

GIBSON, DUNN & CRUTCHER LLP

Michael A. Rosenthal (MR-7006)
Janet M. Weiss (JW-5460)
Matthew K. Kelsey (MK-3137)
200 Park Avenue
New York, New York 10166-0193
Telephone: (212) 351-4000
Facsimile: (212) 351-4035

Attorneys 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 | | |

**DEBTORS' APPLICATION PURSUANT TO SECTION 327(e)
OF THE BANKRUPTCY CODE FOR AN ORDER AUTHORIZING
THE DEBTORS TO RETAIN AND EMPLOY KING & SPALDING LLP
AND KING & SPALDING INTERNATIONAL LLP AS SPECIAL
COUNSEL NUNC PRO TUNC TO THE PETITION DATE**

Arcapita Bank B.S.C.(c) ("*Arcapita*") and certain of its subsidiaries and affiliates, as debtors and debtors in possession (collectively, the "*Debtors*" and each, a "*Debtor*"), submit this application (the "*Application*") for entry of an order substantially in the form annexed hereto as *Exhibit A*, pursuant to section 327(e) of title 11 of the United States Code (the "*Bankruptcy Code*"), Rule 2014 of the Federal Rules of Bankruptcy Procedure (the "*Bankruptcy Rules*"), and Rule 2014-1 of the Local Rules of Bankruptcy Practice and Procedure for the United States Bankruptcy Court for the Southern District of New York (the "*Local Rules*") authorizing the Debtors to retain and employ King & Spalding LLP and King & Spalding International LLP

(collectively, “*King & Spalding*”) to serve as special counsel *nunc pro tunc* to the Petition Date and to compensate King & Spalding pursuant to sections 330 and 331 of the Bankruptcy Code.

In support thereof, the Debtors respectfully represent as follows:

BACKGROUND

1. On March 19, 2012 (the “*Petition Date*”), each of the Debtors commenced cases (the “*Chapter 11 Cases*”) under chapter 11 of the Bankruptcy Code. 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. An official committee of unsecured creditors was appointed in these cases on April 5, 2012.

2. Founded in 1996, Arcapita, through its Debtor and non-Debtor subsidiaries and affiliates (collectively, with Arcapita, the “*Arcapita Group*”), is a leading global manager of Shari’ah-compliant alternative investments and operates as an investment bank. Arcapita is not a domestic bank licensed in the United States, nor does it have a branch or agency in the United States as defined in section 109(b)(3)(B) of the Bankruptcy Code. Arcapita is headquartered in Bahrain and is regulated under an Islamic wholesale banking license issued by the Central Bank of Bahrain (the “*CBB*”). The Arcapita Group employs 268 people and, together with the other Debtors and their non-Debtor subsidiaries and affiliates, has offices in Atlanta, London, Hong Kong, and Singapore in addition to its Bahrain headquarters. The Arcapita Group’s principal activities include investing for its own account and providing investment opportunities to third-party investors in conformity with Islamic Shari’ah rules and principles. The Arcapita Group also derives revenue from managing assets for its third party investors.

3. The Arcapita Group typically provides investors the opportunity to co-invest with the Arcapita Group on a deal-by-deal basis across three global asset classes: real estate, infrastructure and private equity and venture capital. Traditionally, the Arcapita Group,

through its non-Debtor subsidiaries, will hold an indirect 10-20% equity stake alongside its third-party investors in non-Debtor holding companies (“*HoldCos*”) that directly or indirectly own operating companies (“*Portfolio Companies*”) in the United States, Europe, Asia and the Middle East. In addition to operating companies, “Portfolio Companies” also include investments by Arcapita and its investor group in joint ventures and funds with third parties. The underlying investments made by the Arcapita Group are generally medium to long term projects that have limited value in the short term, and often require significant on-going capital funding in order to realize the value of the investment.

4. The Arcapita Group has approximately \$2.55 billion of liabilities. Approximately \$1.1 billion of the Debtors’ prepetition liabilities are comprised of that certain Shari’ah-compliant syndicated murabaha facility, issued on March 28, 2007, which matured on March 28, 2012 (the “*Syndicated Facility*”).

5. Like virtually all investment banks and private equity institutions, the Arcapita Group has been adversely impacted by the global economic downturn, and has been especially hard hit by the recent debt crisis in the Eurozone. This global recession has hampered the Arcapita Group’s ability to obtain liquidity from the capital markets, and has also resulted in a reduction in asset values (and concomitant difficulties in monetizing certain of the Debtors’ illiquid and complex investments held by the Debtors’ affiliated Portfolio Companies). As a result thereof, the Debtors did not have the liquidity necessary to repay the Syndicated Facility, thus precipitating the filing of the Chapter 11 Cases. On a more general basis, the Debtors commenced these Chapter 11 Cases to facilitate the development and implementation of a comprehensive proposal designed to enable the Debtors to (a) restructure their debts, (b) weather

the current economic conditions, and (c) realize the full value of their assets over time for the benefit of the Debtors' creditors and other stakeholders.

JURISDICTION AND VENUE

6. The Court has jurisdiction to consider this Application pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

RELIEF REQUESTED

7. By this Application, the Debtors request entry of an order pursuant to section 327(e) of the Bankruptcy Code, Bankruptcy Rule 2014(a), and Local Rule 2014-1 authorizing the Debtors to retain and employ King & Spalding as special counsel, effective *nunc pro tunc* to the Petition Date, on the terms set forth herein. In support of the Application, the Debtors submit the declaration of Paul Ferdinands (the "***Ferdinands Declaration***"), annexed hereto as ***Exhibit B***.

QUALIFICATIONS OF KING & SPALDING

8. King & Spalding is a full-service international law firm with more than 800 lawyers located in 17 offices throughout the United States, Europe, the Middle East and Asia. King & Spalding's clients include many of the world's leading financial institutions, public companies, privately held corporations and fund promoters and they include more than half of the *Fortune Global* 100. King & Spalding regularly works alongside other respected international law firms on a variety of matters.

9. King & Spalding is also a leader in Islamic finance and investment. King & Spalding's work in the Middle East and experience with Islamic finance date back to the 1980s. In 1995, King & Spalding was the first law firm to establish a dedicated Islamic finance and investment practice group. King & Spalding has considerable experience structuring and

implementing sophisticated Shari'ah-compliant investment and financing transactions in the Middle East, Europe and the United States.

10. King & Spalding has represented the Arcapita Group and its predecessors since 1997 in numerous capacities on various matters and is familiar with their investments, operations and other issues relevant to the Chapter 11 Cases. King & Spalding regularly advises the Arcapita Group regarding (among other things) Shari'ah-compliant financings, mergers & acquisitions, portfolio management, financial restructuring, tax, corporate, intellectual property, labor and employment, real estate, litigation, employee benefits, healthcare, regulatory matters, and other issues (collectively, the "*Historical Legal Services*"). For example, King & Spalding has historically represented the Arcapita Group in connection with substantially all of its investment activities in the United States (including, without limitation, the acquisition and financing of Portfolio Company investments and the eventual sale and disposition of those investments at the appropriate time) and has also represented the Arcapita Group in connection with numerous investments in Europe, the Middle East and Asia. In addition, King & Spalding advises and represents the Debtors' affiliated non-Debtor Portfolio Companies in connection with numerous matters.

