## IN THE UNITED STATES DISTRICT COURT OF MISSISSIPPI SOUTHERN DISTRICT

UNITED STATES OF AMERICA EX REL. CORI RIGSBY, AND KERRI RIGSBY,

Relators,

JAN - 9 2007

V\$

CASE NO. 1:06cv433-WJG-JMR

STATE FARM INSURANCE COMPANY, et al.

To Be Filed In Camera And Under Seal Pursuant To 31 Usc § 3731

## **EXPEDITED UNOPPOSED MOTION FOR PARTIAL LIFTING OF THE SEAL**

COMES NOW Relators, Kerri and Cori Rigsby, by and through counsel, and move this Honorable Court for expedited consideration of their motion for a partial lifting of the seal in this matter, and state to the Court as follows.

- This is a case filed under 31 USC § 3729, et seq., commonly known as the False Claims Act.
- Since the case was originally filed in April, 2006, it has been continuously under seal pursuant to 31 USC § 3730.
- The United States Government is diligently investigating the issues of civil false claims which involve passing off homeowner's claims for wind damage on the Federal Flood Insurance Administrator.

- 4. In addition, the Mississippi Attorney General has launched an investigation and the Relators are cooperating with the Mississippi Attorney General.
- 5. The Relators were employed by E. A. Renfroe, a company that leases adjustors to large insurance firms like defendant State Farm.
- They were initially dispatched to the Hurricane Katrina effort and were part of the Gulfport, MS, office of State Farm from September, 2005 through July, 2006.
- During their employment they became aware of a pattern and practice of unlawful conduct by the purchaser of their services, State Farm.
- 8. At some point in July relators disclosed that they had taken their concerns to federal law enforcement officials.
- 9. State Farm discharged them from their duties, and, they were ultimately discharged from employment by Renfroe.
- Prior to discharge, relators had copied approximately 15,000 pages of documents that were turned over to counsel.
- Relators have placed these documents in the hands of the U.S. Attorney for Mississippi, the Department of Justice, and the Attorney General of the State of Mississippi. They were a part of the evidentiary disclosure required under 31 USC § 3730.
- 12. Following their discharge E. A. Renfroe, mounted a civil lawsuit in the United States District Court for the Northern District of Alabama against relators. That civil lawsuit seeks damages and a permanent injunction requiring them to return

- State Farm's documents to E. A. Renfroe. That action is E. A. Renfroe v. Kerri Rigsby, et al, Case 2:06-cv-01752-WMA.
- 13. The trial court, Judge Acker, has granted a temporary injunction.
- 14. Defendants have moved to cite the Relators for civil contempt in Alabama because their counsel turned over documents to the Mississippi Attorney General before the injunction went into effect.
- 15. The trial court in Alabama has set a motion docket hearing on Friday, January 12,2007.
- 16. It is anticipated that the moving party, E. A. Renfroe, will seek to call or cross-examine the relators, and may ask questions that are directed at determining whether the relators have filed a False Claims Act case. In addition, civil depositions of the Relators are set for January 15, 16, and 17<sup>th</sup> in Gulfport MS, and questions may arise there, as well.
- 17. The existence of this case, the conversations the Relators have had with the US Attorney, their attorneys, and the Department of Justice (as well as with FEMA, the FBI, and other investigative bodies) are all privileged from disclosure in the Alabama case as a result of the joint prosecution privilege and this Court's seal in this case.
- 18. If asked any question that would potentially reveal the existence of this sealed case, counsel would be required to object, and to disclose the existence of the False Claims Act case in camera to Judge William M. Acker, Jr., the federal judge

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in the Alabama case, in order to ensure that relators were not cited for contempt for obeying this court's seal.

- 19. Counsel for relators and counsel for the government have conferred, and the Department of Justice does not oppose a partial lifting of the seal for the express purpose of disclosing the existence of the sealed False Claims Act case only to Judge William M. Acker, Jr., and any other judicial or court officer who is or may be assigned to the case. Relators neither seek nor desire authority to disclose the existence of the case to any other person or entity.
- 20. Ideally, the existence of the False Claims Act case would be disclosed to Judge Acker prior to the hearing, in camera, by counsel acting ex parte.
- 21. In order to disclose the existence of the case to the Alabama federal court, Relator's seek leave of court for a partial lifting of the seal for the express purpose of disclosing the action to Judge Acker, and because of the deadline associated with the pending hearing, respectfully request an order from this court be issued as soon as possible.

WHEREFORE, for good cause shown, Relators request that the trial court issue its order partially unsealing the case so as to permit the Relators to disclose the existence of the case to Judge William M. Acker, Jr., and any other judicial or court officer who is or may be assigned to the case.

Respectfully submitted,

THE SCRUGGS LAW FIRM

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ATTORNEYS FOR RELATORS

## CERTIFICATE OF SERVICE

The undersigned certifies that on this 9th day of January, 2007, a copy of the foregoing pleading was served on the individuals below by first class mail, certified, return receipt requested to Dunn O. Lampton, US Attorney's Office, 188 E. Capitol St., Suite 500, Jackson, MS, 39201, and by placing the same in the United States Mail, first class postage affixed, certified, return receipt requested, and addressed to Alberto Gonzales, Esq., at the address below:

Dunn O. Lampton, Esq. United States Attorney 188 E. Capitol Street Ste 500 Jackson, MS 39201

Hon. Alberto Gonzales, Esq.

Attorney General of the United States 5111 Main Justice Building 10th & Constitution Ave. N.W. Washington, DC 20210

Attorneys for Relators