

Hearing Date and Time: TBD
Objection deadline: TBD

Craig E. Johnson
GCG, Inc.
1985 Marcus Avenue, Suite 200
Lake Success, NY 11042
Telephone: (631) 470-5000
Facsimile: (631) 470-5100

Administrative Agent for the Debtors

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

----- X	
IN RE:	: Chapter 11
	: :
ARCAPITA BANK B.S.C.(c), <i>et al.</i> ,	: Case No. 12-11076 (SHL)
	: :
Debtors.	: Jointly Administered
	: :
	: :
----- X	

**FIRST INTERIM FEE APPLICATION OF GCG, INC., AS
ADMINISTRATIVE AGENT FOR THE DEBTORS, FOR ALLOWANCE OF
COMPENSATION AND FOR REIMBURSEMENT OF EXPENSES
INCURRED FOR THE PERIOD OF MARCH 19, 2012 THROUGH JUNE 30, 2012**

Name of Applicant:	GCG, Inc.
Authorized to Provide Professional Services to:	Debtors and Debtors in Possession
Date of Retention:	April 19, 2012 <i>nunc pro tunc</i> to March 19, 2012
Period for which Compensation and Reimbursement is sought:	March 19, 2012 through June 30, 2012
Total Amount of Compensation sought as actual, reasonable, and necessary for applicable period:	\$3,597.50
Total Amount of Expenses sought as actual, reasonable, and necessary for applicable period:	\$0.00

Total Amount of Compensation Paid \$1,976.00
as actual, reasonable, and necessary
for applicable period

Voluntary Reduction for Fee
Application Preparation \$787.17

Total Amount of Holdback Fees \$494.00
sought for applicable period:

This is a: x interim final application.

Summary of Prior Fee Statements:

Time Period	Requested Fees	Holdback¹	Voluntary Reductions	Paid Fees
03/19/12 – 04/30/12	\$2,470.00	\$494.00	\$0.00	\$1,976.00
05/01/12-05/31/2012	\$1,040.00	\$0.00	\$0.00	\$0.00
06/01/12-06/30/12	\$0.00	\$0.00	\$0.00	\$0.00
08/15/12	\$0.00	\$0.00	\$787.17	\$0.00
TOTAL	\$3,597.50	\$494.00	\$787.17	\$1,976.00

¹ The holdback cited is 20% of the First Monthly Fee Statement (\$2,470.00). Since the Second Monthly Fee Statement (and the fee request sought therein) is incorporated in this fee application, there have been no amounts held back for that period.

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

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IN RE:	:	Chapter 11
	:	
ARCAPITA BANK B.S.C.(c), <i>et al.</i> ,	:	Case No. 12-11076 (SHL)
	:	
Debtors.	:	Jointly Administered
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**FIRST INTERIM FEE APPLICATION OF GCG, INC., AS
ADMINISTRATIVE AGENT FOR THE DEBTORS, FOR ALLOWANCE OF
COMPENSATION AND FOR REIMBURSEMENT OF EXPENSES
INCURRED FOR THE PERIOD OF MARCH 19, 2012 THROUGH JUNE 30, 2012**

TO THE HONORABLE SEAN H. LANE,
UNITED STATES BANKRUPTCY JUDGE:

GCG, Inc. (“GCG”), administrative agent to the above-captioned debtors and debtors in possession (the “Debtors”), hereby files its first interim application (the “First Interim Application”) pursuant to section 330 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), Rule 2016-1 of the Local Bankruptcy Rules for the United States Bankruptcy Court for the Southern District of New York (the “Local Bankruptcy Rules”), General Order M-389, *Amended Guidelines for Fees and Disbursements for Professionals in*

Southern District of New York Bankruptcy Cases (the “Local Guidelines”), this Court’s *Order Granting Debtors’ Motion for Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals and Committee Members* (the “Interim Compensation Order”) [Docket No. 159], and the *United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330*, effective January 30, 1996 (the “UST Guidelines”, and along with the Local Guidelines, the “Guidelines”), for allowance and approval of interim compensation for professional services rendered to the Debtors and for reimbursement of actual and necessary expenses incurred in connection with such services from March 19, 2012, through and including June 30, 2012 (the “First Interim Fee Period”).

