NO._____

STATE OF TEXAS, Plaintiff,	§	IN THE DISTRICT COURT
	§	
v.	§	NUECES COUNTY, TEXAS
	§	
GAB ROBINS NORTH AMERICA, INC. Defendant.	§	_____ JUDICIAL DISTRICT

AGREED FINAL JUDGMENT AND PERMANENT INJUNCTION

1. On this the ____ day of _____, 2008, came before this court, plaintiff, STATE OF TEXAS and defendant, GAB ROBINS NORTH AMERICA, INC., in the above entitled and numbered cause. The STATE OF TEXAS, by and through Texas Attorney General GREG ABBOTT, and defendant, by and through its attorney of record, announced to the Court that all matters of fact and things in controversy between them had been fully and finally compromised and settled, presented to the Court this Agreed Final Judgment and Permanent Injunction ("Judgment"), and asked the court to render and sign this Judgment based on the agreement of the parties.

STIPULATIONS

2. By their duly authorized signatures affixed below, the parties stipulated to the Court the following: that they understand the terms of this Judgment; that they agree to the terms of this Judgment; that their agreement is freely and voluntarily made without duress; that they actively participated in the negotiations leading up to this Judgment, are aware of the duties placed upon them by it, and are desirous and capable of carrying out those duties in full; that each named party acknowledge receipt of copies of this Judgment and has full and actual notice of the terms

of this Judgment; that the issuance and service of a writ of injunction are waived; that the terms of this Judgment are sufficiently detailed and specific to be in conformance with Texas Rule of Civil Procedure 683 and enforceable by the Court pursuant to Texas Rule of Civil Procedure 692; that they have waived all rights of appeal from this Judgment; that this Judgment represents a compromise and settlement of all matters arising out of facts alleged by the STATE OF TEXAS in this cause and pertains only to Defendant's activities in Texas.

3. Pursuant to their agreement, the parties submit to the jurisdiction of the Court and do not contest the entry of this Judgment. Defendant desires to resolve the Attorney General's concerns without trial or adjudication of any issue of fact or law, and its consent to the entry of this Judgment is not an admission of liability by defendant as to any issue of fact or law.

4. It is further agreed by and between the parties that this Judgment shall constitute the record of this cause and that the making of a further record in this cause is waived.

FINDINGS

5. It appearing to the Court that all parties agreed to the entry of this Judgment and that they have approved its entry by their duly authorized signatures and the signature of their respective attorneys below, the Court, upon the stipulations of the parties after being fully advised in this matter, finds as follows:

a. That it has jurisdiction of the parties and subject matter of this suit;

b. That the settlement of this dispute is fair, reasonable, and just; and

c. That it would be in the best interests of the parties if the Court approved the settlement and rendered Judgment accordingly.

6. Based on these findings, and having heard and considered the representations made by

the parties, the Court is of the opinion that a permanent injunction should be issued as granted in this Judgment and that plaintiff STATE OF TEXAS is entitled to recover of and from defendant as set forth below.

DEFINITIONS

7. For purposes of this Judgment, the following definitions shall apply:

a. "Personal Identifying Information" means information that alone or in conjunction with other information identifies an individual, including an individual's:

(1) name, social security number, date of birth, or government-issued identification number;

(2) mother's maiden name;

(3) unique biometric data, including the individual's fingerprint, voice print, or retina or iris image;

(4) unique electronic identification number, address, or routing code; and

(5) telecommunication access device.

b. "Sensitive Personal Information" means:

(1) an individual's first name or first initial and last name in combination with any one or more of the following items, if the name and the items are not encrypted:

(a) social security number;

(b) driver's license number or government-issued

identification number; or

(c) account number or credit or debit card number in combination with any required security code, access code, or password that would permit access to an individual's financial account; and

(2) does not include publicly available information that is lawfully made available to the general public from the federal government or a state or local government.

c. "Personal information" means Personal Identifying Information or Sensitive Personal Information.

d. "State privacy protection laws" include, but are not limited to, TEX. BUS. & COM. CODE ANN. § 35.48 (hereinafter "Section 35.48") and Chapter 48 of the TEX. BUS. & COM. CODE ANN. § 48.001, *et seq* ("Identity Theft Enforcement and Protection Act").

