



**PRIOR APPLICATIONS**

<b>Date Filed Docket No.#</b>	<b>Period Covered</b>	<b>Fees Requested</b>	<b>Expenses Requested</b>	<b>Fees Paid</b>	<b>Expenses Paid</b>
10/17/2012 Docket [575]	3/19/2012 through 8/31/2012	\$948,387.10	\$506,550.47	\$948,387.10	\$506,550.47
11/05/2012 Docket [614]	9/1/2012 through 9/30/2012	\$175,000.00	\$25,998.44	\$175,000.00	\$25,998.44
11/20/2012 Docket [646]	10/1/2012 through 10/31/2012	\$175,000.00	\$83,578.72	\$175,000.00	\$83,578.72
12/20/2012 Docket [738]	11/1/2010 through 11/30/2012	\$175,000.00	\$41,755.81	\$140,000.00	\$41,755.81
1/23/2013 Docket [802]	12/1/2012 through 12/31/2012	\$1,112,500.00	\$17,799.58	\$890,000.00	\$17,799.58
3/05/2013 Docket [885]	1/1/2013 through 1/31/2013	\$362,500.00	\$60,759.03	\$290,000.00	\$60,759.03
3/28/2013 Docket [957]	2/1/2013 through 2/28/2013	\$175,000.00	\$3,683.04	\$140,000.00	\$3,683.04
4/23/2013 Docket [1024]	3/1/2013 through 3/31/2013	\$175,000.00	\$4,445.35	\$140,000.00	\$4,445.35
5/28/2013 Docket [1161]	4/1/2013 through 4/30/2013	\$175,000.00	\$1,957.67	\$140,000.00	\$1,957.67
7/1/2013 Docket [1317]	5/1/2013 through 5/31/2013	\$175,000.00	\$2,451.70	\$140,000.00	\$2,451.70
7/26/2013 Docket [1398]	6/1/2013 through 6/30/2013	\$362,500.00	\$1,482.13	\$290,000.00	\$1,482.13

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

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<b>In re:</b>	)	
	)	<b>Chapter 11</b>
	)	
<b>ARCAPITA BANK B.S.C.(c), et al.,</b>	)	<b>Case No. 12-11076 (SHL)</b>
	)	
	)	
<b>Debtors.</b>	)	<b>Jointly Administered</b>
	)	

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**TWELFTH MONTHLY STATEMENT OF ROTHSCHILD INC. AND N M  
ROTHSCHILD & SONS LIMITED IN THEIR CAPACITY AS FINANCIAL ADVISOR  
AND INVESTMENT BANKER FOR THE DEBTORS AND DEBTORS-IN POSSESSION,  
FOR COMPENSATION FOR SERVICES AND REIMBURSEMENT OF EXPENSES  
FOR THE PERIOD FROM JULY 1, 2013 THROUGH SEPTEMBER 17, 2013**

By this statement (the “Fee Statement”), pursuant to sections 327(a) and 328 of title 11 of the United States Code (the “Bankruptcy Code”), and Rule 2014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and rule 2014-1 of the local rules of this Court (the “Local Rules”), Rothschild Inc. and N M Rothschild & Sons Limited (together, “Rothschild”) hereby seek reasonable compensation in the above-captioned cases of Arcapita Bank B.S.C.(c) and its affiliated debtors and debtors-in-possession (collectively, the “Debtors”) for financial advisory services rendered as financial advisor and investment banker in the amount of \$6,262,500.00, comprised of a \$1,312,500.00 New Capital Fee and a \$4,950,000.00 Transaction Fee (both net of credits), together with reimbursement for actual and necessary expenses incurred in the amount of \$998.48 as well as estimated and necessary expenses incurred in the amount of \$15,000.00 for the period commencing July 1, 2013, through and including September 17, 2013 (the “Compensation Period”). By this Fee Statement, Rothschild seeks (i) payment of \$5,010,000.00, which is equal to eighty percent (80%) of the total amount

of compensation sought for actual and necessary professional services rendered during the Compensation Period (*i.e.*, \$6,262,500.00), and (ii) reimbursement of \$15,998.48, which is equal to one hundred percent (100%) of the actual and estimated necessary expenses incurred in connection with such services, for a total payment of \$5,025,998.48. In support of this Fee Statement, Rothschild represents as follows:

### **Jurisdiction and Venue**

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding pursuant to 28 U.S.C. § 157(b).

