered, to explain the basis for
11 the chosen designation. A Challenging Party may proceed to the next stage of the challenge process
12 only if it has engaged in this meet and confer process first or establishes that the Designating Party
13 is unwilling to participate in the meet and confer process in a timely manner.

14 6.3 Judicial Intervention. If the Parties cannot resolve a challenge without court
15 intervention, the Designating Party shall file and serve a motion to retain confidentiality under Civil
16 Local Rule 7 (and in compliance with Civil Local Rule 79-5, if applicable) within 21 days of the
17 initial notice of challenge or within 14 days of the Parties agreeing that the meet and confer process
18 will not resolve their dispute, whichever is earlier. Each such motion must be accompanied by a
19 competent declaration affirming that the movant has complied with the meet and confer
20 requirements imposed in the preceding paragraph. Failure by the Designating Party to make such a
21 motion including the required declaration within 21 days (or 14 days, if applicable) shall
22 automatically waive the confidentiality designation for each challenged designation. In addition,
23 the Challenging Party may file a motion challenging a confidentiality designation at any time if
24 there is good cause for doing so, including a challenge to the designation of a deposition transcript
25 or any portions thereof. Any motion brought pursuant to this provision must be accompanied by a
26 competent declaration affirming that the movant has complied with the meet and confer
27 requirements imposed by the preceding paragraph.

28 The burden of persuasion in any such challenge proceeding shall be on the Designating

1 Party. Frivolous challenges and those made for an improper purpose (e.g., to harass or impose
2 unnecessary expenses and burdens on other Parties) may expose the Challenging Party to sanctions.
3 Unless the Designating Party has waived the confidentiality designation by failing to file a motion
4 to retain confidentiality as described above, all Parties shall continue to afford the material in
5 question the level of protection to which it is entitled under the Producing Party's designation until
6 the Court rules on the challenge.

7 **7. ACCESS TO AND USE OF PROTECTED MATERIAL**

8 7.1 Basic Principles. A Receiving Party may use Protected Material that is disclosed or
9 produced by another Party or by a Non-Party in connection with this case only for prosecuting,
10 defending, or attempting to settle this litigation. Such Protected Material may be disclosed only to
11 the categories of persons and under the conditions described in this Order. When the litigation has
12 been terminated, a Receiving Party must comply with the provisions of Section 15.

13 Protected Material must be stored and maintained by a Receiving Party at a location and
14 in a secure manner that ensures that access is limited to the persons authorized under this Order.

15 7.2 Disclosure of "CONFIDENTIAL" Information or Items. Unless otherwise ordered
16 by the Court or permitted in writing by the Designating Party, a Receiving Party may disclose any
17 information or item designated "CONFIDENTIAL" only to:

18 (a) the Receiving Party's Outside Counsel of Record in this action, as well as
19 employees of said Outside Counsel of Record to whom it is reasonably necessary to disclose the
20 information for this litigation;

21 (b) Designated In-House Counsel of the Receiving Party to whom disclosure is
22 reasonably necessary for this litigation and who have signed the "Acknowledgment and Agreement
23 to Be Bound" (Exhibit A);

24 (c) Experts (as defined in this Order) of the Receiving Party to whom disclosure
25 is reasonably necessary for this litigation and who have signed the "Acknowledgment and
26 Agreement to Be Bound" (Exhibit A);

27 (d) any mediator who is assigned to hear this matter, and his or her staff, subject
28 to their agreement to maintain confidentiality to the same degree as required by this Stipulated

1 Protective Order, and who have signed the “Acknowledgment and Agreement to Be Bound”
2 (Exhibit A);

3 (e) the Court and its personnel;

4 (f) court reporters and their staff, professional jury or trial consultants, and
5 Professional Vendors to whom disclosure is reasonably necessary for this litigation and who have
6 signed the “Acknowledgment and Agreement to Be Bound” (Exhibit A);

7 (g) during their depositions, witnesses in the action to whom disclosure is
8 reasonably necessary and who have signed the “Acknowledgment and Agreement to Be Bound”
9 (Exhibit A), unless otherwise agreed by the Designating Party or ordered by the Court;

10 (h) the author or recipient of a document containing the information or a
11 custodian or other person who otherwise possessed or knew the information; and

12 (i) any other person with the prior written consent of the Designating Party.