INJUNCTIVE RELIEF

8. IT IS, THEREFORE, ORDERED, ADJUDGED, AND DECREED that defendant, its officers, agents, servants, employees, attorneys, and any other person in active concert or participation with defendant, are hereby permanently enjoined from disposing records that contain personal information unless defendant:

a. Modifies such records by shredding, erasing, or other means to make the personal information unreadable or undecipherable; or

b. Contracts with a person engaged in the business of disposing of records for the modification of personal information contained therein by shredding, erasing, or other

means to make the personal information unreadable or undecipherable.

MANDATORY RELIEF

9. IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that defendant shall adopt, implement, and maintain an Information Security and Safe Disposal Program ("Program") to protect and safeguard from unlawful use, disposal, or disclosure any personal information collected or maintained by defendant in the regular course of business and shall include the following components:

a. Compliance Officer. Defendant shall designate a qualified, corporate-level compliance officer who shall be responsible for compliance with the Program and the terms of this Judgment and for overseeing efforts to comply with the State privacy protection laws. The compliance officer's duties shall include receiving anonymous reports by employees who want to report any failure to comply with the Program; and responding to questions from employees about compliance with the Program or State privacy protection laws.

b. Program Contents. The Program shall be fully documented in writing, shall be made available to employees online or in written form, and shall contain administrative, technical, and physical safeguards appropriate to defendant's operations and activities and the sensitivity of the personal information collected and maintained by defendant.

c. Notice to Employees. Defendant shall provide written notice to its employees who work in Texas that the Program has been adopted; that employees will be required to complete training about the Program before a specific date; that defendant will monitor

and audit employee compliance with the Program; and that failure to comply with the Program or State privacy protection laws may constitute grounds for termination or may be taken into account in connection with compensation, promotion, and retention decisions.

d. Record Destruction or Modification. When disposing of records which contain personal information, defendant shall either modify such records by shredding, erasing, or other means to make the personal information unreadable or undecipherable; or shall contract with a person engaged in the business of disposing of records (herein "third party") for the modification of personal information contained therein by shredding, erasing, or other means to make the personal information unreadable or undecipherable. Records containing personal information that are pending destruction or modification must be placed in secured locked containers, maintained in a secure area, or stored securely to prevent the unlawful use, dissemination, or disposal of such records. If defendant elects to contract with a third party, then the third party must confirm in writing to defendant that all personal information has been destroyed or modified to make it unreadable or undecipherable, as well as the date and method of destruction or modification. Defendant shall keep confirming documentation from third parties for a minimum period of two years from the date of destruction or modification and shall make them available to the Office of the Attorney General upon request.

e. Employee Training. Defendant shall train its employees who work in Texas, which may be conducted online, and such training shall include:

(1) a review of the Program and any other policies and procedures relating to defendant's duty to protect and safeguard from unlawful use or disclosure personal information collected or maintained by defendant in the regular course of business;

(2) a review of the State privacy protection laws;

(3) an explanation of identity theft, its cost to individuals and businesses, and the reasons for complying with the Program and State privacy protection laws; and

(4) the contact information of the compliance officer to whom employees can anonymously report any failure to comply with the Program, and to whom employees can direct questions or raise concerns about compliance with the Program or State privacy protection laws.

f. Training Updates. Defendant shall train its employees in Texas annually for the next two (2) consecutive years, and periodically thereafter to ensure they maintain the requisite knowledge, skill, and motivation to comply with the Program and State privacy protection laws.

g. Acknowledgment of Employee Training. Defendant shall require that each employee annually acknowledge their awareness of State privacy protection laws, the Records Retention Policy and their obligations to comply with the policy through certification to the Company Code of Conduct. Defendant shall retain employee certifications for a period of no less than two (2) years and shall make the information

available to the office of Attorney General upon request.

h. Compliance Audit. Defendant shall audit Texas offices of the company annually for the next two (2) consecutive years. Thereafter, the Defendant shall incorporate periodic compliance audits into its corporate audit program. In the event that the audit reveals noncompliance with any component of the Program or any violation of privacy protection laws, Defendant shall undertake corrective action as soon as practicably possible and document the instance of non compliance and/or violation as well as the corrective action taken. Any office found to be out of compliance shall be subject to further audit until full compliance is achieved.