11. Prior to the Petition Date, the work performed by King & Spalding for the Arcapita Group could be categorized as follows: (a) services provided by King & Spalding to one or more of the Debtors where the Debtors paid King & Spalding for the services, (b) services provided by King & Spalding to one or more non-Debtor members of the Arcapita Group (including, without limitation, HoldCos and Portfolio Companies), where the Debtors either paid King & Spalding directly for such services or advanced or contributed funds to such non-Debtor members in order to enable such non-Debtor members to pay King & Spalding for such services,

and (c) services provided by King & Spalding to Portfolio Companies where the Portfolio Companies paid King & Spalding for the services out of their own resources. In situations where King & Spalding provided services to non-Debtor members of the Arcapita Group where the Debtors paid King & Spalding (directly or indirectly) for those services, the Debtors maintained a series of intercompany accounts that tracked the payments and treated the payments as Shari'ah-compliant financings or capital contributions to such non-Debtor members.

12. In many cases the Arcapita Group provides on-going capital support to its Portfolio Companies in order to allow the Arcapita Group and its investors to realize the maximum value of the underlying investments. This capital support is frequently structured as Shari'ah-compliant financings, which are entitled to be repaid before any distributions are made to the equity owners of the Portfolio Companies receiving the support. In most situations where King & Spalding provided services to non-Debtor members of the Arcapita Group where the Debtors paid King & Spalding for those services, the services were intended to help structure, document and implement the support being provided by the Arcapita Group to its Portfolio Companies, to allow the Arcapita Group to maximize the value of its debt and equity investments in the Portfolio Companies, and/or to help the Arcapita Group minimize its potential liabilities relating to its Portfolio Company investments. In addition, to the extent King & Spalding provided services to HoldCos, the HoldCos are generally thinly capitalized entities that (as a practical matter) rely upon the funds advanced to such HoldCos by the Debtors in order to pay their bills.

13. As of the Petition Date, King & Spalding was actively representing members of the Arcapita Group in a variety of matters (the "*Active Matters*"). The Active Matters are ongoing and King & Spalding's clients in those matters will continue to need the legal

services being provided to them. If those services were terminated or interrupted, the Arcapita Group would be irreparably harmed and/or the value of the Arcapita Group's investments would likely decline precipitously. Similarly, given King & Spalding's historical and ongoing representation of members of the Arcapita Group, it would be highly inefficient and impractical for King & Spalding to be replaced as counsel with respect to the Active Matters. The Debtors also anticipate that they will need King & Spalding's services in the future in connection with various matters affecting their Portfolio Companies (including with respect to any dispositions or sales of Portfolio Companies or their assets that occur during these Chapter 11 Cases).

14. Therefore, the Debtors have determined that continuing to engage King & Spalding to perform the services described herein will significantly aid the Debtors and their management in their efforts, among other things, to maximize the value of their estates, proceed efficiently and economically through the Chapter 11 Cases, and promote credibility and stability of the Debtors and their operations.

15. The services that King & Spalding has agreed to provide to the Arcapita Group, which are described in paragraph 17 below, are well within the experience and expertise of King & Spalding.

16. Accordingly, the Debtors submit that the retention of King & Spalding on the terms and conditions set forth herein is necessary and appropriate, is in the best interests of their estates, creditors, and all other parties in interest, and should be approved in all respects.

SCOPE OF SERVICES

17. The Debtors anticipate that during the Chapter 11 Cases, King & Spalding will render such legal services to the Arcapita Group as the Debtors, their management and King

& Spalding deem appropriate and feasible, other than regarding the Chapter 11 Cases, including, without limitation, the following:

- Representing and advising the Debtors in connection with certain corporate and transactional matters, secured and unsecured financing arrangements, various tax matters, and portfolio management, as well as Historical Legal Services in connection with the Active Matters;
- Representing and advising the non-Debtor members of the Arcapita Group in a variety of matters, where the Debtors have agreed to be responsible for payment of King & Spalding's fees and expenses, including (without limitation) by continuing to provide the Historical Legal Services in connection with the Active Matters; and
- Performing all other legal services for members of the Arcapita Group that the Debtors or the Debtors' general bankruptcy counsel may request from time to time.

18. Moreover, King & Spalding will continue to represent certain Portfolio Companies in a broad range of matters where the Portfolio Companies will be responsible for payment of King & Spalding's fees and expenses out of their own resources.

19. King & Spalding will not be performing general bankruptcy services for the Debtors and will coordinate closely with the Debtors' general bankruptcy counsel, Gibson, Dunn & Crutcher LLP ("*Gibson Dunn*"), to avoid the duplication of services.

KING & SPALDING'S DISCLOSURES

20. To the best of the Debtors' knowledge, information, and belief, except as described in this Application or the Ferdinands Declaration, King & Spalding has no material connection with the Debtors; King & Spalding does not represent, and has not represented, any entity other than the Debtors in matters related to or arising out of the Chapter 11 Cases; King & Spalding does not have any connection with, and has not represented in the past, the United States Trustee for the Southern District of New York, or any person employed by the Office of the United States Trustee for the Southern District of New York; and King & Spalding does not have

any connection with the Debtors' creditors, any other party in interest, or their respective attorneys and accountants, except as set forth below:

- (a) Prior to and following the Petition Date, King & Spalding performed certain legal services for the Debtors and the other members of the Arcapita Group, as described above;
- (b) King & Spalding has more than 800 attorneys and many other employees. It is possible that certain King & Spalding attorneys or employees hold interests in mutual funds or other investment vehicles that may own Debtors' securities;
- (c) From time to time, King & Spalding has referred matters to many of the Debtors' professionals to be retained in the Chapter 11 Cases. Likewise, certain of the Debtors' professionals have referred matters to King & Spalding; and
- (d) From time to time, King & Spalding likely has represented, and likely will continue to represent, certain creditors of the Debtors, the non-Debtor members of the Arcapita Group and other parties actually or potentially adverse to the Debtors in matters unrelated to the Chapter 11 Cases. As described below, King & Spalding has undertaken a detailed search to determine whether it represents or has represented any significant creditors, equity security holders, insiders or other parties in interest in such unrelated matters, and all such known representations within the last two years are described in Schedule 1, attached to the Ferdinands Declaration. Due to the breadth of King & Spalding's client base, the firm is not subject to undue influence of any single client.

21. To check and clear conflicts, and in preparing the Ferdinands Declaration, King & Spalding used a set of procedures that it has developed to ensure compliance with the requirements of the Bankruptcy Code and the Bankruptcy Rules regarding the retention of professionals in chapter 11 cases. As set forth in the Ferdinands Declaration, pursuant to these procedures, King & Spalding performed the following actions to determine whether King & Spalding or any of its attorneys has any connections with, has in the past represented, or is currently representing potential parties in interest in the Chapter 11 Cases:

- (a) A list of interested parties (the "***Interested Parties***") was prepared by Gibson Dunn and given to King & Spalding for purposes of preparing this Application;
- (b) King & Spalding compared each of the Interested Parties to the names that King & Spalding maintains in its master client database created from its conflict clearance and billing records. King & Spalding's client database includes (among

other things) (i) the name of each current or former client; (ii) the names of any entities materially related to, or materially adverse to, such current or former client; (iii) the names of the King & Spalding attorneys responsible for such current or former clients; and (iv) the dates on which the matter was opened and/or closed; and

- (c) Any matches between the Interested Parties and the entities in King & Spalding's client database were identified, reviewed by an attorney and compiled for purposes of the Ferdinands Declaration. To the extent that King & Spalding currently represents, or has represented within the last two years, any of the Interested Parties or their affiliates, the existence of such representations is disclosed in Schedule 1, attached to the Ferdinands Declaration. In determining whether a client is presently represented by King & Spalding, King & Spalding attorneys relied on the absence of a "closed" notation on the report to reflect current representations. With respect to matters showing as "closed," King & Spalding relied on the "close date" to determine whether the representations occurred within the past two years.

