

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

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

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

Debtors.**

**INTERIM ORDER (A) AUTHORIZING DEBTORS TO
(I) CONTINUE USE OF EXISTING CASH MANAGEMENT SYSTEM,
BANK ACCOUNTS AND BUSINESS FORMS AND (II) CONTINUE
ORDINARY COURSE INTERCOMPANY TRANSACTIONS; AND
(B) GRANTING AN EXTENSION OF THE TIME TO COMPLY WITH
THE REQUIREMENTS OF SECTION 345(b) OF THE BANKRUPTCY CODE**

Upon consideration of the motion (the "*Motion*")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 interim and final orders (a) authorizing the Debtors to (i) continue using their Cash Management System, Bank Accounts, and business forms and (ii) continue Intercompany Transactions in the ordinary course of business; and (b) granting an extension of time to comply with the requirements of section 345(b) of the Bankruptcy Code, all as set forth in the Motion; and upon the Thompson Declaration in support thereof; and the Court having found that it has jurisdiction to consider this Motion pursuant to 28 U.S.C. §§ 157 and 1334; and the Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and notice of the Motion and the

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

opportunity for a hearing on the Motion was appropriate under the particular circumstances; and the Court having reviewed the Motion 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 Motion 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 Motion is granted to the extent set forth herein on an interim basis.
2. The Debtors are authorized to maintain and use the Cash Management System as described in the Motion.
3. The Debtors are authorized to: (a) continue to use, with the same account numbers, the Bank Accounts in existence on the Petition Date, including, without limitation, those accounts identified on the attached **Exhibit A**; (b) treat the Bank Accounts for all purposes as accounts of the Debtors as debtors in possession; and (c) use their existing Business Forms and are not required to obtain new Business Forms, but shall, to the extent practicable, print the legend "debtor in possession" on such existing Business Forms and, furthermore, as soon as reasonably practicable, the Debtors shall print the legend "debtor in possession" on any newly printed or newly ordered Business Forms, unless such requirement is **subsequently** waived by further order of the Court; *provided* that for Business Forms outside of the United States, the term "debtor in possession" may be translated into the language of the local jurisdiction to identify the Debtors as debtors in possession in chapter 11 bankruptcy cases.
4. Except as otherwise provided in this Order, the Banks are authorized to continue to service and administer the Bank Accounts as accounts of the Debtors as debtors in possession,

without interruption and in the ordinary course, and to receive, process, honor, and pay any and all checks, drafts, wires, and automated clearing house transfers issued and drawn on the Bank Accounts after the Petition Date by the holders or makers thereof, as the case may be.

5. The Banks are authorized to debit the Bank Accounts in the ordinary course of business without need for further order of the Court on account of: (a) all checks drawn on the Bank Accounts that are cashed at such Banks' counters or exchanged for cashier's checks by the payees thereof prior to the Petition Date; (b) all checks or other items deposited in one of the Bank Accounts with such Banks prior to the Petition Date that have been dishonored or returned unpaid for any reason, together with any fees and costs in connection therewith, to the same extent the Debtors were responsible for such items prior to the Petition Date; and (c) all undisputed prepetition amounts outstanding as of the date hereof, if any, owed to any Bank as service charges for the maintenance of the Cash Management System.

6. Notwithstanding any other provision of this Order, no Bank that honors a prepetition check or other item drawn on any account that is the subject of this Order (a) in the good-faith belief that the Court has authorized such prepetition check or item to be honored, or (b) as the result of an innocent mistake made despite implementation of reasonable item handling procedures, shall be deemed to be liable to the Debtors or their estates or otherwise in violation of this Order.

7. The Banks are authorized to charge, and the Debtors are authorized to pay, honor, or allow the Bank Fees, and charge-back returned items to the Bank Accounts in the ordinary course of business.

8. The Debtors are authorized to open any new bank accounts or close any existing Bank Accounts as they may deem necessary and appropriate in their sole discretion; *provided*,

however, that (i) any new account shall comply with the requirements of section 345 of the Bankruptcy Code or (ii) if the Debtors seek to open one or more accounts that do not comply, they shall consult with the U.S. Trustee regarding the reasons why the account is not compliant. All accounts opened by any of the Debtors on or after the Commencement Date at any bank shall, for purposes of this Order, be deemed a Bank Account (as if it had been listed on *Exhibit A* hereto).

9. The Debtors are granted a 45-days extension to comply with the requirements of section 345(b); *provided* that during the 45-day period, the Debtors shall discuss proposed investment guidelines with the U.S. Trustee; *provided, further* that such extension is without prejudice to the Debtors' right to request a further extension or the waiver of in these cases.

