

Hearing Date and Time: March 26, 2013 at 11:00 a.m.  
Objection Deadline: March 19, 2013 at 4:00 p.m.

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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IN RE: : Chapter 11  
: :  
ARCAPITA BANK B.S.C.(c), *et al.*, : Case No. 12-11076 (SHL)  
: :  
Debtors. : (Jointly Administered)  
: :  
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**DECLARATION OF MITCHELL A. SEIDER**

I, Mitchell A. Seider, do hereby declare as follows:

1. I am a member of the Bar of the State of New York and of this Court. I am also a member of Latham & Watkins LLP ("**Latham**"), counsel to Goldman Sachs International ("**GSI**"), a potential financing party and lead arranger of a debtor-in-possession financing facility in the above captioned cases.

2. I submit this declaration on personal knowledge in support of the Motion of GSI for Allowance of an Administrative Expense Pursuant to 11 U.S.C. §§ 503(b)(1), 503(b)(3)(D) and 503(b)(4) (the "**Motion**").<sup>1</sup>

3. By and through the Motion, GSI seeks allowance and payment of an administrative expense in the amount of \$250,000 (the "**Administrative Expense**") against the estates of the above-captioned debtors other than Falcon Gas Storage Company, Inc. (collectively, the "**Debtors**") for making a substantial contribution to the Debtors' cases and actual, necessary costs of preserving the Debtors' estates, in each case in connection with GSI's

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<sup>1</sup> Capitalized terms that are used but not defined herein shall have the meaning ascribed to such terms in the Motion.

participation in the Debtors' efforts to obtain debtor-in-possession financing (the "**DIP Financing**"). The Administrative Expense includes, *inter alia*, GSI's request for a settlement that will, in part, reimburse GSI for certain of the legal fees and expenses of Latham in connection with the DIP Financing bidding.

4. I have personally rendered certain of the legal services performed by Latham for GSI in connection with the DIP Financing process and am familiar with the services rendered by all of the lawyers and other professionals at Latham on behalf of GSI in connection with the DIP Financing process.

5. GSI is seeking partial reimbursement for the \$861,110.03 of fees and expenses incurred by Latham in connection with the DIP Financing process during the period commencing on or about October 4, 2012 until the Debtors obtained approval to enter into a commitment for DIP Financing with an alternative financing party on or about November 11, 2012 (the "**Services Period**"). Of that amount, (i) \$857,675.00 represents the amount of fees for services rendered in connection with the DIP Financing process during the Services Period, and (ii) \$3,435.03 represents the amount of expenses incurred by Latham in connection with the DIP Financing process during the Services Period.

6. During the Services Period, Latham attorneys and law clerks expended a total of 1,183.0 hours on behalf of GSI. A schedule setting forth the number of hours expended by each of the partners, senior attorneys, associates and law clerks of Latham who rendered services to the Debtor and the respective hourly rates is attached hereto as Exhibit A. A schedule specifying the categories of Latham expenses for which reimbursement is sought and the total amount for each such expense category is attached hereto as Exhibit B, and detailed expense entries are attached hereto as Exhibit C.

7. As described in the Motion, Latham devoted time and resources on behalf of GSI to develop a proposal for a Shari'ah-compliant DIP Financing on a highly expedited basis, involving the coordinated efforts of professionals in Latham's New York, London and Dubai offices to maintain progress around the clock. Counsel engaged in a rigorous diligence analysis of the proposed collateral for the DIP Financing, engaged in extensive discussions and negotiations with counsel for the Debtors and prepared a series of proposals that were submitted to the Debtors and Committee. Each of these proposals required substantial legal analysis relating to Shari'ah law and the specific structuring that would be necessary to make a DIP Financing Shari'ah compliant. In particular, GSI's diligence analysis was highly complex and nuanced. A substantial portion of the Debtors assets ultimately constitute equity interests in portfolio companies with their own balance sheets and third party financing. The examination of the organizational and financial structures of the Debtors' portfolio companies revealed that these structures were rendered unusually complicated by their Shari'ah compliance and syndication structures. These complexities required GSI and its Counsel to undertake a time-intensive analysis of the assets available to pledge as collateral in support of the DIP Financing.