22. King & Spalding is confident that its diligence has resulted, to the greatest extent possible, in the disclosure of all potential conflicts. However, despite the efforts described above to identify and disclose King & Spalding's connections with parties in interest in the Chapter 11 Cases, as set forth in the Ferdinands Declaration, King & Spalding is unable to state with absolute certainty that every client representation or other connection has been disclosed because King & Spalding is an international law firm with over 800 attorneys in seventeen (17) offices. In this regard, if King & Spalding discovers additional information that requires disclosure, King & Spalding will file a supplemental disclosure with the Court.

23. King & Spalding has reviewed its electronic database and, to the best of its knowledge, King & Spalding does not represent or hold any interest adverse to the Debtors or their estates with respect to the matters on which King & Spalding is proposed to be retained and employed by the Debtors.

24. If any new material facts or relationships are discovered or arise, King & Spalding will provide the Court with a supplemental declaration.

25. As of the Petition Date, the Arcapita Group owed King & Spalding an aggregate amount equal to approximately \$7,533,204.00. King & Spalding intends to file secured and/or unsecured claims in the Chapter 11 Cases with respect to any such amounts that were due and owing by the Debtors as of the Petition Date. During the 90 days prior to the Petition Date, the Arcapita Group made aggregate payments to King & Spalding in an amount equal to \$3,333,898.41.

26. King & Spalding is not currently aware that any King & Spalding partner is a holder of any shares of the Debtors' stock.

27. King & Spalding 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.

TERMS OF RETENTION

28. Subject to approval by the Court, the Debtors propose to pay King & Spalding its customary hourly rates in effect from time to time and to reimburse King & Spalding according to its customary reimbursement policies. King & Spalding's hourly rates are subject to adjustment annually as of January 1 of each year.

29. The attorneys expected to be primarily responsible for King & Spalding's work for the Arcapita Group and their respective hourly rates at which they will charge the Debtors are as follows:

| <u>Name</u> | <u>Position</u> | <u>Rate</u> |
|--------------------|------------------------|--------------------|
| Ray Baltz | Partner | US \$775 |
| Paul Ferdinands | Partner | US \$785 |
| John Harris | Partner | US \$740 |
| Richard Marooney | Partner | US \$730 |
| Andrew Metcalf | Partner | US \$850 |
| Benjamin Newland | Partner | US \$840 |
| Isam Salah | Partner | US \$975 |

| <u>Name</u> | <u>Position</u> | <u>Rate</u> |
|-------------------|-----------------|-------------|
| James Stull | Associate | US \$610 |
| Elias Sayegh | Associate | US \$550 |
| Ahmad Elkhoully | Associate | US \$550 |
| Mahynoor El Tahry | Associate | US \$480 |

30. King & Spalding will also use other attorneys and paraprofessionals during the course of the cases that it and the Debtors deem appropriate. King & Spalding charges for partner time at current standard rates between \$430 and \$1,110 per hour, for associate time at current standard rates between \$200 and \$880 per hour, and for paralegal time at current standard rates between \$150 and \$440 per hour.

31. In addition to compensation for professional services rendered by King & Spalding professionals, King & Spalding will seek reimbursement for reasonable and necessary expenses incurred, including, but not limited to, travel, lodging, meals, computer research, messenger services, and telephone charges.

32. King & Spalding intends to maintain detailed, contemporaneous time records (in 1/10th of an hour increments) and apply to the Court for payment of compensation and reimbursement of expenses in accordance with applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any additional procedures that may be established by the Court in the Chapter 11 Cases. King & Spalding has agreed to accept as compensation such sums as may be allowed by the Court and understands that interim and final fee awards are subject to approval by this Court.

33. As described above, the Debtors have requested that King & Spalding represent and/or continue to represent certain non-Debtor members of the Arcapita Group in various matters unrelated to these Chapter 11 Cases, and the Debtors have agreed to be responsible for the payment of King & Spalding's fees and expenses in connection with such matters. Accordingly, the Debtors will continue to provide the necessary funding to ensure that

the non-Debtor members of the Arcapita Group (including the HoldCos and Portfolio Companies) represented by King & Spalding are able to compensate King & Spalding on a timely basis.

34. King & Spalding does not hold any retainer from the Debtors. However, as of the Petition Date, King & Spalding held an aggregate amount equal to \$10,766,399.80 in the firm's general escrow account for Arcapita.

BASIS FOR RELIEF REQUESTED

35. Section 327(e) of the Bankruptcy Code provides that a debtor in possession may, with the court's approval, employ "an attorney that has represented the debtor" for a "specified special purpose, other than to represent the trustee in conducting the case," if such attorney "does not represent or hold any interest adverse to the debtor or to the estate with respect to the matter on which such attorney is to be employed." 11 U.S.C. § 327(e).

36. The Debtors propose to retain King & Spalding for the services described above. Due to King & Spalding's substantial and long-term work for the Debtors and certain non-Debtor members of the Arcapita Group, King & Spalding has developed a significant amount of expertise regarding the Arcapita Group and its business, investments and operations. Among other things, to the extent that the Arcapita Group sells and disposes of any of its investments during the pendency of these Chapter 11 Cases, the Debtors anticipate that King & Spalding would be asked to perform the necessary legal services in connection with such sales and dispositions. The Debtors submit that King & Spalding's expertise and advice is necessary to enable the Debtors to successfully conduct the Chapter 11 Cases, and thereby maximize the value of their estates, and to ensure the success of their reorganization efforts. Further, King & Spalding is well-qualified and able to represent the Arcapita Group in a cost-effective, efficient and timely manner. As stated above, the Debtors do not believe that King & Spalding holds or

represents any interest adverse to the Debtors' estates with respect to the matters on which King & Spalding is to be employed. Accordingly, the Debtors submit that the retention of King & Spalding is in the best interests of the Debtors, their estates and their creditors and should be approved by the Bankruptcy Court.

NOTICE

37. No trustee or examiner has been appointed in the Chapter 11 Cases. The Debtors have provided notice of filing of the Application by electronic mail, facsimile and/or overnight mail to: (i) the Office of the United States Trustee for the Southern District of New York (Attn: Richard Morrissey, Esq.), and (ii) all parties listed on the Master Service List established in these Chapter 11 Cases. A copy of the Application is also available on the website of the Debtors' notice and claims agent, GCG, Inc., at www.gcginc.com/cases/arcapita.

NO PRIOR REQUEST

38. No prior motion for the relief sought in this Application has been made to this or any other court.

WHEREFORE, the Debtors respectfully request that the Court grant the relief requested herein and such other and further relief as the Court may deem just and proper.