13 7.3 Disclosure of “HIGHLY CONFIDENTIAL – ATTORNEYS’ EYES ONLY” and
14 “HIGHLY CONFIDENTIAL – SOURCE CODE” Information or Items. Unless otherwise ordered
15 by the Court or permitted in writing by the Designating Party, a Receiving Party may disclose any
16 information or item designated “HIGHLY CONFIDENTIAL – ATTORNEYS’ EYES ONLY” or
17 “HIGHLY CONFIDENTIAL – SOURCE CODE” only to:

18 (a) the Receiving Party’s Outside Counsel of Record in this action, as well as
19 employees of said Outside Counsel of Record to whom it is reasonably necessary to disclose the
20 information for this litigation;

21 (b) One Designated In-House Counsel for each Receiving Party, (1) who has no
22 involvement in competitive decision-making, (2) to whom disclosure is reasonably necessary for
23 this litigation, and (3) who has signed the “Acknowledgment and Agreement to Be Bound” (Exhibit
24 A), and (4) as to whom the procedures set forth in paragraph 7.5, below, have been followed. In-
25 House Counsel shall not have access to information designated “HIGHLY CONFIDENTIAL –
26 SOURCE CODE.”

27 (c) Experts of the Receiving Party (1) to whom disclosure is reasonably
28 necessary for this litigation, (2) who have signed the “Acknowledgment and Agreement to Be

1 Bound” (Exhibit A), and (3) as to whom the procedures set forth in Section 7.4(a), below, have
2 been followed;

3 (d) any mediator who is assigned to hear this matter, and his or her staff, subject
4 to their agreement to maintain confidentiality to the same degree as required by this Stipulated
5 Protective Order and who has signed the “Acknowledgment and Agreement to Be Bound” (Exhibit
6 A);

7 (e) the Court and its personnel;

8 (f) court reporters and their staff, professional jury or trial consultants, and
9 Professional Vendors to whom disclosure is reasonably necessary for this litigation and who have
10 signed the “Acknowledgment and Agreement to Be Bound” (Exhibit A);

11 (g) the author or recipient of a document containing the information or a
12 custodian or other person who otherwise possessed or knew the information; and

13 (h) any other person with the prior written consent of the Designating Party.

14 7.4 Procedures for Approving or Objecting to Disclosure of “HIGHLY
15 CONFIDENTIAL – ATTORNEYS’ EYES ONLY” or “HIGHLY CONFIDENTIAL – SOURCE
16 CODE” Information or Items to In-Experts.

17 (a) Unless otherwise ordered by the Court or agreed to in writing by the
18 Designating Party, a Party that seeks to disclose to an Expert (as defined in this Order) any
19 information or item that has been designated “HIGHLY CONFIDENTIAL – ATTORNEYS’ EYES
20 ONLY” or “HIGHLY CONFIDENTIAL – SOURCE CODE” pursuant to Section 7.3(c) first must
21 make a written request to the Designating Party that (1) identifies the general categories of
22 “HIGHLY CONFIDENTIAL – ATTORNEYS’ EYES ONLY” or “HIGHLY CONFIDENTIAL –
23 SOURCE CODE” information that the Receiving Party seeks permission to disclose to the Expert,
24 (2) sets forth the full name of the Expert and the city and state of his or her primary residence, (3)
25 attaches a copy of the Expert’s current resume, and (4) identifies the Expert’s current employer(s),
26 and (5) identifies (by name and number of the case, filing date, and location of court) any litigation
27 in connection with which the Expert has offered expert testimony, including through a declaration,
28 report, or testimony at a deposition or trial, during the preceding five years.

