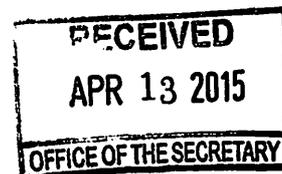


UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION



ADMINISTRATIVE PROCEEDING  
File No. 3-16383

In the Matter of:

CHARLES L. HILL, JR.,

Respondent.

**RESPONDENT CHARLES L. HILL,  
JR.'S MOTION FOR PROTECTIVE  
ORDER AND LEAVE TO FILE  
MOTION FOR SUMMARY  
DISPOSITION AND EXHIBITS UNDER  
SEAL AND IN REDACTED FORM**

Respondent, Charles L. Hill, Jr., respectfully submits this motion pursuant to U.S. Securities and Exchange Commission ("S.E.C.") Rule of Practice 322 for (1) the entry of a protective order with respect to his motion for summary disposition addressing the merits of the allegations underlying the Order Instituting Proceedings ("OIP") and the exhibits, including excerpts from transcripts of testimony taken by the S.E.C., attached thereto (together, "merits motion documents"), as well as (2) the entry of an order granting Respondent leave to file an unredacted version of the merits motion documents under seal and a redacted version of the same for public filing.

Rule of Practice 322(a) authorizes a party to "file a motion requesting a protective order to limit from disclosure to . . . the public documents or testimony that contain confidential information." 17 C.F.R. § 201.322(a). Such a motion should provide a "general summary or extract of the documents without revealing confidential details." *Id.* Under Rule of Practice 322(b), "[a] motion for a protective order shall be granted only upon a finding that the harm resulting from disclosure would outweigh the benefits of disclosure." 17 C.F.R. § 201.322(b).

Respondent's merits motion documents reference three categories of confidential information, each of which is unrelated to the merits of the allegations contained in the OIP. First, the merits motion documents reference Respondent's confidential financial information,

such as confidential information related to Respondent's financial accounts and confidential information pertaining to Respondent's business activities, including the dollar value of specific business transactions with third parties and the amount of money Respondent committed to other, unrelated business dealings. Second, the merits motion documents reference Respondent's confidential business relationships, including the identity of business entities that have entered into contractual arrangements with Respondent. Finally, the merits motion documents reference personally identifiable information (such as social security numbers, addresses, telephone numbers and telephone records) of Respondent and other third parties whose identities have not been disclosed in the OIP.<sup>1</sup>

Respondent's motion should be granted because the harm that would result from revealing this confidential information greatly outweighs any benefit of disclosure. It cannot be reasonably disputed that the disclosure of confidential information related to Respondent's financial accounts would be harmful to Respondent. Nor can it be reasonably disputed that disclosure of confidential personally identifiable information, such as addresses, phone numbers, phone records and social security numbers would be harmful to any individual who has a right to maintain the privacy of this personal information. *See Groce v. Claudat*, No. 09cv01630, 2012 WL 1831574, at \*3 (S.D. Cal. May 18, 2012) (finding "the requisite good cause for a protective order of defendant's personal financial information" and noting that "all that is necessary is an injury to legitimate interests in privacy" to satisfy the burden of showing a specific injury) (citing *Pearson v. Miller*, 211 F.3d 57, 72-73 (3d Cir. 2000)).

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<sup>1</sup> Because the merits motion documents are currently being drafted and assembled in advance of the April 15, 2015 filing deadline for the submission of summary disposition motions, they are currently "unavailable" for in camera inspection under Rule of Practice 322(a). *See* 17 C.F.R. § 201.322(a) ("Unless the documents are unavailable, the movant shall file for in camera inspection a sealed copy of the documents as to which the order is sought"). Accordingly, Respondent requests leave to file an unredacted version of the merits motion documents under seal and a redacted version of the same for public filing. *See infra* at p. 4.

Should Respondent be required to disclose his business financial information and business relationships, the entities that have transacted business with Respondent will suffer reputational harm by virtue of being linked to this proceeding. Respondent is self-employed in the commercial real estate industry and has spent several years developing good will in his business relationships. Moreover, the confidentiality of a business agreement has been recognized as a legitimate private interest sufficient to justify a motion to seal. *See Vista India, Inc. v. Raaga, LLC*, No. 07-1262, 2008 WL 834399, at \*3-4 (D.N.J. Mar. 27, 2008).

Disclosure of the personally identifiable information of the third parties whose identities were not disclosed in the OIP will similarly cause these individuals to suffer reputational harm for the same reason expressed above. These reputational harms could, in turn, directly impair Respondent's economic livelihood and business relationships. *See* FED. R. CIV. P. 26 (c) (providing that "[t]he court may, for good cause, issue an order to protect a party or person from annoyance, embarrassment, oppression or undue burden or expense, including . . . requiring that a trade secret or other confidential research, development, or commercial information not be revealed or be revealed only in a specific way").

On the other hand, there is no benefit to be gained from disclosure. Respondent's confidential business financial information and business relationships are not material to the allegations underlying the OIP. Nor is the personally identifiable information of the currently undisclosed third parties. Indeed, the fact that the Enforcement Division chose not to identify these third parties in the OIP underscores the lack of any benefit to be gained from disclosure. *See Adams v. Object Innovation, Inc.*, No. 3:11-CV-272, 2011 WL 7042224, at \*4 (E.D. Va. Dec. 5, 2011) (finding sealing documents appropriate where "there is no legitimate public interest in disclosing the proprietary and confidential information . . . and disclosure to the public could result in significant damage").

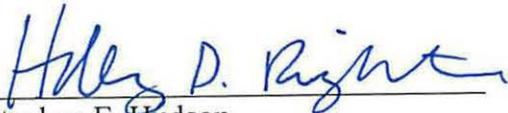
Rule of Practice 322(d) provides that “[p]ending a determination of a motion under this section, the documents as to which confidential treatment is sought and any other documents that would reveal the confidential information in those documents shall be maintained under seal and shall be disclosed only in accordance with orders of the Commission or the hearing officer.” 17 C.F.R. § 201.322(d). Because Respondent seeks confidential treatment of the merits motion documents, Respondent requests leave to file an unredacted version of the merits motion documents under seal and a redacted version of the same for public filing on Wednesday, April 15, 2015, which is the deadline for the parties to submit motions for summary disposition.

Counsel for Respondent has conferred with counsel for the Enforcement Division, who opposes the relief requested in this motion.

For all of the foregoing reasons, Respondent respectfully requests (1) the entry of a protective order with respect to the merits motion documents, as well as (2) the entry of an order granting Respondent leave to file an unredacted version of the merits motion documents under seal and a redacted version of the same for public filing.

Dated: April 10, 2015.

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