Dated: New York, New York
May 17, 2012

/s/ Michael A. Rosenthal

Michael A. Rosenthal (MR-7006)

Janet M. Weiss (JW-5460)

Matthew K. Kelsey (MK-3137)

GIBSON, DUNN & CRUTCHER LLP

200 Park Avenue

New York, New York 10166-0193

Telephone: (212) 351-4000

Facsimile: (212) 351-4035

ATTORNEYS FOR THE DEBTORS AND
DEBTORS IN POSSESSION

EXHIBIT A

Proposed Order

**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 | |

**ORDER PURSUANT TO SECTION 327(e) OF THE
BANKRUPTCY CODE AUTHORIZING THE DEBTORS
TO RETAIN AND EMPLOY KING & SPALDING LLP AND
KING & SPALDING INTERNATIONAL LLP AS SPECIAL
COUNSEL NUNC PRO TUNC TO THE PETITION DATE**

Upon consideration of the application (the “*Application*”)¹ of Arcapita Bank B.S.C.(c) and certain of its subsidiaries and affiliates, as debtors and debtors in possession in the above-captioned Chapter 11 Cases (collectively, the “*Debtors*” and each, a “*Debtor*”), for entry of an order pursuant to section 327(e) of title 11 of the United States Code (the “*Bankruptcy Code*”), Rule 2014 of the Federal Rules of Bankruptcy Procedure (the “*Bankruptcy Rules*”), and Rule 2014-1 of the Local Rules of Bankruptcy Practice and Procedure for the United States Bankruptcy Court for the Southern District of New York (the “*Local Rules*”) authorizing the Debtors to retain and employ King & Spalding to serve as the Debtors’ special counsel *nunc pro tunc* to the Petition Date and to compensate King & Spalding pursuant to sections 330 and 331 of the Bankruptcy Code; and upon the Ferdinands Declaration in support thereof; and the Court having found that it has jurisdiction to consider this Application pursuant to 28 U.S.C. §§ 157

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

and 1334; and the Court having found that venue of this proceeding and the Application in this district is proper pursuant to 28 U.S.C §§ 1408 and 1409; and the Court having found that the relief requested in the Application is in the best interests of Debtors' estates, their creditors, and other parties in interest; and notice of the Application and the opportunity for a hearing on the Application was appropriate under the particular circumstances; and the Court having reviewed the Application and the Ferdinands Declaration and having considered the statements in support of the relief requested in the Application at a hearing before the Court (the "**Hearing**"); and the Court having determined that the legal and factual bases set forth in the Application, the Ferdinands Declaration and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED:

1. The Application is granted as set forth below.
2. In accordance with section 327(e) of the Bankruptcy Code, Bankruptcy Rule 2014, and Local Rule 2014-1, the Debtors are authorized to employ and retain King & Spalding, and to cause the non-Debtor members of the Arcapita Group to employ and retain King & Spalding, *nunc pro tunc* to the Petition Date as the Debtors' special counsel on the terms set forth in the Application.
3. King & Spalding is authorized to render such legal services to the Arcapita Group as the Debtors, their management and King & Spalding deem appropriate and feasible, other than regarding the Chapter 11 Cases, including, without limitation, the following:
 - Representing and advising the Debtors in connection with certain corporate and transactional matters, secured and unsecured financing arrangements, various tax matters, and portfolio management, as well as Historical Legal Services in connection with the Active Matters;

- Representing and advising the non-Debtor members of the Arcapita Group in a variety of matters, where the Debtors have agreed to be responsible for payment of King & Spalding's fees and expenses, including (without limitation) by continuing to provide the Historical Legal Services in connection with the Active Matters; and
- Performing all other legal services for members of the Arcapita Group that the Debtors or the Debtors' general bankruptcy counsel may request from time to time.

4. King & Spalding shall file fee applications for interim and final allowance of compensation and reimbursement of expenses pursuant to the procedures set forth in Sections 330 and 331 of the Bankruptcy Code; provided, however, that King & Spalding shall be compensated in accordance with the terms set forth in the Application, and subject to the procedures set forth in the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, any guidelines promulgated by the office of the United States Trustee, and any other applicable orders of this Court.

5. Ten business days' notice must be provided by King & Spalding to the Debtors, the U.S. Trustee and any official committee prior to any increases in the rates set forth in the Application, and such notice must be filed with the Court.

6. King & Spalding is authorized to provide legal services to the non-Debtor members of the Arcapita Group, and the Debtors are authorized and empowered to pay King & Spalding for such legal services.

7. The Court shall have jurisdiction over any controversy arising from or related to the Application or King & Spalding's retention in the Chapter 11 Cases.

8. The Debtors are authorized and empowered to take all actions necessary to implement the relief granted in this Order.

9. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

10. This Court shall retain jurisdiction with respect to all matters arising from
or relating to the interpretation or implementation of this Order.

Dated: _____, 2012
New York, New York

THE HONORABLE SEAN H. LANE
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT B

Ferdinands Declaration

**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

**DECLARATION OF PAUL K. FERDINANDS IN SUPPORT OF DEBTORS’
APPLICATION PURSUANT TO SECTION 327(e) OF THE BANKRUPTCY CODE FOR
AN ORDER AUTHORIZING THE DEBTORS TO RETAIN AND EMPLOY KING &
SPALDING LLP AND KING & SPALDING INTERNATIONAL LLP AS SPECIAL
COUNSEL *NUNC PRO TUNC* TO THE PETITION DATE TOGETHER WITH
DISCLOSURE OF COMPENSATION PURSUANT BANKRUPTCY RULE 2016(b)**

I, Paul K. Ferdinands, hereby declare under penalty of perjury:

1. I am a partner of King & Spalding LLP, and I am authorized to make and submit this declaration on behalf of King & Spalding LLP and King & Spalding International LLP (collectively, “*King & Spalding*”). This declaration is submitted in support of the application (the “*Application*”)¹ of Arcapita Bank B.S.C.(c) and certain of its subsidiaries and affiliates, as debtors and debtors in possession (collectively, the “*Debtors*” and each, a “*Debtor*”), for authorization to retain and employ King & Spalding to serve as the Debtors’ special counsel *nunc pro tunc* to the Petition Date. Unless otherwise noted, I have personal knowledge of the facts set forth herein.

Qualifications of King & Spalding

2. King & Spalding is a full-service international law firm with more than 800 lawyers located in 17 offices throughout the United States, Europe, the Middle East and Asia. King & Spalding’s clients include many of the world’s leading financial institutions,

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

public companies, privately held corporations and fund promoters and they include more than half of the *Fortune Global* 100. King & Spalding regularly works alongside other respected international law firms on a variety of matters.

3. King & Spalding is also a leader in Islamic finance and investment. King & Spalding's work in the Middle East and experience with Islamic finance date back to the 1980s. In 1995, King & Spalding was the first law firm to establish a dedicated Islamic finance and investment practice group. King & Spalding has considerable experience structuring and implementing sophisticated Shari'ah-compliant investment and financing transactions in the Middle East, Europe and the United States.

4. King & Spalding has represented the Arcapita Group and its predecessors since 1997 in numerous capacities on various matters and is familiar with their investments, operations and other issues relevant to the Chapter 11 Cases. King & Spalding regularly advises the Arcapita Group regarding (among other things) Shari'ah-compliant financings, mergers & acquisitions, portfolio management, financial restructuring, tax, corporate, intellectual property, labor and employment, real estate, litigation, employee benefits, healthcare, regulatory matters, and other issues (collectively, the "***Historical Legal Services***"). For example, King & Spalding has historically represented the Arcapita Group in connection with substantially all of its investment activities in the United States (including, without limitation, the acquisition and financing of Portfolio Company investments and the eventual sale and disposition of those investments at the appropriate time) and has also represented the Arcapita Group in connection with numerous investments in Europe, the Middle East and Asia. In addition, King & Spalding advises and represents the Debtors' affiliated non-Debtor Portfolio Companies in connection with numerous matters.

