

1 WILLIAM B. HANLEY (SBN 61409)
2 LAW OFFICES OF WILLIAM B. HANLEY
3 5000 Birch Street, Suite 460
4 Newport Beach, California 92660
5 Telephone: (949) 263-0040
6 Facsimile: (949) 263-0077
7 Email: wbh@hanley-law.com

8 Attorney for Defendants Steele Insurance
9 Agency, Inc., Troy Steele, Larry McCarren,
10 Bill Henton and Cindy Jo Perkins

11 UNITED STATES DISTRICT COURT
12 EASTERN DISTRICT OF CALIFORNIA

13 FARMERS INSURANCE EXCHANGE, an
14 inter-insurance exchange; TRUCK
15 INSURANCE EXCHANGE, an inter-
16 insurance exchange; FIRE INSURANCE
17 EXCHANGE, an inter-insurance exchange;
18 MID-CENTURY INSURANCE COMPANY,
19 a corporation; and FARMERS NEW WORLD
20 LIFE INSURANCE COMPANY, a
21 corporation

22 Plaintiffs,

23 vs.

24 STEELE INSURANCE AGENCY, INC., a
25 California corporation; TROY STEELE, an
26 individual; TED BLALOCK, an individual;
27 LARRY MCCARREN, an individual; BILL
28 HENTON, an individual; CINDY JO
PERKINS, and individual; and DOES 1
through 50, inclusive

Defendants.

No. 2:13-cv-00784-MCE-DAD

**JOINT STIPULATION AND ORDER
OF CONFIDENTIALITY**

///

///

///

1 Pursuant to Local Rule 141.1(b)(1), Defendants Steele Insurance Agency, Inc., Troy
2 Steele, Ted Blalock, Larry McCarren, Bill Henton and Cindy Jo Perkins (“Defendants”) and
3 Plaintiffs Farmers Insurance Exchange, Truck Insurance Exchange, Fire Insurance
4 Exchange, Mid-Century Insurance Company, and Farmers New World Life Insurance
5 Company (“Plaintiffs”) hereby stipulate to the following Protective Order regarding certain
6 documents to be produced by the parties, third-parties, attorneys or agents in the above-
7 captioned matter.

8 **I. PARTICULARIZED NEED FOR PROTECTIVE ORDER**

9 In this matter, Plaintiffs, consisting of five insurers, allege that Defendants (all
10 insurance agents) have violated the California Uniform Trade Secrets Act (Cal. Civ. Code, §
11 3426 et sq.) by misappropriating what Plaintiffs refer to as “Confidential Policyholder
12 Information” of Plaintiff. According to Plaintiffs’ Second Amended Complaint (“SAC”),
13 Confidential Policyholder Information includes the names, addresses, telephone numbers,
14 social security numbers, driver's license numbers, policy expiration dates, details of the
15 insureds' property, claims history, financial and other information of those insured under
16 Plaintiffs’ policies. SAC, ¶ 18. Of necessity, in discovery in this matter, the parties will be
17 seeking and exchanging such personal and confidential information of customers, since
18 such information is central to the allegations of this case. Setting the trade secret status of
19 such information aside, insurers and insurance agents alike have a duty to protect such
20 confidential information of customers and clients, thus in and of itself justifying the instant
21 order. Cal. Ins. Code § 791.13. In addition, internal manuals relating to agency training and
22 conduct, which Plaintiffs also consider to be trade secret, have been sought in discovery by
23 Plaintiffs. It is anticipated that the parties may also be seeking other internal reports and
24 memoranda regarding the profits, losses, and business strategies of the parties, which the
25 parties likewise consider to be confidential.

26 The California legislature has acknowledged the centrality and importance of
27 protective orders in trade secret cases by enacting Cal. Civ. Code § 3426.5, which provides:
28

1 In an action under this title, a court shall preserve the secrecy of an alleged trade
2 secret by reasonable means, which may include granting protective orders in
3 connection with discovery proceedings, holding in-camera hearings, sealing the
4 records of the action, and ordering any person involved in the litigation not to
disclose an alleged trade secret without prior court approval.

