

ANTONY ZACAROLI, QC

Antony Zacaroli, QC
3-4 South Square
Gray's Inn
London, United Kingdom
WC1R 5HP
Telephone: +44 20 7696 9900
Facsimile: +44 20 7696 9911

Special Cayman Islands Counsel for the
Debtors and Debtors in Possession

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

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

**THIRD MONTHLY STATEMENT OF ANTONY ZACAROLI, QC
OF FEES FOR PROFESSIONAL SERVICES RENDERED AND
EXPENSES INCURRED AS SPECIAL CAYMAN ISLANDS
COUNSEL FOR THE DEBTORS FOR THE PERIOD OF
MAY 1, 2013 THROUGH MAY 31, 2013**

Antony Zacaroli, QC, special Cayman Islands counsel for Arcapita Bank B.S.C (c) (“*Arcapita*”) and certain of its subsidiaries and affiliates, as debtors and debtors in possession (collectively, the “*Debtors*”), hereby submits this monthly statement of fees and disbursements (this “*Monthly Statement*”) for the period of May 1, 2013 through May 31, 2013 (the “*Compensation Period*”) in accordance with the *Order Granting Debtors’ Motion for Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals and Committee Members* [Docket No. 159] (the “*Interim Compensation Order*”).¹

¹ Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Interim Compensation Order.

FEES FOR SERVICES RENDERED DURING THE COMPENSATION PERIOD

1. Set forth below is a list of the positions of the professionals and legal assistants who provided services to the Debtors during the Compensation Period, their respective billing rates, and the aggregate hours spent by each professional and legal assistant in providing services for the Debtors during the Compensation Period.

<u>NAME</u>	<u>POSITION</u>	<u>YEAR ADMITTED TO BAR</u>	<u>HOURS</u>	<u>RATE</u>	<u>AMOUNT</u>
Antony Zacaroli	Queen's Counsel	1987 (UK) 2004 (Eastern Caribbean) 2006 (Queen's Counsel)	81.1 (including 20.5 hours of travel time billed at half of Mr. Zacaroli's hourly rate)	£675/hour (approx. \$1,039/hour)	£47,823.75 (approx. \$73,648.58)

2. By this Monthly Statement, Mr. Zacaroli seeks compensation of his fees in the amount of £47,823.75 (equal to approximately \$73,648.58, at the exchange rate of £1 = approx. \$1.54, as of June 24, 2013). The amount of compensation requested corresponds to 81.1 hours of services rendered to the Debtors, at the hourly rate of £675 per hour. The rates charged by Mr. Zacaroli for services rendered to the Debtors are the same rates that he generally charges for professional services rendered to his other clients in bankruptcy and non-bankruptcy related matters. A complete itemization of tasks performed by Mr. Zacaroli during the Compensation Period is annexed hereto as **Exhibit A**. As stated in Exhibit A, Mr. Zacaroli billed time spent travelling on behalf of the Debtors during the Compensation Period (20.5 hours during the Compensation Period) at one half of his hourly rate of £675 per hour.

EXPENSES INCURRED DURING THE COMPENSATION PERIOD

3. Set forth below is a categorical list of the expenses incurred by Mr. Zacaroli during the Compensation Period in the course of representing the Debtors.

<u>DISBURSEMENT</u>	<u>AMOUNT (£)</u>
Business class flight upgrade (May 25, 2013)	1469.20
Hotels	1538.27
Food	174.27
TOTAL:	£3,181.74

4. By this Monthly Statement, Mr. Zacaroli seeks reimbursement for expenses in the amount of £3,181.74 (equal to approximately \$4,899.88, at the exchange rate of £1 = approx. \$1.54, as of June 24, 2013).

CONCLUSION

5. In accordance with the Interim Compensation Order, Mr. Zacaroli seeks payment of £41,440.74 (equal to approximately \$63,818.74, at the exchange rate of £1 = approx. \$1.54, as of June 24, 2013) from the Debtors for the Compensation Period, representing (a) 80% of Mr. Zacaroli's total fees for services rendered and (b) 100% of the total expenses incurred.