5. Prior to the Petition Date, the work performed by King & Spalding for the Arcapita Group could be categorized as follows: (a) services provided by King & Spalding to one or more of the Debtors where the Debtors paid King & Spalding for the services, (b) services provided by King & Spalding to one or more non-Debtor members of the Arcapita Group (including, without limitation, HoldCos and Portfolio Companies), where the Debtors either paid King & Spalding directly for such services or advanced or contributed funds to such non-Debtor members in order to enable such non-Debtor members to pay King & Spalding for such services, and (c) services provided by King & Spalding to Portfolio Companies where the Portfolio Companies paid King & Spalding for the services out of their own resources. Upon information and belief, in situations where King & Spalding provided services to non-Debtor members of the Arcapita Group where the Debtors paid King & Spalding (directly or indirectly) for those services, the Debtors maintained a series of intercompany accounts that tracked the payments and treated the payments as Shari'ah-compliant financings or capital contributions to such non-Debtor members.

6. In many cases the Arcapita Group provides on-going capital support to its Portfolio Companies in order to allow the Arcapita Group and its investors to realize the maximum value of the underlying investments. This capital support is frequently structured as Shari'ah-compliant financings, which are entitled to be repaid before any distributions are made to the equity owners of the Portfolio Companies receiving the support. Upon information and belief, in most situations where King & Spalding provided services to non-Debtor members of the Arcapita Group where the Debtors paid King & Spalding for those services, the services were intended to help structure, document and implement the support being provided by the Arcapita Group to its Portfolio Companies, to allow the Arcapita Group to maximize the value of its debt

and equity investments in the Portfolio Companies, and/or to help the Arcapita Group minimize its potential liabilities relating to its Portfolio Company investments. In addition, upon information and belief, to the extent King & Spalding provided services to HoldCos, the HoldCos are generally thinly capitalized entities that (as a practical matter) rely upon the funds advanced to such HoldCos by the Debtors in order to pay their bills.

7. As of the Petition Date, King & Spalding was actively representing members of the Arcapita Group in a variety of matters (the “*Active Matters*”). The Active Matters are ongoing and King & Spalding’s clients in those matters will continue to need the legal services being provided to them. If those services were terminated or interrupted, the Arcapita Group would be irreparably harmed and/or the value of the Arcapita Group’s investments would likely decline precipitously. Similarly, given King & Spalding’s historical and ongoing representation of members of the Arcapita Group, it would be highly inefficient and impractical for King & Spalding to be replaced as counsel with respect to the Active Matters.

8. I believe that I, Paul K. Ferdinands, and other King & Spalding professionals are well-suited to provide the legal services required by the Arcapita Group.

Scope of Services

9. King & Spalding professionals will perform the following services on behalf of the Arcapita Group, at the direction of the Debtors’ management:

- Representing and advising the Debtors in connection with certain corporate and transactional matters, secured and unsecured financing arrangements, various tax matters, and portfolio management, as well as Historical Legal Services in connection with the Active Matters;
- Representing and advising the non-Debtor members of the Arcapita Group in a variety of matters, where the Debtors have agreed to be responsible for payment of King & Spalding’s fees and expenses, including (without limitation) by continuing to provide the Historical Legal Services in connection with the Active Matters; and

- Performing all other legal services for members of the Arcapita Group that the Debtors or the Debtors' general bankruptcy counsel may request from time to time.

10. Moreover, King & Spalding will continue to represent certain Portfolio Companies in a broad range of matters where the Portfolio Companies will be responsible for payment of King & Spalding's fees and expenses out of their own resources.

11. King & Spalding will not be performing general bankruptcy services for the Debtors and will coordinate closely with the Debtors' general bankruptcy counsel, Gibson, Dunn & Crutcher LLP ("***Gibson Dunn***"), to avoid the duplication of services.

King & Spalding Disclosures

12. To the best of my knowledge, information, and belief, except as described in this Declaration, King & Spalding has no material connection with the Debtors; King & Spalding does not represent, and has not represented, any entity other than the Debtors in matters related to or arising out of the Chapter 11 Cases; King & Spalding does not have any connection with, and has not represented in the past, the United States Trustee for the Southern District of New York, or any person employed by the Office of the United States Trustee for the Southern District of New York; and King & Spalding does not have any connection with the Debtors' creditors, any other party in interest, or their respective attorneys and accountants, except as set forth below:

- (a) Prior to and following the Petition Date, King & Spalding performed certain legal services for the Debtors and the other members of the Arcapita Group, as described above;
- (b) King & Spalding has more than 800 attorneys and many other employees. It is possible that certain King & Spalding attorneys or employees hold interests in mutual funds or other investment vehicles that may own Debtors' securities;
- (c) From time to time, King & Spalding has referred matters to many of the Debtors' professionals to be retained in the Chapter 11 Cases. Likewise, certain of the Debtors' professionals have referred matters to King & Spalding; and

- (d) From time to time, King & Spalding likely has represented, and likely will continue to represent, certain creditors of the Debtors, the non-Debtor members of the Arcapita Group and other parties actually or potentially adverse to the Debtors in matters unrelated to the Chapter 11 Cases. As described below, King & Spalding has undertaken a detailed search to determine whether it represents or has represented any significant creditors, equity security holders, insiders or other parties in interest in such unrelated matters, and all such known representations within the last two years are described in Schedule 1, attached to hereto. Due to the breadth of King & Spalding's client base, the firm is not subject to undue influence of any single client.

13. To check and clear conflicts, King & Spalding used a set of procedures that it has developed to ensure compliance with the requirements of the Bankruptcy Code and the Bankruptcy Rules regarding the retention of professionals in chapter 11 cases. Pursuant to these procedures, King & Spalding performed the following actions to determine whether King & Spalding or any of its attorneys has any connections with, has in the past represented, or is currently representing potential parties in interest in the Chapter 11 Cases:

- (a) A list of interested parties (the "***Interested Parties***") was prepared by Gibson Dunn and given to King & Spalding for purposes of preparing this Application;
- (b) King & Spalding compared each of the Interested Parties to the names that King & Spalding maintains in its master client database created from its conflict clearance and billing records. King & Spalding's client database includes (among other things) (i) the name of each current or former client; (ii) the names of any entities materially related to, or materially adverse to, such current or former client; (iii) the names of the King & Spalding attorneys responsible for such current or former clients; and (iv) the dates on which the matter was opened and/or closed; and
- (c) Any matches between the Interested Parties and the entities in King & Spalding's client database were identified, reviewed by an attorney and compiled for purposes of this Declaration. To the extent that King & Spalding currently represents, or has represented within the last two years, any of the Interested Parties or their affiliates, the existence of such representations is disclosed in Schedule 1. In determining whether a client is presently represented by King & Spalding, King & Spalding attorneys relied on the absence of a "closed" notation on the report to reflect current representations. With respect to matters showing as "closed," King & Spalding relied on the "close date" to determine whether the representations occurred within the past two years.

14. King & Spalding is confident that its diligence has resulted, to the greatest extent possible, in the disclosure of all potential conflicts. However, despite the efforts described above to identify and disclose King & Spalding's connections with parties in interest in the Chapter 11 Cases, King & Spalding is unable to state with absolute certainty that every client representation or other connection has been disclosed because King & Spalding is an international law firm with over 800 attorneys in seventeen (17) offices. In this regard, if King & Spalding discovers additional information that requires disclosure, King & Spalding will file a supplemental disclosure with the Court.