In support of this First Interim Fee Application, GCG respectfully represents as follows:

Jurisdiction

1. The Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).
2. Venue is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409.
3. The bases for the relief requested herein are sections 330 and 331 of the Bankruptcy Code, Bankruptcy Rule 2016, Local Bankruptcy Rule 2016-1 and the Guidelines. Pursuant to the Local Guidelines, a certification of compliance is attached hereto as **Exhibit A**.

Background

4. On March 19, 2012 (the “Commencement Date”), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections

1107(a) and 1108 of the Bankruptcy Code. On March 22, 2012, this Court entered an order jointly administering these cases (the “Chapter 11 Cases”) pursuant to Bankruptcy Rule 1015(b). On April 30, 2012, Falcon Gas Storage Co., Inc. (the “Subsequent Debtor”) commenced a case under chapter 11 of the Bankruptcy Code. Pursuant to the *Order Pursuant to Section 105(a) of the Bankruptcy Code Directing That Certain Orders in the Chapter 11 Cases of Arcapita Bank B.S.C.(c), et al. Be Made Applicable to Subsequent Debtor* [Docket 239], GCG’s retention includes the Subsequent Debtor.

5. On April 5, 2012, the United States Trustee for the Southern District of New York (the “U.S. Trustee”) appointed an official committee of unsecured creditors (the “Creditors Committee”). To date, no plan or accompanying disclosure statement has been filed.

GCG’s Retention

6. On March 26, 2012, the Debtors filed an application pursuant to section 327(a) of the Bankruptcy Code and Bankruptcy Rule 2014 to retain and employ GCG as their administrative agent *nunc pro tunc* to the Commencement Date (the “Section 327 Application”). An order granting the Section 327 Application and authorizing the Debtors’ retention of GCG as their administrative agent was entered by this Court on April 19, 2012 (the “Retention Order”) [Docket No. 83].¹

7. The Retention Order authorizes the Debtors to compensate and reimburse GCG in accordance with the procedures set forth in section 330 of the Bankruptcy Code, the Bankruptcy

¹ On March 26, 2012, the Debtors filed an application under 28 U.S.C. §156(c) for authorization to retain GCG to serve as the claims and noticing agent in the Chapter 11 Cases (the “Section 156(c) Application”). On April 19, 2012, the Court entered an Order granting the 156(c) Application. Because the administration of the Chapter 11 Cases requires GCG to perform duties outside the scope of 28 U.S.C. §156(c), the Debtors supplemented the Section 156(c) Application with the Section 327 Application. Only those services outside the scope of 28 U.S.C. §156(c) are covered by the Section 327 Application and, therefore, subject to, and covered by, this First Interim Application. All other services rendered by GCG have been, and will continue to be, invoiced to the Debtors directly in accordance with the order granting the Section 156(c) Application.

Rules, the Interim Compensation Order and the Guidelines. The Retention Order authorizes the Debtors to compensate GCG at its hourly rates charged for services of this type and to reimburse GCG for its actual and necessary out-of-pocket expenses incurred, subject to application to this Court as set forth herein. In addition, the Retention Order specifically authorizes GCG to provide the Debtors with the following services, among others: (a) assisting with the preparation and filing of the Debtors' Schedules of Assets and Liabilities (collectively, the "Schedules") and the Statements of Financial Affairs (collectively, the "SoFAs"), (b) generating and providing claim reports and claim objection exhibits as requested by the Debtors and their professionals, (c) managing the publication of legal notices, as requested, (d) managing the preparation, compilation, and mailing of documents to creditors and other parties in interest in connection with the solicitation of a chapter 11 plan (a "Plan"), (e) collecting and tabulating votes in connection with any Plan filed by the Debtors, and providing ballot reports to the Debtors and their professionals, (f) generating an official ballot certification and testifying, if necessary, in support of the ballot tabulation results, (g) managing any distributions made pursuant to a confirmed Plan, and (h) providing such other administrative services as the Debtors may require in connection with the Chapter 11 cases. A copy of the Retention Order is attached hereto as **Exhibit B**.