6. To the extent that time or expense charges for services rendered or expenses incurred relate to the Compensation Period, but are processed subsequent to the preparation of this Monthly Statement, Mr. Zacaroli reserves the right to request additional compensation for such services and reimbursement of such expenses in a future monthly fee statement.

NOTICE

7. Pursuant to the Interim Compensation Order, Mr. Zacaroli has provided notice of filing of this Monthly Statement by electronic mail and/or overnight mail to: (i) Arcapita Bank B.S.C.(c), Arcapita Building, Bahrain Bay, P.O. Box 1406, Manama, Kingdom of Bahrain (Attn: Henry Thompson); (ii) 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.);

(iii) the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, 21st Floor, New York, New York 10004 (Attn: Richard Morrissey, Esq.); and (iv) the Official Committee of Unsecured Creditors, Milbank, Tweed, Hadley & McCloy LLP, 1 Chase Manhattan Plaza, New York, New York 10005 (Attn: Dennis Dunne, Esq. and Evan Fleck, Esq.). Mr. Zacaroli submits that, in light of the relief requested, no other or further notice need be provided. A copy of the Monthly Statement is also available on the website of the Debtors' notice and claims agent, GCG, at www.gcginc.com/cases/arcapita.

Dated: New York, New York
June 24, 2013

Respectfully submitted,

/s/ Antony Zacaroli, QC

ANTONY ZACAROLI, QC

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Gray's Inn

London, United Kingdom

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SPECIAL CAYMAN ISLANDS COUNSEL FOR
THE DEBTORS AND DEBTORS IN POSSESSION

EXHIBIT A

Time Records for the Compensation Period

Professional Fees of Mr. Antony Zacaroli QC

VAT Registration No: 524002503

Gibson Dunn
200 Park Avenue
New York
NY 10166-0193
New York
NYC
USA

3-4 South Square
Gray's Inn
London
WC1R 5HP
Tel : 020 7696 9900
Fax : 020 7696 9911
DX : 338 (Chancery Lane)

Solicitor Ref No. Brian Kim / Michael Rosenthal Date 24 June 2013 Case Ref No. 78146

GDC - MAY 2013 ARCAPITA INVESTMENT HOLDINGS

Date	Description	Fees	VAT
03 May 2013	Reading Cayman liquidation analysis. £1,080=\$1,691.28 (\$1.5661=£1.00) T=1.6 Hrs	1080.00	
	Reading draft affidavit for Cayman application, marking up amendments to same and emailing revised draft to Simon Dickson. £1552.50=\$2431.37 (\$1.5661=£1.00) T=2.3Hrs	1552.50	
07 May 2013	Reading revised draft of Cayman application affidavit, including GDC's comments / additions; advising Mourants by email re: same. £472.50=\$739.94 (\$1.5661=£1.00) T=0.7Hrs	472.50	
08 May 2013	Reviewing revised affidavit for Cayman application containing GDC amendments, and initial draft affidavits from Alvarez & Marsal and Rothchilds. £945.00=\$1,479.96 (\$1.5661=£1.00) T=1.4Hrs	945.00	
	Telephone conference with Mourants to discuss draft affidavits for Cayman proceedings. £202.50=\$317.14 (\$1.5661=£1.00) T=0.3Hrs	202.50	

Note: Items marked '*' are previously unbilled

OUTSTANDING FEES	C/Fwd
OUTSTANDING VAT	C/Fwd
TOTAL OUTSTANDING	C/Fwd
PLEASE MAKE CHEQUE PAYABLE TO Mr. Antony Zacaroli QC	

Previously Rendered: 19 Jun 2013, 20 Jun 2013, 21 Jun 2013

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New York
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Date 24 June 2013