15. King & Spalding has reviewed its electronic database and, to the best of its knowledge, King & Spalding does not represent or hold any interest adverse to the Debtors or their estates with respect to the matters on which King & Spalding is proposed to be retained and employed by the Debtors.

16. If any new material facts or relationships are discovered or arise, King & Spalding will provide the Court with a supplemental declaration.

17. As of the Petition Date, the Arcapita Group owed King & Spalding an aggregate amount equal to approximately \$7,533,204.00. King & Spalding intends to file secured and/or unsecured claims in the Chapter 11 Cases with respect to any such amounts that were due and owing by the Debtors as of the Petition Date. During the 90 days prior to the Petition Date, the Arcapita Group made aggregate payments to King & Spalding in an amount equal to \$3,333,898.41.

18. King & Spalding is not currently aware that any King & Spalding partner is a holder of any shares of the Debtors' stock.

19. King & Spalding 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.

20. King & Spalding reserves the right to supplement this Declaration in the event that King & Spalding discovers any facts bearing on matters described in this Declaration regarding King & Spalding's employment by the Debtors.

Terms of Retention

21. Subject to approval by the Court, the Debtors propose to pay King & Spalding its customary hourly rates in effect from time to time and to reimburse King & Spalding according to its customary reimbursement policies. King & Spalding's hourly rates are subject to adjustment annually as of January 1 of each year.

22. The attorneys expected to be primarily responsible for King & Spalding's work for the Arcapita Group, and their respective hourly rates at which they will charge the Debtors, are as follows:

| <u>Name</u> | <u>Position</u> | <u>Rate</u> |
|--------------------|------------------------|--------------------|
| Ray Baltz | Partner | US \$775 |
| Paul Ferdinands | Partner | US \$785 |
| John Harris | Partner | US \$740 |
| Richard Marooney | Partner | US \$730 |
| Andrew Metcalf | Partner | US \$850 |
| Benjamin Newland | Partner | US \$840 |
| Isam Salah | Partner | US \$975 |
| James Stull | Associate | US \$610 |
| Elias Sayegh | Associate | US \$550 |
| Ahmad Elkhoully | Associate | US \$550 |
| Mahynoor El Tahry | Associate | US \$480 |

23. King & Spalding will also use other attorneys and paraprofessionals during the course of the cases that it and the Debtors deem appropriate. King & Spalding charges for partner time at current standard rates between \$430 and \$1,110 per hour, for

associate time at current standard rates between \$200 and \$880 per hour, and for paralegal time at current standard rates between \$150 and \$440 per hour.

24. In addition to compensation for professional services rendered by King & Spalding professionals, King & Spalding will seek reimbursement for reasonable and necessary expenses incurred, including, but not limited to, travel, lodging, meals, computer research, messenger services, and telephone charges.

25. King & Spalding intends to maintain detailed, contemporaneous time records (in 1/10th of an hour increments) and apply to the Court for payment of compensation and reimbursement of expenses in accordance with applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any additional procedures that may be established by the Court in the Chapter 11 Cases. King & Spalding has agreed to accept as compensation such sums as may be allowed by the Court and understands that interim and final fee awards are subject to approval by this Court.

26. As described above, the Debtors have requested that King & Spalding represent and/or continue to represent certain non-Debtor members of the Arcapita Group in various matters unrelated to these Chapter 11 Cases, and the Debtors have agreed to be responsible for the payment of King & Spalding's fees and expenses in connection with such matters.

27. King & Spalding does not hold any retainer from the Debtors. However, as of the Petition Date, King & Spalding held an aggregate amount equal to \$10,766,399.80 in the firm's general escrow account for Arcapita.

28. To the best of my knowledge, (a) no commitments have been made or received by King & Spalding with respect to compensation or payment in connection with the

Chapter 11 Cases other than in accordance with applicable provisions of the Bankruptcy Code and the Bankruptcy Rules, and (b) King & Spalding has no agreement with any other entity to share with such entity any compensation received by King & Spalding in connection with these Chapter 11 Cases.

Disclosure of Compensation

29. In the year prior to the Petition Date, the Debtors did not make any payments to King & Spalding for services rendered or to be rendered in contemplation of or in connection with the Chapter 11 Cases.

Pursuant to section 1746 of title 28 of the United States Code, 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: Atlanta, Georgia
May 17, 2012

/s/ Paul K. Ferdinands
Paul K. Ferdinands
Partner
King & Spalding LLP

Schedule 1

| Party | Current Representation | Representation within Prior 2 Years | Known Affiliate Representation (current or within prior 2 years) |
|---|------------------------|-------------------------------------|--|
| Debtors | | | |
| Arcapita Bank B.S.C.(c) | X | X | X |
| Arcapita Investment Holdings Ltd. | | | X |
| Arcapita LT Holdings Ltd. | | | X |
| WindTurbine Holdings Ltd. | | | X |
| AEID II Holdings Ltd. | | | X |
| RailInvest Holdings Ltd. | | | X |
| Debtors' Secured Lenders | | | |
| Standard Charter Bank | | X | |
| WestLB AG | X | X | X |
| Holders of more than 5% of the Debtors' equity securities | | | |
| Jasmine Quadrilateral Investment Corp. | | | |
| Current officers and directors, board members of the Debtors and individuals who have served as officers or directors of the Debtors in the past two years | | | |
| Dr. Khalid Boodai | | | |
| Mr. Khalifa Mohammed Al-Kindi | | | |
| Hajah Hartini Binti Haji Abdulla | | | |
| Dr. HJ Mohd. Amin Liew Bin Abdullah | | | |
| Sheikh Mohammed Abdulaziz Aljomaih | | | |
| Mr. Abdulaziz Hamad Aljomaih | | | |
| Mr. Ghazi Fahad Alnafisi | | | |
| Sheikh Khalid Bin Thani Bin Abdullah Al-Thani | | | |
| Mr. Ibrahim Yusuf Al-Ghanim | | | |
| Mr. Abdulla Abdullatif Al-Fozan | | | |
| Mr. Abdulrahman Abdulaziz Al-Muhanna | | | |
| Mr. Junaidi Masri | | | |
| H.E. Sheikh Jassim Bin Hamad Bin Jassim Bin Jabr | | | |
| Mr. Atif Ahmed Abdulmalik | | | |
| Mr. Aamer Abduljalil Al-Fahim | | | |
| Professionals to be employed by the Debtors in these chapter 11 cases | | | |
| Gibson, Dunn & Crutcher LLP | | | |
| Linklaters | | | |
| Rothschild | | | |
| The Garden City Group, Inc. | | | |
| Alvarez & Marsal | | | |
| KPMG | X | X | X |
| Hatim S. Zu'Bi & Partners | | | |
| Trowers & Hamlins | | | |
| Mourant Ozannes | | | |

