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13 UNITED STATES DISTRICT COURT  
 14 NORTHERN DISTRICT OF CALIFORNIA

15  
 16 In re ZOOM SECURITIES LITIGATION

Case No.: 3:20-cv-02353-JD

17  
 18 This Document Relates To:  
 ALL ACTIONS.

**DEFENDANTS' NOTICE OF MOTION AND  
 MOTION FOR LEAVE OF COURT TO FILE  
 MOTION FOR PARTIAL RECONSIDERATION  
 OF MOTION TO DISMISS ORDER**

JUDGE: Hon. James Donato

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**NOTICE OF MOTION AND MOTION**

TO PLAINTIFF AND HIS ATTORNEYS OF RECORD: PLEASE TAKE NOTICE THAT, on a date to be determined by this Court, Defendants Zoom Video Communications, Inc. (“Zoom” or the “Company”) and Eric S. Yuan (collectively, “Defendants”) will and hereby do move this Court, pursuant to Federal Rule of Civil Procedure 54(b) and Civil Local Rule 7-9, for leave to file a motion for partial reconsideration of this Court’s Order granting and denying in part Defendants’ Motion to Dismiss (Dkt. No. 86) (the “Order”).<sup>1</sup> This Motion is based on this Notice of Motion and Motion, the accompanying Memorandum of Points and Authorities, the pleadings and papers on file in this action, and such other matters as may be presented to the Court at the hearing or otherwise.

**MEMORANDUM OF POINTS AND AUTHORITIES**

**I. INTRODUCTION**

Defendants respectfully submit that this case presents an extraordinary instance that warrants reconsideration of an interlocutory order. With fourteen out of fifteen alleged misstatements dismissed, this entire action survives solely based on a single sentence in the general “Technology and Infrastructure” section of Zoom’s Prospectus, stating that Zoom “*offer[s] robust security capabilities, including end-to-end encryption . . .*” (“Statement No. 1”). Order at 1 (emphasis in original). Plaintiff claims that statement was false because Zoom allegedly did not offer end-to-end encryption in connection with its video-conferencing solution, Zoom Meetings. But Plaintiff’s own Complaint refutes that Statement No. 1 was false or misleading, since Plaintiff also alleges that Zoom *did* offer end-to-end encryption (as he defines it) as to another part of its communications platform: Zoom’s out-of-meeting messaging solution, Zoom Chat.<sup>2</sup> See Dkt. No. 63 (Complaint (“Compp.”) at ¶ 47(a) (“Defendants knew the meaning of end-to-end encryption; and, in fact, *they used the term accurately in other contexts, including in describing Zoom’s end-*

<sup>1</sup> In the interest of streamlining the Court’s review, should the Court grant leave to file such a motion, Defendants concurrently submit the accompanying memorandum of points and authorities as the basis for their motion for reconsideration. However, should Plaintiff file an opposition to the motion for reconsideration, Defendants would request the opportunity to file a reply.

<sup>2</sup> Defendants have focused this motion for reconsideration on only two elements of the remaining Section 10(b) claim: falsity and scienter, either of which is dispositive, even though the factual issues raised herein apply with equal force to the Order on loss causation.

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