5 The necessity for a court order here, rather than a mere agreement between the parties, is
6 further strengthened by the fact that Plaintiffs, and potentially Defendants, will be seeking
7 discovery of such confidential customer information from third-party insurance companies,
8 not involved in this suit, in order to establish its damages. The existence of a standing court
9 order, which will serve to protect such third parties who join in it, will be essential to
10 obtaining the cooperation and compliance of such third parties in the provision of
11 policyholder information. A mere agreement between the parties will be insufficient to
12 permit such third party insurers to provide information regarding customers of which they,
13 like the parties to this suit, have an obligation to maintain the privacy.

14 **II. DEFINITIONS**

15 The following definitions apply to this Protective Order. These definitions are
16 specific to this Protective Order and have no bearing on the interpretation of words used in
17 the parties' agreements at issue in the litigation.

18 A. "Designating Party" means any Party or any non-party from whom discovery is
19 sought in this action, invoking the protections of this Protective Order.

20 B. "Receiving Party" means any Party who has received discovery from any Party
21 or any non-party to this action.

22 C. "Outside Counsel" means the outside counsel of record for each Party,
23 including all attorneys, staff, and clerical and support personnel affiliated with or employed
24 by such outside counsel, as well as copy services, translators, and other similar vendors
25 providing clerical, administrative or litigation support to such outside counsel in connection
26 with this matter.

27 D. "In-House Counsel" means in-house counsel for each of the corporate
28

1 Parties who are attorneys actively involved in this dispute for their employers, as well as
2 their direct clerical, and support staff, copy services, translators, and other similar vendors
3 providing clerical, administrative or litigation support to such In-House Counsel in
4 connection with this matter.

5 E. "Party" means every party to this action and every director, officer, employee,
6 and agent of every party to this action.

7 F. "Communicate" means disclose, provide, show, or make available in any way
8 to another person or entity.

9 G. "CONFIDENTIAL" is a designation that, for purposes of expediency only, may
10 be applied to any document or thing produced in the above-captioned action. However, if
11 such designation is challenged, the Designating Party shall bear the burden of showing that
12 such document or thing constitutes, contains, or reveals its confidential research, trade
13 secrets, development, technical, commercial, financial, or personnel information relating to
14 its business, whereby the unrestricted disclosure or dissemination of such information to
15 third parties could adversely impact its or a non-party's business, or other information of a
16 confidential, proprietary, private, or personal nature. Information designated as
17 "CONFIDENTIAL" may only be used and disclosed as provided in this Protective Order.

18 H. "HIGHLY CONFIDENTIAL- ATTORNEYS' EYES ONLY" is a designation
19 that shall be limited to (1) trade secrets or other highly sensitive information that the
20 disclosing Party or any non-party reasonably and in good faith believes will result in
21 significant risk of competitive disadvantage or harm if disclosed to another Party in this
22 action without restriction on use or further disclosure; or (2) any other highly sensitive
23 material upon agreement of the Parties or by order of the Court for good cause shown that
24 disclosure of the material will result in significant risk of competitive disadvantage or harm
25 if disclosed to another Party in this action without restriction on use or further disclosure.
26 Information designated as "HIGHLY CONFIDENTIAL-ATTORNEYS' EYES ONLY" may
27 only be used and disclosed as provided in this Protective Order.
28

1 I. "Confidential Information" is any document or thing designated with the
2 "CONFIDENTIAL" or "HIGHLY CONFIDENTIAL-ATTORNEYS' EYES ONLY" legend.

3 J. "Copy" means any reproduction, depiction, or sample of any document,
4 material, tangible thing, audio or video tape, computer disk, or information, regardless of
5 format, by photographic, scanning, imaging, recording, manual input, or other electronic,
6 magnetic, optical, or manual reproduction means.

7
8 **III. METHODS OF PROTECTION**

9 A. Materials Subject to Designation. Any Party or non-party from whom
10 discovery is sought may designate any of the following as Confidential Information under
11 the terms of this Protective Order: deposition testimony; written discovery; responses to any
12 discovery request; documents and things produced pursuant to the parties' document-
13 production requests, or non-party subpoenas; expert-witness reports; briefs or argument
14 submitted to the Court or from one Party to another; and facilities or other physical
15 locations made available for inspection (and the material inspected within those facilities or
16 other physical locations). A Party may designate as Confidential Information any
17 document, information, or deposition testimony produced or given by any non-party, or any
18 portion thereof, at any time up to thirty (30) days after actual receipt of copies of the
19 documents by counsel for the Party asserting the confidentiality privilege or, in the case of
20 deposition testimony, at any time up to thirty (30) days after the transcript is received by
21 counsel for the Party asserting the confidentiality privilege by notifying all counsel in
22 writing of those portions which are to be stamped or otherwise treated as Confidential
23 Information. Prior to the expiration of such thirty (30) day period (or until a designation is
24 made by counsel, if such a designation is made in a shorter period of time), all such
25 documents shall be treated as Highly Confidential--Attorneys Eyes Only.