1 (b) A Party that makes a request and provides the information specified in the
2 preceding respective paragraphs may disclose the subject Protected Material to the identified
3 Designated or Expert unless, within 7 days of delivering the request, the Party receives a written
4 objection from the Designating Party. Any such objection must set forth in detail the grounds on
5 which it is based.

6 (c) A Party that receives a timely written objection must meet and confer with
7 the Designating Party (through direct voice to voice dialogue) to try to resolve the matter by
8 agreement within seven days of the written objection. If no agreement is reached, the Designating
9 Party may file a motion as provided in Civil Local Rule 7 (and in compliance with Civil Local Rule
10 79-5, if applicable) seeking permission from the Court to do so. Any such motion must describe
11 the circumstances with specificity, set forth in detail the reasons why the disclosure to the
12 Designated In-House Counsel or Expert is reasonably necessary, assess the risk of harm that the
13 disclosure would entail, and suggest any additional means that could be used to reduce that risk. In
14 addition, any such motion must be accompanied by a competent declaration describing the Parties'
15 efforts to resolve the matter by agreement (*i.e.*, the extent and the content of the meet and confer
16 discussions) and setting forth the reasons advanced by the Designating Party for its refusal to
17 approve the disclosure.

18 In any such proceeding, the Party opposing disclosure to the Designated In-House
19 Counsel or Expert shall bear the burden of proving that the risk of harm that the disclosure would
20 entail (under the safeguards proposed) outweighs the Receiving Party's need to disclose the
21 Protected Material to its Designated In-House Counsel or Expert.

22 7.5 Procedures for Approving or Objecting to Disclosure of Protected Materials to
23 Designated In-House Counsel.

24 (a) Each Party may identify Designated In-House Counsel, as applicable.

25 (b) The ability of Designated In-House Counsel to receive Protected Material
26 will be subject to the advance approval by the Designating Party or by permission of the Court. The
27 Party seeking approval of a proposed Designated In-House Counsel to receive Protected Material
28 must provide the Designating Party with a sworn declaration from the proposed Designated

1 In-House Counsel setting forth a summary of his or her job responsibilities, and an executed copy
2 of the “Acknowledgment and Agreement to Be Bound” (Exhibit A), in advance of providing any
3 Protected Material of the Designating Party to Designated In-House Counsel. The sworn
4 declaration must identify, at minimum, the proposed Designated In-House Counsel’s: 1) title; 2)
5 primary job responsibilities; 3) place within the business’s organization; 4) responsibilities (if any)
6 with respect to U.S. or foreign patent prosecution; 5) responsibilities (if any) with respect to post-
7 grant proceedings, including claim amendments, in any patent office; and 6) responsibilities (if
8 any) related to competitive decision-making (including decisions about pricing, business strategy,
9 strategic investments or acquisitions, or product design or development).

10 (c) The Designating Party may object to the Designated In-House Counsel, and
11 the Parties will resolve any objections to Designated In-House Counsel, in accordance with the
12 procedures described in Section 7.4(b) and (c) above.

13 7.6 Legal Advice Based on Protected Material. Nothing in this Stipulated Protective
14 Order shall be construed to prevent Counsel from advising their clients with respect to this case
15 based in whole or in part upon Protected Materials, provided Counsel does not disclose the
16 Protected Material itself except as provided in this Order.

17 **8. PROSECUTION BAR**

18 8.1 Absent written consent from the Designating Party, a person who is Outside Counsel
19 of Record and who actually receives access to “HIGHLY CONFIDENTIAL – ATTORNEYS’
20 EYES ONLY” or “HIGHLY CONFIDENTIAL – SOURCE CODE” information shall not be
21 involved in the prosecution of patents or patent applications relating to the fields of spatial
22 computing; augmented, virtual, and hybrid (or mixed) reality technology; and precision optics (the
23 “Barred Fields”), including without limitation the patents asserted in this action and any patent or
24 application claiming priority to or otherwise related to the patents asserted in this action, before any
25 foreign or domestic agency, including the United States Patent and Trademark Office (“the Patent
26 Office”). For purposes of this paragraph, “prosecution” includes directly or indirectly drafting,
27 amending, advising, or otherwise affecting the scope or maintenance of patent claims. To avoid
28 any doubt, “prosecution” as used in this paragraph does not include representing a party challenging