First Monthly Fee Statement (March 19, 2012 – April 30, 2012)

8. On May 21, 2012, GCG filed its first monthly fee statement covering the work it performed under its Section 327 Application from March 19, 2011 through April 30, 2012 (the "First Monthly Fee Statement"), during which time GCG incurred fees of \$2,470.00. After the 20% "holdback" (\$494.00), the fees sought pursuant to the First Monthly Fee Statement totaled \$1,976.00.

9. Pursuant to the Interim Compensation Order, GCG served the Monthly Fee Statement on: (i) Arcapita Bank B.S.C.(c), Arcapita Building, Bahrain Bay, P.O. Box 1406, Manama, Kingdom of Bahrain (Attn: Henry Thompson), (ii) Gibson, Dunn & Crutcher LLP, 200 Park Avenue, New York, NY 10166 (Attn: Michael A. Rosenthal, Esq., Janet M. Weiss, Esq., and Matthew K. Kelsey, Esq.), (iii) the Office of the U.S. Trustee, 33 Whitehall Street, 22nd Floor, New York, New York 10004 (Attn: Richard Morrissey, Esq.), (iv) the Official Committee of Unsecured Creditors, Milbank, Tweed, Hadley & McCloy LLP, 1 Chase Manhattan Plaza, New York, New York 10005 (Attn: Dennis F. Dunne, Esq. and Evan R. Fleck, Esq.), (collectively, the “Notice Parties”).

10. No objections were filed to the First Monthly Fee Statement, and on July 25, 2012, GCG received \$1,976.00 from the Debtors.

Second Monthly Fee Statement (May 1, 2012 – May 31, 2012)

11. GCG did not previously file a second monthly fee statement covering May 1, 2012 through May 31, 2012 (the “Second Monthly Fee Statement”), during which time GCG incurred fees of \$1,040.00. GCG incorporates the Second Monthly Fee Statement (and the fees requested therein) as part of this application. There were no expenses incurred during this period. Detailed time records for this fee period are attached hereto as **Exhibit C**.

Third Monthly Fee Period (June 1, 2012 to June 30, 2012)

12. During the time period from June 1, 2012 to June 30, 2012, GCG did not incur fees that should be included in a monthly fee statement, and therefore there is no fee or expense request included with this application, for this time period.

Compensation Requested

13. Pursuant to the Interim Compensation Order, GCG submits this First Interim Fee Application seeking approval and allowance of \$3,597.50 in total professional fees billed including the payment of the \$494.00 holdback.

14. For the convenience of the Court and all parties in interest, attached hereto as **Exhibit D** is a schedule of the total amount of GCG's fees by billing category during the First Interim Fee Period. GCG maintains computerized records of the time expended rendering the professional services required by the Debtors and their estates. Such time records were made contemporaneously with the rendering of services by the person performing such services and in the ordinary course of GCG's practice, and are presented in a form that complies with the Local Bankruptcy Rules and the Guidelines.

15. For the convenience of the Court and all parties in interest, attached hereto as **Exhibit E** is a summary by timekeeper for the First Interim Fee Period setting forth: the name of each professional, each professional's length of time with GCG, the aggregate time expended by each professional, the hourly billing rate for each professional at GCG's current billing rates, and an indication of the individual amounts requested as part of the total amount of compensation requested.

16. The rates described herein are GCG's hourly rates for services of this type provided during the First Interim Fee Period. Based on these rates and the services performed by each individual, the total reasonable value of such services rendered during the First Interim Fee Period is \$3,597.50. The fees sought by this First Interim Fee Application reflect an aggregate of 15.4 hours of professional time spent and recorded in performing services for the Debtors under

the Section 327 Application during the First Interim Fee Period at a blended average hourly rate of \$233.60.

