

UNITED STATES OF AMERICA
BEFORE THE
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDINGS RULINGS
Release No. 1953/October 28, 2014

ADMINISTRATIVE PROCEEDING
File No. 3-15873

In the Matter of

THOMAS R. DELANEY II and
CHARLES W. YANCEY

ORDER GRANTING PROTECTIVE
ORDER

The Securities and Exchange Commission (Commission) issued an Order Instituting Administrative and Cease-and-Desist Proceedings (OIP) on May 19, 2014, pursuant to Sections 15(b) and 21C of the Securities Exchange Act of 1934, and Section 9(b) of the Investment Company Act of 1940. The hearing is currently underway in Dallas, Texas.

On October 24, 2014, Respondent Thomas R. Delaney II (Delaney) filed a Request for *In Camera* Review of Exculpatory Documents (Request) and a Motion in Limine for Admission of Exculpatory Documents (Motion). The Request attaches twelve documents and requests that the undersigned review those documents *in camera* to determine whether they should be admitted. The Motion asserts that the documents are exculpatory as to Delaney and critical to his defense, and asks that I admit the documents into evidence. I granted the Request, and have not yet ruled on the Motion.

On October 27, 2014, Delaney and counsel for the Division of Enforcement submitted a proposed Protective Order Regarding Production of Confidential Information, jointly seeking for it to govern the use of the twelve documents attached to the Request (Confidential Documents). I GRANT IN PART the proposed protective order, but ORDER that the following provisions be applicable to the production and use of Confidential Documents, instead of the proposed protective order:

1. “This proceeding” as used herein shall refer only to the above-referenced administrative proceeding and shall not apply to any other case or proceeding.
2. All Confidential Documents disclosed pursuant to this Order shall be used solely for the purpose of this proceeding.
3. Subject to paragraph 4 below, Confidential Documents shall only be disclosed to Qualified Persons. “Qualified Person” as used herein means:

- (a) Attorneys of record in this proceeding, employees of such counsel, and other attorneys retained by a party for this proceeding to whom it is necessary that the material be shown for the purposes of this proceeding, or
- (b) Persons, such as independent consultants or other experts employed by a party or its attorneys of record in this proceeding for the purpose of assisting in the preparation of this proceeding and to whom it is necessary that the material be shown for the purposes of this proceeding, or
- (c) Parties to this proceeding, to whom it is necessary that the material be shown for the purposes of this proceeding,
- (d) Witnesses in this proceeding, to whom it is necessary that the material be shown for the purposes of this proceeding,
- (e) The appointed Administrative Law Judge of this proceeding, or
- (f) Any other person who is designated as a Qualified Person by order of the Administrative Law Judge, after notice to all parties.

4. Prior to disclosing Confidential Documents to any Qualified Person, counsel desiring to make such a disclosure will obtain from such person a written acknowledgement stating that such person has read this Protective Order and agrees to be bound by its terms. All such acknowledgements shall be retained by the disclosing counsel and, only upon motion for good cause shown, will be made available to counsel for other parties to this proceeding.

5. Unless otherwise agreed or ordered, this Protective Order shall remain in force after dismissal or entry of final judgment in this proceeding. Within sixty days after dismissal or entry of final judgment, Confidential Documents shall be destroyed or returned to the producing party upon request.

6. This Protective Order shall take effect when entered and shall be binding upon all parties, including the Commission, all Respondents and their counsel, and any persons made subject to this Protective Order by its terms.

7. Nothing in this Protective Order shall prevent disclosure beyond the terms of this Order if the Administrative Law Judge, after notice to all affected parties, orders such disclosure.

8. Nothing in this Protective Order shall prevent any party from disclosing Confidential Documents to a court or governmental body when required to do so by statute, court order, or order of any regulatory agency.

SO ORDERED.

Jason S. Patil
Administrative Law Judge