Case Ref No. 78146

GDC - MAY 2013 ARCAPITA INVESTMENT HOLDINGS

Date	Description	Fees	VAT
12 May 2013	Reviewing further drafts of affidavits for Cayman application; amending draft Summons and draft Order; considering email from JPLs' lawyers, and responses from Mourants and from GDC; advising by email on further draft affidavits and the appropriate response to the issues raised by the JPLs' in their email. (£2,767.50=\$4,334.18) (\$1.5661=£1.00) T=4.1Hrs	2767.50	
13 May 2013	Preparation for telephone conference with Mourants and GDC re: issues raised by JPLs' and draft evidence for Cayman application. (£270=\$422.85) (\$1.5661=£1.00) T=0.4Hrs	270.00	
	Telephone conference with Mourants and GDC re: issues raised by JPLs' and evidence for Cayman application. (£472.50=\$739.98) (\$1.5661=£1.00) T=0.7Hrs	472.50	
	Further preparation for telephone conference with JPLs (£337.50=\$528.56) (\$1.5661=£1.00) T=0.5Hrs	337.50	
	Telephone conference with JPLs, Sidley Austin, Campbells, Mourants and GDC (£337.50=\$528.56) (\$1.5661=£1.00) T=0.5Hrs	337.50	

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NY 10166-0193
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GDC - MAY 2013 ARCAPITA INVESTMENT HOLDINGS

Date	Description	Fees	VAT
14 May 2013	Reviewing further draft of Thompson affidavit for Cayman application, and emailing comments re: same to Mourants. (£472.50=\$739.98) (\$1.5661=£1.00)	472.50	
14 May 2013	Reviewing further drafts of order / summons for Cayman application; exchanging emails with Mourants re: same. (£135.00=\$211.42) (\$1.5661=£1.00) T=0.2Hrs	135.00	
14 May 2013	Exchanging emails with Mourants re: valuation evidence. (£67.50=\$105.71) (\$1.5661=£1.00)	67.50	
14 May 2013	Reviewing draft notice of Cayman hearing and emailing Mourants re: Same (£135=\$211.42) (\$1.5661=£1.00) T=0.2Hrs	135.00	
15 May 2013	Reviewing revised draft notice of Cayman hearing and emailing Mourants re: same (£67.50=\$105.71) (\$1.5661=£1.00) T=0.1 Hrs	67.50	
16 May 2013	Reading email exchange between Mourants and GDC re: mode of distribution to creditors; telephone discussion with Mourants re: same. (202.50=\$317.14) (\$1.5661=£1.00) T=0.2Hrs	135.00	
19 May 2013	Reading and marking up Disclosure Statement for purposes of preparation of written submissions. (£2,160=\$3,382.77) (\$1.5661=£1.00)	2160.00	

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GDC - MAY 2013 ARCAPITA INVESTMENT HOLDINGS

Date	Description	Fees	VAT
22 May 2013	T=3.2Hrs Legal research re: written submissions (£202.50=\$317.14) (\$1.5661=£1.00)	202.50	
	Reading SCB correspondence and emailing GDC and Mourants re: same (£202.50=\$317.14) (\$1.5661=£1.00)	202.50	
	T=0.3Hrs Preparation for telephone conference with GDC and Mourants re: SCB position (£202.50=\$317.14) (\$1.5661=£1.00)	202.50	
	T=0.3Hrs Telephone conference with GDC and Mourants re: SCB position. (£405=\$634.27) (\$1.5661=£1.00)	405.00	
24 May 2013	T=0.6Hrs Telephone conference with GDC, Mourants, JPLs and their lawyers re: SCB position. (£337.50=\$528.56) (\$1.5661=£1.00)	337.50	
	T=0.5Hrs Reviewing draft affidavit from JPLs and advising GDC by email re: same. (£405=\$634.27) (\$1.5661=£1.00)	405.00	
	T=0.6Hrs Drafting skeleton argument. (£1,755=\$2,748.50) (\$1.5661=£1.00)	1755.00	

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GDC - MAY 2013 ARCAPITA INVESTMENT HOLDINGS

