

**Hearing Date (if necessary):** TBD  
**Presentment Date:** April 20, 2012 at 3:00 p.m.  
**Objection Deadline:** April 18, 2012 at 4:00 p.m.

Margot B. Schonholtz  
Joseph G. Minias  
Willkie Farr & Gallagher LLP  
787 Seventh Avenue  
New York, NY 10019  
Telephone: (212) 728-8000  
Facsimile: (212) 728-9202

*Counsel to Barclays Bank PLC*

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

_____ )	
IN RE: )	Chapter 11
ARCAPITA BANK B.S.C.(c), et al., )	Case No. 12-11076 (SHL)
)	
Debtors. )	Jointly Administered
_____ )	

**NOTICE OF PRESENTMENT BY BARCLAYS BANK PLC OF  
PROPOSED ORDER APPROVING SPECIFIED INFORMATION BLOCKING  
PROCEDURES AND PERMITTING TRADING OF CLAIMS AGAINST THE  
DEBTORS UPON ESTABLISHMENT OF A SCREENING WALL**

**PLEASE TAKE NOTICE** that the undersigned will present the annexed form of order permitting securities trading by Barclays Bank PLC and its affiliates<sup>1</sup> upon the establishment of an ethical wall (the “Order”) to the Honorable Sean H. Lane, United States Bankruptcy Judge, for approval and signature on **April 20, 2012 at 3:00 p.m. (prevailing Eastern Time)**.

**PLEASE TAKE FURTHER NOTICE** that any responses or objections to the Order (the “**Objections**”) shall be filed electronically with the Court on the docket of *In re*

<sup>1</sup> Affiliates of Barclays Bank PLC, include without limitation, Barclays Capital Inc. and Barclays Asset Management Group LLC.

*Arcapita Bank B.S.C.(c), et al.*, Ch. 11 Case No. 12-11076 (SHL) (the “*Docket*”), pursuant to the Case Management Procedures approved by this Court and the Court's General Order M-399 (available at <http://nysb.uscourts.gov/orders/orders2.html>), by registered users of the Court's case filing system and by all other parties in interest on a 3.5 inch disk, preferably in portable document format (“*PDF*”), Microsoft Word, or any other Windows-based word processing format (with a hard copy delivered directly to Chambers), in accordance with the customary practices of the Bankruptcy Court and General Order M-399, to the extent applicable, and served in accordance with General Order M-399 on (i) proposed counsel for the Debtors, Gibson, Dunn & Crutcher LLP, 200 Park Avenue, New York, New York, 10166 (Attn: Michael A. Rosenthal, Esq., Janet M. Weiss, Esq. and Matthew K. Kelsey, Esq.); (ii) the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, 21<sup>st</sup> Floor, New York, New York 10004 (Attn: Richard Morrissey, Esq.); (iii) proposed counsel to the Official Committee of Unsecured Creditors, Milbank, Tweed, Hadley & McCloy LLP, 1 Chase Manhattan Plaza, New York, New York 10005 (Attn: Dennis F. Dunne, Esq., Abhilash M. Raval, Esq. and Evan R. Fleck, Esq.) and Milbank, Tweed, Hadley & McCloy LLP, 1850 K Street, NW, Suite 1100, Washington, DC 20006 (Attn: Andrew M. Leblanc, Esq.); and (iv) Willkie Farr & Gallagher LLP, 787 Seventh Avenue, New York, New York 10019 (Attn: Margot B. Schonholtz, Esq. and Joseph G. Minias, Esq.) as attorneys for Barclays Bank PLC, so as to be received no later than **April 18, 2012 at 4:00 p.m. (Eastern Time)** (the “*Objection Deadline*”).

**PLEASE TAKE FURTHER NOTICE** that if an objection to the Order is not received by the Objection Deadline, the relief requested shall be deemed unopposed, and the Bankruptcy Court may enter an order granting the relief sought without a hearing. If an

objection is timely filed, a hearing with respect to the Order shall be scheduled before the  
Bankruptcy Court as soon as practicable.

Dated: New York, New York  
April 13, 2012

**WILLKIE FARR & GALLAGHER LLP**

By: /s/ Joseph G. Minias  
Margot B. Schonholtz  
Joseph G. Minias

787 Seventh Avenue  
New York, New York 10019  
Telephone: (212) 728-8000  
Facsimile: (212) 728-9202  
E-mail: jminias@willkie.com

*Counsel to Barclays Bank PLC*

Margot B. Schonholtz  
Joseph G. Minias  
Willkie Farr & Gallagher LLP  
787 Seventh Avenue  
New York, NY 10019  
Telephone: (212) 728-8000  
Facsimile: (212) 728-9202

*Counsel to Barclays Bank PLC*

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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IN RE:	:	Chapter 11
	:	
ARCAPITA BANK B.S.C.(c), et al.,	:	Case No. 12-11076 (SHL)
	:	
Debtors.	:	Jointly Administered
	:	
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**MOTION OF BARCLAYS BANK PLC FOR THE ENTRY OF AN ORDER APPROVING SPECIFIED INFORMATION BLOCKING PROCEDURES AND PERMITTING TRADING OF CLAIMS AGAINST THE DEBTORS UPON ESTABLISHMENT OF A SCREENING WALL**

TO THE HONORABLE SEAN H. LANE,  
UNITED STATES BANKRUPTCY JUDGE:

Barclays Bank PLC, for itself and its affiliates (“Barclays”), a member of the Official Committee of Unsecured Creditors (the “Committee”) appointed in these chapter 11 cases (the “Chapter 11 Cases”), hereby submits this motion (the “Motion”) for the entry of an order, pursuant to 11 U.S.C. § 105(a), approving information blocking procedures and permitting trading in the Covered Claims (as defined below) in certain situations, and represents as follows:

**BACKGROUND**

1. On March 19, 2012 (the “Petition Date”), the above-captioned debtors and debtors in possession (collectively, the “Debtors” and each, a “Debtor”) commenced their

reorganization cases by filing voluntary petitions for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. § 101 et seq. (the “Bankruptcy Code”), in the United States Bankruptcy Court for the Southern District of New York (the “Court”). The Debtors are operating their businesses and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No request has been made for the appointment of a trustee or an examiner in these Chapter 11 Cases.

