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              IN THE UNITED STATES DISTRICT COURT
               FOR THE EASTERN DISTRICT OF TEXAS
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                         TYLER DIVISION
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    VIRNETX, INC.
                                 )
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                                     DOCKET NO. 6:10cv417
        -vs-
                                 )
 5
                                     Tyler, Texas
                                 )
                                     9:00 a.m.
   APPLE, INC.
                                     October 31, 2012
 6
 7
 8
                      TRANSCRIPT OF TRIAL
                        MORNING SESSION
 9
               BEFORE THE HONORABLE LEONARD DAVIS,
         UNITED STATES CHIEF DISTRICT JUDGE, AND A JURY
10
11
12
                     APPEARANCES
13
14
   FOR THE PLAINTIFFS:
15
   MR. DOUGLAS CAWLEY
16 MR. BRADLEY W. CALDWELL
   MR. JASON D. CASSADY
17 MR. JOHN AUSTIN CURRY
   McKOOL SMITH
18
   300 Crescent Court, Ste. 1500
    Dallas, TX 75201
19
20
21 COURT REPORTERS:
                            MS. JUDITH WERLINGER
                            MS. SHEA SLOAN
22
                            shea sloan@txed.uscourts.gov
23
24
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25

PROCEEDINGS (Jury out.) COURT SECURITY OFFICER: All rise. THE COURT: Please be seated. All right. I understand there are couple of matters before we bring the jury in; is that correct? MR. CASSADY: Yes, Your Honor. THE COURT: Okay. MR. CASSADY: Your Honor, Jason Cassady 10 for the Plaintiff. We have the joint stipulation on the MILs 12 and one final document for Your Honor to hopefully enter 13 as an order, for opening. And then we have a small -- a small oral motion in limine that Eric Albritton and I 15 have agreed to, and we want to get that on the record 16 before we start argument. THE COURT: All right. Let's do it. MR. CASSADY: Okay. May I approach? THE COURT: Yes. Uh-huh. MR. CASSADY: Your Honor, the parties

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21 shared this document last night. Everybody is in 22 agreement on this as long as we get the other small oral 23 motion in limine in. 24 And at the very end of this is -- the

25 paperclip -- is an order for Your Honor, but obviously

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1 we will take your word for it on the record, Your Honor. 2 THE COURT: Thank you. 3 Has this been entered electronically? Has it been filed electronically? 4 5 MR. CASSADY: We didn't get a chance to file it, because of the timing of the agreement, but 6 7 we're happy to do that. 8 THE COURT: All right. And if you will file it, then I will -- no objection, is there, to the 9 10 order granting first supplemented notice of joint stipulation relating to certain motions in limine? 11 12 MR. ALBRITTON: No objection, Your Honor. THE COURT: All right. That will be 13 granted. 14 MR. CASSADY: Thank you, Your Honor. 15 16 And then the last thing is the motion in 17 limine regarding Apple's patents or reference to their patents in the opening or throughout the case. We 18 19 understand this is a motion in limine, which means 20 people can approach and make arguments; but the parties 21 have agreed that for purposes of the situation, Apple 22 can say they have lots of patents, but they won't refer 23 to or hint or make any reference to having patents on 24 the products in this case or the software in this case. 25 THE COURT: Okay. Is that agreeable,

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1 Mr. Albritton?
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                  MR. ALBRITTON: For purposes of the
    opening. And if we want to do more, we will approach.
 3
 4
                  THE COURT: All right. Thank you.
                  That's granted.
 5
                  Anything further?
 6
 7
                  MR. CASSADY: Your Honor, one other thing
 8 is we have our admitted list. Obviously, I would like
9 to do that in front of the jury, but I want to make sure
10 we're all on the same procedure before I get
11
   embarrassed.
12
                  THE COURT: That's exactly what we'll do.
                  MR. CASSADY: Okay. Thank you, Your
13
14 Honor.
15
                  THE COURT: Y'all come forward and have a
16 seat, if you need to find one. Are there seats
   available? Y'all scrunch up. We're not going to have
17
   anybody standing in the back of the courtroom. Getting
18
   close and cozy back there.
19
20
                  Counsel, approach if you would, please.
21
                   (Bench conference.)
22
                  THE COURT: Mr. Brown, who I believe was
23 seated during the voir dire, and I think during the
24 opening, on the far back seat is not here. He looked
25 like he was having some trouble following everything, to
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