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UNITED STATES DISTRICT COURT

FOR THE SOUTHERN DISTRICT OF CALIFORNIA

JENS ERIK SORENSEN, as Trustee of SORENSEN RESEARCH AND DEVELOPMENT TRUST, Plaintiff v. ALLTRADE TOOLS, LLC, a California Corporation; and DOES 1 – 100, Defendants. _____ and related counterclaims.	Case No. 08-CV-232 BTM CAB **STIPULATED PROTECTIVE ORDER FOR THE EXCLUSIVE PURPOSE OF FACILITATING SETTLEMENT DISCUSSIONS**

Plaintiff Jens Erik Sorensen and Defendant Alltrade Tools, LLC, by and through their respective counsel, hereby stipulate to a limited protective order for the exclusive purpose of allowing Defendant to produce confidential information to Plaintiff in order to facilitate settlement discussions subject to *Federal Rules of Evidence* § 408.

DEFINITIONS

The term "Confidential Information" for purposes of this Stipulation shall mean and include any and all information contained or disclosed in any materials, including documents, portions of documents any financial or commercial information provided by Defendant, or one of them, including data, summaries, and compilations derived therefrom, that is (1) considered by Defendant to be confidential to the disclosing party; and (2) is disclosed to Plaintiff for the sole purpose of settlement negotiations.

TERMS

1. Defendant has agreed to provide Plaintiff with certain Confidential Information regarding the accused products in this case for purposes of discussing possible settlement. All information deemed Confidential Information by Defendant shall be clearly marked as follows: "CONFIDENTIAL INFORMATION DISCLOSED FOR SETTLEMENT DISCUSSIONS." The inadvertent production of any material without it being properly marked shall not be deemed a waiver of any claim of confidentiality in such information or document if brought to the attention of the parties within a reasonable time after production.

2. Any material designated as Confidential Information shall be held in confidence by Plaintiff and shall not be disclosed by Plaintiff to anyone other than those persons designated herein and shall be handled in the manner set forth below and, in any event, shall not be used for any purpose other than in settlement

negotiations in this litigation unless and until the stay of this case is lifted.

3. If no settlement is reached between the parties prior to a lift of stay of this case, materials designated Confidential Information and produced to Plaintiff under this Stipulated Protective Order shall be returned to Defendant by Plaintiff.

4. Counsel for Plaintiff, and each person receiving Confidential Information, shall take reasonable precautions to prevent the unauthorized or inadvertent disclosure of such information. If Confidential Information is disclosed to any person other than a person authorized by this Stipulated Protective Order, Plaintiff must immediately bring all pertinent facts relating to the unauthorized disclosure to the attention of Defendant and, without prejudice to any rights and remedies of the Defendant, make every effort to prevent further unauthorized disclosure by the party and by the person(s) receiving the unauthorized disclosure.

5. Access to Confidential Information furnished to Plaintiff under this Stipulated Protective Order shall be restricted to: (i) Plaintiff's counsel of record (including its professional, paraprofessional, stenographic, and clerical employees); and (ii) no more than a total of two (2) representatives for Plaintiff that are necessary to review such information.

6. This Stipulated Protective Order shall not prevent either party from applying to the Court for any further orders or discovery, and shall not preclude either party from enforcing their rights at law or in equity.

7. Any information produced by Defendant under this protective order shall not be construed as an admission or agreement that (a) any specific information is or is not confidential, subject to discovery, relevant, or admissible as evidence in this litigation, (b) the stay entered in this litigation should be modified or not appropriate, (c) the stay in this litigation will eventually be lifted by the Court, (d) this litigation will eventually proceed, or (e) the '184 patent is valid, enforceable or infringed.

8. The Court shall retain jurisdiction for the purpose of ensuring compliance with this Order and granting such modifications to this Order and such other relief as may be necessary, and either party may apply to the Court for a modification to this Order.

9. Nothing in this Order shall affect future discovery proceedings or subsequent protective orders entered by the Court for general purposes in this suit.

10. The parties agree to abide by and be bound by the terms of this Stipulation upon signature by their attorneys.

The parties have authorized electronic signatures for purposes of this Stipulated Protective Order.

IT IS SO STIPULATED.

DATED this Friday, August 15, 2008.

JENS ERIK SORENSEN, as Trustee of SORENSEN RESEARCH AND DEVELOPMENT TRUST, Plaintiff

/s/ Melody A. Kramer

J. Michael Kaler, Esq.
Melody A. Kramer, Esq.
Attorneys for Plaintiff

ALLTRADE TOOLS, LLC, Defendant

/s/ Douglas R. Peterson

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