2. On April 5, 2012, pursuant to section 1002(a) of the Bankruptcy Code, the United States Trustee for the Southern District of New York (the “U.S. Trustee”) appointed seven entities to the Committee, including Barclays. Barclays holds certain Covered Claims<sup>1</sup> against the Debtors.

### **JURISDICTION**

3. The Court has subject matter jurisdiction to consider this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and may be determined by this Court. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

### **RELIEF REQUESTED**

4. By this Motion, Barclays requests the entry of an order to create a “safe harbor” so that Barclays, which is engaged in the trading of securities and/or claims for others or for its own account as a regular part of its business, is not deemed to have violated its fiduciary duties as a member of the Committee or otherwise for any trading by Barclays or its affiliates<sup>2</sup> (together

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<sup>1</sup> “Covered Claims” is used in this Motion to mean any claims against the Debtors, including (i) “Securities” as defined in Section 2(a)(1) of the Securities Act of 1993 (including the following: stocks, notes, bonds, debentures, participation in, or derivatives based upon or relating to, any of the Debtors’ debt obligations or equity interests) and (ii) bank debt.

<sup>2</sup> Affiliates of Barclays Bank PLC, include without limitation, Barclays Capital Inc. and Barclays Asset Management Group LLC.

with Barclays, each a “Screening Wall Entity”), acting in any capacity, nor are their claims subjected to possible disallowance, subordination or other adverse treatment by trading Covered Claims, whether or not covered by Bankruptcy Rule 3001(e), as long as the Screening Wall Entity that engages in any such transaction establishes and effectively implements and adheres to the information blocking policies and procedures (collectively, the “Screening Wall”) consistent with those described in the Screening Wall Declarations (as defined below), annexed hereto as **Exhibit “A”**, to prevent the misuse of any material non-public information obtained as a result of Barclays’ performance of Committee-related activities.

5. The term “Screening Wall” refers to a procedure established by an institution to isolate its trading activities from its activities as a member of an official committee of unsecured creditors in a chapter 11 case. A Screening Wall includes, among other things, such features as the employment of different personnel to perform certain functions, physical separation of the office and file space, procedures for locking committee related files, separate telephone and facsimile lines for certain functions, and special procedures for the delivery and posting of telephones messages. Such procedures will prevent Barclays’ trading personnel from use or misuse of non-public information obtained by Barclays’ personnel engaged in Committee related activities (“Committee Personnel”) and also will preclude Committee Personnel from receiving inappropriate information regarding Barclays’ trading in the Covered Claims in advance of such trades.

6. Barclays is directly itself or is affiliated with investment advisors or managers that provide investment-advisory services to institutional, pension, mutual fund and high net-worth clients and affiliated funds and accounts. Barclays may also buy and sell Covered Claims for its own portfolios. Although Barclays owes fiduciary duties to the unsecured claimholders of these

estates, it also has fiduciary duties to maximize returns to its respective clients including through trading Covered Claims. Thus, if Barclays is barred from trading Covered Claims during the pendency of the Debtors' reorganization cases because of its duties to other creditors, it may risk the loss of a beneficial investment opportunity for itself and/or its clients and, moreover, may breach its fiduciary duty to such clients. Alternatively, if Barclays is compelled to resign from the Committee because of its inability to trade for the benefit of itself and its clients, its interests may be compromised by virtue of taking a less active role in the reorganization process. Barclays should not be forced to choose between serving on the Committee and risking the loss of beneficial investment opportunities or foregoing service on the Committee and possibly compromising its responsibilities by taking a less active role in the reorganization process, particularly because its service as a Committee member benefits all unsecured creditors.

7. As evidence of its implementation of the procedures detailed herein, filed herewith is a declaration (the "Screening Wall Declaration") by each of Barclays' Committee Personnel, which states that such individual(s) shall comply with the terms and procedures consistent with those set forth in this Motion or otherwise approved by the U.S. Trustee. Prior to filing this Motion, Barclays submitted the Screening Wall Declaration and the proposed form of Order to the U.S. Trustee, who is reviewing the procedures contained therein.

8. Consistent with Rule 9074-1(b) of the Local Bankruptcy Rules for the Southern District of New York (the "Local Bankruptcy Rules"), Barclays submits that a notice of presentment is appropriate and sufficient with regard to this motion. Notice and a hearing are not required for the relief sought. Moreover, immediate approval of the Screening Wall is necessary to permit Barclays to participate fully on the Committee during the critical early days

of these Chapter 11 Cases while being able to participate in trading and protecting its position in what may well be an extremely volatile market.