26 B. Derivative Materials. Any extract, summary, compilation or other material
27 derived in whole or in part from Confidential Information shall itself be deemed to be
28

1 Confidential Information, and the dissemination and use thereof shall be governed by this
2 Protective Order.

3 C. Manner of Designation of Confidential Information.

4 1. Designation of Documents and Things. A Designating Party shall
5 designate Confidential Information by placing a clear, permanent legend on
6 each page of any document being designated or, in the case of physical objects,
7 computer disks, or other tangible things, on the thing itself or on the container
8 in which it is produced. The legend shall bear the word "CONFIDENTIAL" or
9 "HIGHLY CONFIDENTIAL- ATTORNEYS' EYES ONLY" as appropriate.
10 All documents and things shall be so designated by the Designating Party prior
11 to their production or delivery, except as set forth in Section D.

12 2. To expedite discovery in this action, a Designating Party may
13 make documents and things available for inspection prior to the placement of a
14 legend thereon, without thereby waiving the protections of this Protective
15 Order. Thus, the Designating Party may advise the requesting Party that some
16 or all of the documents or things to be produced for inspection are designated
17 as "CONFIDENTIAL" or "HIGHLY CONFIDENTIAL - ATTORNEYS' EYES
18 ONLY" pursuant to this Protective Order and that the information or materials
19 may only be inspected by a Party consistent with the terms of this Protective
20 Order. After the inspection, the Designating Party may then designate the
21 documents and things by marking them with the "CONFIDENTIAL" or
22 "HIGHLY CONFIDENTIAL -ATTORNEYS' EYES ONLY" legend prior to
23 delivery of copies to the requesting Party's counsel. In such cases, permitting
24 such initial inspections shall not constitute waiver of confidentiality with
25 respect to any document or thing so inspected.

26 3. Designation of Deposition Testimony. If in the course of a
27 deposition any Confidential Information is used (whether as an exhibit or
28 otherwise) with or elicited from a witness, the portion of the transcript in which

1 such Confidential Information is contained may be designated as Confidential
2 Information under this Protective Order. To so designate such portion of a
3 transcript, the witness (or his/her counsel) or Party intending to invoke this
4 Protective Order shall state on the record that the testimony or portion thereof
5 is being designated as "CONFIDENTIAL" or "HIGHLY CONFIDENTIAL-
6 ATTORNEYS' EYES ONLY," or alternatively state that the entire testimony is
7 being designated as "CONFIDENTIAL" or "HIGHLY CONFIDENTIAL-
8 ATTORNEYS' EYES ONLY" as appropriate, subject to a good faith obligation
9 to identify any non- confidential portions of the testimony upon receipt of the
10 transcript of the testimony. The reporter shall separately transcribe and bind
11 the testimony so designated as "CONFIDENTIAL" or "HIGHLY
12 CONFIDENTIAL-ATTORNEYS' EYES ONLY" as appropriate and shall mark
13 the face of the separate bound transcript containing such testimony with the
14 term "CONFIDENTIAL" or "HIGHLY CONFIDENTIAL- ATTORNEYS'
15 EYES ONLY" as appropriate. In the alternative, any Party or the witness (or
16 his/her counsel) may advise all other Parties in writing, and with page and line
17 identifications, of the designation of such testimony, within thirty (30) days
18 after receipt of the transcript of a deposition.

