

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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: Master File No. 1:09-cv-01989-PAC  
IN RE BARCLAYS BANK PLC SECURITIES :  
LITIGATION : ECF Case  
: :  
This Document Relates to: All Actions :  
: :  
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**DECLARATION OF KATHRYN MCLELAND**

I, Kathryn McLeland, declare and state as follows:

1. I am the Head of Investor Relations at Barclays Bank Plc. I submit this declaration in my capacity as a former Managing Director at Barclays Capital Securities Limited ("BCSL") in support of the Underwriter Defendants' Motion for Summary Judgment.

2. BCSL served as an underwriter and joint lead manager in connection with the April 2008 offering by Barclays Bank Plc ("Barclays") of \$2.5 billion of 8.125% non-cumulative callable dollar preference shares, Series 5 (the "Series 5 Offering"). At the time of the Series 5 Offering, I was employed as a Managing Director in Debt Capital Markets at BCSL. The facts set forth herein are based on my personal knowledge and review of relevant information relating to BCSL's role as an underwriter in the Series 5 Offering, and are true and correct to the best of my recollection.

3. BCSL is an investment management firm and securities dealer, acting in a principal and agency capacity in UK domestic and international securities transactions and as a market maker in fixed interest securities. BCSL is based in London and operates as a subsidiary of Barclays.

**I. BCSL Has a Longstanding Relationship with Barclays**

4. Prior to the Series 5 Offering, BCSL participated in the following preference share offerings conducted by Barclays:

- an offering of 100,000 US Dollar 6.278% non-cumulative callable preference shares of \$100 each in June 2005 (the "Series 1 Offering");
- an offering of 30 million US Dollar 6.625% non-cumulative callable preference shares of \$25 each in April 2006 (the "Series 2 Offering");
- an offering of 55 million US Dollar 7.1% non-cumulative callable preference shares of \$25 each in September 2007 (the "Series 3 Offering");
- an offering of 46 million US Dollar 7.75% non-cumulative callable preference shares of \$25 each in December 2007 (the "Series 4 Offering");

5. BCSL's due diligence in connection with the Series 5 Offering drew upon and was informed by its knowledge of and familiarity with Barclays gained in connection with these prior offerings.

**II. Due Diligence Performed by BCSL in Connection with the Series 5 Offering**

6. Citigroup Global Markets Inc. ("Citi") served as the lead underwriter in connection with the Series 5 Offering. Consistent with industry practice, Citi performed certain due diligence in connection with the Series 5 Offering on behalf of the underwriting syndicate, including BCSL. BCSL monitored the due diligence performed by Citi in connection with the Series 5 Offering and at no point had any reason to believe that the due diligence performed by Citi was inadequate, nor did it have any reason to believe that additional due diligence was necessary.

7. BCSL prepared for and conducted due diligence in connection with the Series 5 Offering, including collaboration with numerous other parties familiar with Barclays and its business. These other parties included Linklaters LLP ("Linklaters"), who served as designated counsel to the underwriters; Sullivan & Cromwell LLP

("S&C"), who served as United States counsel to Barclays; Clifford Chance LLP ("Clifford Chance"), who served as English counsel to Barclays; PricewaterhouseCoopers LLP ("PwC"), who served as Barclays' independent auditors; and the other members of the underwriting syndicate management team. These underwriters included Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch"), UBS Securities LLC ("UBS"), Wachovia Capital Markets, LLC ("Wachovia"), Morgan Stanley & Co., Incorporated ("Morgan Stanley"), RBC Dain Rauscher Incorporated ("RBC") and Banc of America Securities LLC ("Banc of America Securities").

8. BCSL assembled a team of individuals familiar with Barclays and key to the execution of the Series 5 Offering. Below are the individuals at BCSL who participated in the Series 5 Offering. The chart indicates in the columns labeled "Series 4" and "Series 3" whether each individual was also staffed on the Series 4 Offering and/or Series 3 Offering, respectively. BCSL's staffing of the Series 5 Offering with personnel that worked on these prior offerings enhanced BCSL's due diligence in connection with the Series 5 Offering, allowing BCSL to more readily build upon its prior due diligence for purposes of the Series 5 Offering.