17. During the course of the Chapter 11 Cases, GCG's hourly billing rates for professionals ranged from \$45.00 to \$295.00. The hourly rates and corresponding rate structure utilized by GCG in the Chapter 11 Cases are equivalent to the hourly rates and corresponding rate structure predominantly used by GCG for: (i) restructuring, workout, bankruptcy, insolvency, and comparable matters, and (ii) similar complex corporate, securities and litigation matters, whether in court or otherwise, regardless of whether a fee application is required. The rates and rate structure reflect that GCG's matters are typically national in scope and typically involve great complexity, high stakes and severe time pressures.

18. GCG's hourly rates are set at a level designed to compensate GCG fairly for the work of its professionals and to cover fixed and routine overhead expenses. Hourly rates vary with the experience and seniority of the individuals assigned. These hourly rates are subject to periodic adjustments to reflect economic and other conditions and are consistent with the rates charged elsewhere by GCG.

19. GCG regularly reviews its bills to ensure that the Debtors are billed only for services that were actual and necessary and, in accordance with the Guidelines, GCG reduces its fees when warranted. For the First Interim Period, GCG voluntarily reduces its requested fees by \$787.17. This amount is a voluntary reduction for fee application preparation in accordance with the Court's decision in In re Mesa Air Group, Inc., 449 B.R. 441 (Bankr. S.D.N.Y. May 25, 2011). This reduction brings the total amount billed for Fee Application Preparation to approximately five percent of the total professional fees rendered to the Debtors.

20. There is no agreement or understanding between GCG and any other person for the sharing of compensation to be received for services rendered in the Chapter 11 Cases.

21. As discussed below, in accordance with the factors enumerated in section 330 of the Bankruptcy Code, the amount of fees requested is fair and reasonable in light of: (a) the complexity of the Chapter 11 Cases; (b) the time expended; (c) the nature and extent of the services rendered; (d) the value of such services; and (e) the costs of comparable services other than in a case under the Bankruptcy Code.

Summary of Services Performed

22. During the First Interim Fee Period, GCG provided essential and significant professional services to the Debtors in connection with the Chapter 11 Cases. These services were sometimes performed under significant time constraints and were necessary to administer a multitude of critical tasks in the Chapter 11 Cases. To provide a meaningful summary of GCG's services rendered on behalf of the Debtors and their estates, GCG has established, in accordance with the Guidelines and its internal billing procedures, certain subject matters (each, a "Subject Matter") in connection with the Chapter 11 Cases. The following is a summary by Subject Matter of the most significant professional services rendered by GCG during the First Interim Fee Period. This summary is organized in accordance with GCG's internal system of billing tasks and corresponds to the categories itemized on Exhibit C.

Preparation of Schedules and Statements of Financial Affairs

(Fees: \$420.00; Hours: 2.1)

23. GCG reviewed the requirements for Schedules and Statement of Affairs, and conferred with the Debtors and their professionals regarding preparation of same.

Preparation of Fee Statements/Applications

(Fees: \$921.00; Hours: 5.2)

24. In connection with the Interim Compensation Order, GCG incurred time during the First Interim Period preparing and filing the Monthly Fee Statement and the exhibits attached thereto.

Section 327 Retention Application

(Fees: \$2,168.0; Hours: 7.8)

25. In connection with initial and ongoing retention and disclosure requirements, and in connection with the Retention Order, GCG's professionals incurred time on activities including drafting the Section 327 Application and the related declaration, conducting an ongoing conflicts check, drafting and filing a supplemental retention declaration, and preparing for, and participating in hearings to approve GCG's retention.

Section 327 Project Management

(Fees: \$88.50; Hours: 0.3)

26. In connection with project management, GCG incurred time supervising administration, coordinating staffing and compiling a case budget at the request of Debtors' professionals.

