

UNITED STATES OF AMERICA  
before the  
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934  
Release No. 85569 / April 9, 2019

Admin. Proc. File No. 3-18967

In the Matter of  
LBB & ASSOCIATES LTD., LLP,  
and  
CARLOS LOPEZ, CPA

PROTECTIVE ORDER

On January 14, 2019, we issued an order instituting administrative proceedings pursuant to Section 4C of the Securities Exchange Act of 1934 and Rule 102(e)(1)(ii) of the Commission's Rules of Practice against LBB & Associates Ltd., LLP, and Carlos Lopez, CPA (collectively, "Respondents").<sup>1</sup> On February 21, 2019, Respondents and the Division of Enforcement jointly moved for entry of a protective order concerning the use and disclosure of sensitive personal or confidential information in documents the Division has or will produce to Respondents pursuant to the Commission's Rule of Practice 230.<sup>2</sup> The parties represented that they had stipulated to terms and submitted a proposed order with their motion.

Commission Rule of Practice 322 provides that a party may seek a protective order limiting disclosure of a document or testimony that contains confidential information.<sup>3</sup> We will grant such a motion "only upon a finding that the harm resulting from disclosure would outweigh the benefits of disclosure."<sup>4</sup> Because the Division represents that it has produced, or will

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<sup>1</sup> Exchange Act Release No. 84983, 2019 WL 181553 (Jan. 14, 2019).

<sup>2</sup> 17 C.F.R. § 201.230.

<sup>3</sup> 17 C.F.R. § 201.322(a).

<sup>4</sup> 17 C.F.R. § 201.322(b).

produce, to Respondents certain documents (the “Investigative Record Materials”) that contain certain sensitive personal information, we grant the parties’ motion for a protective order.<sup>5</sup>

Accordingly, it is ORDERED, based on the parties’ stipulated language, that:

1. As used in this Protective Order, the term “Sensitive Personal Information” shall mean any documents or other information containing any one or more of the following categories of personal and private documents or information: (a) a social security or tax identification number; (b) individuals’ financial account statements, including statements for any bank account, credit card account, brokerage account, mortgage, student loan, or other loan; (c) any financial account number, including for a bank account, credit card account, brokerage account, mortgage, student loan, or other loan; (d) tax returns; (e) the home address and phone number of any individual person; (f) the birth date of any individual person; (g) the name of any individual person who, at the time the OIP was filed in this matter, was known to be less than 18 years old; or (h) medical information. Sensitive Personal Information does not include the last four digits of a financial account number or phone number, the city and state of an individual’s home address, the year of an individual’s birth, or copies of unredacted filings by regulated entities or registrants that are available on the Commission’s public website.

2. Sensitive Personal Information disclosed to any Respondents in this action or to his or its counsel during the course of this action:

- a. Shall be used only for the purposes of this action;
- b. Shall not be used for any business or commercial purposes;
- c. Shall not be published to the public in any form, except as permitted by Paragraphs 5 and 7, below;
- d. May be disclosed only to the following persons, on an as-needed basis in the course of this litigation, with reasonable precautions taken to insure the confidentiality of the information:
  - i. Respondent;
  - ii. Employees or contractors of any law firm that represents a Respondent, including attorneys and secretarial, clerical, paralegal, legal, or student personnel, and any person or entity with whom a Respondent’s counsel contracts to reproduce or manage documents;

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<sup>5</sup> See, e.g., *Russell C. Schalk, Jr.*, Exchange Act Release No. 32279, 2016 WL 5219501, at \*3 n.8 (Sept. 21, 2016) (granting request for a protective order against the disclosure of movant’s account and social security numbers and other personally identifiable information).

- iii. Non-party witnesses;
- iv. A document's author(s) or recipient(s);
- v. Independent (non-employee) consultants, expert witnesses, or advisors retained by any of the parties to this action in connection with this action;
- vi. Court reporters or stenographers—and their employees—who are engaged to record deposition or hearing testimony in connection with this action;
- vii. the Commission and its employees, agents, or contractors; and
- viii. Such other persons as hereafter maybe authorized by either (1) written consent of all the parties or (2) the Commission upon motion of either party.

3. A copy of this Protective Order shall be delivered to each of the named parties or persons within paragraph 2.d above to whom a disclosure of Sensitive Personal Information is made, at or before the time of disclosure, by the party making the disclosure. The provisions of this Protective Order shall be binding upon each person to whom disclosure is made.

4. The provisions of this Protective Order shall not be construed as preventing:
- a. Any disclosure of Sensitive Personal Information to any party to this action;
  - b. Any disclosure of Sensitive Personal Information to any Commissioner, law clerk, or member or employee of the Commission for any purposes of this action; or
  - c. Any disclosure of Sensitive Personal Information for the purpose of enforcing the criminal law or as otherwise required by law.

5. Except as otherwise ordered, prior to making a public filing of any document in these proceedings, the Division and Respondents agree to redact all Sensitive Personal Information from the document. The Division and Respondents also agree to take reasonable and appropriate measures to prevent unauthorized disclosure of Sensitive Personal Information contained in documents produced or filed in these proceedings, including by persons to whom the Division or Respondents show or give access to such documents. In the event that redacting a filing is impracticable or would result in a filing being almost entirely redacted, the parties shall file the document under seal together with a copy of this Order.

If a document is filed under seal, it may be disclosed to the parties or persons under paragraph 2.d. In addition, if a party intends to make a filing (such as a brief or motion) that incorporates Sensitive Personal Information in the written text, the party must: (1) file a version clearly labeled "under seal," with the Sensitive Personal Information subject to this Order noted by brackets, bold typeface, or some other clear indication; and (2) file a public redacted version that removes the Sensitive Personal Information.

6. This Protective Order shall not:

- a. Operate as an admission by any party that any particular document or other discovery material in fact contains Sensitive Personal Information;
- b. Prejudice in any way the right of a party to seek a determination of whether such material is or should be subject to the terms of this Protective Order;
- c. Prevent a Respondent's or non-party's disclosure of its own Sensitive Personal Information; or
- d. Prejudice in any way the right of any party to apply to the Commission for a further protective order relating to any other confidential information or Sensitive Personal Information.

7. Nothing in this Protective Order shall preclude the parties from offering Sensitive Personal Information into evidence at the hearing or in any other proceeding in this action, subject to the restrictions set forth in this Protective Order.

8. This Protective Order shall survive the termination of the litigation. Unless otherwise agreed or ordered, this Protective Order shall remain in force after dismissal or entry of final judgment not subject to further appeal.

9. Within sixty (60) days after dismissal or entry of final judgment not subject to further appeal, all Investigative Record Materials, including copies of such documents, shall be returned to the Division unless: (1) the document has been offered in evidence; or (2) the Division agrees to destruction in lieu of return. Notwithstanding the above requirement to return or destroy Investigative Record Materials, counsel may retain attorney work product, including an index which refers or relates to documents containing Sensitive Personal Information, so long as that work product does not duplicate verbatim substantial portions of the text or images of such documents. This portion of the work product containing Sensitive Personal Information shall continue to be protected under the terms of this Protective Order. An attorney may use his or her work product in a subsequent litigation provided that its use does not disclose or use documents containing Sensitive Personal Information.

10. This Protective Order shall be subject to modification by the Commission on the Commission's own motion or on motion of a party or any other person with standing concerning the subject matter.

For the Commission, by the Office of the General Counsel, pursuant to delegated authority.

Vanessa A. Countryman  
Acting Secretary