1 a patent before a domestic or foreign agency (including, but not limited to, a reissue protest, *ex*
2 *parte* reexamination or *inter partes* reexamination). This Prosecution Bar shall begin when access
3 to “HIGHLY CONFIDENTIAL – ATTORNEYS’ EYES ONLY” or “HIGHLY CONFIDENTIAL
4 – SOURCE CODE” information is first received by the affected individual and shall end one (1)
5 year after final termination of this action.

6 8.2 This Prosecution Bar in Section 8.1 is personal to the person receiving Protected
7 Materials designated as “HIGHLY CONFIDENTIAL – ATTORNEYS’ EYES ONLY” or
8 “HIGHLY CONFIDENTIAL – SOURCE CODE,” as set forth in Section 8.1, and shall not be
9 imputed to any person who did not receive or review such information (including, *e.g.*, other
10 employees or attorneys of the law firm by which the person subject to this Prosecution Bar is
11 employed or otherwise is associated).

12 **9. SOURCE CODE**

13 9.1 To the extent production of source code becomes necessary in this case, a Producing
14 Party may designate source code as “HIGHLY CONFIDENTIAL – SOURCE CODE” if it
15 comprises or includes confidential, proprietary, or trade secret source code.

16 9.2 Protected Material designated as “HIGHLY CONFIDENTIAL – SOURCE CODE”
17 shall be subject to all of the protections afforded to “HIGHLY CONFIDENTIAL – ATTORNEYS’
18 EYES ONLY” information, and may be disclosed only to the individuals to whom “HIGHLY
19 CONFIDENTIAL – ATTORNEYS’ EYES ONLY” information may be disclosed, as set forth in
20 Sections 7.3 and 7.4.

21 9.3 Any source code produced in discovery shall be made available for inspection, in a
22 format allowing it to be reasonably reviewed and searched, during normal business hours or at other
23 mutually agreeable times, at an office of the Producing Party’s Counsel or another mutually agreed
24 upon location. The source code shall be made available for inspection on a secured computer in a
25 secured room without Internet access or network access to other computers, and the Receiving Party
26 shall not copy, remove, or otherwise transfer any portion of the source code onto any recordable
27 media or recordable device. The Producing Party may visually monitor the activities of the
28

1 Receiving Party’s representatives during any source code review, but only to ensure that there is
2 no unauthorized recording, copying, or transmission of the source code.

3 9.4 The Receiving Party may request paper copies of limited portions of source code
4 that are reasonably necessary for the preparation of court filings, pleadings, expert reports, or other
5 papers, or for deposition or trial, but shall not request paper copies for the purposes of reviewing
6 the source code other than electronically as set forth in Section 9.3 in the first instance. The
7 Producing Party shall provide all such source code in paper form including bates numbers, the file
8 location, the file name, and the label “HIGHLY CONFIDENTIAL - SOURCE CODE.” The
9 Producing Party shall provide all such source code within 14 days of the request, or within a
10 mutually agreed time. The Producing Party may challenge the amount of source code requested in
11 hard copy form pursuant to the dispute resolution procedure and timeframes set forth in Section 6
12 whereby the Producing Party is the “Challenging Party” and the Receiving Party is the “Designating
13 Party” for purposes of dispute resolution.