19 D. Inadvertent Production or Failure to Designate.

20 1. In the event that any document or thing qualifying for designation as
21 Confidential Information is inadvertently produced without the proper designation,
22 the disclosing Party or non-party shall identify such document or thing promptly after
23 its inadvertent production is discovered and provide a copy of such document or thing
24 with the proper designation to counsel for the Receiving Party, upon receipt of which
25 the Receiving Party shall promptly return or destroy all copies of the undesignated
26 document or thing. Upon written request by the Designating Party, the Receiving
27 Party will provide written verification of compliance with this provision.
28

1 2. In the event that any document or thing containing or constituting
2 privileged attorney-client communications or work product is inadvertently produced,
3 the disclosing Party or non-party shall notify the Receiving Party promptly after it is
4 discovered that the privileged material or work product was inadvertently produced
5 for inspection or provided, and upon receipt of such notification the Receiving Party
6 shall promptly return to counsel for the disclosing Party or non-party any and all
7 copies of such document or thing and thereafter refrain from any use whatsoever, in
8 this case or otherwise of such document or thing. Nothing herein shall prevent the
9 Receiving Party from contending that any such document or thing was not
10 inadvertently produced, or that privilege or work product was waived for reasons
11 other than the mere inadvertent production thereof, or that no privilege or work
12 product protection ever applied to such document or thing.

13 3. In the event that a Receiving Party receives a document or thing
14 containing privileged attorney-client communications or work product that the
15 Receiving Party believes has been inadvertently produced, the Receiving Party shall
16 notify the disclosing Party or non-party promptly after it is discovered that the
17 privileged material or work product may have been inadvertently produced for
18 inspection or provided. If a disclosing Party or non-party has notified the Receiving
19 Party of inadvertent production hereunder, or has confirmed the inadvertent
20 production called to its attention by the Receiving Party, the Receiving Party shall
21 promptly return to counsel for the disclosing Party or non-party any and all copies of
22 such document or thing and thereafter refrain from any use whatsoever, in this case or
23 otherwise of such document or thing. Nothing herein shall prevent the Receiving
24 Party from contending that any such document or thing was not inadvertently
25 produced, or that privilege or work product was waived for reasons other than the
26 mere inadvertent production thereof or that no privilege or work product protection
27 ever applied to such document or thing.

28 E. Treatment of Confidential Information.

1 1. "CONFIDENTIAL." All information designated with this legend, and all
2 information derived from the information so designated (excluding such information as is
3 derived lawfully from an independent source without reference to, or use of, the
4 Confidential Information of a Party), shall be used only for the purposes of the above-
5 captioned action, and not for any business, commercial or other purpose whatsoever (except
6 as specifically outlined below in Section II(G)). Such information shall not be
7 Communicated to any person or entity other than:

- 8 a. Any Party;
- 9 b. Outside Counsel for any Party;
- 10 c. In-House Counsel to whom it is necessary to disclose Confidential
11 Information for purposes of the above-captioned action;
- 12 d. In the case of a corporate Parties, any natural person who is a current or
13 former officer, director or other employee or agent of a Party, but: (i)
14 only to the extent necessary to assist in the conduct or preparation of the
15 above-captioned action; and (ii) only after that individual has been
16 advised by counsel of record of the requirements of this Protective Order
17 and has agreed to be bound by it and in such a case that corporate Party
18 assumes responsibility for ensuring that its current or former officer,
19 director, employee, or agent complies with the terms of this Protective
20 Order;
- 21 e. Subject to Section F below, any person who is expressly retained or
22 sought to be retained by a Party as a consultant or as a testifying expert,
23 provided that Confidential Information shall be disclosed to any such
24 person only to the extent necessary for that person to perform his or her
25 work in connection with the above-captioned action;
- 26 f. With respect to any particular document that has been designated as
27 "CONFIDENTIAL," the author, addressee, or copyee of that particular
28

1 document, or any person who prepared or reviewed that document prior
2 to the date this action was filed;

3 g. With respect to any particular document that has been designated as
4 "CONFIDENTIAL," any person who may be referred to in the
5 document, or any potential witnesses who are reasonably believed to
6 have discoverable information that relates to the information designated
7 "CONFIDENTIAL";

8 h. Any person who is designated to receive Confidential Information by
9 order of the Court or by written stipulation of the Parties;

10 i. The Court, court personnel, any court or deposition reporters or
11 videographers used in connection with the above-captioned action, and
12 any such reporter's support personnel; and

13 j. Outside litigation support vendors, including commercial photocopying
14 vendors, scanning service vendors, coders, and keyboard operators who
15 are employed in connection with the above-captioned action.

