

Presentment Date and Time: November 14, 2014 at 12:00 p.m. (prevailing Eastern Time)

Objection Deadline: November 13, 2014 at 4:00 p.m. (prevailing Eastern Time)

Hearing Date and Time (Only if Objection Filed): December 16, 2014 at 2:00 p.m. (prevailing Eastern Time)

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*Counsel for the Reorganized Debtors and
the New Holding Companies*

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

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In re:	:
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ARCAPITA BANK B.S.C.(c), <u>et al.</u> ,	:
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	:
Reorganized Debtors.	:
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	:
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**NOTICE OF PRESENTMENT OF STIPULATION AND AGREED ORDER
REGARDING CLAIM NO. 255 AND CERTAIN RELATED MATTERS**

PLEASE TAKE NOTICE that, on **November 14, 2014 at 12:00 p.m.**

(prevailing Eastern Time), The above-captioned reorganized debtors (the "Reorganized Debtors") and the New Holding Companies¹ (collectively, the "RA Entities") , will present for signature to the Honorable Sean H. Lane, United States Bankruptcy Judge, United States Bankruptcy Court for the Southern District of New York, One Bowling Green, New York, New York 10004 (the "Court"), the *Stipulation and Agreed Order Regarding Claim No. 255 and Certain Related Matters*, attached hereto as Exhibit A (the "Stipulation").

¹ Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Second Amended Joint Plan of Reorganization of the Reorganized Debtors' predecessors in interest (the "Debtors") [Docket No. 1251] (the "Plan").

PLEASE TAKE FURTHER NOTICE that responses or objections to the Stipulation, if any, shall be in writing, shall conform to (a) the Federal Rules of Bankruptcy Procedure, (b) the Local Rules of the Bankruptcy Court for the Southern District of New York, and (c) the Case Management Procedures approved by the Court in the above-captioned cases,² shall set forth the name of the objecting party, the basis for the objection and the specific grounds thereof, and shall be filed with the Court (a) electronically in accordance with General Order M-399 (which can be found at www.nysb.uscourts.gov/court-info/local-rules-and-orders/general-orders) by registered users of the Bankruptcy Court's case filing system, and (b) by all other parties in interest, on a 3.5-inch disk, preferably in Portable Document Format (PDF), WordPerfect, or any other Windows-based word processing format (with two hard copies delivered directly to Chambers), in accordance with the customary practices of the Court and General Order M-399, to the extent applicable, and served in accordance with General Order M-399 and upon: (i) the Chambers of the Honorable Sean H. Lane, One Bowling Green, New York, New York 10004; (ii) counsel to the RA Group, Milbank, Tweed, Hadley & McCloy LLP, 1 Chase Manhattan Plaza, New York, New York 10005 (Attn: Evan R. Fleck, Esq.); (iii) counsel to the al Baraka Entities (as defined in the Stipulation), Dentons US LLP, 1301 K Street, NW, Suite 600, East Tower, Washington, DC, 20005-3364 (Attn: Sam J. Alberts, Esq.); and (iv) 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.), so as to be filed and received no later than **November 13, 2014 at 4:00 p.m. (prevailing Eastern Time)** (the "Objection Deadline").

² See Order (A) Waiving the Requirement that Each Debtor File a List of Creditors and Equity Security Holders and Authorizing Maintenance of Consolidated List of Creditors in Lieu of a Matrix; (B) Authorizing Filing of a Consolidated List of Top 50 Unsecured Creditors; and (C) Approving Case Management Procedures [Docket No. 21].

PLEASE TAKE FURTHER NOTICE that, if no responses or objections to the Stipulation are timely filed, served, and received by the Objection Deadline, the relief requested shall be deemed unopposed, and the Court may enter an order granting the relief sought herein without a hearing.

PLEASE TAKE FURTHER NOTICE that if a written objection is timely served and filed, a hearing to consider the Stipulation (the "Hearing") will be held before the Honorable Sean H. Lane, U.S. Bankruptcy Judge, in Room 701 of the United States Bankruptcy Court, One Bowling Green, New York, New York 10004 on **December 16, 2014 at 2:00 p.m.** (**prevailing Eastern Time**), or as soon thereafter as counsel may be heard.

PLEASE TAKE FURTHER NOTICE that objecting parties are required to attend the Hearing, and failure to appear may result in relief being granted or denied upon default.

Dated: November 6, 2014
New York, New York

MILBANK, TWEED, HADLEY & M^cCLOY LLP

/s/ Evan R. Fleck

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Exhibit A

Stipulation and Agreed Order

Presentment Date and Time: November 14, 2014 at 12:00 p.m. (prevailing Eastern Time)

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

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In re:	:
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ARCAPITA BANK B.S.C.(C), <u>et al.</u> ,	:
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Reorganized Debtors.	:
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Chapter 11
Case No. 12-11076 (SHL)
Confirmed.

