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12 Attorneys for TESLA, INC.

13 **UNITED STATES DISTRICT COURT**
14 **NORTHERN DISTRICT OF CALIFORNIA**

15 TESLA, INC., a Delaware corporation,

16 Plaintiff,

17 v.

18 GUANGZHI CAO, an individual,

19 Defendant.

20 **CASE NO.**

21 **COMPLAINT**

22 **JURY TRIAL DEMANDED**

SUMMARY OF THE ACTION

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1. Tesla, Inc. (“Tesla”) leads the world in the design and production of all-electric vehicles, as well as clean energy generation and storage products. Defendant Guangzhi Cao was a member of Tesla’s Autopilot team, an elite group of engineers developing Tesla’s industry-leading Autopilot features, including its full self-driving technology – a crown jewel of Tesla’s intellectual property portfolio. As part of the Autopilot team, Cao had access to crucially important, and highly confidential, Tesla trade secrets, including source code.

2. On January 3, 2019, Cao abruptly announced that he was quitting his job at Tesla, effective the very next day. Although he did not tell anyone at the time, Cao had accepted a job doing the same work for Xiaopeng Motors Technology Company Ltd. (“XMotors”), a Tesla imitator also pursuing self-driving and electric vehicle technology.

3. As Tesla has now learned, Cao began searching for a new job by November 2018. Long before he left, Cao began uploading complete copies of Tesla’s Autopilot-related source code to his personal iCloud account – more than 300,000 files and directories, in violation of Tesla’s policies and its agreements with Cao. Then, as he was looking to leave Tesla, Cao created .zip files of Tesla’s complete Autopilot-related source code repositories, making them smaller and easier to move.

4. Unbeknownst to Tesla, Cao had at least a verbal offer from XMotors by November 26, 2018. Cao then traveled to China (the home of XMotors) between December 5 and 9, without telling his manager where he was going or why. He received a written employment offer from XMotors on December 12.

5. Tesla does not know when Cao accepted his job offer. However, as Tesla now knows, Cao deleted over 120,000 files in the month of December and disconnected his iCloud account from his Tesla-issued computer on December 26. Between December 27 and January 1, Cao repeatedly logged into Tesla’s secure networks, and he cleared his browser history by January 4, his last day at Tesla.

6. When he left, Cao did not return Tesla’s highly confidential information, nor disclose that he had made copies. Tesla thus believes that Cao still has, can access at will, and may be using

1 all the source code needed to replicate Tesla’s proprietary Autopilot technology, none of which he
2 has a legal right to possess.

3 7. Needless to say, Tesla’s confidential information is not safe in the hands of XMotors
4 or its employees. Inspired by and on a mission to beat Tesla, XMotors reportedly designed its
5 vehicles around Tesla’s open-source patents and has transparently imitated Tesla’s design,
6 technology, and even its business model. XMotors has also introduced reportedly “Autopilot-like”
7 features (called X-Pilot), and now employs at least five of Tesla’s former Autopilot employees,
8 including Cao. And, as discussed below, this would not be the first time that a new XMotors recruit
9 tried to bring his former employer’s trade secrets to XMotors.

10 8. Tesla has spent hundreds of millions of dollars and more than five years developing
11 Autopilot. Now that investment is at risk. Tesla must learn what Cao has done with Tesla’s IP, to
12 whom he has given it, and the extent to which Tesla has been harmed. Tesla files this lawsuit to
13 compel the return of its valuable IP and protect it from further exploitation, and for all other relief as
14 the facts may warrant.

15 **THE PARTIES**

16 9. Tesla is a Delaware corporation with its headquarters and principal place of business
17 in Palo Alto, California.

18 10. Defendant Guangzhi Cao is an individual who, on information and belief, resides in
19 Cupertino, California. From April 24, 2017 until January 4, 2019, Cao worked for Tesla in Palo
20 Alto, California.

21 **JURISDICTION AND VENUE**

22 11. This Court has jurisdiction pursuant to 28 U.S.C. § 1331 because this matter involves
23 claims under the Defend Trade Secrets Act (“DTSA”), 18 U.S.C. §§ 1836 *et seq.* This Court has
24 supplemental jurisdiction over the remaining claims pursuant to 28 U.S.C. § 1367, as the remaining
25 claims form part of the same case or controversy: Cao’s access to, taking of, and use of Tesla’s
26 intellectual property and confidential information.

27 12. Venue is proper in this District pursuant to 28 U.S.C. § 1391(b)(2) because a
28 substantial part of the events giving rise to the claims occurred in this District. For example, Tesla

1 employed Cao in Palo Alto, which is within the Northern District; Cao downloaded Tesla's source
2 code while physically present at or connected to his Tesla workplace.

3 **FACTUAL BACKGROUND**

4 **A. Tesla's Industry-Leading Autopilot Technology And Autopilot Source Code**

5 13. Tesla's Autopilot technology is widely regarded as the most advanced, safest, and
6 most reliable technology of any consumer advanced driver-assistance system solution. Today,
7 Autopilot is an advanced driver assistance system that augments drivers' perception, improves their
8 decision-making, and assists in controlling their vehicles. Autopilot offers advanced driver
9 assistance features including lane-keeping, adaptive cruise control, and automatic parking. More
10 recently, Tesla introduced Navigate on Autopilot, which guides a car from a highway's on-ramp to
11 off-ramp, including suggesting and making lane changes, navigating highway interchanges, and
12 taking exits (in each case under the driver's supervision). Tomorrow's Autopilot will make Tesla's
13 vehicles fully autonomous, capable of driving short and long distances without driver involvement.

14 14. Tesla has a global fleet of more than 500,000 cars, which have driven more than a
15 billion collective miles with Autopilot activated. Every day, thousands of Autopilot-enabled Tesla
16 vehicles provide real-time feedback to Tesla's servers, yielding voluminous data that Tesla uses to
17 continually improve the Autopilot system. This fleet gives Tesla exponentially more data than its
18 autonomous vehicle competitors, who generally have only small fleets of prototype vehicles, and
19 has allowed Tesla to accelerate its autonomy technology in a way no other company can.