### **BASIS FOR RELIEF**

9. The relief requested here is identical to the relief granted by Judge Glenn and approved by the U.S. Trustee in *In re MF Global Holdings Ltd., et al.*, Case No. 11-15059 (MG) (January 13, 2012), and wholly consistent with other orders entered in the Southern District of New York.<sup>3</sup> See, e.g., *In re Lehman Brothers Holdings, Inc., et al.*, Case No. 08-13555 (JMP) (March 17, 2010); *In re Calpine Corp., et al.*, Case No. 05-60200 (BRL) (January 25, 2006); *In re Solutia Inc., et al.*, Case No. 03- 17949 (PCB) (January 22, 2004); *In re Magellan Health Services, Inc. et al.*, Case No. 03-40515 (PCB) (May 6, 2003); *In re WorldCom, Inc.*, Case No. 02-13533 (AJG) (Aug. 6, 2002); *In re Enron Corp.*, No. 01-16034 (AJG) (Feb. 27, 2002); *In re Dairy Mary Convenience Stores, Inc.*, Case No. 01-42400 (AJG) (Dec. 20, 2001); *In re Flag Telecom Holdings Ltd.*, Case Nos. 02- 11732 through 02- 11736 and 02-11975 through 02-11979 (ALG) (July 22, 2002); *In re Global Crossing Ltd.*, Case Nos. 02-40187 through 0240241 (REG) (March 25, 2002); *In re Iridium Operating LLC*, Case No. 99-45005 (CB) (Nov. 3, 1999).

10. The proposed relief is also supported by substantially similar orders entered in other jurisdictions. See, e.g., *In re The Finova Group, Inc.*, Case No. 01-0697 (PJW) (Bankr. D. Del. Apr. 12, 2001); *In re GST Telecom, Inc.*, Case No. 00-1982 (GMS) (Bankr. D. Del. Oct. 19, 2000); *In re Vista Eyecare, Inc.*, Case No. A00-65214 (Bankr. D. Ga. June 1, 2000); *In re Sun Healthcare Group, Inc.*, Case No 99-3657 (MFW) (Bankr. D. Del. Dec. 11, 1999); *In re ICO Global Communications Services Inc.*, Case No. 99-2933 (MFW) (Bankr. D. Del. Sept. 21, 1999); *In re Acme Metals Inc.*, Case No. 98-2179 (MFW) (Bank. D. Del. Dec. 21, 1998); *In re*

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<sup>3</sup> Redlines of the proposed order and declaration marked against the trading order and declaration entered in *In re MF Global Holdings Ltd.* are attached hereto as Exhibit "B".

*Mid American Waste Systems, Inc.*, Case No. 97-104 (PJW) (Bank. D. Del. Feb. 21, 1997); *In re Ace-Texas, Inc.*, Case No. 96-166 (PJW) (Bankr. D. Del. July 17, 1996); *In re Farley*, Case No. 91-15610 (Bank. N.D. Ill. Nov. 8, 1991); *In re America West Airlines, Inc.*, Case No. 91-07505 (Bankr. D. Ariz. Oct. 23, 1991); *In re Harvard Industries, Inc.*, Case Nos. 91-104, 91-479 through 91-487 (Bankr. D. Del. July 15, 1991); *In re Federated Dep't Stores, Inc.*, Case No. 190-00130, 1991 Bankr. Lexis 288 (Bankr. S.D. Ohio Mar. 7, 1991).

11. Each of the trading orders entered in the foregoing cases provided that a committee member does not violate its fiduciary duties as a committee member by trading in a debtor's securities, so long as it acts in accordance with certain information blocking procedures approved by the bankruptcy court. The orders further provide that the bankruptcy court may take appropriate action if there is any actual breach by a Committee member of its fiduciary duty as a Committee member.

12. In the seminal decision on this issue, *In re Federated Dep't Stores, Inc.*, Case No. 1-90-00130, 1991 Bankr. Lexis 288 (Bankr. S.D. Ohio Mar. 7, 1991), the bankruptcy court – agreeing with the position of the Securities and Exchange Commission on this issue – stated that Fidelity Management & Research Company:

Will not be violating its fiduciary duties as a committee member and accordingly, will not be subjecting its claims to possible disallowance, subordination, or other adverse treatment, by trading in securities of the Debtors . . . during the pendency of these [c]ases, provided that Fidelity employs an appropriate information blocking device or “[Screening] Wall” which is reasonably designed to prevent Fidelity trading personnel from receiving any nonpublic committee information through Fidelity committee personnel and to prevent Fidelity committee personnel from receiving information regarding Fidelity's trading in securities of the Debtors . . . in advance of such trades.

*In re Federated Dep't Stores, Inc.*, 1991 Bankr. Lexis 288 at \*2.

13. The *Federated* court approved Fidelity's Screening Wall procedures, which, as here, included: (i) a written acknowledgement by personnel performing committee work that they could receive nonpublic information and were aware of the Screening Wall procedures in effect; (ii) a prohibition on the sharing of nonpublic committee information with certain other employees; (iii) separate file space for committee work that is inaccessible to certain other employees; (iv) restrictions on committee personnel's access to trading information; and (v) a compliance review process. The Screening Wall procedures outlined here parallel those protections established in the *Federated* case and followed in subsequent cases.

**WAIVER OF MEMORANDUM OF LAW**

14. This Motion cites to the necessary and relevant authority and, therefore, Barclays respectfully submits that the requirement of Local Bankruptcy Rule 9013-1(b) that a separate memorandum of law be filed in support of the Motion should be waived.

