

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

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: **Chapter 11**  
: **Case No. 12-11076 (SHL)**  
: **Jointly Administered**  
: X

**IN RE:**  
**ARCAPITA BANK B.S.C.(c), et al.,**  
**Debtors.**

**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*”)<sup>1</sup> 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 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

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

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 and in connection with Portfolio Company investments and/or non-Debtor members of the Arcapita Group;

- 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 related to the matters above.

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; *provided*, that nothing herein shall be construed to affect any claims among the members of the Arcapita Group on account of such payments to King & Spalding.

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: July 11, 2012  
New York, New York

/s/ Sean H. Lane  
THE HONORABLE SEAN H. LANE  
UNITED STATES BANKRUPTCY JUDGE