14 The Receiving Party shall maintain a record of any individual who has inspected any portion
15 of the source code in electronic or paper form. The Receiving Party shall maintain all paper copies
16 of any printed portions of the source code in a secured, locked area. The Receiving Party shall not
17 create any electronic or other images of the paper copies and shall not convert any of the
18 information contained in the paper copies into any electronic format. The Receiving Party shall
19 only make additional paper copies if such additional copies are (1) necessary to prepare court
20 filings, pleadings, or other papers (including a testifying expert’s expert report), (2) necessary for
21 deposition, or (3) otherwise necessary for the preparation of its case. Any paper copies used during
22 a deposition shall be retrieved by the Producing Party at the end of each day and must not be given
23 to or left with a court reporter or any other unauthorized individual.

24 **10. PROTECTED MATERIAL SUBPOENAED OR ORDERED PRODUCED IN**
25 **OTHER LITIGATION**

26 If a Party is served with a subpoena or a court order issued in other litigation that compels
27 disclosure of any information or items designated in this action as “CONFIDENTIAL,”
28 “HIGHLY CONFIDENTIAL – ATTORNEYS’ EYES ONLY,” or “HIGHLY CONFIDENTIAL

1 – SOURCE CODE,” that Party must:

2 (a) promptly notify in writing the Designating Party. Such notification shall
3 include a copy of the subpoena or court order;

4 (b) promptly notify in writing the party who caused the subpoena or order to
5 issue in the other litigation that some or all of the material covered by the subpoena or order is
6 subject to this Stipulated Protective Order. Such notification shall include a copy of this Stipulated
7 Protective Order; and

8 (c) cooperate with respect to all reasonable procedures sought to be pursued by
9 the Designating Party whose Protected Material may be affected.

10 If the Designating Party timely seeks a protective order, the Party served with the subpoena
11 or court order shall not produce any information designated in this action as “CONFIDENTIAL,”
12 “HIGHLY CONFIDENTIAL – ATTORNEYS’ EYES ONLY,” or “HIGHLY CONFIDENTIAL –
13 SOURCE CODE” before a determination by the court from which the subpoena or order issued,
14 unless the Party has obtained the Designating Party’s permission. The Designating Party shall bear
15 the burden and expense of seeking protection in that court of its confidential material—and nothing
16 in these provisions should be construed as authorizing or encouraging a Receiving Party in this
17 action to disobey a lawful directive from another court.

18 **11. A NON-PARTY’S PROTECTED MATERIAL SOUGHT TO BE PRODUCED IN**
19 **THIS LITIGATION**

20 11.1 The terms of this Order are applicable to information produced by a Non-Party in
21 this action and designated as “CONFIDENTIAL,” “HIGHLY CONFIDENTIAL – ATTORNEYS’
22 EYES ONLY,” or “HIGHLY CONFIDENTIAL – SOURCE CODE.” Such information produced
23 by Non-Parties in connection with this litigation is protected by the remedies and relief provided
24 by this Order. Nothing in these provisions should be construed as prohibiting a Non-Party from
25 seeking additional protections.

26 11.2 In the event that a Party is required, by a valid discovery request, to produce a Non-
27 Party’s confidential information in its possession, and the Party is subject to an agreement with the
28 Non-Party not to produce the Non-Party’s confidential information, then the Party shall:

1 (a) promptly notify in writing the Requesting Party and the Non-Party that some
2 or all of the information requested is subject to a confidentiality agreement with a Non-Party;

3 (b) promptly provide the Non-Party with a copy of the Stipulated Protective
4 Order in this litigation, the relevant discovery request(s), and a reasonably specific description of
5 the information requested; and

6 (c) make the information requested available for inspection by the Non-Party.

7 11.3 If the Non-Party fails to object or seek a protective order from this Court within 14
8 days of receiving the notice and accompanying information, the Receiving Party may produce the
9 Non-Party's confidential information responsive to the discovery request. If the Non-Party timely
10 seeks a protective order, the Receiving Party shall not produce any information in its possession or
11 control that is subject to the confidentiality agreement with the Non-Party before a determination
12 by the court. Absent a court order to the contrary, the Non-Party shall bear the burden and expense
13 of seeking protection in this court of its Protected Material.