| Party | Current Representation | Representation within Prior 2 Years | Known Affiliate Representation (current or within prior 2 years) |
|--|------------------------|-------------------------------------|--|
| <i>The Debtors' 50 largest unsecured creditors on a consolidated basis as identified in their chapter 11 petitions</i> | | | |
| Central Bank of Bahrain | | | |
| Commerzbank | X | X | X |
| National Bank of Bahrain | | | |
| Bahrain Bay Development B.S.C.(c) | | | |
| District Cooling Capital Limited | | | |
| Aresukuk (2011 - 1) Limited | | | |
| Euroville Sarl (formally Satinland Finance Sarl) | | | |
| Riyad Bank | | | |
| VR Global Partners LP | | | |
| Midtown Acquisitions LP | | | |
| Thombeam Limited | | | |
| Perbadanan Tabung Amanah Islam Brunei | | | |
| Fortis Bank NA/NV | | | |
| Overseas Fund Co. S.P.C. | | | |
| Devonshire Limited | | | |
| Standard Bank plc | | | |
| BBB Holding Company II Limited | | | |
| Goldman Sachs Lending Partners | | | X |
| Barclays Bank plc | | | X |
| Bank of America N.A. | X | X | X |
| CIMB Bank Berhad | | | |
| Credit Suisse, London | X | X | X |
| Deutsche Bank Luxembourg S.A. | | | X |
| European Islamic Investment Bank Plc | | | |
| Malayan Banking Berhad, London Branch | | | |
| Mashreqbank psc | X | X | |
| Royal Bank of Scotland N.V. | | | X |
| The Royal Bank of Scotland plc | X | | X |
| The Arab Investment Company S.A.A. | | | |
| ING Bank N.V. | X | X | X |
| HSH Nordbank AG, Luxembourg Branch | X | X | |
| Yayasan Sultan Haji Hassanah Bolkiah | | | |
| Bandtree SDN BHD | | | |
| Saudi Industrial Capital I Limited | | | |
| Fuad Al Ghanim & Sons General Trading and Contracting | | | |
| BAWAG P.S.K. Bank für Arbeit und Wirtschaft und Österreichische Postsparkasse Aktiengesellschaft | | | |
| BBK B.S.C. | | | |

| Party | Current Representation | Representation within Prior 2 Years | Known Affiliate Representation (current or within prior 2 years) |
|---|------------------------|-------------------------------------|--|
| Boubyan Bank K.S.C. | X | X | |
| Doha Bank | | | |
| Natixis | | | |
| Perbadanan Tabung Amanah Islam Brunei | | | |
| Tadhamon Capital B.S.C. | | | |
| Kuwait Finance House KSC | X | X | X |
| NavIndia Holding Company Limited | | | |
| Commerzbank (beneficiary PVC (Lux) Lux Holding Company S.a. r.l.) | X | X | X |
| Falcon Gas Storage Company, Inc. | X | X | X |
| The Governor and Company of the Bank of Ireland | | | |
| Bank of Taiwan, Singapore Branch | | | |
| G.P, Zachariades Overseas Ltd. | | | |
| Tabung Amanah Pekerja | | | |
| <i>The Debtors' ordinary course professionals</i> | | | |
| Ernst & Young | X | X | |
| Keypoint Consulting | | | |
| Haya Rashed Al Khalifa Law Firm | | | |
| Farid Hassani | | | |
| <i>The Debtors' landlords</i> | | | |
| Noon Investment Company | | | |
| <i>The Debtors' utility providers</i> | | | |
| Ministry of Electricity | | | |
| Bahrain Telecom. Company | | | |
| Zain Bahrain B.S.C.(c) | | | |
| Menatelecom | | | |
| Bahrain Bay Utilities Company BSC(c) | | | |
| 2Connect | | | |
| <i>The Debtors' insurers and insurance brokers</i> | | | |
| Solidarity General | | | |
| Marsh Ltd. | | | |
| <i>The Debtors' list of bank accounts</i> | | | |
| JP Morgan Chase, New York | X | X | X |
| Arab Banking Corporation | | | X |
| Bank of Bahrain & Kuwait | | | |
| National Bank of Bahrain | | | |
| Bahrain Islamic Bank | | | |
| DBS Bank Ltd | | | |
| Standard Chartered Bank | | X | |
| Standard Bank PLN | | | |

| Party | Current Representation | Representation within Prior 2 Years | Known Affiliate Representation (current or within prior 2 years) |
|--|------------------------|-------------------------------------|--|
| Standard Bank SGD | | | |
| <i>The Debtors' 50 largest customers</i> | | | |
| REDACTED | | | |
| <i>The Debtors' 50 largest vendors</i> | | | |
| Keypoint Consulting WLL | | | |
| Nass Contracting Co. W.L.L / Murray & Ro | | | |
| ADP Total Source | | | |
| Bahrain Bay Development B.S.C. (c) | | | |
| King & Spalding | | | |
| American Express | | | |
| Advent Resource Consultancy | | | |
| Ernst & Young | X | X | |
| Paget Brown & Co | | | |
| Bahrain Bay Utilities Company BSC(c) | | | |
| Al-Gosaibi Travel Agency | | | |
| KPMG | X | X | X |
| Social Insurance Organization (GOSI) | | | |
| Yousef A Alammar | | | |
| Korn / Ferry International | | | |
| National Bank of Bahrain BSC | | | |
| Gibson, Dunn & Crutcher | | | |
| Bahrain Telecom. Company | | | |
| Cleary Gottlieb Steen & Hamilton LLP | | | |
| Navigant Consulting Inc | | | X |
| CDL Properties Ltd. | | | |
| Linklaters | | | |
| Walter Knoll AG & Co. KG | | | |
| Illinois Department of Revenue | | | |
| PointPark Properties s.r.o. | | | |
| Path Solutions K.S.C.0 | | | |
| Sima Samiealhak Q Malak | | | |
| Dawnay, Day & Co. Limited | | | |
| Takaful International Co. | | | X |
| ASM Formule 3 / Art Grand Prix | | | |
| GlassRanter Advisory & Capital Group, LL | | | |
| CrediMax | | | |
| Rothschild | | | |
| The Blackstone Group International Limited | | | X |
| Central Bank of Bahrain | | | |

| Party | Current Representation | Representation within Prior 2 Years | Known Affiliate Representation (current or within prior 2 years) |
|---|------------------------|-------------------------------------|--|
| Marsh | | | |
| MAF Dalkia Bahrain | | | X |
| Treasurer, State of Maine | | | |
| 2Connect WLL | | | |
| Oliver Wyman Limited | | | |
| Siteco | | | X |
| Riyadh House Est | | | |
| Ministry of Electricity | | | |
| Maples and Calder | | | |
| KMS Team New York Inc. | | | |
| Peter Paul Pardi | | | |
| Pricewaterhouse Coopers LLP | X | X | X |
| CMS Cameron McKenna LLP | | X | |
| St. Christophers School | | | |
| Al-Moayyed Computers | | | |
| <i>Parties relating to significant litigation to Debtors</i> | | | |
| Riffa Views B.S.C.(c) | | | |
| Tide Natural Gas Storage I, LP | | | |
| Tide Natural Gas Storage II, LP | | | |
| Falcon Gas Storage Company, Inc. | X | X | X |
| Profine GmbH | | | X |
| <i>Parties to executory contracts</i> | | | |
| Shutdown Maintenance Service | | | |
| Quick Zebra Services | | | |
| MAF Dalkia Bahrain | | | X |
| Path Solutions | | | |
| Microsoft Bahrain | | | |
| Zutecgulf W.L.L., Bahrain | | | |
| EastNets | | | |
| Xerox | | | |
| Prevention Software | | | |
| Honeywell | X | X | X |
| Sonar Security | | | |