Name	Title	Series 4	Series 3
<b>London DCM</b>			
Kathryn McLeland	Managing Director, Debt Capital Markets	X	X
Yenal Ghorl	Manager, Debt Capital Markets	X	X
Tanja Gihl	Manager, Debt Capital Markets	X	X
<b>London Legal And Documentation</b>			
Simon Croxford	Director, Legal	X	X
Richard Johnson	Director, Legal	X	X
Belinda Vickery	Manager, Legal	X	X
<b>New York Syndicate</b>			

Name	Title	Series 4	Series 3
Mark Bamford	Managing Director, Head Of US Syndicate	X	X
Anne Daley-Gordon	Director, US Syndicate	X	X
Maureen O'Connor	Manager, US Syndicate	X	X
<b>New York – Hybrid Capital Structuring</b>			
Mark C. Graham	Managing Director, US Syndicate	X	
<b>New York Legal And Documentation</b>			
Bret Ganis	Assistant General Counsel, US Legal	X	X
Richard Smith	Director, US Legal	X	X

9. On March 5, 2008, BCSL participated in a "kick-off" call with representatives from Barclays Treasury, Barclays Tax, Barclays Legal, PwC, Citi, Linklaters, S&C and Clifford Chance. On March 17, 2008, BCSL participated in an update call with representatives from Barclays, Citi, Linklaters, S&C and Clifford Chance. On March 20, 2008, BCSL participated in an update call with representatives from Barclays, Citi, Linklaters, S&C and Clifford Chance. On March 28, 2008, BCSL participated in an update call with representatives from Barclays, Citi, Linklaters, S&C and Clifford Chance. On April 3, 2008, BCSL participated in an update call with representatives from Barclays, Citi, Linklaters, S&C and Clifford Chance. On April 4, 2008, BCSL participated in an update call with representatives from Barclays, Citi, Linklaters, S&C and Clifford Chance.

10. BCSL participated in each of the due diligence calls held in connection with the Series 5 Offering. These calls are listed below:

- an April 3, 2008 business due diligence call with representatives of Barclays' management team (the "Business Due Diligence Call");
- an April 3, 2008 accounting due diligence call with Barclays' auditors, PwC (the "Accounting Due Diligence Call");

- an April 8, 2008 pre-pricing bring down due diligence call with representatives of Barclays' management team (the "Pre-Pricing Due Diligence Call");
- an April 8, 2008 financial due diligence call with Jonathan Britton from Barclays (the "Financial Due Diligence Call");
- an April 11, 2008 pre-settlement bring down due diligence call with representatives of Barclays' management team (the "Pre-Settlement Due Diligence Call"); and
- an April 22, 2008, greenshoe pre-settlement bring down due diligence call with representatives of Barclays' management team (the "Greenshoe Pre-Settlement Due Diligence Call").

11. BCSL was satisfied with the responses provided on each of the due diligence calls. None of the responses provided during the course of these due diligence calls caused BCSL to believe that additional due diligence was necessary or that Barclays' public disclosures in connection with the Series 5 Offering were misleading or incomplete.

12. On April 18, 2008, my colleague Richard Johnson relayed to me by e-mail a request from Linklaters that Chris Lucas and Jonathan Britton from Barclays participate in the Greenshoe Pre-Settlement Due Diligence Call "to be sure [Linklaters] can get comfortable that no further disclosure is needed given that [Barclays] may have March numbers." Attached hereto as Exhibit 1 is a true and correct copy of this e-mail, which was made and kept in the regular course of business at BCSL.

13. BCSL reviewed interim and final drafts of the prospectus supplement (including the base prospectus) filed in connection with the Series 5 Offering and any documents incorporated by reference therein.

14. BCSL reviewed and relied upon legal opinion letters provided by Linklaters, S&C and Clifford Chance to the Series 5 underwriters. These legal opinions included:

- An April 11, 2008 validity opinion provided by S&C;
- An April 11, 2008 disclosure opinion provided by S&C;
- An April 22, 2008 bring-down validity opinion letter provided by S&C;
- An April 11, 2008 disclosure opinion provided by Linklaters;
- An April 11, 2008 validity opinion provided by Linklaters;
- An April 22, 2008 bring-down validity opinion provided by Linklaters;
- An April 11, 2008 validity opinion provided by Clifford Chance;
- An April 11, 2008 tax opinion provided by Clifford Chance;
- An April 22, 2008 bring-down validity opinion provided by Clifford Chance; and
- An April 22, 2008 bring-down tax opinion provided by Clifford Chance.

15. BCSL reviewed interim and final versions of the comfort letter and bring-down comfort letter provided by PwC in connection with the Series 5 Offering. These comfort letters provided SAS 72 comfort for Barclays' unaudited financials from January 1, 2008 through April 8, 2008.

16. On March 20, 2008, David Ludwick from Linklaters circulated by e-mail to Citi and BCSL Linklaters' "circle-up" of Barclays draft 2007 Form 20-F for inclusion as an exhibit to PwC's comfort letters. BCSL reviewed this draft "circle-up."