**NO PREVIOUS REQUEST**

15. No previous request for the relief sought herein has been made to this Court or any other court.

**CONCLUSION**

WHEREFORE, Barclays respectfully requests that the Court enter an order substantially in the form attached hereto as **Exhibit "C"**: (i) approving the Screening Wall procedures set forth herein; (ii) determining that Barclays will not violate its fiduciary duties as a Committee member and, accordingly, will not subject its interests or claims to possible disallowance, subordination, or other adverse treatment by trading in the Covered Claims during the pendency of the Debtors' Chapter 11 Cases, provided that Barclays follows the procedures set forth herein to insulate its trading activities from its Committee-related activities; and (iii) granting such other and further relief as is just and proper.

Dated: New York, New York  
April 13, 2012

**WILLKIE FARR & GALLAGHER LLP**

By: /s/ Joseph G. Minias  
Margot B. Schonholtz  
Joseph G. Minias

787 Seventh Avenue  
New York, New York 10019  
Telephone: (212) 728-8000  
Facsimile: (212) 728-9202  
E-mail: jminias@willkie.com

*Counsel to Barclays Bank PLC*

**Exhibit A**

Form Declaration

Margot B. Schonholtz  
Joseph G. Minias  
Willkie Farr & Gallagher LLP  
787 Seventh Avenue  
New York, NY 10019  
Telephone: (212) 728-8000  
Facsimile: (212) 728-9202

*Counsel to Barclays Bank PLC*

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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IN RE:	:	Chapter 11
	:	
ARCAPITA BANK B.S.C.(c), et al.,	:	Case No. 12-11076 (SHL)
	:	
Debtors.	:	Jointly Administered
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**DECLARATION OF [\_\_\_\_\_]**

I, [name], hereby declare:

1. I have personal knowledge of each of the facts stated in this Declaration, except for those facts stated on information and belief and, as to those facts, I am informed and believe them to be true.

2. I submit this Declaration in support of the Motion of Barclays Bank PLC, and its affiliates<sup>1</sup> (“Barclays”) for an Order Approving Specified Information Blocking Procedures and Permitting Trading of Claims Against the Debtors Upon Establishment of a Screening Wall (the “Motion”). Further, I submit this Declaration to advise the United States Trustee for the Southern District of New York (the “U.S. Trustee”) of (i) the information blocking procedures designed to prevent trading personnel and investment advisory personnel of Barclays from

<sup>1</sup> Affiliates of Barclays Bank PLC, include without limitation, Barclays Capital Inc. and Barclays Asset Management Group LLC.

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receiving any non-public information concerning the chapter 11 cases of the above-captioned debtors (the “Debtors”) through Barclays personnel, representatives or agents (“Barclays Committee Personnel”) performing activities related to the Official Committee of Unsecured Creditors (the “Committee”) in the Debtors’ chapter 11 cases (the “Chapter 11 Cases”) and (ii) to prevent Barclays Committee Personnel from receiving information regarding Barclays’ trading in Covered Claims<sup>2</sup> in advance of trading.

3. I am [title] at Barclays. In that capacity, I am a representative that serves on committees in out-of-court restructurings and chapter 11 reorganization cases.

4. In conjunction with Barclays’ existing information blocking procedures and this Declaration, Barclays has established and will maintain the following internal procedures: (i) Barclays Committee Personnel shall execute a letter (a “Confidentiality Letter”) acknowledging that they may receive such non-public Information (as defined below) and that they are aware of the information blocking procedures that are in effect with respect to the Covered Claims and will follow these procedures and will immediately inform Committee counsel and the U.S. Trustee in writing if such procedures are materially breached; (ii) subject to paragraph 4 hereof, Barclays Committee Personnel will not directly or indirectly share any non-public information generated by, received from or relating to Committee activities or Committee membership (“Information”) with any other employees, representatives or agents of Barclays, including Barclays’ trading personnel and investment advisory personnel, and Barclays Committee Personnel shall use good faith efforts not to share any material Information concerning these Chapter 11 Cases with any Barclays employee reasonably known to be engaged in trading activities with respect to the Covered Claims on behalf of Barclays and/or its clients, except that

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<sup>2</sup> “Covered Claims” is used to mean any claims against the Debtors, including (i) “Securities” as defined in Section 2(a)(1) of the Securities Act of 1933 (including the following: stocks, notes, bonds, debentures, participation in, or derivatives based upon or relating to, any of the Debtors’ debt obligations or equity interests) and (ii) bank debt.

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a good faith communication of publicly available Information shall not be presumed to be a breach of the obligations of Barclays or any Barclays Committee Personnel hereunder; (iii) Barclays Committee Personnel will (a) maintain all paper files containing information received in connection with or generated from committee activities in secured cabinets inaccessible to other employees of Barclays or in other locations inaccessible to other employees of Barclays, and (b) keep electronic files containing information received in connection with or generated from committee activities inaccessible to other employees; (iv) Barclays Committee Personnel will not receive any information regarding Barclays' trades in the Covered Claims in advance of the execution of such trades, but Barclays Committee Personnel may receive trading reports showing Barclays' purchases and sales and ownership of the Covered Claims but no more frequently than bi-weekly (provided that Barclays Committee Personnel may receive the usual and customary internal reports showing Barclays purchases and sales on behalf of Barclays or its clients and the amount and class of claims, interests or securities owned by Barclays or its clients to the extent that such personnel would otherwise receive such reports in the ordinary course and such reports are not specifically prepared with respect to the Debtors); (v) Barclays' compliance personnel shall review on a weekly basis the trades of any Covered Claims held or managed by CRAG<sup>3</sup> to determine if there is any reason to believe that such trades were not made in compliance with the information blocking procedures and shall keep records of such review; (vi) Barclays compliance personnel shall periodically review, consistent with Barclays' ordinary course compliance practice, a random sampling of Barclays Committee Personnel electronic mail to ensure the foregoing procedures are being complied with; (vii) so long as Barclays is a member of the Committee, it shall disclose to the U.S. Trustee in writing any decrease in dollar amount of the Covered Claims held or managed by CRAG that results in such holdings being

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<sup>3</sup> For the avoidance of doubt, Covered Claims held or managed by CRAG will be traded by personnel on the far side of ethical walls.

