

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

IN RE:

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

Debtors.

Chapter 11

Case No. 12-11076 (SHL)

Jointly Administered

**ORDER PURSUANT TO SECTIONS 327(e), 330 AND 331 OF THE
BANKRUPTCY CODE AUTHORIZING THE DEBTORS TO RETAIN AND EMPLOY
LINKLATERS LLP AS SPECIAL COUNSEL TO THE DEBTORS
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 sections 327(e), 330 and 331 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 Linklaters LLP (“*Linklaters*”) as special counsel *nunc pro tunc* to the Petition Date and to compensate Linklaters pursuant to section 330 of the Bankruptcy Code; and upon the Good Declaration in support thereof; and the Court having found that it has jurisdiction to consider this Application pursuant to 28 U.S.C. sections 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 sections 1408 and 1409; and the Court having found that

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

the relief requested in the Application, as modified by the terms of this Order, 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 having considered the statements in support of the relief requested therein at a hearing before the Court (the "**Hearing**"); and the Court having determined that the legal and factual bases set forth in the Application 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 on a final basis.
2. In accordance with sections 327(e), 330 and 331 of the Bankruptcy Code, Bankruptcy Rule 2014, and Local Rule 2014-1, the Debtors are authorized to employ and retain Linklaters *nunc pro tunc* to the Petition Date as special counsel on the terms and conditions set forth in the Application to perform services including, but not limited to, the following:
 - (a) advising the Debtors and assisting the Debtors' general bankruptcy counsel, Gibson, Dunn & Crutcher LLP ("**General Bankruptcy Counsel**") in connection with the Debtors' prepetition credit, security and intercreditor agreements (which are, in the main, governed by the laws of England and Wales) and providing non-bankruptcy services and advice to the Debtors in connection with financing, security and capital structure, and negotiating and drafting documents with respect to laws of jurisdictions other than U.S. and Bahrain, primarily the laws of England and Wales, relating thereto;
 - (b) advising the Debtors and assisting General Bankruptcy Counsel in relation to issues arising from the impact of the Debtors' Chapter 11 Cases on its underlying investments in portfolio companies;
 - (c) advising the Debtors with respect to non-bankruptcy matters involving laws of jurisdictions other than U.S. and Bahrain, and assisting General

Bankruptcy Counsel in formulating and drafting any disclosure statement accompanying any plan of reorganization;

- (d) advising the Debtors and assisting General Bankruptcy Counsel with respect to cross-border issues implicating laws of foreign jurisdictions other than U.S. and Bahrain, in particular the laws of the United Kingdom and the Cayman Islands;
- (e) attending meetings with third parties and participating in negotiations with respect to the above matters;
- (f) except as set forth below, appearing before the Bankruptcy Court, any district or appellate courts, and the U.S. Trustee with respect to the matters referred to above;
- (g) performing the full range of services normally associated with the matters referred to above; and
- (h) providing such other services relating to laws of jurisdictions other than U.S. and Bahrain as the Debtors may request.

3. Linklaters shall be compensated for its services and reimbursed for any related expenses in accordance with Linklaters' normal hourly rates and disbursement policies as set forth in the Application and the Good Declaration and the applicable provisions of 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 or procedures of this Court. Notwithstanding the above, in accordance with ¶ 29 of the Good Declaration, to the extent that Linklaters is acting directly for any non-Debtor affiliates, and except as may be otherwise agreed as appropriate in connection with particular transactions, Linklaters will seek compensation for its services and reimbursement of expenses directly from such non-Debtor affiliates, and not from the Debtors or the Debtors' assets, and such compensation and reimbursement of incurred expenses shall not be subject to approval by the Court pursuant to the Bankruptcy Code, Bankruptcy Rules, Local Rules or any order of the Court; *provided, however*, that any amounts sought from a Debtor as compensation for services and reimbursement of expenses in connection

with particular transactions shall be subject to approval by the Court pursuant to the Bankruptcy Code, Bankruptcy Rules, Local Rules or any order of the Court.

4. Linklaters will not seek reimbursement of actual and necessary out-of-pocket expenses for its instruction of Antony Zacaroli accrued as of the date of this Order. This Order does not prejudice Linklaters' right to seek Court approval for reimbursement for any future services.

5. If at any time Linklaters increases the rates for its services, Linklaters will file a supplemental declaration with the Court describing such increases and provide notice of such increases to the United States Trustee.

6. Linklaters will apply any remaining portion of the Estimated Amount (after application to prepetition fees and expenses) as a credit toward post-petition fees and expenses, as such post-petition fees and expenses become payable by the Debtors to Linklaters pursuant to the procedures for interim compensation of professionals adopted by the Bankruptcy Court in these Chapter 11 Cases.

7. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Application.

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8. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: New York, New York
May 17, 2012

/s/ Sean H. Lane

THE HONORABLE SEAN H. LANE
UNITED STATES BANKRUPTCY JUDGE