8. The legal fees and expenses that GSI accrued in these cases are the product of the customary and ordinary rates Latham actually charged during the relevant period for comparable work in the bankruptcy and non-bankruptcy contexts.

9. The actual expenses incurred in providing professional services were necessary, reasonable and justified in light of the scope of Latham's services on behalf of GSI, the expedited time frame in which the DIP Financing bidding was conducted and the extremely tight schedules for making offers and counteroffers.

10. No time spent or expenses incurred by Latham in connection with the preparation of the Motion and this declaration have been included in the Latham fee amounts for which reimbursement is sought.

11. No previous request for the relief sought in the Motion has been made in these cases by GSI or Latham.

12. Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information and belief.

Executed this 4 day of March 2013 in New York, New York.

/s/ Mitchell A. Seider  
Mitchell A. Seider

LATHAM & WATKINS LLP  
885 Third Avenue  
New York, New York 10022  
Telephone: (212) 906-1200

## EXHIBIT A

<b>Timekeeper</b>	<b>Worked Fees/Hours</b>	<b>Hourly Rate</b>	<b>Total Worked Amount</b>
CHIRAG J SANGHRAJKA	2.10	\$725	1,522.50
CHRISTOPHER D HALL	55.30	\$725	40,092.50
ANTHONY C PALLETT	43.20	\$725	31,320.00
ALAN W AVERY	2.80	\$725	2,030.00
MITCHELL A SEIDER	150.00	\$725	108,750.00
BRADLEY E KOTLER	17.00	\$725	12,325.00
MELISSA S ALWANG	71.00	\$725	51,475.00
SENET S BISCHOFF	0.30	\$725	217.50
PETER Y MALYSHEV	6.00	\$725	4,350.00
LAWRENCE I SAFRAN	0.60	\$725	435.00
JANE SUMMERS	0.90	\$725	652.50
JUDE M GORMAN	32.30	\$725	23,417.50
ADAM J GOLDBERG	206.10	\$725	149,422.50
SHERVIN W REZAIE	22.80	\$725	16,530.00
WILLIAM D FURNISH	234.10	\$725	169,722.50
ANNEMARIE V REILLY	3.20	\$725	2,320.00
KIMBERLY M COPPOLA	80.20	\$725	58,145.00
JOHN R HOLMAN	130.90	\$725	94,902.50
MICHAEL R SHAHEEN	19.00	\$725	13,775.00
SAMUEL B DE VILLIERS	102.70	\$725	74,457.50
JONATHAN T AMMONS	2.50	\$725	1,812.50
<b>Total Fees</b>	<b>1,183.00</b>		<b>857,675.00</b>

## EXHIBIT B

Costs	Billed Cost	Billed Cost Amount
TELEPHONE	6.70	6.70
MESSENGER/COURIER	90.23	90.23
LEXIS NEXIS	81.68	81.68
LASER COPY	185.51	185.51
MEAL SERVICES	1,025.55	1,025.55
TELEPHONE	326.50	326.50
MEALS - LOCAL	89.92	89.92
GROUND TRANSPORTATION - LOCAL	936.37	936.37
MESSENGER/COURIER	152.56	152.56
SUPPLIES/OFFICE EXPENSE	9.01	9.01
DOCUMENT PREPARATION	162.00	162.00
GLOBAL DOCUMENT SUPPORT	354.00	354.00
GLOBAL DOCUMENT SUPPORT - OVERTIME	15.00	15.00
<b>TOTAL BILLED COSTS</b>	<b>3,435.03</b>	<b>3,435.03</b>