**STIPULATION AND AGREED ORDER REGARDING CLAIM NO. 255 AND CERTAIN
RELATED MATTERS**

The above-captioned reorganized debtors (the “Reorganized Debtors”) and the New Holding Companies¹ (collectively, the “RA Entities”), on the one hand, and al Baraka Bank Tunisia (“ABT”), al Baraka Islamic Bank B.S.C. (Bahrain) (“AIB”) and al Baraka Banking Group B.S.C. (Bahrain) (“ABG” and, together with ABT, AIB, and the affiliates of all the foregoing, the “al Baraka Entities” and each, individually, an “al Baraka Entity”), on the other hand, by and through their respective undersigned counsel, hereby stipulate and agree as follows (the “Stipulation”):

¹ Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Second Amended Joint Plan of Reorganization of the Reorganized Debtors’ predecessors in interest (the “Debtors”) [Docket No. 1251] (the “Plan”).

RECITALS

WHEREAS, ABT has timely filed a proof of claim (“Claim No. 255”) against Arcapita Bank B.S.C.(c), asserting a secured claim in the aggregate amount of \$3,625,212.41; and

WHEREAS, on or about March 26, 2013, the Debtors filed their Second Omnibus Objection to Claims (the “Objection”), whereby they objected, among others, to Claim No. 255, seeking to (i) reclassify it as a general unsecured claim, and (ii) reduce its amount to \$3,575,349.35; and

WHEREAS, on or about July 1, 2013, ABT filed a Response to the Objection as it related to Claim No. 255, asserting certain defenses; and

WHEREAS, on or about November 7, 2013, the Reorganized Debtors filed an Omnibus Reply to Certain Responses to Second Omnibus Objection to Claims, whereby they disputed the defenses asserted by ABT; and

WHEREAS, the Reorganized Debtors have also identified certain potential avoidance claims against one or more of the al Baraka Entities (the “Avoidance Claims”), including, but not limited to, those asserted in the actions (a) commenced on or about March 17, 2014: (i) *Arcapita Bank B.S.C. (c) et al. v. al Baraka Banking Group B.S.C.* (Bankr. S.D.N.Y. Adv. Pro. No. 14-01849 (SHL) and (ii) *Arcapita Bank B.S.C. (c) et al. v. al Baraka Islamic Bank B.S.C.* (Bankr. S.D.N.Y. Adv. Pro. No. 14-01850 (SHL), each of which was withdrawn by the Reorganized Debtors on or about March 18, 2014 and (b) commenced on or about May 30, 2014: (i) *Arcapita Bank B.S.C. (c) et al. v. al Baraka Banking Group B.S.C.* (Bankr. S.D.N.Y. Adv. Pro. No. 14-02020 (SHL) and (ii) *Arcapita Bank B.S.C. (c) et al. v. al Baraka Islamic Bank B.S.C.* (Bankr. S.D.N.Y. Adv. Pro. No. 14-02019 (SHL), each of which will be dismissed with

prejudice by the Reorganized Debtors within 20 days of the effectiveness of this Stipulation (collectively, the “Avoidance Actions”); and

WHEREAS, the RA Entities hereby represent and affirm that they have not assigned, sold or otherwise transferred any Avoidance Claim, Avoidance Action or any other claim. Cause of action or right against any al Baraka Entity; and

WHEREAS, the parties engaged in negotiations with respect to all disputed issues between them, including with respect to Claim No. 255 and the Avoidance Claims; and

WHEREAS, the parties wish to consensually resolve all such issues on the terms set forth in this Stipulation, which, to the extent necessary, the Reorganized Debtors aver and are prepared to demonstrate fall within the “range of reasonableness” under Bankruptcy Rule 9019 and which has been served on all parties required to be served by the Plan or as otherwise ordered by the Court.

AGREED ORDER

IT IS THEREFORE AGREED AND, UPON COURT APPROVAL, IT SHALL BE ORDERED THAT:

1. Claim No. 255 is hereby allowed as a Class 5a Claim, as defined in the Plan, in the amount of \$3,624,593.
2. To the extent the Debtors have scheduled as “undisputed” any Claim in addition to Claim No. 255 in favor of any of the al Baraka Entities, and to the extent any such Claim has not yet been paid, such Claim shall be paid in accordance with the terms of the Plan.
3. By virtue, and upon the date of entry of, this Stipulation, the RA Entities, on the one hand, and the al Baraka Entities, on the other hand, shall have and shall be deemed to have released one another and one another’s affiliates, successors, assigns, officers, directors, employees, professionals, and agents from any and all liabilities (whether matured or

unmatured, certain or contingent, liquidated or unliquidated) arising on or prior to such date (for the avoidance of doubt, including specifically the Avoidance Claims), except Claim No. 255, any Claim covered by paragraph 2 above, and any obligations arising under or otherwise preserved pursuant to this Stipulation.

4. By entering into the Stipulation, the al Baraka Entities only consent to this Court's jurisdiction over the subject matter thereof, but do not consent to the Court's jurisdiction over them for general purposes.

5. The Reorganized Debtors shall not attempt to recover any of the distributions previously made on account of Investor Claim No. 50211.

6. The Court shall retain jurisdiction with respect to all matters arising from or related to the implementation or interpretation of the Stipulation.

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Dated: November 6, 2014
New York, New York

Dated: November 6, 2014
Washington, DC

**MILBANK, TWEED, HADLEY &
M^cCLOY LLP**

DENTONS US LLP

/s/ Lena Mandel

/s/ Sam J. Alberts

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*Counsel for the Reorganized Debtors and
the New Holding Companies*

Counsel for the al Baraka Entities

SO ORDERED,

UNITED STATES BANKRUPTCY JUDGE

Dated: _____