16 2. "HIGHLY CONFIDENTIAL- ATTORNEYS' EYES ONLY." All
17 information designated with this legend, and all information derived from the
18 information so designated (excluding such information as is derived lawfully from an
19 independent source without reference to, or use of, the Confidential Information of a
20 Party), shall be used only for the purposes of this litigation, and not for any business,
21 commercial, patent prosecution, or other purpose whatsoever (except as specifically
22 outlined below in Section II(G)). Such information shall not be Communicated to
23 any person or entity other than:

24 a. Outside Counsel for any Party;

25 b. In-House Counsel to whom it is necessary to disclose Confidential
26 Information for purposes of the above-captioned action;

27 c. Subject to Section F below, any person who is expressly retained
28 or sought to be retained by a Party as a consultant or as a testifying

1 expert, provided that such "HIGHLY CONFIDENTIAL-
2 ATTORNEYS' EYES ONLY" information shall be disclosed to
3 any such person only to the extent necessary for that person to
4 perform his or her work in connection with the above-captioned
5 action;

- 6 d. Any natural person who is a current officer, director, or other
7 employee or agent of the Designating Party;
- 8 e. Any person who is designated to receive Highly Confidential--
9 Attorneys' Eyes Only information by order of the Court or by
10 written stipulation of the Parties;
- 11 f. The Court, court personnel, any court or deposition reporters used
12 in connection with this action, and any such reporter's support
13 personnel; and
- 14 g. Outside litigation support vendors, including commercial
15 photocopying vendors, scanning service vendors, coders, and
16 keyboard operators who are employed in connection with the
17 above-captioned action.

18 F. Outside Experts and Consultants.

19 1. Pursuant to subsection E (1) and E (2) above, Confidential Information
20 may be communicated to outside experts or consultants retained by a Party in
21 connection with preparation for the above-captioned action or, with respect to any
22 particular document that has been designated as "CONFIDENTIAL" any person who
23 may be referred to in the document, or any potential witnesses who are reasonably
24 believed to have discoverable information that relates to the information designated
25 "CONFIDENTIAL," provided that before any Confidential Information is disclosed
26 to any expert or consultant, the Party seeking to disclose such information shall
27 provide a copy of this Protective Order to the proposed expert or consultant and shall
28 cause that person or entity to execute a Confidentiality Agreement in the form

1 attached hereto as Exhibit A. The signed Confidentiality Agreement shall be
2 provided to the Designating Party upon agreement of the Parties or by order of the
3 Court for good cause shown.

4 2. Before any information designated as "HIGHLY CONFIDENTIAL—
5 ATTORNEYS' EYES ONLY" is disclosed to any expert or consultant, the Party
6 seeking to disclose such information shall provide the Designating Party with (i) the
7 name of the person; (ii) the present employer and title of the person; (iii) an up-to-
8 date curriculum vitae of the person; and (iv) an identification of any work performed
9 for or on behalf of the other party by that person within the five (5) year period before
10 the filing of the above-captioned action. Within five (5) business days of receipt of
11 this information, the Designating Party may object to the proposed outside expert or
12 consultant on any reasonable basis. If objection to disclosure is made within the time
13 required, the parties shall meet and confer within five (5) business days; and, if not
14 resolved, the Designating Party shall move for a protective order precluding the
15 disclosure of the information to the designated expert or consultant within five (5)
16 business days after completion of the meet and confer. Where objection is made, no
17 such information shall be disclosed to the consultant or expert until the day after the
18 last day to file a motion for a protective order (where no protective order is sought),
19 or upon entry of the Judge's order denying the producing party's motion for
20 protection. Failure to object to a proposed outside expert or consultant shall not
21 preclude the non-objecting party from later objecting to continued access by that
22 outside expert or consultant where facts suggesting a basis for objection could not
23 have been discovered by the objecting party or its counsel, exercising due diligence,
24 within the period for making a timely objection. If a later objection is made, no
25 further "HIGHLY CONFIDENTIAL - ATTORNEYS' EYES ONLY" information
26 shall be disclosed to the outside expert or consultant until the matter is resolved by
27 the Judge or the producing party withdraws its objection.

28 G. Persons Referenced in a Document and Potential Witnesses Who May

1 Have Discoverable Information. Pursuant to subsection E (1) and E (2) above, Confidential
2 Information may be communicated to any person who may be referred to in a particular
3 document that has been designated as "CONFIDENTIAL," or any potential witnesses who
4 are reasonably believed to have discoverable information that relates to the information
5 designated "CONFIDENTIAL," provided that before any Confidential Information is
6 disclosed to such person, the Party seeking to disclose such information shall provide a copy
7 of this Protective Order to such person shall cause that person to execute a Confidentiality
8 Agreement in the form attached hereto as Exhibit A. The signed Confidentiality Agreement
9 shall be provided to the Designating Party upon agreement of the Parties or by order of the
10 Court for good cause shown.