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less than 1/3 of the aggregate holdings of CRAG as of the date of Barclays' appointment to the Committee and any increase in dollar amount of the Covered Claims held or managed by CRAG that results in an increase of aggregate holdings of more than 2/3 of the aggregate holdings of CRAG as of the date of Barclays' appointment to the Committee, within 10 business days of such trade or trades aggregating the foregoing amount; (viii) so long as Barclays is a member of the Committee, it shall disclose to the Committee counsel and the U.S. Trustee every 6 months a declaration verifying continued compliance with the procedures described herein and shall provide a certification as to the amount of Covered Claims held or managed by CRAG at the end of each quarter; and (ix) Barclays shall immediately disclose to the Committee's counsel and the U.S. Trustee any material breaches of the procedures described herein. If Barclays resigns from the Committee for any reason, Barclays will continue to follow the procedures set forth in clauses (i) through (iii), (v), (vi) and (ix) above until a plan has been confirmed in the Debtors' Chapter 11 Cases or the Chapter 11 Cases have been converted or dismissed.

5. Notwithstanding any of the above, Barclays Committee Personnel may share Information with (a) senior management of Barclays who, due to their duties and responsibilities, have a legitimate need to know such Information provided that such individuals (i) otherwise comply with the procedures herein and (ii) use such Information only in connection with their senior managerial responsibilities, (b) regulators, auditors, designated legal and compliance personnel for the purpose of rendering legal advice to the Barclays Committee Personnel, and to the extent that such Information may be accessible by internal computer systems, Barclays administrative personnel who service and maintain such systems, each of whom will be advised not to share Information with other employees, and (c) other Barclays employees, representatives and agents who (i) are not involved with trading or investment advisory activities with respect to the Covered Claims and (ii) execute a Confidentiality Letter.

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6. The Barclays Committee Personnel assigned to the Debtors' chapter 11 cases will be [\_\_\_\_\_]. In the event any other individual Barclays representative is chosen to act as a Committee representative on behalf of Barclays in the Debtors' chapter 11 cases, such individual will also submit a Declaration affirming his intention to comply with the screening procedures described herein prior to accepting any responsibilities in connection therewith.

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7. I declare under penalty of perjury that the foregoing is true and correct.

Dated: April \_\_, 2012

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[Name]

**EXHIBIT B**

Redlines of Proposed Order and Declaration  
Marked Against Trading Order and Declaration Entered in  
*In re MF Global Holdings Ltd., et al.*, Case No. 11-15059 (MG) (January 13, 2012)

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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 In re: Chapter 11  
 MF Global Holdings Ltd., et al., Case No. 11-15059 (MG)  
 Debtors: (Jointly Administered)  
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-----X  
 IN RE: Chapter 11  
 ARCAPITA BANK B.S.C.(c), et al., Case No. 12-11076 (SHL)  
 Debtors: Jointly Administered  
 -----X

**ORDER APPROVING SPECIFIED INFORMATION BLOCKING PROCEDURES AND PERMITTING TRADING IN CLAIMS AGAINST THE DEBTORS UPON ESTABLISHMENT OF A SCREENING WALL**

Upon the Motion (the “Motion”) of Barclays Bank of America, N.A. PLC, and its affiliates<sup>1</sup> (“BofA Barclays”), a member of the Official Committee of Unsecured Creditors (“Committee”) appointed in these chapter 11 cases (the “Chapter 11 Cases”) concerning the above-captioned debtors and debtors in possession (collectively, the “Debtors”), by and through its counsel, for the entry of an order pursuant to section 105(a) of title 11 of the United States Code (the “Bankruptcy Code”), approving specified information blocking procedures and permitting trading in the Covered Claims (as defined below) in certain situations, and all exhibits attached thereto; and adequate notice of the Motion having been given; and the Motion having come ~~on to be heard~~ before the Court; and no objections to the Motion having been filed; and the Court being satisfied that the relief requested in the Motion is necessary and in the best interests

<sup>1</sup> Affiliates of Barclays Bank PLC, include without limitation, Barclays Capital Inc. and Barclays Asset Management Group LLC.

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of ~~BofA~~[Barclays](#), the Committee, creditors, and the Debtors' estates; and after due deliberation and sufficient cause appearing therefor,

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IT IS HEREBY ORDERED THAT:

1. ~~1.~~ The Motion is granted, subject to the terms and conditions of this Order.
2. ~~2.~~ The information blocking procedures established by ~~BefA~~Barclays described substantially in the ~~Declarations~~declarations filed by ~~the BefA~~Barclays' Committee ~~Personnel~~personnel (the "Screening Wall Declarations"), which are designed to prevent the misuse of Committee information and which are acceptable to the Office of the United States Trustee (the "U.S. Trustee") or otherwise consistent with those policies and procedures, are hereby approved.
3. ~~3.~~ ~~BefA~~Barclays will not violate its duties as a Committee member and, accordingly, will not subject its claims to possible disallowance, subordination, or other adverse treatment, by trading in the Covered Claims during the pendency of the ~~Debtors'~~ Chapter 11 Cases, provided that ~~BefA~~Barclays establishes and effectively implements and strictly adheres to the information blocking procedures detailed in the Screening Wall Declarations or otherwise approved in writing by the ~~United States~~U.S. Trustee and ordered by the Court.
4. ~~4.~~ Should any entity related to or affiliated with any of the Debtors file a bankruptcy petition at any time after the entry of this Order, and should ~~BefA~~Barclays contemplate trading in that new debtor's Covered Claims, ~~BefA~~Barclays shall file additional disclosures articulating the informational blocking procedures that will be implemented by ~~BefA~~Barclays that are designed to prevent the misuse of Committee information. Such disclosures shall be accompanied by a proposed order, and if no objections to ~~BefA's~~Barclays' disclosures are filed within ten (10) business days of the filing of such disclosures, the order may be entered by the Court. ~~If objections are~~ If an objection is filed, then the Court may schedule a hearing on the matter.