### EXHIBIT C

Date	Name / Invoice Number	Description	Quantity	Rate	Amount
10/12/2012	ANN MARIE RIVETTI	DOCUMENT PREPARATION	1.3	60	78
10/12/2012	DONNA M HOLLAND	DOCUMENT PREPARATION	1	60	60
10/22/2012	ANN MARIE RIVETTI	DOCUMENT PREPARATION	0.4	60	24
10/12/2012	CATALINO C VALDELLON	GLOBAL DOCUMENT SUPPORT	3.1	60	186
10/22/2012	PATRICIA J HOPKINSON	GLOBAL DOCUMENT SUPPORT	0.6	60	36
11/2/2012	CHARLES P ZUCKER	GLOBAL DOCUMENT SUPPORT	0.8	60	48
11/6/2012	SCOTT A ROGERS	GLOBAL DOCUMENT SUPPORT	1.4	60	84
11/7/2012	RHONDA J DE LA O	GLOBAL DOCUMENT SUPPORT - OVERTIME/REDLINES	0.25	60	15
9/27/2012	KIMBERLY M COPPOLA	GROUND TRANSPORTATION - LOCAL	1	13.1	13.1
10/6/2012	WILLIAM D FURNISH	GROUND TRANSPORTATION - LOCAL	1	58.4	58.4
10/9/2012	ADAM J GOLDBERG	GROUND TRANSPORTATION - LOCAL	1	310.54	310.54
10/11/2012	JUDE M GORMAN	GROUND TRANSPORTATION - LOCAL	1	45	45
10/12/2012	MICHAEL R SHAHEEN	GROUND TRANSPORTATION - LOCAL	1	7.15	7.15
10/13/2012	SHERVIN W REZAIE	GROUND TRANSPORTATION - LOCAL	1	9	9
10/13/2012	SHERVIN W REZAIE	GROUND TRANSPORTATION - LOCAL	1	12.5	12.5
10/15/2012	WILLIAM D FURNISH	GROUND TRANSPORTATION - LOCAL	1	52.7	52.7
10/17/2012	SHERVIN W REZAIE	GROUND TRANSPORTATION - LOCAL	1	12.5	12.5
10/18/2012	JOHN R HOLMAN	GROUND TRANSPORTATION - LOCAL	1	190.7	190.7
10/22/2012	WILLIAM D FURNISH	GROUND TRANSPORTATION - LOCAL	1	9	9
10/23/2012	KIMBERLY M COPPOLA	GROUND TRANSPORTATION - LOCAL	1	31	31
10/25/2012	JOHN R HOLMAN	GROUND TRANSPORTATION - LOCAL	1	126.78	126.78
10/26/2012	WILLIAM D FURNISH	GROUND TRANSPORTATION - LOCAL	1	34	34
11/7/2012	MITCHELL A SEIDER	GROUND TRANSPORTATION - LOCAL	1	24	24
10/15/2012	L O COPY	LASER COPY	49	0.13	6.37
10/15/2012	L O COPY	LASER COPY	68	0.13	8.84
10/15/2012	L O COPY	LASER COPY	59	0.13	7.67
10/15/2012	L O COPY	LASER COPY	57	0.13	7.41
10/15/2012	L O COPY	LASER COPY	14	0.13	1.82
10/15/2012	L O COPY	LASER COPY	49	0.13	6.37
10/15/2012	L O COPY	LASER COPY	49	0.13	6.37
10/15/2012	L O COPY	LASER COPY	69	0.13	8.97
10/17/2012	SHARON SPENCER	LASER COPY	10	0.13	1.3
10/17/2012	SHARON SPENCER	LASER COPY	58	0.13	7.54
10/17/2012	SHARON SPENCER	LASER COPY	22	0.13	2.86
10/17/2012	SHARON SPENCER	LASER COPY	16	0.13	2.08
10/17/2012	SHARON SPENCER	LASER COPY	16	0.13	2.08
10/17/2012	SHARON SPENCER	LASER COPY	20	0.13	2.6
10/17/2012	SHARON SPENCER	LASER COPY	16	0.13	2.08
10/17/2012	SHARON SPENCER	LASER COPY	34	0.13	4.42
10/17/2012	SHARON SPENCER	LASER COPY	46	0.13	5.98
10/17/2012	SHARON SPENCER	LASER COPY	205	0.13	26.65
10/17/2012	SHARON SPENCER	LASER COPY	12	0.13	1.56
10/17/2012	SHARON SPENCER	LASER COPY	26	0.13	3.38
10/17/2012	SHARON SPENCER	LASER COPY	23	0.13	2.99
10/17/2012	SHARON SPENCER	LASER COPY	13	0.13	1.69
10/17/2012	SHARON SPENCER	LASER COPY	34	0.13	4.42
10/18/2012	CHRISTOPHER D HALL	LASER COPY	22	0.13	2.86
10/18/2012	CHRISTOPHER D HALL	LASER COPY	22	0.13	2.86
10/18/2012	CHRISTOPHER D HALL	LASER COPY	15	0.13	1.95