11 H. Request for Additional Disclosure. If any counsel of record desires to
12 Communicate a Designating Party's Confidential Information to any person other than those
13 otherwise permitted access to such information under the terms of this Protective Order,
14 such counsel shall first obtain written consent of the Designating Party or the Judge
15 authorizing such disclosure. Except as expressly agreed in writing by the Designating Party
16 or ordered by the Judge, each person to whom the Confidential Information is to be
17 communicated pursuant to this paragraph must execute a written Confidentiality Agreement,
18 in the form attached hereto as Exhibit A.

19 I. Maintenance of Designated Information. Counsel to the parties in the above-
20 captioned action and those persons to whom disclosure is permitted under the terms of this
21 Protective Order who have received Confidential Information that is provided pursuant to
22 this Protective Order shall maintain such Confidential Information in a secure and safe
23 location and shall exercise due and proper care with respect to the storage, custody, use, and
24 disposal of all Confidential Information, so as to prevent the unauthorized or inadvertent
25 disclosure of any of it. Nothing herein imposes any affirmative obligations on the Court or
26 court personnel, who are subject to the Court's internal procedures regarding the handling of
27 material filed or lodged under seal.

1 J. Stenographers and Videographers. Any stenographer or videographer shall be
2 entitled to hear Confidential Information and receive and handle exhibits containing
3 Confidential Information as necessary or appropriate for the performance of his or her
4 duties, provided that either (a) the stenographer or the videographer, or (b) the company or
5 business providing stenographic or videographic services, has been provided with a copy of
6 this Protective Order, or its terms have been communicated to them, and they have orally or
7 in writing agreed to maintain the confidentiality of Confidential Information consistent with
8 the terms of this Protective Order. The stenographer may allow a deponent (or his or her
9 counsel) to review the original transcript or may deliver the original transcript for such
10 review to the attorney for a deponent, if that attorney has executed and delivered to the
11 Party's counsel of record a Confidentiality Agreement in the form attached hereto as Exhibit
12 A or is one of the Outside Counsel or In-House Counsel defined above.

13 **IV. ADDITIONAL PROVISIONS**

14 A. Filing Documents with the Court. In accordance with Local Rule 141, if any
15 papers to be filed with the Court contain information and/or documents that have been
16 designated as "Confidential Information" the proposed filing shall be accompanied by an
17 application to file the papers or the portion thereof containing the designated information or
18 documents (if such portion is segregable) under seal; and the application shall be directed to
19 the judge to whom the papers are directed. For motions, the parties shall publicly file a
20 redacted version of the motion and supporting papers.

21 B. No Effect on Party's Own Use. A Designating Party's designation of
22 information as Confidential Information shall not affect its own right to Communicate or
23 use any of its information so designated.

24 C. Information Excluded From This Protective Order. The restrictions set forth in
25 this Protective Order shall not apply to any information which the
26 Receiving Party can demonstrate:

- 27 1. is available to the public at the time of disclosure hereunder; or
28

1 2. becomes available to the public after disclosure hereunder through no
2 act, or failure to act, by the Receiving Party.

3 D. Additional Parties. In the event additional parties join or are joined in this
4 litigation, they shall be deemed to have executed, and agreed to be bound by, this Protective
5 Order.

6 E. No Legal Effect of Confidentiality Designations. The designation by a
7 Designating Party of any document, material, tangible thing, or information as Confidential
8 Information is intended solely to facilitate discovery in the above-captioned action, and
9 neither such designation nor treatment in conformity with such designation shall be
10 construed in any way as an admission or agreement by a Receiving Party that the designated
11 disclosure constitutes or contains any trade secret or proprietary information.

12 F. Legal Process Seeking Production of Confidential Information. In the event a
13 Receiving Party is served with legal process seeking production of
14 Confidential Information obtained through discovery and protected under the terms of this
15 Protective Order, the Receiving Party shall promptly notify the Designating Party or non-
16 party whose material is sought of the service of legal process, as well as provide the
17 Designating Party or non-party a copy of the legal process. The Designating Party or non-
18 party may then seek relief as deemed appropriate. However, nothing in this Protective
19 Order is intended or should be construed as authorizing a party to disobey a lawful
20 subpoena issued in another action.