14 **12. UNAUTHORIZED DISCLOSURE OF PROTECTED MATERIAL**

15 If a Receiving Party learns that, by inadvertence or otherwise, it has disclosed Protected
16 Material to any person or in any circumstance not authorized under this Stipulated Protective Order,
17 the Receiving Party must immediately (a) notify in writing the Designating Party of the
18 unauthorized disclosures, (b) use its best efforts to retrieve or destroy all unauthorized copies of the
19 Protected Material, (c) inform the person or persons to whom unauthorized disclosures were made
20 of all the terms of this Order, and (d) request such person or persons to execute the
21 "Acknowledgment and Agreement to Be Bound" that is attached hereto as Exhibit A.

22 **13. INADVERTENT PRODUCTION OF PRIVILEGED OR OTHERWISE**
23 **PROTECTED MATERIAL**

24 When a Producing Party gives notice to Receiving Parties that certain inadvertently
25 produced material is subject to a claim of privilege or other protection, the obligations of the
26 Receiving Parties are those set forth in Federal Rule of Civil Procedure 26(b)(5)(B). This provision
27 is not intended to modify whatever procedure may be established in an e-discovery order that
28 provides for production without prior privilege review.

1 **14. MISCELLANEOUS**

2 14.1 Right to Further Relief. Nothing in this Order abridges the right of any person to
3 seek its modification by the Court in the future.

4 14.2 Right to Assert Other Objections. By stipulating to the entry of this Stipulated
5 Protective Order, no Party waives any right it otherwise would have to object to disclosing or
6 producing any information or item on any ground not addressed in this Stipulated Protective Order.
7 Similarly, no Party waives any right to object on any ground to use in evidence of any of the
8 material covered by this Stipulated Protective Order.

9 14.3 Export Control. Disclosure of Protected Material shall be subject to all applicable
10 laws and regulations relating to the export of technical data contained in such Protected Material,
11 including the release of such technical data to foreign persons or nationals in the United States or
12 elsewhere. The Producing Party shall be responsible for identifying any such controlled technical
13 data, and the Receiving Party shall take measures necessary to ensure compliance.

14 14.4 Filing Protected Material. Without written permission from the Designating Party
15 or a court order secured after appropriate notice to all interested persons, a Party may not file in the
16 public record in this action any Protected Material. A Party that seeks to file under seal any
17 Protected Material must comply with Civil Local Rule 79-5. Protected Material may only be filed
18 under seal pursuant to a court order authorizing the sealing of the specific Protected Material at
19 issue. Pursuant to Civil Local Rule 79-5, a sealing order will issue only upon a request establishing
20 that the Protected Material at issue is privileged, protectable as a trade secret, or otherwise entitled
21 to protection under the law. If a Receiving Party's request to file Protected Material under seal
22 pursuant to Civil Local Rule 79-5(e) is denied by the court, then the Receiving Party may file the
23 Protected Material in the public record pursuant to Civil Local Rule 79-5(e)(2) unless otherwise
24 instructed by the Court.

25 **15. FINAL DISPOSITION**

26 Within 60 days after the final disposition of this action, as defined in Section 4, each
27 Receiving Party must return all Protected Material to the Producing Party or destroy such material.
28 As used in this subdivision, "all Protected Material" includes all copies, abstracts, compilations,

1 summaries, and any other format reproducing or capturing any of the Protected Material. Whether
2 the Protected Material is returned or destroyed, the Receiving Party must submit a written
3 certification to the Producing Party (and, if not the same person or entity, to the Designating Party)
4 by the 60-day deadline that affirms that the Receiving Party has not retained any copies, abstracts,
5 compilations, summaries or any other format reproducing or capturing any of the Protected
6 Material. Notwithstanding this provision, Counsel are entitled to retain an archival copy of all
7 pleadings; motion papers; trial, deposition, and hearing transcripts; legal memoranda;
8 correspondence; deposition and trial exhibits; expert reports; attorney work product; and consultant
9 and expert work product, even if such materials contain Protected Material. Any such archival
10 copies that contain or constitute Protected Material remain subject to this Stipulated Protective
11 Order as set forth in Section 4 (DURATION).