20 15. Tesla uses multiple, highly confidential kinds of source code for its Autopilot
21 features, including the firmware, Autopilot, and neural net source code repositories (the "Autopilot
22 Trade Secrets"). Firmware source code executes core tasks on Tesla's vehicles, such as motor
23 controls, steering, and infotainment functions. Autopilot source code executes Autopilot-related
24 functions, such as semi-autonomous driving, in response to environmental and driver-supplied
25 inputs, and uses the neural net to process (and "see") information from onboard cameras to make
26 decisions. The neural net source code does not run on Tesla's vehicles directly but is used to "train"
27 the neural net using a massive dataset via machine-learning processes. Each of these source code
28 repositories is highly valuable in its own right. Taken together, the Autopilot Trade Secrets would

1 give a competitor an enormous advantage in attempting to replicate Tesla's current self-driving
2 technology, and in anticipating future developments.

3 16. Tesla derives independent value from maintaining the secrecy of its source code and
4 other proprietary information related to Autopilot and the functioning of its vehicles. Tesla's source
5 code reveals how Tesla has approached and solved problems in vehicle autonomy, and disclosure of
6 that source code could give competitors an unfair, and unearned, advantage.

7 17. For example, unlike many of Tesla's competitors, Tesla's self-driving functionality is
8 primarily based on cameras and radar, without the use of another expensive sensor, LIDAR. The
9 source code reveals in great detail how Tesla has used camera and radar to solve problems in
10 autonomous driving.

11 18. As another example, the source code also reflects and contains improvements that are
12 built on Tesla's massive volume of fleet telemetry data. If disclosed to a competitor, that competitor
13 could use Tesla's source code to copy Tesla's work, compete with Tesla, or otherwise accelerate the
14 development of its own vehicle autonomy technology.

15 19. Similarly, across all of its source code (including firmware, Autopilot, and neural net
16 source code), Tesla has invested enormous time and expense to write and incrementally improve its
17 source code over time. Disclosure of this source code to Tesla's competitors could give them access
18 to off-the-shelf code that they could use in operating their own vehicles or vehicle autonomy
19 software. If Tesla's source code is disclosed to competitors, those competitors will unfairly receive,
20 for free, the fruit of Tesla's labor and investment over many years to develop, improve, and refine its
21 various kinds of source code.

22 **B. Tesla Vigorously Protects The Confidentiality Of Its Confidential Information**

23 20. Tesla's policies and practices robustly protect confidential and proprietary
24 information, including the Autopilot Trade Secrets. For example, Tesla requires all its employees to
25 enter into agreements that obligate them to safeguard the company's confidential information,
26 including trade secrets and source code. Employees must sign confidentiality agreements as a
27 condition of their employment, such as Tesla's Employee Non-Disclosure and Inventions
28

1 Assignment Agreement (“NDA”), and must periodically re-sign as the company revises and updates
2 its agreements.

3 21. Tesla secures its physical facilities by restricting access to authorized personnel, and
4 then monitoring actual access with security guards and cameras. Visitors to Tesla’s headquarters in
5 Palo Alto (“Deer Creek”), where the Autopilot team is located, must check in with a receptionist or
6 security guard, sign a nondisclosure agreement, and submit to a photograph. While at Deer Creek,
7 they must be escorted by a Tesla employee at all times.

8 22. Tesla also protects its confidential information with stringent information security
9 policies and practices. Tesla’s network and servers are themselves password-protected and firewall-
10 protected and are accessible only to current Tesla employees with proper credentials. And after an
11 employee resigns or is terminated, Tesla promptly deactivates that user’s network, active directory,
12 and email permissions, which cuts off access to Tesla’s source code repositories. In addition, Tesla
13 prohibits employees from storing confidential Tesla information on unsecured systems, such as
14 iCloud, Google Drive, or DropBox – which Cao violated here.

15 **C. Tesla Guards The Autopilot Source Code Even More Strictly**

16 23. The Autopilot Trade Secrets are extremely valuable, and Tesla takes extreme care to
17 keep them secret. Each of Tesla’s 200 Autopilot team members must sign Tesla’s NDA, which
18 requires employees to keep confidential all of Tesla’s confidential and proprietary information,
19 including technical data, trade secrets, source code, and other business information. The Autopilot
20 team members are also subject to Tesla’s general policies and practices, as described above. In
21 addition, the Autopilot team is physically separated from the other employees at Deer Creek.
22 Employees with approved access rights to the Autopilot team area must badge into the area and pass
23 through a turnstile, which prevents “tailgating” by other people who are not authorized to enter the
24 restricted area. This physical separation ensures that other Tesla employees, or authorized guests,
25 cannot see or learn what the Autopilot team is doing. The Autopilot team’s work is top secret, even
26 within Tesla.

27 24. Tesla stores the Autopilot Trade Secrets on a Tesla-owned server, protected behind
28 Tesla’s firewall. Of Tesla’s approximately 45,000 employees worldwide, only about 800 have

1 access to the firmware source code, while only about 200 have access to any portion of the Autopilot
2 source code. Access to both firmware and Autopilot source code is granted and monitored by high-
3 level managers in the Autopilot group. Tesla restricts the neural network source code most
4 stringently: currently, only about 40 people have access to this source code, which is granted on a
5 strict “need-to-know” basis and only by the head of Artificial Intelligence at Tesla. As noted above,
6 by virtue of his position and responsibilities, Cao had access to all three types of source code.

7 **D. XMotors Copies Tesla To Catch Up**

8 25. Given Tesla’s success with its electric and autonomous cars, numerous companies are
9 trying to catch up. One such company is XMotors.¹ XMotors is one of many Tesla-inspired
10 startups, and its copying of Tesla is well documented.² For example, XMotors’ first vehicle, the G3,
11 has been called a “Tesla clone” based on visual similarities in the vehicles’ styling, touchscreen,
12 user interface, instrument cluster, headlights, and more. XMotors has also announced that it will
13 operate a broad “super charging” network (Tesla’s global fast-charging network is called the
14 “Supercharger” network), and will operate a direct sales and service network, like Tesla has done
15 since its inception.

16 26. XMotors has also pursued Tesla’s employees. In 2017, XMotors hired a former Tesla
17 Autopilot team member as its Vice President of Autonomous Driving. Tesla is informed and
18 believes that this employee is now responsible for the self-driving research and development team
19 for XMotors. At least five former Autopilot team members have now gone to XMotors, including
20 Cao.

