

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

ADMINISTRATIVE PROCEEDINGS RULINGS
Release No. 2931/July 15, 2015

ADMINISTRATIVE PROCEEDING
File No. 3-16462

In the Matter of

LYNN TILTON, :
Patriarch Partners, LLC, :
Patriarch Partners VIII, LLC, : ORDER
Patriarch Partners XIV, LLC, and :
Patriarch Partners XV, LLC :

The Securities and Exchange Commission instituted this proceeding with an Order Instituting Proceedings (OIP) on March 30, 2015, and the hearing, which is expected to last about two weeks, is scheduled to commence on October 13, 2015, in New York City. The OIP alleges that Respondents violated the antifraud provisions of the Investment Advisers Act of 1940 in their operation of three collateral loan obligation funds by reporting misleading values for the assets held by the funds and failing to disclose a conflict of interest arising from Lynn Tilton's undisclosed approach to categorization of assets.

On May 27, 2015, the undersigned issued a subpoena *duces tecum* to Rabobank International, New York Branch (Rabobank), at the request of Respondents. Under consideration is Rabobank's Motion for Issuance of a Protective Order (Motion). Respondents consent to the Motion, and the Division of Enforcement does not oppose it. The Motion describes two discrete categories of documents that have been identified as responsive to the subpoena that contain and reflect trade secrets or other proprietary, confidential, or commercially sensitive information (Highly Confidential Material). Respondents and Rabobank have entered a confidentiality agreement concerning the production, handling, and use of documents produced pursuant to the subpoena. Although the record in a public hearing is presumed to be public, the harm resulting from disclosure of such material is presumed harmful. It is specifically limited in various contexts, for example, Exemption 4 of the Freedom of Information Act, 5 U.S.C. § 552(b)(4). Accordingly, the Motion will be granted.¹

¹ This Order embodies minor additions to and deletions from the phraseology of the ordering clause of Rabobank's Proposed Protective Order attached to its Motion. Additions are underscored and deletions are struck through. Additionally, provisions governing the use of the Highly Confidential Information in filings are further ordered in a separate ordering clause.

IT IS ORDERED that the following provisions shall govern the production, handling, and use of the Highly Confidential Material produced by Rabobank to the Respondents in response to the Rabobank Subpoena, which include the following:

(a) Highly confidential asset management strategy memos, credit memoranda or internal credit applications, prepared at or about the time of Rabobank's purchase of Zohar notes, and updated periodically thereafter. These highly confidential memoranda include Rabobank's proprietary performance analysis, as well as confidential assessments and strategy recommendations; and

(b) Highly confidential and proprietary month-end reports of Rabobank's IPV desk containing impairment data prepared by Rabobank, including overviews and framework test results and proprietary analyses, compilations and data studies. The IPV desk is responsible for determining Rabobank's valuation, pricing and price-testing of Rabobank's holding information of such securities, which are used in Rabobank's financial reports.

1. Highly Confidential Material shall not be used or disclosed by any person or entity for any purpose whatsoever other than the preparation for and hearing of this Proceeding, including appeals, if any.

2. Highly Confidential Material and all information contained therein shall not be shown to, reviewed by, or discussed with, any person except:

(a) Counsel to the Respondents and their employees;

(b) The Respondents and only those employees of the Respondents directly involved in instructing or assisting counsel in connection with this Proceeding, except that disclosure to the persons specified in this paragraph shall be limited to such information as is reasonably required to be disclosed to instruct or assist counsel;

(c) the Division of Enforcement of the Securities and Exchange Commission (the "Division" and, together with the Respondents, the "Parties" and each individually a "Party");

(d) The presiding Administrative Law Judge, including necessary administrative, stenographic, secretarial, and clerical personnel assisting the Administrative Law Judge, or the Securities and Exchange Commission (the "Commission") or any other judicial body hearing an appeal of the Proceeding;