17. On April 1, 2008, Sarah Whittington from Linklaters circulated by e-mail to Citi and BCSL the draft version of PwC's tickmarks or "tie-outs" in response Linklaters' "circle-up" of Barclays' draft 2007 Form 20-F. BCSL reviewed PwC's draft "tie-outs."

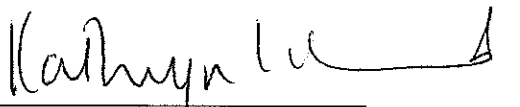
18. BCSL relied on PwC as to the accuracy of Barclays' 2007 audited financial statements, including its opinions as to the accuracy of the company's consolidated financial statements and the effectiveness of the company's internal control

over financial reporting. BCSL did not believe and had no reason to believe that the audited financial statements for 2007 were inaccurate or incomplete.

19. BCSL relied on PwC with respect to the expertised portions of the Series 5 prospectus supplement, base prospectus and any documents incorporated by reference therein (the "Series 5 Offering Materials") and believed that the auditors' expertised statements were truthful and stated all material facts. With respect to non-expertised portions of the Series 5 Offering Materials and based on its extensive knowledge of Barclays and the due diligence that it performed in connection with the Series 5 Offering, BCSL believed that all other statements in the Series 5 Offering Materials were true and correct and did not omit to state a material fact.

20. BCSL reviewed and relied upon an April 11, 2008 certification provided by Barclays' management team that stated, among other things, that Barclays' management had "carefully examined" the Series 5 Offering Materials and that they "did not include any untrue statement of a material fact and did not omit to state any material fact required to be stated therein or necessary in order to make the statements therein not misleading." BCSL also reviewed and relied upon an April 22, 2008 bring-down certification provided by Barclays' management team that reaffirmed the statements made in the April 11, 2008 certification.

21. I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on October 21, 2016 at London, United Kingdom.

  
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Kathryn McJeland

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**From:** Johnson, Richard: Legal (LDN) [/O=BZW/OU=EUROPE/CN=LDN AD  
USERS/CN=USERS/CN=JOHNRICH]  
**Sent:** Friday, April 18, 2008 4:27:05 PM  
**To:** McLeland, Kathryn: IBD (LDN)  
**Subject:** RE: Am on the phone - what's the status with due dili and lawyers?  
**Attachments:** LDN001-#548533-v1-Pre-Pricing\_Bring\_Down\_Questions.PDF

Linklaters want as many from Group on the call (meaning Chris Lucas and Jonathan Britten) to be sure they can get comfortable that no further disclosure is needed given that they may have March numbers. And it may be worthwhile using the Rimu bring-down DDQs (attached) but amended with refs to the Prospectus instead of ProSupp.



LDN001 #548533  
-v1-Pre-Pricing\_...

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**From:** McLeland, Kathryn: IBD (LDN)  
**Sent:** 18 April 2008 17:20  
**To:** Johnson, Richard: Legal (LDN)  
**Subject:** Am on the phone - what's the status with due dili and lawyers?

*Kathryn McLeland*  
*Financial Institutions*  
*Debt Capital Markets*  
*Barclays Capital*  
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**Barclays Bank**  
**Pre-Pricing Bring Down Due Diligence Outline**

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**Date:** April 8, 2008 • **Time:** 10:30 AM NY / 15:30 UK  
**US:** +1 866 376 5281; **UK:** +44 207 477 2 477  
**Participant code:** 034933#

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Please note that the last due diligence call refers to the call on April 3, 2008

1. Are there any material updates or issues that have arisen since our last due diligence call with regard to:
  - a) funding or liquidity;
  - b) rating agency actions;
  - c) anticipated changes in senior management or the Board of Directors;
  - d) organizational changes;
  - e) corporate governance;
  - f) tax matters;
  - g) changes in accounting policy or practice;
  - h) internal controls;
  - i) acquisitions and dispositions;
  - j) share buybacks;
  - k) litigation;
  - l) anti-money laundering or the foreign corrupt practices act;
  - m) regulatory actions, investigations or other government actions?
  
2. Are there any further material updates for YTD earnings, asset quality trends or asset valuation including any updates on exposures within Barclays Capital?
  
3. Have there been, or are there contemplated, any additional write-downs of assets in any division of Barclays Bank?
  
4. Have you reviewed the Prospectus Supplement (along with the Prospectus) and are there any misstatements or omissions that you believe should be addressed? Are you comfortable that the Prospectus Supplement, the Prospectus and the incorporated documents fully present the risks now applicable to Barclays Bank?
  
5. Are there any areas that we have not covered, which may be material in the context of this issuance, which you should bring to our attention?