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5. ~~5.~~ For purposes of this Order, the term “Covered Claims” is used to mean any claims against the Debtors, including, without limitation, (i) “Securities” as defined in Section 2(a)(1) of the Securities Act of 1933 (including the following: stocks, notes, bonds, debentures, participation in, or derivatives based upon or relating to, any of the Debtors’ debt obligations or equity interests) and (ii) bank debt. ~~BofA’s~~Barclays’ trading in the Covered Claims will not constitute a breach of this Order provided that it establishes and effectively implements and strictly adheres to the information blocking procedures detailed in the Screening Wall Declarations or otherwise approved in writing by the ~~Office of the United States~~U.S. Trustee.

6. ~~6.~~ In the event that any other individual ~~BofA~~Barclays representative is chosen to replace ~~BofA’s~~Barclays’ representative(s) on the Committee, such individual will deliver to the U.S. Trustee a declaration affirming his or her compliance with the screening procedures described herein prior to accepting any responsibilities in connection with these Chapter 11 Cases.

7. ~~7.~~ Nothing in this Order shall prejudice the right of the ~~United States~~U.S. Trustee to take such action as she deems appropriate in the ~~case~~Chapter 11 Cases, including the removal of any Committee member pursuant to section 1102 of the Bankruptcy Code.

8. ~~8.~~ This Order shall not preclude the Court from taking any action it may deem appropriate in the event that it is determined that a breach of fiduciary duty has occurred as a result of a defect in, or the ineffectiveness of, the implementation of the information blocking procedures herein approved.

Dated: ~~New York, New York~~ New York, New York  
April \_\_, 2012

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~~December \_\_\_\_, 2011~~

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HONORABLE SEAN H. LANE  
UNITED STATES BANKRUPTCY JUDGE

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Description	#7307930v1<NewYork> - MFGlobal - Trading Order (Final) 12/16
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Margot B. Schonholtz  
~~Ana M. Alfonso~~  
Joseph G. Minias  
Willkie Farr & Gallagher LLP-

787 ~~7th~~Seventh Avenue-

New York, ~~New York~~NY 10019-

Telephone: (212) 728-8000  
Facsimile: (212) 728-~~8111~~9202

~~Attorneys for Bank of America, N.A.~~Counsel to Barclays Bank PLC

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re:		÷
		÷
MF Global Holdings Ltd., et al.,		÷
		÷
	Debtors.	÷
		÷
		÷
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<u>IN RE:</u>	·
	·
<u>ARCAPITA BANK B.S.C.(c), et al.,</u>	·
	·
	·
<u>Debtors.</u>	·
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**DECLARATION OF ~~STEPHEN J. QUINE~~[redacted]**

I, ~~Stephen J. Quine~~[name], hereby declare:

1. I have personal knowledge of each of the facts stated in this Declaration, except for those facts stated on information and belief and, as to those facts, I am informed and believe them to be true.

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2. I submit this Declaration in support of the Motion of [Barclays Bank of America, N.A. PLC](#), and its affiliates<sup>1</sup> (“[BofA Barclays](#)”) for an Order Approving Specified Information Blocking Procedures and Permitting Trading of Claims Against the ~~Debtor~~[Debtors](#) Upon Establishment of a Screening Wall (the “Motion”). Further, I submit this Declaration to advise the United States Trustee for the Southern District of New York ([the “U.S. Trustee”](#)) of (i) the information blocking procedures designed to prevent trading personnel and investment advisory personnel of [BofA Barclays](#) from receiving any non-public information concerning the chapter 11 cases of the above-captioned debtors (the “Debtors”) through [BofA Barclays](#) personnel, representatives or agents (“[BofA Barclays](#) Committee Personnel”) performing activities related to the Official Committee of Unsecured Creditors (the “Committee”) in the Debtors’ chapter 11 cases (the “Chapter 11 Cases”) and (ii) to prevent [BofA Barclays](#) Committee Personnel from receiving information regarding [BofA’s Barclays’](#) trading in Covered Claims<sup>2</sup> in advance of trading.

3. I am ~~a Managing Director of the Special Assets Group at BofA~~ (“SAG”)[[title](#)] at [Barclays](#). In that capacity, I am a representative that serves on committees in out-of-court restructurings and chapter 11 reorganization cases.

4. In conjunction with [BofA Barclays’s](#) existing information blocking procedures and this Declaration, [BofA Barclays](#) has established and will maintain the following internal procedures: (i) [BofA Barclays](#) Committee Personnel shall execute a letter (a “Confidentiality Letter”) acknowledging that they may receive such non-public Information (as defined below) and that they are aware of the information blocking procedures that are in effect with respect to

<sup>1</sup> [Affiliates of Barclays Bank PLC, include without limitation, Barclays Capital Inc. and Barclays Asset Management Group LLC.](#)

<sup>2</sup> “Covered Claims” is used to mean any claims against the Debtors, including (i) “Securities” as defined in Section 2(a)(1) of the Securities Act of 1933 (including the following: stocks, notes, bonds, debentures, participation in, or derivatives based upon or relating to, any of the Debtors’ debt obligations or equity interests) and (ii) bank debt.