Reasonable and Necessary Services Rendered by GCG

27. The foregoing professional services rendered by GCG on behalf of the Debtors during the First Interim Fee Period were reasonable, necessary and appropriate to the administration of the Chapter 11 Cases and related matters. GCG has a prominent Bankruptcy Operations Team and enjoys a national reputation for its expertise in all aspects of bankruptcy case administration, with over 80 professionals focusing on this area of GCG's practice. Indeed,

the professionals within GCG's Bankruptcy Operations group include numerous former bankruptcy attorneys and financial advisors, with decades of experience in all aspects of case administration, and in representing debtors and creditors' committees in connection with their chapter 11 cases.

GCG's Requested Compensation and Reimbursement Should be Allowed

28. Section 331 of the Bankruptcy Code provides for interim compensation of professionals and incorporates the substantive standards of section 330 of the Bankruptcy Code to govern the Court's award of such compensation. Section 330 of the Bankruptcy Code provides that a court may award a professional employed under section 327 of the Bankruptcy Code "reasonable compensation for actual necessary services rendered . . . and reimbursement for actual, necessary expenses." 11 U.S.C. § 330(a)(1). Section 330 also sets forth the criteria for the award of such compensation and reimbursement:

In determining the amount of reasonable compensation to be awarded, the court should consider the nature, extent, and the value of such services, taking into account all relevant factors, including –

- (A) the time spent on such services;
- (B) the rates charged for such services;
- (C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title;
- (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed; and
- (E) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

11 U.S.C. § 330(a)(3). The clear Congressional intent and policy expressed in this statute is to provide for adequate compensation in order to continue to attract qualified and competent bankruptcy practitioners to bankruptcy cases.

29. In the Chapter 11 Cases, GCG respectfully submits that the services for which it seeks compensation in this First Interim Fee Application were, at the time rendered, necessary for, and beneficial to, the Debtors and their estates. GCG further believes that it performed the services for the Debtors economically, effectively and efficiently, and the results obtained benefited not only the Debtors, but also the Debtors' estates and the Debtors' constituents. GCG further submits that the compensation requested herein is reasonable in light of the nature, extent, and value of such services to the Debtors, their estates and all parties in interest.

30. In sum, GCG respectfully submits that the professional services rendered by GCG on behalf of the Debtors and their estates during the Chapter 11 Cases were necessary and appropriate given the complexity of the Chapter 11 Cases, the time expended by GCG, the nature and extent of GCG's services rendered, the value of GCG's services, and the cost of comparable services provided outside of bankruptcy, all of which are relevant factors set forth in section 330 of the Bankruptcy Code. Accordingly, GCG respectfully submits that approval of the compensation sought herein is warranted and should be approved.

Notice

31. Notice of this First Interim Application will be provided to the Compensation Notice Parties as defined in and pursuant to the terms set forth in the Interim Compensation Order, and GCG respectfully submits that no further notice is necessary.

No Prior Request

32. No prior request for the relief sought in this First Interim Application has been made to this Court or any other court.

Conclusion

WHEREFORE, GCG respectfully requests entry of an order (i) approving and allowing GCG's total professional fees for the First Interim Fee Period in the amount of \$3,597.50, reduced by the voluntary reduction of \$787.17, to \$2,810.33, and including the payment of the \$494.00 holdback; (ii) authorizing and directing the Debtors to pay GCG \$834.33, representing all unpaid fees and expenses for the First Interim Period, and (iii) granting such other and further relief as the Court deems just and proper.

August 15, 2012
Lake Success, New York

GCG, INC.