21 27. XMotors has previously gained notoriety in connection with competitors’ trade
22 secrets. In July 2018, a former Apple employee was arrested at the San Jose International Airport

23
24 ¹ On information and belief, the parent company, based in China, is Xiaopeng Motors Technology
25 Company Ltd., often referred to as Xpeng Motors. According the website www.xmotors.ai,
26 “XMotors is a fully-owned subsidiary of XPENG Motors.” On information and belief, the XMotors
27 entity that hired Cao is formally known as XMotors.ai, Inc.

28 ² <https://interestingengineering.com/is-xpeng-set-to-be-the-tesla-of-china>;
<https://qz.com/1362926/chinese-ev-unicorn-xpeng-motors-wouldnt-exist-without-tesla/>;
<https://electrek.co/2018/12/13/tesla-inspired-ev-startup-xiaopeng-all-electric-suv/>;
<https://electrek.co/2018/04/10/ev-startup-tesla-clone-alibaba-foxconn-xiaopeng/>.

1 for stealing self-driving intellectual property from Apple.³ Like Cao, that individual had accepted a
2 job with XMotors and left his old job with valuable trade secrets he had no right to possess.

3 **E. Cao Agreed to Protect Tesla's Confidential Information**

4 28. Cao was subject to confidentiality agreements throughout his employment at Tesla.
5 Even before he was hired, he expressly assented to a non-disclosure agreement as part of his pre-
6 employment interview process. The day before his first day as an employee, on April 23, 2017, he
7 agreed to a Tesla Motors, Inc. Employee Proprietary Information and Inventions Agreement, which
8 included restrictions on his use of Tesla's confidential information. *See Exhibit A* (the "First
9 NDA"). On June 4, 2018, Cao agreed to an updated agreement with substantially similar provisions.
10 *See Exhibit B* ("Second NDA," and together with Exhibit A, the "NDAs").

11 29. The NDAs cover all of Tesla's technical data, trade secrets, source code, and other
12 business information, and require employees to keep that information confidential. *See Exhibit A* at
13 § 1, Exhibit B at § 1. Both NDAs explicitly require an employee, upon termination, to
14 "immediately" return to Tesla all Tesla hard copy and electronic documents and materials. *See*
15 Exhibit A at § 4, Exhibit B at § 4. Both prohibit current and former employees from soliciting Tesla
16 employees on behalf of another company for 12 months after they leave Tesla. *See Exhibit A* at §
17 8.2; Exhibit B at §§ 9.2.1, 9.2.2.

18 **F. Cao Misappropriates The Autopilot Trade Secrets**

19 30. Cao started as a full-time employee at Tesla on April 24, 2017, as a Staff Computer
20 Vision Scientist, working as part of the team building the neural net that is the foundation for Tesla's
21 self-driving technologies. Because of his position and job duties, Cao had extensive access to
22 Tesla's confidential information, including all of the Autopilot Trade Secrets. While at Tesla, Cao
23 worked on Autopilot with the former Tesla employee who later left to become XMotors' current
24 Vice President of Autonomous Driving.

25 31. As Tesla now knows, Cao violated Tesla's policies and his agreements with Tesla
26 from the beginning. Cao used his personal iCloud account from 2017 to 2018 to create backup

27 _____
28 ³ <https://www.reuters.com/article/us-apple-theft/ex-apple-worker-charged-with-stealing-self-driving-car-trade-secrets-idUSKBN1K02RR>.

1 copies of Tesla’s highly confidential information, including the Autopilot Trade Secrets. For
2 example, a forensic analysis shows that, between March 25, 2018 and December 26, 2018, he
3 backed up entire repositories for the firmware, Autopilot, and neural net source code repositories –
4 apparently all of the source code to which he had access – including more than 300,000 individual
5 files and directories. Tesla believes that all of this information remains accessible to Cao in his
6 personal iCloud account, in violation of Tesla’s policies, Cao’s agreements, and his legal
7 obligations.

8 32. Between November 2 and November 13, 2018, Cao created .zip files of all of the
9 Autopilot source code. At the same time, he was looking to leave Tesla for another job. Although
10 Tesla does not know when Cao began talking to XMotors about employment, Cao’s wife referred to
11 an offer from Xiaopeng in a November 26, 2018 iMessage to Cao. On December 1, Cao began
12 deleting files from his laptop. And from December 5 through 9, 2018, Cao quietly traveled to
13 China, where XMotors is located, without telling his Tesla supervisor where he was going or why.

14 33. Three days later, on December 12, Cao received his formal XMotors offer letter, for
15 the position of “Senior Director of Engineering, heading the camera perception team.”

16 34. Tesla does not know when Cao accepted his offer at XMotors, but he gave notice on
17 January 3, 2019. On December 26, 2018, he logged out of his personal iCloud account,
18 disconnecting that account from his Tesla-issued computer. Between December 27 and January 1,
19 Cao repeatedly logged into Tesla’s secure networks; between December 1 and his last day, he
20 deleted more than 120,000 files from his Tesla computer. He cleared his browser history on January
21 4, 2019, his last day at Tesla. No one at Tesla instructed Cao to take these steps, and no one at Tesla
22 was aware he did so until late February 2019 when his misconduct was discovered as a result of
23 Tesla’s investigative efforts.

24 35. Cao did not disclose to Tesla that he had copied thousands of files, including the
25 Autopilot Trade Secrets, to his iCloud account. He did not return the electronic copies of those
26 documents when he left the company, as required by the NDAs. There is every reason to believe the
27 Autopilot Trade Secrets remain in Cao’s personal iCloud folder today.