2. The statutory predicates for the relief requested herein are sections 327(a), 328, 330, 331, and 1107(b) of the Bankruptcy Code, as supplemented by Rules 2014 and 2016 of the Bankruptcy Rules.

### **Background**

3. On March 19, 2012 (the "Petition Date"), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code. Pursuant to sections 1107 and 1108 of the Bankruptcy Code, the Debtors have continued to operate their businesses and manage their properties as debtors in possession since the Petition Date.

4. No trustee or examiner has been appointed in the Debtors' chapter 11 cases.

5. On July 9, 2012, this Court approved Rothschild's retention as financial advisor and investment banker to the Debtors [Docket No. 305] (the "Retention Order") *nunc pro tunc* to March 19, 2012.

6. Pursuant to the Retention Order, Rothschild's New Capital Fee is equal to 0.75% of the face amount of any debtor-in-possession financing raised (a "DIP Financing") and 0.75%

of the first \$500,000,000.00, in the aggregate, and 1.5% thereafter of the face amount of any debt, equity or other capital raised, other than a DIP Financing. Rothschild shall credit 100% of any New Capital Fee paid on account of a DIP Financing against any subsequent New Capital Fee, provided that such credit shall not exceed such New Capital Fee. During the Compensation Period, Rothschild provided significant support and assistance to the Debtors in their efforts to secure a \$350 million exit financing facility with Goldman Sachs (the "Exit Financing"). The Exit Financing has closed as of the date hereof. Accordingly, pursuant to the terms of the Retention Order, a New Capital Fee in connection with the Exit Financing (net of New Capital Fees actually paid on account of a DIP Financing) in the amount of \$1,312,500.00 (*i.e.*, 0.75% of the additional \$175 million of financing secured), is presently owing to Rothschild.

7. Pursuant to the Retention Order, Rothschild is also entitled to a Transaction Fee of \$6,000,000, payable upon the earlier of (i) the confirmation and effectiveness of a plan of reorganization and (ii) the closing of another transaction, provided that a Transaction Fee shall be payable only upon effectiveness of a plan of reorganization or similar transaction that resolves the treatment of substantially all or all of the Debtors' liabilities, or for a transaction that permits the Company to continue as a going concern. Rothschild shall credit against the Transaction Fee 100% of the Monthly Fees due and paid after December 31, 2012; provided that such credit shall not exceed the Transaction Fee. For the avoidance of doubt, no more than one Transaction Fee shall be payable. Rothschild is requesting a Transaction Fee of \$4,950,000.00, which is net of Monthly Fee Credits of \$1,050,000 paid to Rothschild after December 31, 2012.

**Relief Requested**

8. Rothschild submits this Fee Statement in accordance with this Court's Compensation Order. All services for which Rothschild requests compensation were performed for, or on behalf of, the Debtors.

9. This is the twelfth monthly Fee Statement filed by Rothschild in these cases. In connection with the professional services rendered, by this Fee Statement, Rothschild is seeking payment in the aggregate amount of \$5,025,998.48 that includes payment of fees in the amount of \$5,010,000.00 and expense reimbursement of \$15,998.48. Attached hereto as Exhibit A is a summary of actual and estimated necessary costs and expenses incurred by Rothschild along with a detailed list of actual and necessary disbursements by category made by Rothschild during the Compensation Period.

10. There is no agreement or understanding between Rothschild and any other person for the sharing of compensation to be received for the services rendered in these cases.

**Amounts Requested**

11. For the Compensation Period, Rothschild seeks payment of \$5,010,000.00, which represents eighty percent (80%) of the total amount of compensation sought for actual and necessary professional services rendered.

12. Rothschild incurred or disbursed the actual and estimated necessary costs and expenses related to these cases in the amount of \$15,998.48 detailed in Exhibit A.


13. To the extent that disbursement charges for services performed or disbursements incurred relate to the Compensation Period, but are processed subsequent to the preparation of this Fee Statement, Rothschild reserves the right to request additional reimbursement of such expenses in a future fee statement.

**NOTICE**

14. No trustee or examiner has been appointed in the Chapter 11 Cases. Pursuant to the Interim Compensation Order, the Debtors have provided notice of filing of this 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: Mohammed Chowdhury and Henry Thompson); (ii) Gibson Dunn & Crutcher LLP, 200 Park Avenue, New York, NY (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.).