10/18/2012	CHRISTOPHER D HALL	LASER COPY	21	0.13	2.73
10/19/2012	CHRISTOPHER D HALL	LASER COPY	18	0.13	2.34
10/19/2012	CHRISTOPHER D HALL	LASER COPY	29	0.13	3.77
10/19/2012	CHRISTOPHER D HALL	LASER COPY	11	0.13	1.43
10/19/2012	CHRISTOPHER D HALL	LASER COPY	29	0.13	3.77
10/19/2012	CHRISTOPHER D HALL	LASER COPY	21	0.13	2.73
10/19/2012	CHRISTOPHER D HALL	LASER COPY	54	0.13	7.02
10/19/2012	CHRISTOPHER D HALL	LASER COPY	18	0.13	2.34
11/1/2012	CHRISTOPHER D HALL	LASER COPY	30	0.13	3.9
11/1/2012	CHRISTOPHER D HALL	LASER COPY	28	0.13	3.64
11/1/2012	CHRISTOPHER D HALL	LASER COPY	28	0.13	3.64
11/1/2012	CHRISTOPHER D HALL	LASER COPY	15	0.13	1.95
11/2/2012	CHRISTOPHER D HALL	LASER COPY	14	0.13	1.82
11/2/2012	CHRISTOPHER D HALL	LASER COPY	26	0.13	3.38
11/3/2012	L O COPY	LASER COPY	51	0.13	6.63
11/13/2012	CHRISTOPHER D HALL	LASER COPY	10	0.13	1.3
10/22/2012	ANNEMARIE V REILLY	LEXIS NEXIS	1	81.68	81.68
10/12/2012	SHERVIN W REZAIE	MEAL SERVICES	1	30.84	30.84
10/12/2012	MICHAEL R SHAHEEN	MEAL SERVICES	1	21.91	21.91
10/13/2012	WILLIAM D FURNISH	MEAL SERVICES	1	26.86	26.86
10/14/2012	WILLIAM D FURNISH	MEAL SERVICES	1	24.37	24.37
10/16/2012	ADAM J GOLDBERG	MEAL SERVICES	1	24.28	24.28
10/16/2012	WILLIAM D FURNISH	MEAL SERVICES	1	26.86	26.86
10/17/2012	ADAM J GOLDBERG	MEAL SERVICES	1	39.09	39.09
10/17/2012	ABIGAIL H EVANS	MEAL SERVICES	1	54.83	54.83
10/18/2012	WILLIAM D FURNISH	MEAL SERVICES	1	47.9	47.9
10/18/2012	ADAM J GOLDBERG	MEAL SERVICES	1	30.88	30.88
10/19/2012	ADAM J GOLDBERG	MEAL SERVICES	1	32	32
10/19/2012	JOHN R HOLMAN	MEAL SERVICES	1	30.88	30.88
10/19/2012	WILLIAM D FURNISH	MEAL SERVICES	1	26.86	26.86
10/20/2012	SAMUEL B DE VILLIERS	MEAL SERVICES	1	12.64	12.64
10/20/2012	JOHN R HOLMAN	MEAL SERVICES	1	31.63	31.63
10/20/2012	WILLIAM D FURNISH	MEAL SERVICES	1	24.37	24.37
10/21/2012	SAMUEL B DE VILLIERS	MEAL SERVICES	1	11.75	11.75
10/21/2012	ADAM J GOLDBERG	MEAL SERVICES	1	15.96	15.96
10/21/2012	JOHN R HOLMAN	MEAL SERVICES	1	32	32
10/22/2012	ADAM J GOLDBERG	MEAL SERVICES	1	30.04	30.04
10/22/2012	SAMUEL B DE VILLIERS	MEAL SERVICES	1	26.83	26.83
10/22/2012	JOHN R HOLMAN	MEAL SERVICES	1	26.81	26.81
10/23/2012	KIMBERLY M COPPOLA	MEAL SERVICES	1	29.35	29.35
10/23/2012	ADAM J GOLDBERG	MEAL SERVICES	1	15.45	15.45
10/23/2012	JOHN R HOLMAN	MEAL SERVICES	1	29.71	29.71
10/24/2012	ADAM J GOLDBERG	MEAL SERVICES	1	37.58	37.58
10/26/2012	ADAM J GOLDBERG	MEAL SERVICES	1	35.24	35.24
10/27/2012	ADAM J GOLDBERG	MEAL SERVICES	1	15.96	15.96
10/27/2012	JOHN R HOLMAN	MEAL SERVICES	1	24.79	24.79
10/31/2012	ADAM J GOLDBERG	MEAL SERVICES	1	34.75	34.75
10/31/2012	JOHN R HOLMAN	MEAL SERVICES	1	30.88	30.88
11/1/2012	ADAM J GOLDBERG	MEAL SERVICES	1	24.79	24.79
11/5/2012	ADAM J GOLDBERG	MEAL SERVICES	1	21.32	21.32