28

EXHIBIT A

COMPLAINT of TESLA, INC., a Delaware corporation V. GUANGZHI CAO, AN INDIVIDUAL

**TESLA MOTORS, INC.
EMPLOYEE PROPRIETARY INFORMATION
AND INVENTIONS AGREEMENT**

In consideration of my employment or continued employment by TESLA MOTORS, INC. (the "Company"), and the compensation now and hereafter paid to me, I hereby agree as follows:

1. PROPRIETARY INFORMATION. At all times during my employment and thereafter, I will hold in strictest confidence and will not disclose, use, lecture upon or publish any of the Company's Proprietary Information (defined below), except as such disclosure, use or publication may be required in connection with my work for the Company, or unless an officer of the Company expressly authorizes such in writing. "**Proprietary Information**" shall mean any and all confidential and/or proprietary knowledge, data or information of the Company, its parents, subsidiaries, or affiliated entities, customers and suppliers, or any other party with whom the Company agrees to hold information of such party in confidence, including but not limited to information relating to products, processes, know-how, designs, formulas, methods, developmental or experimental work, improvements, discoveries, inventions, ideas, source and object codes, data, programs, other works of authorship, and plans for research and development. During my employment by the Company I will not improperly use or disclose any confidential information or trade secrets, if any, of any former employer or any other person to whom I have an obligation of confidentiality, and I will not bring onto the premises of the Company any unpublished documents or any property belonging to any former employer or any other person to whom I have an obligation of confidentiality unless consented to in writing by that former employer or person.

2. ASSIGNMENT OF INVENTIONS.

2.1 Proprietary Rights. The term "**Proprietary Rights**" shall mean all trade secret, patent, patent application, copyright, mask work, rights in databases, and other intellectual property rights throughout the world, including any registrations of or applications to register such rights.

2.2 Moral Rights. The term "**Moral Rights**" shall mean any rights to claim authorship of or credit on any Company Inventions (defined below), to object to or prevent the modification or destruction of any Company Inventions, or to withdraw from circulation or control the publication or distribution of any Company Inventions, and any similar right, existing under judicial or statutory law of any country or subdivision thereof in the world, or under any treaty, regardless of whether or not such right is denominated or generally referred to as a "moral right."

2.3 Inventions. The term "**Inventions**" shall mean all trade secrets, inventions, mask works, ideas, processes, formulas, source and object code, data, databases, programs, other works of authorship, know-how, improvements, discoveries, developments, designs and techniques that I make or conceive or first reduce to practice or create, either alone or jointly with others, during the period of my employment, whether or not in the course of my employment, and whether or not patentable, copyrightable or protectable as trade secrets.

2.4 Prior Inventions. I have set forth on **Exhibit A, PRIOR INVENTIONS DISCLOSURE, to this Agreement** a complete list of all inventions that I have, alone or jointly with others, made prior to the commencement of my employment with the Company that I consider to be my property or the property of third parties and that I wish to have excluded from the scope of this Agreement (collectively referred to as "**Prior Inventions**"). If no such disclosure is attached, I represent that there are no Prior Inventions. If, in the course of my employment with the Company, I incorporate a Prior Invention into a Company product, process or machine, the Company is hereby granted a nonexclusive, royalty-free, irrevocable, perpetual, worldwide license (with rights to sublicense through multiple tiers of sublicensees) to make, have made, modify, use, copy, distribute, and sell such Prior Invention. Notwithstanding the foregoing, I agree that I will not incorporate, or permit to be incorporated, Prior Inventions in any Company Inventions without the Company's prior written consent.

2.5 Labor Code Section 2870 Notice. I have been notified and understand that the provisions of Section 2.6 of this Agreement do not apply to any Company Invention (defined below) that qualifies fully under the provisions of Section 2870 of the California Labor Code, which states as follows:

ANY PROVISION IN AN EMPLOYMENT AGREEMENT WHICH PROVIDES THAT AN EMPLOYEE SHALL ASSIGN, OR OFFER TO ASSIGN, ANY OF HIS OR HER RIGHTS IN AN INVENTION TO HIS OR HER EMPLOYER SHALL NOT APPLY TO AN INVENTION THAT THE EMPLOYEE DEVELOPED ENTIRELY ON HIS OR HER OWN TIME WITHOUT USING THE EMPLOYER'S EQUIPMENT, SUPPLIES, FACILITIES, OR TRADE SECRET INFORMATION EXCEPT FOR THOSE INVENTIONS THAT EITHER: (1) RELATE AT THE TIME OF CONCEPTION OR REDUCTION TO PRACTICE OF THE INVENTION TO THE EMPLOYER'S BUSINESS, OR ACTUAL OR DEMONSTRABLY ANTICIPATED RESEARCH OR DEVELOPMENT OF THE EMPLOYER; OR (2) RESULT FROM ANY WORK PERFORMED BY THE EMPLOYEE FOR THE EMPLOYER. TO THE EXTENT A PROVISION IN AN

EMPLOYMENT AGREEMENT PURPORTS TO REQUIRE AN EMPLOYEE TO ASSIGN AN INVENTION OTHERWISE EXCLUDED FROM BEING REQUIRED TO BE ASSIGNED UNDER CALIFORNIA LABOR CODE SECTION 2870(a), THE PROVISION IS AGAINST THE PUBLIC POLICY OF THIS STATE AND IS UNENFORCEABLE.

2.6 Works for Hire; Assignment of Inventions. I acknowledge and agree that any copyrightable works prepared by me within the scope of my employment are “works for hire” under the Copyright Act and that the Company will be considered the author and owner of such copyrightable works. I agree to assign, and do hereby assign, to the Company all my right, title and interest in and to any and all Inventions that (i) are developed using equipment, supplies, facilities or trade secrets of the Company, (ii) result from work performed by me for the Company, or (iii) relate to the Company’s business or actual or demonstrably anticipated research and development (the “*Company Inventions*”). I agree to assign, and do hereby irrevocably transfer and assign, to the Company all Proprietary Rights and Moral Rights in or with respect to any Company Inventions. I also hereby forever waive and agree never to assert any and all Moral Rights I may have in or with respect to any Company Inventions, even after termination of my work on behalf of the Company.

2.7 Obligation to Keep Company Informed. I will promptly and fully disclose in writing to the Company all Inventions, including any that may be covered by Section 2870.

2.8 Assistance. I agree to assist in every proper way and to execute those documents and to take such acts as are reasonably requested by the Company to obtain, sustain and from time to time enforce patents, copyrights and other rights and protections relating to Company Inventions in the United States or any other country. I appoint the Secretary of the Company as my attorney-in-fact to execute documents on my behalf for the purposes set forth in this paragraph. My obligations under this paragraph will continue beyond the termination of my employment with the Company, provided that the Company will compensate me at a reasonable rate after such termination for time or expenses actually spent by me at the Company’s request on such assistance.