WHEREFORE, Rothschild requests total payment of \$5,025,998.48, including (i) payment of 80% of total compensation sought and (ii) 100% of actual and estimated expenses incurred by Rothschild in these cases during the Compensation Period.

Dated: New York, New York  
October 1, 2013

  
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Bernard Dauton  
Rothschild Inc.  
1251 Avenue of the Americas  
New York, NY 10020  
Telephone: (212) 403-5254



## Arcapita

### Summary of Out-of-Pocket Expenses

Travel	\$	-
Ground Transportation/Taxis		404.22
Hotel		-
Legal Fees		-
Miscellaneous		-
Meals		383.44
Presentation Center		85.42
Copies		-
Research/Database		74.80
Telephone/Communications		-
Courier Services		50.60
Estimated Expense		<u>15,000.00</u>
<b>Total</b>		<b>\$15,998.48</b>

**Arcapita**

**Taxi Expense Breakdown**

Date Incurred	Description	City	Cost	Method of Computation	Incurred By
06/10/13	From home to court hearing	New York, NY	\$18.00	Vendor	B. Douton
06/10/13	From office to home	Forest Hills, NY	\$42.71	Vendor	A. Svoyskiy
06/11/13	From office to dinner meeting	New York, NY	\$17.00	Vendor	B. Douton
06/24/13	From office to home	New York, NY	\$18.00	Vendor	B. Douton
06/24/13	From office to court	New York, NY	\$25.00	Vendor	B. Douton
07/10/13	From office to home	Forest Hills, NY	\$36.50	Vendor	A. Svoyskiy
07/23/13	From office to home	Forest Hills, NY	\$41.23	Vendor	A. Svoyskiy
07/31/13	From office to home	Forest Hills, NY	\$40.63	Vendor	A. Svoyskiy
08/05/13	From office to home	Forest Hills, NY	\$40.03	Vendor	A. Svoyskiy
08/06/13	From office to home	Forest Hills, NY	\$45.50	Vendor	A. Svoyskiy
08/08/13	From office to home	Forest Hills, NY	\$41.79	Vendor	A. Svoyskiy
08/09/13	From office to home	Forest Hills, NY	\$37.83	Vendor	A. Svoyskiy
<b>Total</b>			<b>\$404.22</b>		

## Arcapita

### Meal Expense Breakdown

Date Incurred	Description	City	Cost	Method of Computation	Incurred By
06/12/13	Working dinner	New York, NY	\$26.21	Vendor	L. Chen
06/13/13	Working dinner	New York, NY	\$26.39	Vendor	L. Chen
07/09/13	Lunch meeting	New York, NY	\$43.02	Vendor	A. Svoyskiy & C. Combs
07/23/13	Working dinner	New York, NY	\$17.96	Vendor	L. Chen
07/24/13	Dinner meeting	New York, NY	\$218.35	Vendor	B.Douton, a. Svoyskiy, C. Combs & A. Shirawi
08/05/13	Working dinner	New York, NY	\$25.39	Vendor	A. Svoyskiy
09/03/13	Working dinner	New York, NY	\$26.12	Vendor	A. Svoyskiy
<b>Total</b>			<b>\$383.44</b>		

**Arcapita**

**Presentation Center Expense Breakdown**

Date	Description	City	Cost	Method of Computation	Incurred By
Jul-13	Presentation center	New York, NY	\$85.42	Vendor	M. Kelly
<b>Total</b>			\$85.42		

**Arcapita**

**Research/Database Expense Breakdown**

Date	Incurred	Description	City	Cost	Method of Computation	Incurred By
07/03/13		PACER	New York, NY	\$74.80	Vendor	Various
<b>Total</b>				\$74.80		

**Arcapita**

**Courier Expense Breakdown**

<u>Date Incurred</u>	<u>Description</u>	<u>City</u>	<u>Cost</u>	<u>Method of Computation</u>	<u>Incurred By</u>
07/22/13	Federal Expres Corp.	New York, NY	\$27.21	Vendor	A. Svoyskiy
07/22/13	Federal Expres Corp.	New York, NY	\$23.39	Vendor	A. Svoyskiy
<b>Total</b>			\$50.60		