Date	Description	Fees	VAT
	Legal research on question of recognition of foreign insolvency proceedings, in preparation for drafting skeleton for Cayman application. (£1,620=\$2,537.08) (\$1.5661=£1.00) T=2.6Hrs	1620.00	
25 May 2013	Drafting skeleton argument. (£4,320=\$6,765.55) (\$1.5661=£1.00) Travelling to Cayman (other than working hours) charged at 1/2 rate. (£2,868.75=\$4,492.75) (\$1.5661=£1.00) T=2.4Hrs	4320.00 2868.75	
26 May 2013	Drafting skeleton argument and emailing first draft to Simon Dickson at Mourants. (£2,025=\$3,171.35) (\$1.5661=£1.00) T=8.5Hrs	2025.00	
27 May 2013	Reviewing draft application, order and affidavit regarding validation application for DIP facility and exit facility with Goldman Sachs; emailing Mourants re: same. (£607.50=\$951.40) (\$1.5661=£1.00) T=3Hrs	607.50	
	Finalising skeleton argument. (£1,485=\$2,325.65) (\$1.5661=£1.00)	1485.00	

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Date	Description	Fees	VAT
	Telephone conversation with Simon Dickson at Mourants re: SCB opposition, timing of service of skeleton and arrangements for bundles and the hearing. (£135=\$211.42) (\$1.5661=£1.00) T=0.2Hrs	135.00	
28 May 2013	Disbursement Business class flight upgrade for 25/5 second part of original flight booking as upgrade to business was made after original booking Meeting with Simon Dickson at Mourants' offices in Cayman to discuss preparation for hearing on 31/5. Reviewing and marking up trial bundles at Mourants' offices in Cayman, in preparation for hearing. (£1,687.50=\$2,642.79) (\$1.5661=£1.00) T=2.5Hrs	1469.20 1687.50	
	Reading emails re: potential intervention in Cayman hearing bt Creditors' committee; and various short discussions with Simon Dickson regarding potential opposition from SCB, from Fortress and from the creditors' committee. (£135=\$211.42) (\$1.5661=£1.00) T=0.2Hrs	135.00	
29 May 2013	Reading draft second affidavit of Henry Thompson and emailing comments on same to Simon Dickson at Mourants. (£135=\$211.42) (\$1.5661=£1.00)	135.00	
	Reading SCB suggested amendments to draft order. (£135=\$211,42) (\$1.5661=£1.00)	135.00	

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Date	Description	Fees	VAT
	T=0.2Hrs Reading bundles and preparaing submissions for hearing on 31/5 (2,362.50=\$3,699.91) (\$1.5661=£1.00)	2362.50	
30 May 2013	T=3.5Hrs Meeting with GDC and Mourants' at Mourants' offices in Cayman to discuss developments in US and preparation for the Cayman hearing. (£1,012.50=\$1,585.68) (\$1.5661=£1.00)	1012.50	
	T=1.5Hrs Meeting at Mourants' offices in Cayman with GDC, Mourants, the JPLs and the JPL's English and Cayman counsel to discuss preparation for the Cayman hearing. (£472.50=\$739.98) (\$1.5661=£1.00)	472.50	
	T=0.7Hrs Preparing submissions for the Cayman Hearing. (£5,400=\$8,456.94) (\$1.5661=£1.00)	5400.00	
31 May 2013	T=8Hrs Preparing submissions for Cayman hearing. (£2,565.00=\$4,017.05) (\$1.5661=£1.00)	2565.00	
	T=3.8Hrs Attending Court in Cayman before the Chief Justice, representing AIHL in application for recognition of the US Plan. (£1,687.50=\$2,642.79) (\$1.5661=£1.00)	1687.50	
	T=2.5Hrs		

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GDC - MAY 2013 ARCAPITA INVESTMENT HOLDINGS

Date	Description	Fees	VAT
	Travelling from Cayman - London (half rate) (£4,050=\$6,342.70) (\$1.5661=£1.00) T=12Hrs	4050.00	
	Disbursement - Hotel \$2,409.08 (£2,409.08=£1,538.27) (\$1.5661=£1.00)	1538.27	
	Disbursement - Food (\$273.86=£174.27) (\$1.5661=£1.00)	174.27	

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OUTSTANDING FEES £51,005.49

OUTSTANDING VAT £0.00

TOTAL OUTSTANDING £51,005.49

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