3. NO CONFLICTING OBLIGATION. I represent that my performance of all the terms of this Agreement and as an employee of the Company does not and will not breach any agreement to keep in confidence information acquired by me in confidence or in trust prior to my employment by the Company. I have not entered into, and I agree I will not enter into, any agreement either written or oral in conflict herewith.

4. RETURN OF COMPANY DOCUMENTS. Upon termination of my employment with the Company for any reason whatsoever, voluntarily or involuntarily, and at any earlier time the Company requests, I will deliver to the person designated by the Company all originals and copies of all documents and other property of the Company in my possession, under my control or to which I may have access. I will not reproduce or appropriate for my own use, or for the use of others, any property, Proprietary Information or Company Inventions.

5. LEGAL AND EQUITABLE REMEDIES. Because my services are personal and unique and because I may have access to and become acquainted with the Proprietary Information of the Company, the Company shall have the right to enforce this Agreement and any of its provisions by injunction, specific performance or other equitable relief, without bond and without prejudice to any other rights and remedies that the Company may have for a breach of this Agreement.

6. NOTICES. Any notices required or permitted hereunder shall be given to the appropriate party at the address specified below or at such other address as the party shall specify in writing. Such notice shall be deemed given upon personal delivery to the appropriate address or if sent by certified or registered mail, three (3) days after the date of mailing.

7. EMPLOYMENT. I agree and understand that nothing in this Agreement shall confer any right with respect to continuation of employment by the Company, nor shall it interfere in any way with my right or the Company’s right to terminate my employment at any time, with or without cause.

8. NON-SOLICITATION.

8.1 During and after the termination of my employment with the Company, I will not directly or indirectly solicit or otherwise take away customers or suppliers of the Company if, in so doing, I use or disclose any trade secrets or proprietary or confidential information of the Company. I agree that the non-public names and addresses of the Company’s customers and suppliers, and all other confidential information related to them, including their buying and selling habits and special needs, created or obtained by me during my employment, constitute trade secrets or proprietary or confidential information of the Company.

8.2 During the term of my employment and for one (1) year following any termination of my employment with the Company, I will not, directly or indirectly (whether for compensation or without compensation), solicit any employee or contractor of the Company to terminate their employment with, or otherwise cease their relationship with, the Company.

GENERAL PROVISIONS. This Agreement will be governed by and construed according to the laws of the State of California, as such laws are applied to agreements entered into and to be performed entirely within California between California residents. In case any one or more of the provisions contained in this Agreement shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the other provisions of this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein. This Agreement will be binding upon my heirs, executors, administrators and other legal representatives and will be for the benefit of the Company, its successors, and its assigns. The provisions of this Agreement shall survive the termination of my employment and the assignment of this Agreement by the Company to any successor in interest or other assignee. The Company may assign any of its rights or obligations under this Agreement. No waiver by the Company of any breach of this Agreement shall be a waiver of any preceding or succeeding breach. No waiver by the Company of any right under this Agreement shall be construed as a waiver of any other right. This Agreement is the final, complete and exclusive agreement of the parties with respect to the subject matter hereof and supersedes and merges all prior or contemporaneous discussions or agreements between us regarding such subject matter. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, will be effective unless in writing and signed by the party to be charged. Any subsequent change or changes in my duties, salary or compensation will not affect the validity or scope of this Agreement. This Agreement shall be effective as of the first day of my employment with the Company.

Dated: _____

(Signature)

(Printed Name)

(Address)

Accepted and Agreed To:

TESLA MOTORS, INC.

(Signature)

(Printed Name)

(Title)

EXHIBIT A

TO: Tesla Motors, Inc.

FROM: _____

DATE: _____

SUBJECT: Prior Inventions

1. **Except as listed in Section 2 below**, the following is a complete list of all inventions or improvements that have been made or conceived or first reduced to practice by me alone or jointly with others prior to my engagement by the Company:

Additional sheets attached.

2. Due to a prior confidentiality agreement, I cannot complete the disclosure under Section 1 above with respect to inventions or improvements generally listed below, the proprietary rights and duty of confidentiality with respect to which I owe to the following party(ies):

	Invention or Improvement	Party(ies)	Relationship
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____

Additional sheets attached.

***** WARNING - If you sign (or eSign) this document and do not fill in anything in sections 1 or 2 on page 4, we assume that you do not have any inventions.**

EXHIBIT B

COMPLAINT of TESLA, INC., a Delaware corporation V. GUANGZHI CAO, AN INDIVIDUAL

TESLA, INC. EMPLOYEE NON-DISCLOSURE AND INVENTIONS ASSIGNMENT AGREEMENT

In consideration of my employment or continued employment by TESLA, INC. (collectively with its divisions, subsidiaries and affiliates, the “Company”) and the compensation now and hereafter paid to me, I agree as follows:

1. PROPRIETARY INFORMATION. At all times during my employment and thereafter, I will hold in strictest confidence and will not disclose, use, lecture upon or publish any of the Company’s Proprietary Information (defined below), except as such disclosure, use or publication may be required in connection with my work for the Company, or unless an officer of the Company expressly authorizes such in writing. “*Proprietary Information*” shall mean all information, in whatever form and format, to which I have access by virtue of and in the course of my employment by the Company. Proprietary Information includes without limitation technical data, trade secrets, know-how, research and development, products, features, concepts, ideas, plans, designs, formulas, methods, processes, discoveries, improvements, source and object codes, data, programs, lists of or information relating to, employees, suppliers, and customers, financial information and other business information, Inventions, and works of authorship. Notwithstanding the foregoing, Proprietary Information excludes any information that is or lawfully becomes part of the public domain. I agree that, in any dispute related to this Agreement, I will bear the burden of proving by clear and convincing evidence the applicability of this exclusion. This Agreement is intended to supplement, and not to supersede, any rights the Company may have in law or equity with respect to the protection of trade secrets or confidential or proprietary information.

2. ASSIGNMENT OF INVENTIONS.

2.1 Proprietary Rights. The term “*Proprietary Rights*” shall mean all trade secret, patent, copyright, mask work, and other intellectual property rights throughout the world, including any registrations of or applications to register such rights.