/s/ Craig Johnson
Craig Johnson
1985 Marcus Avenue, Suite 200
Lake Success, New York 11042
Telephone: (631) 470-5000
Facsimile: (631) 470-5100

Administrative Agent for the Debtors
And Debtors in Possession

FIRST INTERIM APPLICATION INDEX

- Exhibit A Certification**
- Exhibit B Retention Order**
- Exhibit C Detailed Time Entries for Second Monthly Statement**
- Exhibit D Summary of Compensation by Billing Category**
- Exhibit E Summary by Timekeeper**

EXHIBIT A

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

----- X	
IN RE:	: Chapter 11
	: :
ARCAPITA BANK B.S.C.(c), <i>et al.</i> ,	: Case No. 12-11076 (SHL)
	: :
Debtors.	: Jointly Administered
	: :
----- X	

CERTIFICATION OF CRAIG E. JOHNSON

CRAIG E. JOHNSON, hereby declares:

1. I am a Senior Director with GCG, Inc. ("GCG"), and I am authorized to make and submit this certification on behalf of GCG. GCG is the administrative agent for the debtors and debtors-in-possession (the "Debtors") in the above-captioned proceeding. Our business address is 1985 Marcus Avenue, Suite 200, Lake Success, New York 11042-1013.

2. I submit this certification with respect to the First Interim Application¹ of GCG for compensation for professional services rendered and reimbursement of actual and necessary expenses incurred during the period March 19, 2012, through June 30, 2012.

3. I make this certification in accordance with Bankruptcy Rule 2016, Local Bankruptcy Rule 2016-1, and the Guidelines. In connection therewith, I hereby certify that:

- (a) I have read the First Interim Application;
- (b) To the best of my knowledge, information, and belief formed after reasonable inquiry, the fees and disbursements sought in the First Interim Application fall within the Guidelines;

¹ Unless otherwise defined herein, all capitalized terms used herein shall have the meanings set forth in the First and Final Fee Application.

(c) Except to the extent that fees or disbursement are prohibited by the Guidelines, the fees and disbursement requested in the First Interim Application are billed in accordance with practices customarily employed by GCG and generally accepted by GCG's clients;

(d) With certain exceptions, in providing a reimbursable expense, GCG does not make a profit on that expense, whether the service is performed by GCG in-house or through a third party;

(e) In accordance with the *Order Granting Debtors' Motion for Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals and Committee Members* [Docket No. 159], GCG has filed herein, a First Interim Application; and

(f) Pursuant to the Local Guidelines, the Debtors, and the U.S. Trustee will each be provided with a copy of the First Interim Application simultaneously with the filing thereof and will have at least 14 days to review such First Interim Application prior to any objection deadline with respect thereto.

4. All services for which compensation is requested by GCG were services performed for and on behalf of the Debtors and their estates and not on behalf of any other person.

5. In accordance with 18 U.S.C. § 155, neither I nor any professional within GCG has entered into any agreement, express or implied, with any other party in interest for the purpose of fixing the amount of any of the fees or other compensation to be allowed out of or paid from the Debtors' estates.

Dated: August 15, 2012
Lake Success, New York

/s/ Craig E. Johnson
Craig E. Johnson

Exhibit B

Retention Order

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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

**FINAL ORDER AUTHORIZING AND APPROVING THE EMPLOYMENT
AND RETENTION OF GCG, INC. AS ADMINISTRATIVE
AGENT FOR THE DEBTORS AND DEBTORS IN POSSESSION
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*”), pursuant to 11 U.S.C. §§ 327(a), 330, and 331 of title 11 of the United States Code (the “*Bankruptcy Code*”) and Rules 2014 and 2016 of the Federal Rules of Bankruptcy Procedure (the “*Bankruptcy Rules*”) and Local Bankruptcy Rules 2014-1 of the Local Bankruptcy Rules of the Southern District of New York (the “*Local Rules*”) for entry of an order authorizing the Debtors to employ and retain GCG, Inc. as administrative agent for the Debtors, *nunc pro tunc* to the Petition Date, all as more fully set forth in the Application; and upon the Declaration of Craig Johnson attached to the Application as *Exhibit D* (the “*Johnson Declaration*”); and it appearing that the over 1,000 domestic and international creditors and other parties in interest involved in the Debtors’ Chapter 11 Cases may impose heavy administrative and other burdens on the Debtors and the Debtors’ professionals; and the Court having subject matter jurisdiction to consider the Application and the relief requested therein pursuant to 28