21 G. Final Disposition of Litigation. Upon the conclusion of the above-captioned
22 action, including confirmation of the judgment, each counsel of record shall: (a) within
23 forty-five (45) days return to counsel of record for the Designating Party, or confirm to the
24 Designating Party the destruction of all Confidential Information provided by that
25 Designating Party, and all copies made of such materials; and (b) within forty- five (45)
26 days destroy or see to the destruction of all materials related to Confidential Information,
27 including, but not limited to notes, analyses, memoranda, or reports provided to or by other
28 persons, and certify to the Designating Party that such destructions have been done. As an

1 exception to the above, counsel of record may retain a single file copy of any document
2 filed with the Court, a copy of any written discovery response, a transcript of any deposition
3 or trial, along with all exhibits to that transcript, and a copy of any notes, analyses,
4 memoranda or other work product prepared by counsel, the Parties, witnesses, or experts
5 retained in the Litigation. Upon the conclusion of the above-captioned action, including
6 confirmation of the judgment, counsel of record may not disclose these retained documents
7 to any individual or entity, including, but not limited to, the Parties. Counsel of record shall
8 immediately notify opposing counsel of record or counsel for the Designating Party of any
9 attempt by third parties to inspect or copy said documents.

10 H. Motion for Relief from Designation. If, after a Party receives information
11 designated as "CONFIDENTIAL" or "HIGHLY CONFIDENTIAL—ATTORNEYS' EYES
12 ONLY," it appears to the Receiving Party that any such information is not entitled to the
13 protection afforded under this Protective Order, such Receiving Party shall first notify
14 counsel of record for the Designating Party, in writing, providing its reasons for challenging
15 the designation. Any motion challenging the designation will be governed by Local Rule
16 141.1, as well as all other applicable rules and laws. The Designating Party shall bear the
17 burden of proving that the designated information warrants its designated level of protection
18 under this Protective Order, which may include showing the information constitutes,
19 contains, reveals, or reflects trade secrets or other confidential research, development,
20 commercial, financial, or personnel information that relates to the Designating Party's
21 business or that was disclosed to it in confidence by any third party, and that disclosure of
22 the designated information to competitors, customers, or others (including the general
23 public) would adversely prejudice the Designating Party or its business or would violate an
24 obligation of confidentiality to a third party. No Party to this action, however, shall be
25 obligated to challenge the propriety of any designation by any other Party or non-party, and
26 a failure to do so shall not constitute a waiver or in any way preclude a subsequent
27 challenge in this or any other action of the propriety of such designations.

1 I. Survival of Terms. Absent written modification by the Parties, the provisions
2 of this Protective Order that restrict the disclosure and use of Confidential Information shall
3 survive the final disposition of this matter and continue to be binding on all persons and
4 entities subject to the terms of this Protective Order.

5 J. Effect on Discovery. This Protective Order shall not preclude or limit the right
6 of any Party to object to or resist discovery on any ground that would otherwise be
7 available, except that no Party shall object to or resist discovery conducted in accordance
8 with this Protective Order on the ground that such information is of a sensitive, trade secret
9 or confidential nature. This Protective Order shall not relieve the Party of the necessity of
10 proper response or objection to discovery requests. This Protective Order shall be without
11 prejudice to the right of the Parties to bring before the Court at any time the question of
12 whether any particular document or information constitutes Confidential Information. This
13 Protective Order shall not be deemed to prejudice the Parties in any way in any future
14 application or modification of the Protective Order.

15 K. Modification. This Protective Order may be modified by further order of the
16 Court. Counsel for all Parties and any other Designating Party who has designated any
17 documents or information as Confidential Information may execute a stipulation modifying
18 this stipulation. However, no amendment or modification pursuant to such a stipulation
19 shall have the force or effect of a Court order unless the Court approves the amendment or
20 modification.

21 L. Entire Agreement. This Protective Order contains the entire agreement and
22 understanding between the parties with respect to the Protective Order's subject matter.
23 This Protective Order completely replaces and supersedes any prior understanding or
24 agreement between the parties with respect to this Protective Order's subject matter.