12 **16. RULE 502(D) ORDER**

13 Pursuant to Fed. R. Evid. 502(d), the production of a privileged or work-product-protected
14 document, whether inadvertent or otherwise, is not a waiver of privilege or protection from
15 discovery in this case or in any other federal or state proceeding. For example, the mere production
16 of privileged or work-product-protected documents in this case as part of a mass production is not
17 itself a waiver in this case or in any other federal or state proceeding. For the purposes of this Order,
18 the term inadvertent shall be defined as “accidental” or “not on purpose.”
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1 **IT IS SO STIPULATED**, through Counsel of Record.

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Dated: May 29, 2020

COOLEY LLP
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/s/ Mark F. Lambert

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MAGIC LEAP, INC.

Dated: May 29, 2020

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/s/ Jared Bobrow

Jared Bobrow (133712)
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CHI XU and HANGZHOU TAIRUO
TECHNOLOGY CO. Ltd., d/b/a NREAL

ATTESTATION

I attest that, under Civil Local Rule 5-1(i)(3), I have obtained concurrence in the filing of this document from all Signatories.

Dated: May 29, 2020

COOLEY LLP
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TIJANA M. BRIEN (286590)
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MAGIC LEAP, INC.

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PURSUANT TO STIPULATION, IT IS SO ORDERED.

Dated: June 1, 2020



Honorable Susan van Keulen
United States Magistrate Judge

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12
13 UNITED STATES DISTRICT COURT
14 NORTHERN DISTRICT OF CALIFORNIA
15 SAN JOSE DIVISION
16

17 MAGIC LEAP, INC.,
18 Plaintiff,
19 v.
20 CHI XU, an individual; HANGZHOU
TAIRUO TECHNOLOGY CO., LTD., d/b/a
21 NREAL,
22 Defendants.

Case No. 5:19-cv-03445-LHK
**EXHIBIT A TO STIPULATED
PROTECTIVE ORDER**

1 MAGIC LEAP, INC.,
2 v.
3 CHI XU and HANGZHOU TAIRUO
4 TECHNOLOGY CO., LTD., d/b/a NREAL.

Case No. 5:19-cv-03445-LHK

**ACKNOWLEDGEMENT AND
AGREEMENT TO BE BOUND BY
STIPULATED PROTECTIVE ORDER**

5
6 I, _____, declare as follows:

7 1. My address is _____. My present employer
8 is _____ and the address of my present employment is _____.
9 My present occupation is _____.

10 2. I have received a copy of the Stipulated Protective Order in this action. I have
11 carefully read and understand the provisions of the Stipulated Protective Order.

12 3. I will comply with all of the provisions of the Stipulated Protective Order. I will
13 hold in confidence, will not disclose to anyone not qualified under the Stipulated Protective Order,
14 and will use only for purposes of this action, any “CONFIDENTIAL,” “HIGHLY
15 CONFIDENTIAL – ATTORNEYS’ EYES ONLY” or “HIGHLY CONFIDENTIAL – SOURCE
16 CODE” material, including the substance and any copy, summary, abstract, excerpt, index, or
17 description of such material, that is disclosed to me.

18 4. I will return all “CONFIDENTIAL,” “HIGHLY CONFIDENTIAL –
19 ATTORNEYS’ EYES ONLY” or “HIGHLY CONFIDENTIAL – SOURCE CODE” material that
20 comes into my possession, and all documents and things that I have prepared relating thereto, to
21 counsel for the party by whom I am employed or retained or from whom I received such material,
22 upon their request.

23 5. I hereby submit to the jurisdiction of this Court for the purpose of enforcement of
24 the Protective Order in this action.

25 I declare under penalty of perjury under the laws of the United States that the foregoing is
26 true and correct.

27 _____
28 Date

Signature