

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

ADMINISTRATIVE PROCEEDINGS RULINGS
Release No. 4293/October 21, 2016

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. 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 (known as the Zohar 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. The proceeding was stayed by order of the U.S. Court of Appeals for the Second Circuit between September 17, 2015, and June 2016. *See Tilton v. SEC*, 824 F.3d 276, 291 (2d Cir. 2016); *Tilton v. SEC*, No. 15-2103 (2d Cir.), ECF Nos. 76, 125. The hearing is currently scheduled to commence on October 24, 2016.

A subpoena directed to Barclays PLC was issued on May 27, 2015, at Respondents' request. Respondents and Barclays have entered a confidentiality agreement covering documents and information produced pursuant to the subpoena. Under further consideration presently is Respondents' October 17, 2016, Motion to Compel Barclays to Produce a Document Responsive to [that] Subpoena. *See Lynn Tilton*, Admin. Proc. Rulings Release No. 4271, 2016 SEC LEXIS 3914 (A.L.J. Oct. 18, 2016). Barclays is amenable to producing the document at issue (subject to mutually agreeable redactions), but the document, referred to as the "Commutation Agreement," is covered by a confidentiality agreement between Barclays and MBIA. *Id.* In light of Respondents' confidentiality agreement with Barclays, MBIA is protected from misuse of the document, and Barclays was ordered to produce it, subject to the confidentiality agreement, unless MBIA filed an objection. *Id.* On October 19, 2016, MBIA advised that it "has reviewed the redactions made by Barclays and does not object to the production of the Commutation Agreement subject to Barclays' redactions." Accordingly, Barclays is ordered to produce the document thus redacted.

This order shall be served on: Jonathan Hoff and Joshua P. Arnold, Cadwalader, 200 Liberty St., New York, NY 10281 (counsel for MBIA); and Andrew Z. Michaelson, Boies, Schiller & Flexner, LLP, 575 Lexington Ave., 7th Floor, New York, NY 10022 (counsel for Barclays).

IT IS SO ORDERED.

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