(e) Witnesses in any proceedings in this Proceeding, along with their counsel, if the witness is indicated on the face of the Highly Confidential Material as its originator, author, or recipient of a copy thereof or who would be reasonably expected to have had prior access to the Highly Confidential Material, or who is otherwise familiar with the Highly Confidential Material, but only to the extent of the person's familiarity with the Highly Confidential Material, or persons whom counsel reasonably believes may have testimony relevant to the Highly Confidential Material, or if the Administrative Law Judge determines that the witness should have access to the Highly Confidential Material, on such terms as the Administrative Law Judge may order;

(f) Persons whom counsel in good faith believe are likely to be called as trial or other witnesses in this Proceeding as well as their counsel, provided, however, that counsel shall not disclose any Highly Confidential Material to any such person unless counsel in good faith believes such material to be reasonably related to that person's likely testimony and, in that event, only to the extent so related;

(g) Consultants or experts and their staff to the extent deemed reasonably necessary by counsel for the prosecution or defense of the Proceeding;

(h) Outside vendors providing copying and/or exhibit preparation services in connection with this Proceeding;

(i) Any other person only upon written consent of Rabobank or its counsel of record or upon order of the Administrative Law Judge.

With respect to the persons referenced in paragraphs 2(e), (f), (g), (h) and (i), prior to the disclosure of any Highly Confidential Material, the receiving Party shall (i) provide that person with a copy of this Protective Order, and (ii) obtain from that person written agreement to be bound by the terms of this Order in the form attached hereto as Exhibit A.

3. Rabobank shall, at the time of production, designate Highly Confidential Material as "Highly Confidential" with a stamp or label on the face of the document or item so indicating.

4. If the Respondents or the Division file any of the Highly Confidential Material with the Commission without first providing advance notice to Rabobank, those documents filed shall be (a) clearly labeled on the cover page as containing confidential information subject to this Protective Order and (b) filed in sealed envelopes or other appropriate sealed containers on which shall be listed the title of this proceeding, an indication of the nature of its contents, and a statement substantially in the following terms:

CONFIDENTIAL. Filed Pursuant to Protective Order. Not to be opened nor the contents revealed except (1) to the ~~Administrative Law Judge and her staff in the Commission's Office of Administrative Law Judges~~ Commission and its employees or agents, (2) by agreement of the submitting Party and Rabobank, or (3) by prior order of the Administrative Law Judge or the Commission.

5. Respondents or the Division may publicly file any Highly Confidential Material that has previously been admitted at any hearing in the Proceeding, so long as Respondents or the Division provide reasonable advance notice of such anticipated public filing to Rabobank to allow Rabobank to seek a protective order or other appropriate remedy to protect the confidentiality of such Highly Confidential Material. In the event of a dispute between Respondents' counsel or the Division, on the one hand, and Rabobank, on the other hand, as to whether any Highly Confidential Material, or the information derived from those documents should be filed without sealing, that dispute shall be submitted to the Administrative Law Judge for a ruling.

6. Notwithstanding the foregoing, nothing in this Order shall prevent any Party from seeking to admit as evidence or otherwise using any Highly Confidential Material in connection

with any hearing or trial held in this Proceeding, subject to the requirements concerning the filing of Highly Confidential Material in paragraphs 4 and 5.