11/5/2012	WILLIAM D FURNISH	MEAL SERVICES	1	24.37	24.37
11/6/2012	WILLIAM D FURNISH	MEAL SERVICES	1	24.37	24.37
11/6/2012	ADAM J GOLDBERG	MEAL SERVICES	1	29.77	29.77
11/7/2012	ADAM J GOLDBERG	MEAL SERVICES	1	17.63	17.63
10/6/2012	WILLIAM D FURNISH	MEALS - LOCAL	1	20.51	20.51
10/20/2012	ADAM J GOLDBERG	MEALS - LOCAL	1	36.65	36.65
10/26/2012	JOHN R HOLMAN	MEALS - LOCAL	1	12.25	12.25
10/27/2012	WILLIAM D FURNISH	MEALS - LOCAL	1	7.51	7.51
11/3/2012	JOHN R HOLMAN	MEALS - LOCAL	1	13	13
10/25/2012	CHRISTOPHER D HALL	MESSENGER/COURIER	1	45.94	45.94
11/14/2012	CHRISTOPHER D HALL	MESSENGER/COURIER	1	44.29	44.29
10/18/2012	ADAM J GOLDBERG	MESSENGER/COURIER - - URBAN EXPRESS INVOCIE	1	108.55	108.55
11/3/2012	WILLIAM D FURNISH	MESSENGER/COURIER - - URBAN EXPRESS INVOICE	1	44.01	44.01
10/31/2012	CHRISTOPHER D HALL	SUPPLIES/OFFICE EXPENSE 15/10/12 1 FOLD	1	9.01	9.01
6/11/2012	ADAM J GOLDBERG	TELEPHONE	1	130	130
10/15/2012	JUDE M GORMAN	TELEPHONE	1	1.97	1.97
10/16/2012	CHRISTOPHER D HALL	TELEPHONE	1	3.14	3.14
10/25/2012	UNASSIGNED EXT. UNASSIGNED	TELEPHONE	1	0.37	0.37
10/31/2012	ADAM J GOLDBERG	TELEPHONE	4	1.09	4.36
11/10/2012	CHRISTOPHER D HALL	TELEPHONE	1	192.43	192.43
11/16/2012	CHRISTOPHER D HALL	TELEPHONE	1	0.93	0.93
					<b>3435.03</b>