25 M. Submitting to the Jurisdiction of the Court. Outside Counsel, In-House
26 Counsel, the Parties, and every person to whom Confidential Information is disclosed
27 pursuant to the terms of this Protective Order agrees to submit to the *in personam*
28

1 jurisdiction of the United States District Court, .Central District of California solely for
2 purposes of enforcing his or her obligations under this Protective Order.

3 N. Violation of Order. The Parties stipulated that this Protective Order shall be
4 entered by United States District Court, Central District of California and may be enforced
5 according to its terms by the Court. The Parties further stipulated that in the event of any
6 violation or threatened violation of this Protective Order, the Court may impose any civil or
7 criminal penalties that would otherwise be available if that Court had entered the Protective
8 Order in the first instance, including, but not limited to, injunctive relief and/or an order in
9 aid of litigation against any Party, person, or entity violating or threatening to violate this
10 Protective Order. The Party, person, or entity committing or threatening to commit such
11 violation shall not argue or otherwise employ as a defense that the Designating Party has an
12 adequate remedy at law. Notwithstanding Local Rule 141.1(f), the Court will retain
13 jurisdiction over the enforcement of the stipulated protective order after the termination of
14 the lawsuit.

15 Effective Date. This Protective Order shall become effective among the parties when
16 executed, with or without the Court's entry of the same.

17
18 IT IS SO STIPULATED.

19
20 Dated: May 8, 2014

BARGER & WOLEN LLP

21
22 By: /s/ Michael A.S. Newman
23 ROYAL F. OAKES
24 MICHAEL A.S. NEWMAN
25 JAMES C. CASTLE
26 Attorneys for Plaintiffs Farmers
27 Insurance Exchange, Truck
28 Insurance Exchange, Fire Insurance
Exchange, Mid-Century Insurance
Company and Farmers New World
Life Insurance Company

1 Dated: May 30, 2014

LAW OFFICES OF WILLIAM B.
HANLEY

2
3 By: /s/ William B. Hanley
4 WILLIAM B. HANLEY
5 Attorneys for Defendant Steele
6 Insurance Agency Insurance
Exchange, Troy Steele, Larry
McCarren and Bill Henton

7
8 Dated: July 24, 2014

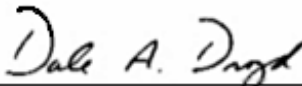
READ & ALIOTTI PC

9
10 By: /s/ Michael B. Read
11 MICHAEL B. READ
12 Attorneys for Defendant Ted
Blalock

13 **ORDER**

14
15 Pursuant to the parties' stipulation, IT IS SO ORDERED.

16 Dated: July 29, 2014

17
18 
19 DALE A. DROZD
UNITED STATES MAGISTRATE JUDGE

20
21 Ddad1\orders.civil
farmers0784.stip.prot.ord.doc

1 **EXHIBIT A**

2 CONFIDENTIALITY AGREEMENT

3 I, _____, declare under penalty of perjury under the laws of the United
4 States and California that:

5 1. My address is

6 _____.

7 2. My present employer is

8 _____.

9 3. My present occupation or job description is _____.

10 4. I HEREBY CERTIFY AND AGREE that I have read and understand the terms
11 of the Protective Order in the matter of *Farmers Insurance Exchange, et. al. v. Steele*
12 *Insurance Agency, Inc., et al.*, Case No. 2:13-CV-00784-MCE-DAD, pending before the
13 United States District Court, Central District of California; that I will not use or disclose to
14 anyone any of the contents of any Confidential Information received under the protection of
15 the Protective Order except in accordance with the Protective Order; that I will comply with
16 and be bound by the terms and conditions of the Protective Order; and that I hereby submit
17 to the jurisdiction of the United States District Court, Central District of California solely
18 for the purposes of enforcement of the Protective Order.

19 5. I understand and agree that, pursuant to the Protective Order, I am required to
20 retain all Copies of any of the materials that I receive that have been so designated as
21 containing Confidential Information in a container, cabinet, drawer, room or other safe
22 place in a manner consistent with this Protective Order, and that all Copies are to remain in
23 my custody until they are to be returned or destroyed as specified in the Protective Order. I
24 acknowledge that such return or the destruction of such materials shall not relieve me from
25 any of the continuing obligations imposed on me by the Protective Order.

26
27 Dated: _____

(Signature)