7. Notwithstanding the foregoing, nothing in this Order shall prevent any Party from complying with any disclosure required by law, regulation or rule (including any rule of any industry or self-regulatory organization) whether pursuant to a subpoena or other similar process in connection with a litigation, arbitration, or other proceeding, or otherwise. If any Party in possession of Highly Confidential Material receives a subpoena or other such process or discovery device seeking production or other disclosure of such Highly Confidential Material, if allowed under applicable law, that Party shall give written notice to counsel for Rabobank together with a copy of the subpoena or other process and shall object to producing the Highly Confidential Material until an appropriate confidentiality stipulation or order can be entered into with the requesting party. Unless otherwise ordered by a court or appropriate tribunal, the receiving party shall not produce any of the Highly Confidential Material, or information contained therein for a period of at least ten (10) days after providing the required notice to Rabobank. During that ten day period, Rabobank may seek protection from, or file objections to, the production of the Highly Confidential Material, or information contained therein in the appropriate forum. Provided that the appropriate notice set forth in this Paragraph was given, only Rabobank shall be responsible for asserting any objection to the requested production. Nothing herein shall be construed as requiring the receiving party or anyone else covered by this Protective Order to (a) challenge or appeal any order issued in another proceeding that requires production or disclosure of any Highly Confidential Material, or information contained therein, (b) subject himself/itself to any penalties for non-compliance with any legal process, order, or statutory or regulatory obligation, or (c) seek any relief in the appropriate forum.

8. In the event of any unauthorized use or disclosure of any Highly Confidential Material, or any information contained therein, the Party responsible for such use or disclosure shall notify counsel for Rabobank immediately and make good faith efforts to remedy the unauthorized use or disclosure and prevent further unauthorized use or disclosure.

9. The restrictions on dissemination of the Highly Confidential Material, or the information contained therein, shall not apply to information that is public knowledge or that, after disclosure, becomes public knowledge other than through a violation of the terms of this Protective Order or any applicable confidentiality agreement.

10. All Highly Confidential Material or other papers containing such information remain the property of, and under the custody and control of the party or other person producing that Highly Confidential Material, subject to further order of the ~~Court~~ Administrative Law Judge or the Commission. Upon the conclusion of this Proceeding (including compliance with any judgment and any appeal relating to this Proceeding), the receiving Parties shall return to Rabobank all copies of Highly Confidential Material that was produced pursuant to this Protective Order (including all copies, abstracts, and summaries of the Highly Confidential Material) or the parties may destroy such Highly Confidential Material and certify to Rabobank in writing that all such Highly Confidential Material has been destroyed. Notwithstanding the foregoing, counsel for the Parties may retain copies of pleadings, briefs, motions, memoranda and any other paper filed in this Proceeding together and correspondence exchanged in this Proceeding, copies of all hearing transcripts, admitted exhibits and copies of any attorney work product.

11. This Protective Order shall remain in force and effect until modified, superseded, or terminated on the record by agreement of the Parties and Rabobank or by order of the Administrative Law Judge or the Commission.

12. Any notice required or permitted herein shall be made to counsel of record in this proceeding or such other persons as subsequently may be designated by a party or by Rabobank. Notice may be made by either facsimile or email, provided that a hard copy is provided by hand delivery or overnight courier.

IT IS FURTHER ORDERED that if any text of a brief, motion, or other pleading filed in this proceeding is based on or derived from the Highly Confidential Material, the party making the filing shall: a) file a version clearly labeled “under seal” pursuant to this Protective Order that sets off, with double brackets, the text that is based on or derived from the Highly Confidential Material (*e.g.*, [[text]]); and b) absent agreement of the parties and Rabobank to publicly release the material, file a public redacted version removing the text that is based on or derived from the Highly Confidential Material.

/S/ Carol Fox Foelak
Carol Fox Foelak
Administrative Law Judge

Exhibit A

I have read the Protective Order entered by the Administrative Law Judge in the Matter of Lynn Tilton, et al., Administrative Proceeding File No. 3-16462 (Hon. Judge Carol Fox Foelak) (the "Order") concerning documents produced by Rabobank. I understand the provisions of such Order and I understand the responsibilities and obligations such Order imposes on persons viewing the material encompassed by the Order. Pursuant to the Order, I hereby agree to be bound by all the provisions of the Order so as to enable me to review the material encompassed by the Order, and I hereby consent to the personal jurisdiction of the United States Securities and Exchange Commission, for any proceedings involving the enforcement of the Order.

EXECUTED this ____ day of _____, _____.

Name /Title