10. The Debtors are authorized to continue performing Intercompany Transactions in the ordinary course of business and to honor and pay obligations in connection with the Intercompany Transactions through the next hearing on this Motion on March 29, 2012 or, if such hearing is adjourned or re-scheduled, such later date (the “**Second Interim Hearing**”); *provided* that any disbursements shall not exceed \$10 million during such period and shall be limited to disbursements by Arcapita Bank B.S.C.(c) to fund operations, employee salaries and other like expenses of the Debtors and non-Debtors but shall not include any payment on account of the Bahrain headquarters lease. At the Second Interim Hearing, the Debtors shall provide an accounting of the amounts and uses of such disbursements; *provided, further* that no disbursements will be made to fund Investments held by non-Debtor entities without a further order from this Court. Not less than two days prior to the Second Interim Hearing, the Debtors will file with the Court a proposed budget, including amounts and uses for continued authority for Intercompany Transactions.

11. The Banks are authorized to pay obligations in accordance with this or any separate order of the Court.

12. Except as otherwise provided in this Order or in a separate order of the Court, the Banks shall not honor or pay any bank payments drawn on the listed Bank Accounts or otherwise issued prior to the Petition Date.

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

14. Within three (3) business days of entry of this Order, the Debtors shall *serve a copy of* this Order *on* the Banks.

15. Notwithstanding Bankruptcy Rules 6003 and 6004(h), the terms and conditions of this Order shall be immediately effective and enforceable upon its entry by this Court.

16. The notice requirements set forth in Bankruptcy Rule 6004(a) are hereby waived.

17. The Second Interim Hearing shall be held on March 29, 2012 at 11:00 a.m. prevailing Eastern Time. Any objections or responses to the Motion shall be filed on or before March 26, 2012, and served on Gibson, Dunn & Crutcher LLP, 200 Park Avenue, New York, NY attention: Michael A. Rosenthal and Janet M. Weiss and on the parties, as required by the Local Bankruptcy Rules of the United States Bankruptcy Court for the Southern District of New York.

18. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: New York, New York
March 22, 2012

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

EXHIBIT A

Schedules of Debtors' Bank Accounts

ARCAPITA BANK B.S.C.(c)

ACCOUNT NAMES	CCY	ADDRESS	CONTACT INFORMATION
JP Morgan Chase, New York	US\$	270 Park Avenue, New York, NY 10017, USA	Mr. Nasser Askar Hussain New York Office - Solution Center +1 813 4326182 / +1 813 4326165
JP Morgan Chase, London	€ £ ¥	125 London Wall, London, EC2Y 5AJ	Ms. Natacha Edge London Office - Solution Centre +44 1 202 341881
Arab Banking Corporation	US\$	PO Box 2808, ABC Tower, Diplomatic Area, Manama, Bahrain	Mr. Ali Mahdi +973 17 543575
Bank of Bahrain & Kuwait	BD US\$	PO Box 597, 43 Government Avenue, Manama 305, Bahrain	Mr. Hussain Ali Haddad +973 17 207482
National Bank of Bahrain	BD US\$	PO Box 106, Government Avenue, Manama, Bahrain	+973 17228800
Bahrain Islamic Bank	BD US\$	PO Box 5240, Al Salam Tower, Diplomatic Area, Manama, Bahrain	Mr. Nader Al Bastaki +973 17515913 Ms. Ebtisam Ali Ebrahim +973 17 515146

ARCAPITA BANK B.S.C.(c)
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ACCOUNT NAMES	CCY	ADDRESS	CONTACT INFORMATION
DBS Bank Ltd	S\$	DBS Building, Tower 1, 6 Shenton Way, Singapore 068809, Singapore	Ms. Nagammall Gannapathy Fu Wei Chng Xinlen +65 68789994 Mr. Kenneth Koh +65 68785598
Standard Chartered Bank	US\$	One Madison Ave, New York, NY 10010-3603 United States	Mr. Semih Ozkan DIFC Building One, Dubai. +971 4 5083325 Mr. Jawad Ameer PO Box 29, Bahrain. +973 17 209408
Standard Chartered Bank	£	Client Services Group 6th Floor 1 Basinghall Avenue London EC2V 5DD, United Kingdom	Mr. Semih Ozkan DIFC Building One, Dubai. +971 4 5083325 Mr. Jawad Ameer PO Box 29, Bahrain. +973 17 209408
Standard Chartered Bank	SGD	Client Services Group 6 Battery Road #14-02 Singapore 049909	Mr. Semih Ozkan DIFC Building One, Dubai. +971 4 5083325 Mr. Jawad Ameer PO Box 29, Bahrain. +973 17 209408
Standard Bank PLN Standard Bank SGD	PLN S\$	20 Gresham Street, London, EC2V 7JE, UK	Mr. Martin Angliss +44 20 7815 4377

ARCAPITA INVESTMENT HOLDINGS LIMITED

ACCOUNT NAMES	CCY	ADDRESS	CONTACT INFORMATION
Arcapita Bank B.S.C.(c)	USD BHD GBP EUR SGD	P.O. Box 1406, Manama, Kingdom of Bahrain	+973 17218333

ARCAPITA LT HOLDINGS LIMITED

ACCOUNT NAMES	CCY	ADDRESS	CONTACT INFORMATION
Arcapita Bank B.S.C.(c)	USD GBP EUR SGD	P.O. Box 1406, Manama, Kingdom of Bahrain	+973 17218333