

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF MISSISSIPPI
HATTIESBURG DIVISION

STATE FARM FIRE AND CASUALTY
COMPANY and STATE FARM MUTUAL
AUTOMOBILE INSURANCE COMPANY

PLAINTIFFS

V.

CIVIL ACTION NO. 2:07CV188-KS-MTP

JIM HOOD, IN HIS OFFICIAL CAPACITY
AS ATTORNEY GENERAL OF THE
STATE OF MISSISSIPPI

DEFENDANT

TEMPORARY RESTRAINING ORDER

This cause is before the Court on the Motion of Plaintiffs State Farm Fire and Casualty Company and State Farm Mutual Automobile Insurance Company (jointly "State Farm") for a Temporary Restraining Order and For a Preliminary Injunction. Having considered the Motion, Plaintiffs' Memorandum, and the oral argument of counsel, the Court orders as follows:

Pursuant to Fed. R. Civ. P. 65(a), a temporary restraining order is appropriate when the moving party demonstrates:

- (1) a substantial likelihood of success on the merits;
- (2) a substantial threat that failure to grant the injunction will result in irreparable injury;
- (3) that the threatened injury to the Plaintiff outweighs the threatened injury to the Defendant; and
- (4) that granting the injunction will not disserve the public interest.

See generally Walgreen Co. v. Hood, 275 F.3d 475, 477 (5th Cir. 2001); *Sierra Club, Lone Star Chapter v. F.D.I.C.*, 992 F.2d 545, 551 (5th Cir. 1993).

The Court first finds that State Farm has demonstrated a substantial likelihood of success on the merits. The Court also finds a substantial threat of irreparable harm that will result to State Farm in the absence of a temporary restraining order. Additionally, the harm to State Farm outweighs any harm to Attorney General Jim Hood ("Attorney General Hood"), and granting the requested temporary restraining order will not disserve the public interest.

Based on the above findings, the Court issues the following **TEMPORARY RESTRAINING ORDER:**

Pursuant to Fed. R. Civ. P. 65, Attorney General Hood and his officers, agents, servants, employees, attorneys, and those persons in active concert or participation with them who receive actual notice of this Temporary Restraining Order by personal service or otherwise, are enjoined to honor, abide by and perform in full the entirety of the January 23, 2007 Non-Prosecution Agreement with State Farm, by, including but not limited to: (1) taking no action to require State Farm to comply with the Jackson County, Mississippi Grand Jury Subpoena issued to State Farm on or about August 23, 2007, and taking no action to attempt to punish State Farm for any claimed failure to comply with this Grand Jury Subpoena; (2) refraining from conducting a criminal investigation into State Farm's handling of Hurricane Katrina claims; and (3) refraining from initiating or prosecuting in any manner any criminal charges whatsoever against State Farm or any of its current or former employees, directors, engineers, agents, counsel or adjusters, related in any manner to the handling of Hurricane Katrina claims.

This Temporary Restraining Order is effective immediately and State Farm shall not be required to post security or other bond.

This Temporary Restraining Order will expire at 12:01 a.m. CDT on September 29, 2007 unless extended by agreement of the parties or by further Order of the Court.

SO ORDERED this the 14th day of September, 2007.

s/Keith Starrett

UNITED STATES DISTRICT JUDGE

Jackson 2309590v.2