| <i>Arcapita non-debtor subsidiaries</i> | |
|---|----------------------------|
| AEI II Cayman Holdings Limited A (European Industrial II) | Isoftechnology WCF Limited |
| AEI II Holdings Limited D/TBL | ISP International Limited |
| AHQ Cayman Holdings Limited A (Arcapita) | JEDI Limited |

| | |
|--|---|
| Headquarter) | |
| AIA Limited | JJ Holdings Limited A (J Jill) |
| AIDT India Holdings Limited A (Ascendus/ India Business Park I) | KEDI Limited D/TBL |
| AIFL Investment Holdings Limited | La Mesa Holdings Limited A (Condominium Portfolio) |
| AMPAD Holdings Limited D/TBL | Locker Room Holdings II Limited D/TBL |
| AquaInvest Holdings Limited D/TBL | Locker Room Holdings Limited D/TBL |
| ARC (Cayman) Real Estate Fund Holdings Limited A (GCC Real Estate Fund) | Loghomes Holdings Limited A (Southland) |
| ARC Management Limited (JV) | Loghomes II WCF Limited |
| Arcapita (Europe) Limited | LogHomes WCF Limited |
| Arcapita (HK) Limited | Logistics Holdings Limited A (3PD) |
| Arcapita (Singapore) Limited | Logistics WCF Limited |
| Arcapita (US) Limited | Longwood Holdings Limited A (Condominium Portfolio) |
| Arcapita Fund Administration Services Limited | Lusail Heights Holdings Limited CD |
| Arcapita GCC Real Estate Management I Limited | Majestic Global Investments Limited |
| Arcapita Hong Kong Limited (Hong Kong) | MC Limited |
| Arcapita Inc. (Delaware) | MEDI Limited |
| Arcapita Industrial Management I Limited | Medifax Holdings Limited D/TBL |
| Arcapita Industrial Management II Limited | MS Surgery Holdings Limited A (Meridian) |
| Arcapita Industrial Management Sarl (Luxembourg) | NavIndia Holdings Limited A (India Business Park II) |
| Arcapita Investment Management Limited | Oman Industrial Holdings Limited CD |
| Arcapita Investment Funding Limited | Oman Logistics Fund Holdings Limited CD |
| Arcapita Limited (UK) | Orlando Residential Holdings Limited A (Bainbridge) |
| Arcapita Pte. Limited (Singapore) | OSP Holdings Limited A (International Luxury Residential Portfolio) |
| Arcapita Structured Finance Limited | OSP WCF Limited |
| Arcapita Ventures I Holdings Limited A (Ventures I) | Outlet Center Holdings Limited A-NV (Value Retail) |
| Arcapita Ventures I WCF Limited | Outlet Center WCF Limited |
| ArcIndustrial European Development Holdings Limited A (Gicram) | Palatine Holdings Limited A (Condominium Portfolio) |
| ArcResidential Japan Holdings Limited A (ArcResidential Japan) | Perennial Holdings II Limited D/TBL |
| ArcResidential Japan WCF Limited | Perennial Holdings III Limited D/TBL |
| Ard Limited D/TBL ? | Perennial Holdings IV Limited A (Sunrise IV) |
| Aspen Valley Ranch Holdings Limited A (International Luxury Residential Portfolio) | Perennial Holdings Limited D/TBL |
| Aspen Valley Ranch WCF Limited | PointPark Properties EOOD (Bulgaria) |
| Avionics Holdings Limited D/TBL | Pointpark Properties France SAS (France) |
| Avionics WCF Limited | Pointpark Properties GmbH (Germany) |
| Bert Funding Company Limited | PointPark Properties Pte. Limited (Singapore) |
| Blacktop Holdings Limited D/TBL | Pointpark Properties S.p.z.o.o. (Poland) |
| Bospower Holdings Limited D/TBL | Pointpark Properties S.r.o. (Czech) |
| Bospower WCF II Limited | Pointpark Properties SK S.r.o. (Slovak) |
| BosPower WCF Limited D/TBL | PointPark Properties W.L.L. (Bahrain) |

| | |
|---|--|
| BT Holdings Limited A (Bijoux Terner) | PointPark Properties, S.L. (Spain) |
| BT WCF Limited | Poland Residential Holdings Limited A (Layetana) |
| Cajun Holdings Limited D/TBL | Pond Bay Holdings Limited A (International Luxury Residential Portfolio) |
| Castello Holdings Limited A (International Luxury Residential Portfolio) | Premium Coffee Holdings Limited D/TBL |
| Castello WCF Limited | PVC Holdings Limited A (Profine) |
| CEE Residential I Holdings Limited A (Layetana) | PVC WCF Limited |
| CEIP Holdings Limited A (Crescent Euro) | Rapids Limited D/TBL |
| CEIP WCF Limited | Riffa Holdings Limited A (Riffa Views) |
| Chicago Condominium Holdings Limited A(Elysian) | Riffa WCF Limited |
| Chicago Condominium WCF Limited | Ritzy Property Holdings Limited D/TBL |
| Commerce - MGI (Malaysia) Ltd. (JV) | Saudi Industrial Holdings Limited CD |
| Commerce MGI SDN. BHD (JV - Malaysia) | Singapore Industrial Holdings Limited D/TBL |
| Compufin Limited D/TBL | Singapore Industrial II Holdings Limited A (Singapore Industrial II) |
| Condo Conversion WCF Limited | Singapore Industrial II WCF Limited |
| DAH Holdings Limited D/TBL | Singapore Industrial WCF Limited |
| Distric Cooling Holdings Limited A (Dalkia) | Small Smiles Holdings Limited A-NV (Forba) |
| Drillbit Holdings Limited A (Varel) | Sonar Holdings Limited D/TBL |
| Drillbit WCF II Limited | Sortalogic Holdings Limited A (CEPL) |
| Drillbit WCF Limited | StockMore Holdings Limited D/TBL |
| Earth Holdings Limited A (Tensar) | StoraFront Holdings Limited A (City Square) |
| Earth WCF Limited | Storapod Holdings Limited A (PODS) |
| ElectricInvest Holdings Limited A (Viridian) | Storapod WCF II Limited |
| ElectricInvest WCF II Limited | Storapod WCF Limited |
| ElectricInvest WCF Limited | TechInvest Holdings Limited D/TBL |
| Eternal Holdings Limited A (Sunrise UK) | TechInvest WCF Limited D/TBL |
| FEDI Limited D/TBL | Tender Loving Care Holdings Limited D/TBL |
| FlowInvest WCF Limited D/TBL | US Senior Living WCF Limited |
| Fountains WCF Limited | VGC WCF Limited |
| French Kitchen Holdings Limited A-NV (Vogica) | Victory Heights Lifestyle Holdings Limited A (Victory Heights) |
| Gas Holdings Limited A (Falcon) | Victory Heights WCF Limited |
| Gas WCF Limited | WaterWarf Holdings II Limited A (Bahrain Bay II) |
| HEDI Investments Limited D/TBL | WaterWarf Holdings Limited A (Bahrain Bay I) |
| India Growth Holdings Limited A (India Growth Portfolio) | Waverly Holdings Limited A (Condominium Portfolio) |
| Innovations Holdings Limited D/TBL | Wind Power Holdings Limited D/TBL |
| Insulation Holdings Limited D/TBL | WindTurbine WCF Limited |
| Isle Holdings II Limited D/TBL | YAK Holdings Limited D/TBL |
| <p>King & Spalding either currently represents or has represented in the two years prior to the Petition Date each of the non-debtor members of the Arcapita Group or one or more of their affiliates.</p> | |