2.2 Moral Rights. The term “*Moral Rights*” shall mean any rights to claim authorship of or credit on any Company Inventions (defined below), to object to or prevent the modification or destruction of any Company Inventions, or to withdraw from circulation or control the publication or distribution of any Company Inventions, and any similar right, existing

under judicial or statutory law of any country or subdivision thereof in the world, or under any treaty, regardless of whether or not such right is denominated or generally referred to as a “moral right.”

2.3 Inventions. The term “*Inventions*” shall mean any idea, concept, discovery, invention, development, research, technology, work of authorship, trade secret, software, firmware, content, audiovisual material, tool, process, technique, know-how, data, plan, device, apparatus, specification, design, prototype, circuit, layout, mask work, algorithm, program, code, documentation, or other material or information, tangible or intangible, whether or not it may be patented, copyrighted, trademarked, or otherwise protected (including all versions, modifications, enhancements, improvements, and derivative works thereof).

2.4 Prior Inventions. I have set forth on **Exhibit A, PRIOR INVENTIONS DISCLOSURE, to this Agreement** a complete list of all inventions that I have, alone or jointly with others, conceived, developed, or reduced to practice prior to the commencement of my employment with the Company, that I consider to be my property or the property of third parties and that I wish to have excluded from the scope of this Agreement (collectively referred to as “*Prior Inventions*”). If no such disclosure is attached, I represent that there are no Prior Inventions. If, in the course of my employment with the Company, I incorporate a Prior Invention into a Company product, process, or machine, the Company is hereby granted a nonexclusive, royalty-free, irrevocable, perpetual, worldwide license (with rights to sublicense through multiple tiers of sublicensees) to make, have made, modify, use, copy, distribute, and sell such Prior Invention. Notwithstanding the foregoing, I agree that I will not incorporate, or permit to be incorporated, Prior Inventions in any Company Inventions without the Company’s prior written consent.

2.5 Labor Code Section 2870 Notice. I have been notified and understand that the provisions of Section 2.6 of this Agreement do not apply to any Company Invention (defined below) that qualifies fully as a nonassignable invention under the provisions of Section 2870 of the California Labor Code, which states:

ANY PROVISION IN AN EMPLOYMENT AGREEMENT WHICH PROVIDES THAT AN EMPLOYEE SHALL ASSIGN, OR OFFER TO ASSIGN, ANY OF HIS OR HER RIGHTS IN AN INVENTION TO HIS OR HER EMPLOYER SHALL NOT APPLY TO AN INVENTION THAT THE EMPLOYEE DEVELOPED ENTIRELY ON HIS OR HER OWN TIME WITHOUT USING THE

EMPLOYER'S EQUIPMENT, SUPPLIES, FACILITIES, OR TRADE SECRET INFORMATION EXCEPT FOR THOSE INVENTIONS THAT EITHER: (1) RELATE AT THE TIME OF CONCEPTION OR REDUCTION TO PRACTICE OF THE INVENTION TO THE EMPLOYER'S BUSINESS, OR ACTUAL OR DEMONSTRABLY ANTICIPATED RESEARCH OR DEVELOPMENT OF THE EMPLOYER; OR (2) RESULT FROM ANY WORK PERFORMED BY THE EMPLOYEE FOR THE EMPLOYER. TO THE EXTENT A PROVISION IN AN EMPLOYMENT AGREEMENT PURPORTS TO REQUIRE AN EMPLOYEE TO ASSIGN AN INVENTION OTHERWISE EXCLUDED FROM BEING REQUIRED TO BE ASSIGNED UNDER CALIFORNIA LABOR CODE SECTION 2870(a), THE PROVISION IS AGAINST THE PUBLIC POLICY OF THIS STATE AND IS UNENFORCEABLE.

2.6 Works for Hire; Assignment of Inventions. I acknowledge and agree that all original works of authorship which are made by me (solely or jointly with others) within the scope of my employment and which are protectable by copyright are "works for hire" under the U.S. Copyright Act and that the Company will be considered the author and owner of such works. I further agree to assign, and do hereby assign, to the Company all my right, title and interest in and to any and all Inventions that (i) are developed using equipment, supplies, facilities, trade secrets, or Proprietary Information of the Company, (ii) result from work performed by me for the Company, or (iii) relate at the time of conception or reduction to practice of the invention to the Company's business, or actual or demonstrably anticipated research and development of the Company (the "**Company Inventions**"). I agree to assign, and do hereby irrevocably transfer and assign, to the Company all Proprietary Rights and Moral Rights in or with respect to any Company Inventions. I forever waive and agree never to assert any and all Moral Rights I may have in or with respect to any Company Inventions, even after termination of my work on behalf of the Company.

2.7 Obligation to Keep Company Informed. During the period of my employment and for twelve (12) months after the termination of my employment with the Company, I will promptly and fully disclose in writing to the Company all Inventions authored, conceived, or reduced to practice by me, either alone or jointly with others, in connection with, derived

from, or as a result of the work performed by me during my employment with the Company, or any Proprietary Information to which I had access during or as a result of my employment with the Company. In addition, I acknowledge and agree that all patent applications for such Inventions that are filed by me or on my behalf, whether during my employment or after termination of my employment, are subject to this Agreement and belong to the Company. At the time of each such disclosure, I will advise the Company in writing of any Inventions that I believe fully qualify for protection under Section 2870 of the California Labor Code and will provide to the Company in writing all evidence necessary to substantiate that belief.

2.8 Notice to Third Parties. During and after the term of my employment, the Company may, with or without prior notice to me, notify third parties of my agreements and obligations under this Agreement.

2.9 Assistance. I agree to assist in every proper way and to execute those documents and to take such acts as are reasonably requested by the Company to obtain, sustain, and from time to time enforce patents, copyrights, and other rights and protections relating to Company Inventions in the United States or any other country. I hereby irrevocably designate and appoint the Secretary of the Company as my attorney-in-fact, which appointment is coupled with an interest, to act for and in my behalf to execute, verify, and file any such documents and to do all other lawfully permitted acts to further the purposes of this paragraph with the same legal force and effect as if executed by me. My obligations under this paragraph will continue beyond the termination of my employment with the Company for any reason, provided that the Company will compensate me at a reasonable rate after such termination for time or expenses actually spent by me at the Company's request on such assistance.