EFFECTIVE DATE OF THE PROGRAM AND OAG REVIEW

10. IT IS FURTHER ORDERED that defendant shall implement the Program and furnish a copy of the Program to the Office of the Attorney General. In addition, defendant shall notify the Office of the Attorney General of any changes or modifications to the Program made within 2 years of the entry of this Judgment by furnishing it with written notice of the changes or modifications.

CONFLICT WITH LAWS

11. To the extent that the provisions of this Judgment conflict with any local, state, or federal law or regulation which now exists, or is later enacted or amended, such law and not this Judgment shall apply where such conflict exists. For the purposes of this Judgment, a conflict exists if conduct prohibited by this Judgment is required or permitted by local, state, or federal law or regulation, or if conduct required by this Judgment is prohibited by local, state, or federal

law or regulation.

MODIFICATION

12. In the event GAB ROBINS NORTH AMERICA, INC. concludes, based on changed circumstances, that the terms of this Judgment unfairly restrict its business practices, then GAB ROBINS NORTH AMERICA, INC. may submit a written request to the Attorney General seeking to modify the injunctive terms of this Judgment including requesting that any or all of GAB ROBINS NORTH AMERICA, INC.'s obligations under the injunctive terms cease. The Attorney General shall make a good faith evaluation of GAB ROBINS NORTH AMERICA, INC.'s request and shall respond to the request within ninety (90) days of receipt of such request (or 30 days after receiving all necessary information from GAB ROBINS NORTH AMERICA, INC., whichever is later). If the Attorney General denies GAB ROBINS NORTH AMERICA, INC.'s requested modification, GAB ROBINS NORTH AMERICA, INC. may in accordance with the Texas Rules of Civil Procedure petition the Court for modification of the terms and conditions of this Judgment.

MONETARY PAYMENT

13. IT IS FURTHER ORDERED by the Court that Plaintiff STATE OF TEXAS have and recover from defendant, GAB ROBINS NORTH AMERICA, INC., the sum of One Hundred and Twenty-five Thousand Dollars ($125,000.00) which includes Twenty-five Thousand Dollars ($25,000.00) in payment of attorney's fees incurred by the State in this matter. The remaining One Hundred Thousand Dollars ($100,000.00) shall be deposited in the general revenue fund

and, as provided by TEX. BUS. & COM. CODE ANN. § 48.201, may be appropriated only for the investigation and prosecution of cases under the Identity Theft Enforcement and Protection Act.

14. IT IS FURTHER ORDERED by the Court that the payment of the above sum shall be made in the form of a certified check or wire transfer made payable to the Office of the Attorney General of Texas. The certified check or wire transfer shall bear the identifying number "AG No. 072451636" and shall be delivered to the Office of the Attorney General, Consumer Protection and Public Health Division, 3201 N. McColl Road, Suite B, McAllen, TX 78501, Attention: Ric Madrigal.

MISCELLANEOUS

15. IT IS FURTHER ORDERED that defendant, its officers, agents, servants, employees, attorneys, and any other person in active concert or participation with defendant, are hereby permanently enjoined from representing, directly or by implication, that this Court, the State of Texas, the Office of the Texas Attorney General, and any of its employees, agents, or representatives have approved of any of defendant's business practices, the Information Security and Safe Disposal Program, or any component thereof.

16. IT IS FURTHER ORDERED that this Court shall retain jurisdiction for the purpose of enabling any party to this Judgment to apply to this Court at any time for such further orders and directions as may be necessary or appropriate for construing, effectuating, modifying, or enforcing the terms of this Judgment and for punishing any disobedience and/or violation of this injunction.

17. All costs of court expended or incurred in this cause are adjudged against defendant.

18. After signing by the Court, this agreement constitutes final judgment.

19. All relief not expressly granted herein is denied.

SIGNED on the _____ day of _____, 2008.

_____
PRESIDING JUDGE

APPROVED AS TO FORM AND SUBSTANCE AND ENTRY REQUESTED:

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