[7667510.1](#)

the Covered Claims and will follow these procedures and will immediately inform Committee counsel and the ~~United States~~[U.S.](#) Trustee in writing if such procedures are materially breached; (ii) subject to paragraph 4 hereof, ~~BofA~~[Barclays](#) Committee Personnel will not directly or indirectly share any non-public information generated by, received from or relating to Committee activities or Committee membership (“Information”) with any other employees, representatives or agents of ~~BofA~~[Barclays](#), including ~~BofA’s~~[Barclays’](#) trading personnel and investment advisory personnel, and ~~BofA~~[Barclays](#) Committee Personnel shall use good faith efforts not to share any material Information concerning these Chapter 11 Cases with any ~~BofA~~[Barclays](#) employee reasonably known to be engaged in trading activities with respect to the Covered Claims on behalf of ~~BofA~~[Barclays](#) and/or its clients, except that a good faith communication of publicly available Information shall not be presumed to be a breach of the obligations of ~~BofA~~[Barclays](#) or any ~~BofA~~[Barclays](#) Committee Personnel hereunder; (iii) ~~BofA~~[Barclays](#) Committee Personnel will (a) maintain all paper files containing information received in connection with or generated from committee activities in secured cabinets inaccessible to other employees of ~~BofA~~[Barclays](#) or in other locations inaccessible to other employees of ~~BofA~~[Barclays](#), and (b) keep electronic files containing information received in connection with or generated from committee activities inaccessible to other employees; (iv) ~~BofA~~[Barclays](#) Committee Personnel will not receive any information regarding ~~BofA’s~~[Barclays’](#) trades in the Covered Claims in advance of the execution of such trades, but ~~BofA~~[Barclays](#) Committee Personnel may receive trading reports showing ~~BofA’s~~[Barclays’](#) purchases and sales and ownership of the Covered Claims but no more frequently than bi-weekly (provided that ~~BofA~~[Barclays](#) Committee Personnel may receive the usual and customary internal reports showing ~~BofA’s~~[Barclays](#) purchases and sales on behalf of ~~BofA~~[Barclays](#) or its clients and the amount and class of claims, interests or securities owned by ~~BofA~~[Barclays](#) or its clients to the

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extent that such personnel would otherwise receive such reports in the ordinary course and such reports are not specifically prepared with respect to the Debtors); (v) ~~BofA's~~[Barclays'](#) compliance personnel shall review on a weekly basis the trades of any Covered Claims held or managed by ~~SAG~~<sup>2</sup>[CRAG](#)<sup>3</sup> to determine if there is any reason to believe that such trades were not made in compliance with the information blocking procedures and shall keep records of such review; (vi) ~~BofA~~[Barclays](#) compliance personnel shall periodically review, consistent with ~~BofA's~~[Barclays'](#) ordinary course compliance practice, a random sampling of [Barclays](#) Committee Personnel electronic mail to ensure the foregoing procedures are being complied with; (vii) so long as ~~BofA~~[Barclays](#) is a member of the Committee, it shall disclose to the ~~Office of the United States~~[U.S.](#) Trustee in writing any decrease in dollar amount of the Covered Claims held or managed by ~~SAG~~[CRAG](#) that results in such holdings being less than 1/3 of the aggregate holdings of ~~SAG~~[CRAG](#) as of the date of ~~BofA's~~[Barclays'](#) appointment to the Committee and any increase in dollar amount of the Covered Claims held or managed by ~~SAG~~[CRAG](#) that results in an increase of aggregate holdings of more than 2/3 of the aggregate holdings of ~~SAG~~[CRAG](#) as of the date of ~~BofA's~~[Barclays'](#) appointment to the Committee, within 10 business days of such trade or trades aggregating the foregoing amount; (viii) so long as ~~BofA~~[Barclays](#) is a member of the Committee, it shall disclose to the Committee counsel and the ~~United States~~[U.S.](#) Trustee every 6 months a declaration verifying continued compliance with the procedures described herein and shall provide a certification as to the amount of Covered Claims held or managed by ~~SAG~~[CRAG](#) at the end of each quarter; and (ix) ~~BofA~~[Barclays](#) shall immediately disclose to the Committee's counsel and the ~~United States~~[U.S.](#) Trustee any material breaches of the procedures described herein. If ~~BofA~~[Barclays](#) resigns from the Committee for any reason, ~~BofA~~[Barclays](#) will continue to follow the procedures set forth in clauses (i) through (iii), (v), (vi) and (ix) above

<sup>23</sup> For the avoidance of doubt, Covered Claims held or managed by ~~SAG~~[CRAG](#) will be traded by personnel on the far side of ethical walls.

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until a plan has been confirmed in the Debtors' Chapter 11 Cases or the Chapter 11 Cases have been converted or dismissed.

5. Notwithstanding any of the above, ~~BofA~~[Barclays](#) Committee Personnel may share Information with (a) senior management of ~~BofA~~[Barclays](#) who, due to their duties and responsibilities, have a legitimate need to know such Information provided that such individuals (i) otherwise comply with the procedures herein and (ii) use such Information only in connection with their senior managerial responsibilities, (b) regulators, auditors, designated legal and compliance personnel for the purpose of rendering legal advice to the ~~BofA~~[Barclays](#) Committee Personnel, and to the extent that such Information may be accessible by internal computer systems, ~~BofA~~[Barclays](#) administrative personnel who service and maintain such systems, each of whom will be advised not to share Information with other employees, and (c) other ~~BofA~~[Barclays](#) employees, representatives and agents who (i) are not involved with trading or investment advisory activities with respect to the Covered Claims and (ii) execute a Confidentiality Letter.