3. RECORDS. I agree to keep and maintain adequate and current written records of all Inventions made by me during the period of my employment at the Company, which records shall be available to and remain the sole property of the Company at all times. I will promptly disclose all such Inventions in writing to the Company and will supplement any such disclosures to the extent the Company may request. If I have any doubt as to whether or not to disclose an Invention to the Company, I will disclose it.

4. RETURN OF COMPANY RECORDS. Upon the termination of my employment for any reason, or at such earlier time as the Company may request, I shall immediately return to the Company all originals and copies of all hard copy and electronic documents, files

and other property of the Company in my possession or control or to which I may have access, including all records referred to in Section 3 above, regardless of the storage medium (e.g., internal or external hard drives, solid-state drives, USB flash drives, flash memory cards, and cloud storage).

5. NO CONFLICTING OBLIGATIONS. I represent that my performance of this Agreement and as an employee of the Company does not and will not breach any agreement to keep in confidence information acquired by me in confidence or in trust prior to my employment by the Company. Without limiting the foregoing, I agree that during my employment by the Company I will not improperly use or disclose any confidential information or trade secrets of any former employer or any other person to whom I have an obligation of confidentiality; I will not bring onto the premises of the Company any unpublished documents or any property belonging to any former employer or any other person to whom I have an obligation of confidentiality unless consented to in writing by that former employer or person; and I will use in the performance of my duties only information which is generally known and used by persons with training and experience comparable to my own, is common knowledge in the industry or otherwise in the public domain, or is otherwise provided or developed by the Company. I have not entered into and will not enter into any agreement or understanding, either written or oral, in conflict herewith.

6. LEGAL AND EQUITABLE REMEDIES. I acknowledge and agree that violation of this Agreement by me may cause the Company irreparable harm and that the Company shall therefore have the right to enforce this Agreement and any of its provisions by injunction, specific performance, or other equitable relief, without bond and without prejudice to any other rights and remedies that the Company may have for a breach of this Agreement.

7. NOTICES. Any notices required or permitted hereunder shall be given to the appropriate party at the address specified below or at such other address as the party shall specify in writing. Such notice shall be deemed given upon personal delivery to the appropriate address or, if sent by certified or registered mail, three (3) days after the date of mailing.

8. EMPLOYMENT. I understand and agree that nothing in this Agreement shall confer any right with respect to continuation of employment, nor shall it interfere in any way with my right or the Company's right to terminate my employment at any time, with or without cause.

9. NON-SOLICITATION.

9.1 During and after the termination of my employment with the Company, I will not directly or indirectly solicit or otherwise take away customers or suppliers of the Company if, in so doing, I use or disclose any of the Company's trade secrets, including without limitation the non-public names and addresses of the Company's customers and suppliers and/or other confidential information related to them, including their buying and selling habits and special needs.

9.2 I acknowledge that the Company has invested, and will continue to invest, significant time and money to recruit and retain its employees. I recognize that in the course of my employment I have obtained or will obtain valuable information about the Company's employees and contractors, and their respective talents and areas of expertise.

9.2.1 I agree that during the term of my employment and for twelve (12) months thereafter, I will not directly or indirectly, for my own account or for others, solicit (or assist another in soliciting) for employment or for the performance of services any Company employee or contractor with whom I had contact or of whom I became aware during the period of my employment. Nor will I, for my account or for others, in any way induce or attempt to induce any such individual to terminate his or her employment by or performance of services for the Company.

9.2.2 During and after the termination of my employment with the Company, I will not directly or indirectly hire or otherwise take away any of the Company's employees (as an employee or an independent contractor) if, in so doing, I use or disclose any of the Company's trade secrets, including without limitation the non-public names and addresses of the Company's employees and/or other confidential information related to them, including their skills, experience, current projects or assignments for the Company and specialized experience in Company technology and Inventions.

10. 18 U.S.C. § 1833 NOTICE. I have been given notice of the immunity provided by 18 U.S.C. § 1833(b)(1), which provides:

IMMUNITY. An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that (A) is made-
(i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely

for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

or contemporaneous discussions or agreements between us regarding such subject matter. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, will be effective unless in writing and signed by the party to be charged.

11. GENERAL PROVISIONS.

11.1 This Agreement will be governed by and construed according to the laws of the State of California, as such laws are applied to agreements entered into and to be performed entirely within California between California residents. I agree to submit to the jurisdiction of, and that exclusive jurisdiction over and venue for any action or proceeding arising out of or relating to this Agreement shall lie, in the state and federal courts located in Santa Clara or San Francisco Counties, California.

11.2 If any provision of this Agreement is found to be excessively broad as to duration, geographical scope, activity or subject, such provision shall be construed or reformed by limiting and reducing it to the extent required to render it enforceable under applicable law. If any provision of this Agreement is found to be invalid, illegal or unenforceable and cannot be construed so as to render it enforceable, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein. Nothing in this Agreement is intended to restrict, or shall be interpreted as restricting, my right to engage in activity protected by Section 7 of the National Labor Relations Act or any other applicable state or federal law.

11.3 The provisions of this Agreement shall survive the termination of my employment and the assignment of this Agreement by the Company to any successor in interest or other assignee. This Agreement will be binding upon my heirs, executors, administrators and other legal representatives and will be for the benefit of the Company, its successors, and its assigns. The Company may assign any of its rights or obligations under this Agreement

11.4 No waiver by the Company of any breach of this Agreement shall be a waiver of any preceding or succeeding breach. No waiver by the Company of any right under this Agreement shall be construed as a waiver of any other right.

11.5 This Agreement is the final, complete and exclusive agreement of the parties with respect to the subject matter hereof and supersedes and merges all prior

11.6 Any subsequent change or changes in my duties, salary or compensation will not affect the validity or scope of this Agreement. This Agreement shall be effective as of the first day of my employment with the Company.

Dated: _____

(Signature)

(Printed Name)

(Address)

Exhibit A

TO: Tesla, Inc.

FROM: _____

DATE: _____

SUBJECT: Prior Invention

1. **Except as listed in Section 2 below**, the following is a complete list of all inventions or improvements that have been made or conceived or first reduced to practice by me alone or jointly with others prior to my engagement by the Company:

Additional sheets attached.

