

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK
Case No. 12-11076-shl

- - - - - x

In the Matter of:

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

Debtors.

- - - - - x

United States Bankruptcy Court
One Bowling Green
New York, New York

January 31, 2013
4:10 p.m.

B E F O R E :
HON SEAN H. LANE
U.S. BANKRUPTCY JUDGE

1 Doc. #806 Seventh Motion to Extend Exclusivity Period for
2 Filing a Chapter 11 Plan and Disclosure Statement / Debtors'
3 Motion to Further Extend Exclusive Periods to File a Plan or
4 Plans of Reorganization and to Solicit Acceptances Thereof

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25 Transcribed by: Sherri L. Breach, CERT*D-397

1 A P P E A R A N C E S :

2 GIBSON, DUNN & CRUTCHER, LLP

3 Attorneys for Debtors

4 200 Park Avenue

5 New York, New York 10166

6

7 BY: JOSHUA WEISSER, ESQ.

8 MICHAEL A. ROSENTHAL, ESQ.

9

10 DECHERT LLP

11 Attorneys for Standard Chartered Bank

12 1095 Avenue of the Americas

13 New York, NY 10036-6797

14

15 BY: BRIAN E. GREER, ESQ.

16

17 U.S. DEPARTMENT OF JUSTICE

18 Attorneys for the U.S. Trustee

19 33 Whitehall Street

20 21st Floor

21 New York, New York 10004

22

23 BY: RICHARD MORRISSEY, ESQ.

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

MILBANK, TWEED, HADLEY & MCCLOY

Attorneys for Official Committee of Unsecured Creditors

One Chase Manhattan Plaza

New York, New York 10005

BY: DENNIS F. DUNNE, ESQ. (TELEPHONIC)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

P R O C E E D I N G S

THE COURT: All right. Good afternoon. Please be seated.

We're here for our 4:00 conference in Arcapita Bank on the seventh motion to extend exclusivity, which was originally scheduled for yesterday, but as the power was out in the building, that was not an option. So thank you for your patience and willingness to be flexible in appearing here today.

MR. ROSENTHAL: Thank you, Your Honor.

Good afternoon. Michael Rosenthal with Josh Weisser of Gibson Dunn for the debtors.

MR. MORRISSEY: And good afternoon, Your Honor. Richard Morrissey for the U.S. Trustee.

MR. GREER: Good afternoon, Your Honor. Brian Greer of Dechert, LLP for Standard Charter Bank.

THE COURT: All right. And if I understand this correctly, Mr. Dunne is on the phone from a faraway place.

MR. ROSENTHAL: He is, Your Honor.

THE COURT: All right. Proceed.

MR. DUNNE: Your Honor, it's -- it's Dennis Dunne and I'm dialing in from Bahrain.

THE COURT: All right. Thank you for that.

MR. ROSENTHAL: So I'm -- I'm holding down the in person fort here, Your Honor.

1 THE COURT: All right.

2 MR. ROSENTHAL: Your Honor, as you know,
3 exclusivity was set to expire on January 28th. As a result
4 of conversations we had with the unsecured creditors'
5 committee and the ad hoc group, and based on the status of
6 ongoing negotiations, we requested -- requested a further
7 extension until February 8th. The Court entered a bridge
8 order extending through the hearing today.

9 No party has objected to the further extension.
10 The official committee of unsecured creditors and the ad hoc
11 group supports the extension.

12 As you know, this is the seventh extension that
13 we've had. We've had relatively brief extensions over the
14 past four to five weeks because discussions have been
15 ongoing among the members of the committee. While the
16 debtor is in a position to file a plan of reorganization
17 now, we still believe we would benefit from having
18 additional input from -- from the committee and from the ad
19 hoc group.

20 In furtherance of those discussions, in fact, Mr.
21 Dunne and Mr. Fleck went overnight on Tuesday night to
22 Bahrain and they're there now. They're now in Bahrain and
23 had discussions today there.

24 We believe, Your Honor, that cause exists to grant
25 the requested extension. There is no intent to try to delay

1 creditors or the case. We do believe that there is a
2 benefit to the debtor retaining exclusivity and that there
3 is definitely a benefit to trying to get further input to
4 see if we can get to a plan that has more rather than less
5 consensual evidence.

6 THE COURT: All right. Does anyone wish to be
7 heard on the request for an extension of exclusivity to
8 February 8th?

9 All right. I didn't see any opposition. I am
10 happy to grant the request based on the information I have
11 before me. And I would note two things: One is the seventh
12 request is a bit of a misnomer given the size of the
13 requests, which is consistent with the parties' desire to
14 keep negotiations on a prompt track. So it -- which is
15 certainly something to be considered in extending
16 exclusivity.

17 And, secondly, I will note that this has been a
18 situation where all parties in interest have been coming in
19 together to work together, all thinking that this is a good
20 idea, which makes it a very easy call for me as a judge. So
21 I'm happy to grant the extension.

22 And is there anything else that we need to do here
23 today?

24 MR. ROSENTHAL: Nothing, Your Honor, other than
25 again, if you would so order on the record we have a -- we

1 have an order that we will --

2 THE COURT: Yes. I --

3 MR. ROSENTHAL: -- forward to --

4 THE COURT: I am so ordering the extension of
5 exclusivity on the record consistent with the requirements
6 of the code and the factual record that's been developed at
7 this hearing as well as all the prior hearings that have
8 discussed the progress of the case.

9 MR. ROSENTHAL: Thank you very much, Your Honor.

10 THE COURT: All right.

11 MR. ROSENTHAL: Nothing further.

12 THE COURT: Thank you very much.

13 Anything else from anyone else?

14 All right. Thank you very much.

15 MR. DUNNE: From Bahrain, Your Honor, thank you.

16 THE COURT: Thank you.

17 (Whereupon these proceedings were concluded at 4:12
18 p.m.)

19

20

21

22

23

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

I N D E X

RULINGS

DESCRIPTION	PAGE	LINE
Doc. #806 Seventh Motion to Extend Exclusivity Period for Filing a Chapter 11 Plan and Disclosure Statement / Debtors' Motion to Further Extend Exclusive Periods to File a Plan or Plans of Reorganization and to Solicit Acceptances Thereof	7	9

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

C E R T I F I C A T I O N

I, Sherri L. Breach, CERT*D-397, certified that the foregoing transcript is a true and accurate record of the proceedings.

SHERRI L. BREACH

AAERT Certified Electronic Reporter & Transcriber

CERT*D -397

Veritext

200 Old Country Road

Suite 580

Mineola, NY 11501

Date: February 14, 2013