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6. The ~~BofA~~Barclays Committee Personnel assigned to the Debtors' chapter 11 cases will be ~~Charles S. Francavilla and myself~~[\\_\\_\\_\\_\\_](#). In the event any other individual ~~BofA~~Barclays representative is chosen to act as a Committee representative on behalf of ~~BofA~~Barclays in the Debtors' chapter 11 cases, such individual will also submit a Declaration affirming his intention to comply with the screening procedures described herein prior to accepting any responsibilities in connection therewith.

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7. I declare under penalty of perjury that the foregoing is true and correct.

Dated: ~~December 20, 2011~~ [April \\_\\_, 2012](#)

~~/s/ Stephen J. Quine~~  
~~Stephen J. Quine~~

\_\_\_\_\_  
[\[Name\]](#)

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**EXHIBIT C**

Proposed Order

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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IN RE: : Chapter 11  
: :  
ARCAPITA BANK B.S.C.(c), et al., : Case No. 12-11076 (SHL)  
: :  
Debtors. : Jointly Administered  
: :  
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**ORDER APPROVING SPECIFIED INFORMATION BLOCKING  
PROCEDURES AND PERMITTING TRADING IN CLAIMS AGAINST THE  
DEBTORS UPON ESTABLISHMENT OF A SCREENING WALL**

Upon the Motion (the “Motion”) of Barclays Bank PLC, and its affiliates<sup>1</sup> (“Barclays”), a member of the Official Committee of Unsecured Creditors (“Committee”) appointed in these chapter 11 cases (the “Chapter 11 Cases”) concerning the above-captioned debtors and debtors in possession (collectively, the “Debtors”), by and through its counsel, for the entry of an order pursuant to section 105(a) of title 11 of the United States Code (the “Bankruptcy Code”), approving specified information blocking procedures and permitting trading in the Covered Claims (as defined below) in certain situations, and all exhibits attached thereto; and adequate notice of the Motion having been given; and the Motion having come before the Court; and no objections to the Motion having been filed; and the Court being satisfied that the relief requested in the Motion is necessary and in the best interests of Barclays, the Committee, creditors, and the Debtors’ estates; and after due deliberation and sufficient cause appearing therefor,

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<sup>1</sup> Affiliates of Barclays Bank PLC, include without limitation, Barclays Capital Inc. and Barclays Asset Management Group LLC.

IT IS HEREBY ORDERED THAT:

1. The Motion is granted, subject to the terms and conditions of this Order.
2. The information blocking procedures established by Barclays described substantially in the declarations filed by Barclays' Committee personnel (the "Screening Wall Declarations"), which are designed to prevent the misuse of Committee information and which are acceptable to the Office of the United States Trustee (the "U.S. Trustee") or otherwise consistent with those policies and procedures, are hereby approved.
3. Barclays will not violate its duties as a Committee member and, accordingly, will not subject its claims to possible disallowance, subordination, or other adverse treatment, by trading in the Covered Claims during the pendency of the Chapter 11 Cases, provided that Barclays establishes and effectively implements and strictly adheres to the information blocking procedures detailed in the Screening Wall Declarations or otherwise approved in writing by the U.S. Trustee and ordered by the Court.
4. Should any entity related to or affiliated with any of the Debtors file a bankruptcy petition at any time after the entry of this Order, and should Barclays contemplate trading in that new debtor's Covered Claims, Barclays shall file additional disclosures articulating the informational blocking procedures that will be implemented by Barclays that are designed to prevent the misuse of Committee information. Such disclosures shall be accompanied by a proposed order, and if no objections to Barclays' disclosures are filed within ten (10) business days of the filing of such disclosures, the order may be entered by the Court. If an objection is filed, then the Court may schedule a hearing on the matter.
5. For purposes of this Order, the term "Covered Claims" is used to mean any claims against the Debtors, including, without limitation, (i) "Securities" as defined in Section 2(a)(1) of the Securities Act of 1933 (including the following: stocks, notes, bonds, debentures,

participation in, or derivatives based upon or relating to, any of the Debtors' debt obligations or equity interests) and (ii) bank debt. Barclays' trading in the Covered Claims will not constitute a breach of this Order provided that it establishes and effectively implements and strictly adheres to the information blocking procedures detailed in the Screening Wall Declarations or otherwise approved in writing by the U.S. Trustee.

6. In the event that any other individual Barclays representative is chosen to replace Barclays' representative(s) on the Committee, such individual will deliver to the U.S. Trustee a declaration affirming his or her compliance with the screening procedures described herein prior to accepting any responsibilities in connection with these Chapter 11 Cases.

7. Nothing in this Order shall prejudice the right of the U.S. Trustee to take such action as she deems appropriate in the Chapter 11 Cases, including the removal of any Committee member pursuant to section 1102 of the Bankruptcy Code.

8. This Order shall not preclude the Court from taking any action it may deem appropriate in the event that it is determined that a breach of fiduciary duty has occurred as a result of a defect in, or the ineffectiveness of, the implementation of the information blocking procedures herein approved.

Dated: New York, New York  
April \_\_, 2012

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HONORABLE SEAN H. LANE  
UNITED STATES BANKRUPTCY JUDGE