2. Due to a prior confidentiality agreement, I cannot complete the disclosure under Section 1 above with respect to inventions or improvements generally listed below, the proprietary rights and duty of confidentiality with respect to which I owe to the following party(ies):

	Invention or Improvement	Party(ies)	Relationship
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____

Additional sheets attached.

***** WARNING** - If you sign (or eSign) this document and do **not** fill in anything in sections 1 or 2 on Exhibit A, we assume that you do not have any inventions.

CIVIL COVER SHEET

The JS-CAND 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved in its original form by the Judicial Conference of the United States in September 1974, is required for the Clerk of Court to initiate the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS Tesla, Inc., a Delaware corporation
(b) County of Residence of First Listed Plaintiff Santa Clara
(c) Attorneys (Firm Name, Address, and Telephone Number) Fred Norton (224725)
The Norton Law Firm, 299 3rd St. Ste 106, Oakland 94607
510.906.4900

DEFENDANTS Guangzhi Cao, an individual
County of Residence of First Listed Defendant Santa Clara
NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.
Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)
1 U.S. Government Plaintiff
2 U.S. Government Defendant
3 Federal Question (U.S. Government Not a Party)
4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)
PTF DEF
Citizen of This State 1 1
Citizen of Another State 2 2
Citizen or Subject of a Foreign Country 3 3
Incorporated or Principal Place of Business In This State 4 4
Incorporated and Principal Place of Business In Another State 5 5
Foreign Nation 6 6

IV. NATURE OF SUIT (Place an "X" in One Box Only)

Table with 5 columns: CONTRACT, REAL PROPERTY, TORTS, FORFEITURE/PENALTY, LABOR, IMMIGRATION, BANKRUPTCY, SOCIAL SECURITY, FEDERAL TAX SUITS, OTHER STATUTES. Includes categories like Personal Injury, Civil Rights, Habeas Corpus, etc.

V. ORIGIN (Place an "X" in One Box Only)
1 Original Proceeding
2 Removed from State Court
3 Remanded from Appellate Court
4 Reinstated or Reopened
5 Transferred from Another District (specify)
6 Multidistrict Litigation-Transfer
8 Multidistrict Litigation-Direct File

VI. CAUSE OF ACTION
Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):
18 USC 1836
Brief description of cause:
Trade secret misappropriation and breach of contract

VII. REQUESTED IN COMPLAINT: CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, Fed. R. Civ. P. DEMAND \$ JURY DEMAND: X Yes No

VIII. RELATED CASE(S), IF ANY (See instructions): JUDGE DOCKET NUMBER

IX. DIVISIONAL ASSIGNMENT (Civil Local Rule 3-2)
(SAN FRANCISCO/OAKLAND SAN JOSE EUREKA-MCKINLEYVILLE)

DATE March 20, 2018 SIGNATURE OF ATTORNEY OF RECORD Fred Norton

INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS-CAND 44

Authority For Civil Cover Sheet. The JS-CAND 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading or other papers as required by law, except as provided by local rules of court. This form, approved in its original form by the Judicial Conference of the United States in September 1974, is required for the Clerk of Court to initiate the civil docket sheet. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

- I. a) **Plaintiffs-Defendants.** Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.
 - b) **County of Residence.** For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the “defendant” is the location of the tract of land involved.)
 - c) **Attorneys.** Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section “(see attachment).”
- II. **Jurisdiction.** The basis of jurisdiction is set forth under Federal Rule of Civil Procedure 8(a), which requires that jurisdictions be shown in pleadings. Place an “X” in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.
- (1) United States plaintiff. Jurisdiction based on 28 USC §§ 1345 and 1348. Suits by agencies and officers of the United States are included here.
 - (2) United States defendant. When the plaintiff is suing the United States, its officers or agencies, place an “X” in this box.
 - (3) Federal question. This refers to suits under 28 USC § 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.
 - (4) Diversity of citizenship. This refers to suits under 28 USC § 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; **NOTE: federal question actions take precedence over diversity cases.**)
- III. **Residence (citizenship) of Principal Parties.** This section of the JS-CAND 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.
- IV. **Nature of Suit.** Place an “X” in the appropriate box. If the nature of suit cannot be determined, be sure the cause of action, in Section VI below, is sufficient to enable the deputy clerk or the statistical clerk(s) in the Administrative Office to determine the nature of suit. If the cause fits more than one nature of suit, select the most definitive.
- V. **Origin.** Place an “X” in one of the six boxes.
- (1) Original Proceedings. Cases originating in the United States district courts.
 - (2) Removed from State Court. Proceedings initiated in state courts may be removed to the district courts under Title 28 USC § 1441. When the petition for removal is granted, check this box.
 - (3) Remanded from Appellate Court. Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.
 - (4) Reinstated or Reopened. Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.
 - (5) Transferred from Another District. For cases transferred under Title 28 USC § 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.
 - (6) Multidistrict Litigation Transfer. Check this box when a multidistrict case is transferred into the district under authority of Title 28 USC § 1407. When this box is checked, do not check (5) above.
 - (8) Multidistrict Litigation Direct File. Check this box when a multidistrict litigation case is filed in the same district as the Master MDL docket. Please note that there is no Origin Code 7. Origin Code 7 was used for historical records and is no longer relevant due to changes in statute.
- VI. **Cause of Action.** Report the civil statute directly related to the cause of action and give a brief description of the cause. **Do not cite jurisdictional statutes unless diversity.** Example: U.S. Civil Statute: 47 USC § 553. Brief Description: Unauthorized reception of cable service.
- VII. **Requested in Complaint.** Class Action. Place an “X” in this box if you are filing a class action under Federal Rule of Civil Procedure 23. Demand. In this space enter the actual dollar amount being demanded or indicate other demand, such as a preliminary injunction. Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.
- VIII. **Related Cases.** This section of the JS-CAND 44 is used to identify related pending cases, if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.
- IX. **Divisional Assignment.** If the Nature of Suit is under Property Rights or Prisoner Petitions or the matter is a Securities Class Action, leave this section blank. For all other cases, identify the divisional venue according to Civil Local Rule 3-2: “the county in which a substantial part of the events or omissions which give rise to the claim occurred or in which a substantial part of the property that is the subject of the action is situated.”
- Date and Attorney Signature.** Date and sign the civil cover sheet.