

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

**IN RE:**

**ARCAPITA BANK B.S.C. (c), *et al.*,**

**Debtors.**

**Chapter 11**

**Case No. 12-11076 (SHL)**

**Jointly Administered**

**SUPPLEMENTAL DECLARATION OF RICHARD GOOD IN SUPPORT OF THE  
DEBTORS' APPLICATION FOR AN ORDER AUTHORIZING THE DEBTORS TO  
RETAIN AND EMPLOY LINKLATERS LLP AS SPECIAL COUNSEL TO THE  
DEBTORS NUNC PRO TUNC TO THE PETITION DATE**

I, Richard Good, declare and state as follows:

1. I am a partner in the law firm of Linklaters LLP ("***Linklaters***" or the "***Firm***"), which maintains an office for the practice of law, among other places, at One Silk Street, London, EC2Y 8HQ, United Kingdom. I am a solicitor of the Senior Courts of England and Wales and am duly authorized to practice as such. Unless otherwise stated in this supplemental declaration ("***Supplemental Declaration***"), I have personal knowledge of the facts set forth herein.

2. I submit this Supplemental Declaration in support of the Debtors' *Application Pursuant to Sections 327(e), 328(a), and 330(a) of the Bankruptcy Code for an Order Authorizing the Debtors to Retain and Employ Linklaters LLP as Special Counsel to the Debtors Nunc Pro Tunc to the Petition Date* [Docket No. 92] (the "***Application***"), submitted on April 23, 2012. The purpose of this Supplemental Declaration is to update and supplement the disclosures contained in my declaration attached to the Application as **Exhibit B** (the "***Initial Disclosure Declaration***").

3. I have been advised that, since the Application was filed, the Debtors' general bankruptcy counsel has been engaged in discussions with the Office of the United States Trustee (the "*U.S. Trustee*") regarding additional information requested by the U.S. Trustee with respect to matters addressed in the Initial Disclosure Declaration. This Supplemental Declaration provides the additional information requested by the U.S. Trustee.

4. As a further supplement to the disclosure made in ¶ 7 of the Initial Disclosure Declaration, the applicable hourly rates for timekeepers in the London office in the Debtors' chapter 11 cases, subject to periodic adjustments to reflect economic and other conditions, plus applicable Value Added Tax ("*VAT*") are set forth below in GBP, and, for illustrative purposes only, in U.S. dollars.<sup>1</sup>

<i>Position</i>	<i>GBP</i>	<i>USD</i>
Partners	670 to 775	1,072 to 1,240
Counsels	600	960
Managing Associates	510 to 570	816 to 912
Associates	300 to 480	480 to 768
Trainee Solicitors	200 to 295	320 to 472
Paralegals	120 to 200	192 to 320

5. As noted in the Initial Disclosure Declaration, on May 1, 2012, the applicable hourly rates for timekeepers in the London office increased to coincide with the commencement of the Firm's new fiscal year. Hourly rates, effective as of May 1, 2012, which remain subject to periodic adjustments to reflect economic and other conditions, plus applicable

<sup>1</sup> All British Pound to US Dollar conversions were calculated using same conversion rate used in the Application: GB £1/US \$1.6.

Value Added Tax (“*VAT*”), are set forth below in GBP and, for illustrative purposes only, in U.S. dollars.

<i>Position</i>	<i>GBP</i>	<i>USD</i>
Partners	685 to 825	1,096 to 1,320
Counsels	615	984
Managing Associates	520 to 585	832 to 936
Associates	305 to 485	488 to 776
Trainee Solicitors	200 to 295	320 to 472
Paralegals	120 to 200	192 to 320

6. As a further supplement to the disclosure made in ¶ 9 of the Initial Disclosure Declaration with regards to Antony Zacaroli QC, the external U.K. barrister Linklaters is seeking to retain on the Debtors’ behalf, I wish to provide more information regarding the reason for the retention of Mr. Zacaroli QC by Linklaters rather than by the Debtors, and the scope of his services. England (like a number of common law jurisdictions but unlike the U.S.) has a split legal profession. A barrister (such as Antony Zacaroli QC) is a member of one of the two classes of the profession in England. Barristers specialize in courtroom advocacy and drafting related legal pleadings as well as giving expert legal opinions. The other half of the profession in England is made up of solicitors (Linklaters is a firm of solicitors) who have more direct access with clients and do more transactional-type legal work. Barristers are not usually hired by clients directly but instead are retained (or “instructed”) by solicitors to act on behalf of clients. In this case, Antony Zacaroli QC would only be used if

there was a need for further court hearings in the Cayman Islands (which is thought to be unlikely).

7. Mr. Zacaroli QC is a leading restructuring and insolvency barrister in England and like many other English barristers frequently appears in cases in a number of the British Overseas Territories (such as the Cayman Islands, Bermuda and the British Virgin Islands) which have legal systems and a jurisprudence substantially the same as England. He was instructed by Linklaters because he is based in England and not the Cayman Islands. Mr. Zacaroli's retention by Linklaters obviates the need for the retention of a barrister by Debtors' counsel in the Cayman Islands.

8. Linklaters has agreed not to share with any person or firm the compensation to be paid for professional services rendered in connection with the Chapter 11 Cases, other than as permitted pursuant to section 504 of the Bankruptcy Code and with respect to Linklaters' retention of Mr. Zacaroli, QC; *provided, however*, that Mr. Zacaroli QC independently meets the requirements for being retained as special counsel to the Debtors, other than with respect to his retention by Linklaters, consistent with English practice, rather than the Debtors.

9. As a further supplement to the disclosure made in ¶ 31 of the Initial Disclosure Declaration, Linklaters does not anticipate any need to employ conflicts counsel to represent the Debtors. Should such a need arise, the Firm will file a further supplemental declaration disclosing the surrounding circumstances.

*[Remainder of Page Intentionally Blank]*

Pursuant to 28 U.S.C. section 1746, I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my knowledge, information, and belief.

Dated this 5 day of May.

By: /s/ Richard Good  
Richard Good  
Partner