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

U.S.C. § 1334 and the Standing Order of Referral of Cases to Bankruptcy Court Judges of the District Court for the Southern District of New York, dated July 10, 1984 (Ward, Acting C.J.); and the Application being a core proceeding under 28 U.S.C. § 157(b); and venue being proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Application having been provided, and no other or further notice being required; and the relief requested in the Application being in the best interests of the Debtors and their estates, creditors of the Debtors and all parties in interest; and the Court having reviewed the Application and the Johnson Declaration, and having heard 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, the Johnson Declaration, 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 THAT:

1. The Application is granted as provided herein.
2. The retention of GCG as Administrative Agent to the Debtors, *nunc pro tunc* to the Petition Date, on the terms and conditions set forth in the Engagement Agreement, a copy of which is attached to the Application as *Exhibit C*, and as described in the Application, is hereby approved.
3. Pursuant to section 503(b)(1)(A)(i) of the Bankruptcy Code, GCG’s fees and expenses incurred pursuant to the Engagement Agreement are to be treated as an administrative expense of the Debtors’ chapter 11 estates.
4. GCG is authorized to perform all actions and services set forth in the

Application, including to:²

- a) Assist with the preparation and filing of the Debtors' schedules of assets and liabilities and statements of financial affairs;
 - b) Generate and provide claim reports and claim objection exhibits, as requested by the Debtors and their professionals;
 - c) Manage the preparation, compilation, and mailing of documents to creditors and other parties in interest in connection with the solicitation of a chapter 11 plan (a "**Plan**");
 - d) Manage the publication of legal notices, as requested;
 - e) Collect and tabulate votes in connection with any Plan filed by the Debtors and provide ballot reports to the Debtors and their professionals;
 - f) Generate an official ballot certification and testify, if necessary, in support of the ballot tabulation results;
 - g) Manage any distributions made pursuant to a confirmed Plan; and
 - h) Provide such other administrative services as the Debtors may require in connection with the Chapter 11 Cases.
5. To the extent that GCG's duties exceed the scope of the Section 156(c)

Application, GCG shall be compensated in accordance with, and will file, interim and final fee applications for allowance of its compensation and expenses and shall be subject to sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, the Fee Guidelines (as defined in the Application) and any further order of the Court.

6. GCG shall be reimbursed for reasonable and necessary expenses as provided by the Fee Guidelines.

7. Prior to the Petition Date, the Debtors paid to GCG a retainer in the amount of \$30,000.00. As of the Petition Date, GCG has applied the retainer to all prepetition invoices. GCG shall apply any remaining amounts of its prepetition retainer as a credit toward

² Contemporaneously with the filing of the underlying Application, the Debtors filed a separate application to retain and employ GCG as notice and claims agent (the "**Section 156(c) Application**").

postpetition fees and expenses, after such postpetition fees and expenses are approved pursuant to the first Order of the Court awarding fees and expenses to GCG.

8. The Debtors and GCG are authorized to take such other action to comply with all of the duties set forth in the Application.

9. To the extent that there may be any inconsistency between the terms of the Application, the Engagement Agreement or this Order, the terms of this Order shall govern.

10. This Order shall be immediately effective and enforceable upon its entry.

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

Dated: New York, New York

April 19, 2012

/s/ Sean H. Lane

THE HONORABLE SEAN H. LANE
UNITED STATES BANKRUPTCY JUDGE

Exhibit C

Detailed Time Entries for Second Monthly Fee Statement

GCG Detailed Time Entries

Date	Time Elapsed	Associate	Activity	Billing Amount	Description
Fee Application Preparation					
5/1/2012	0.2	Jankowski, Susan	Fee Application Preparation	\$35.00	Communications with case team regarding preparations for filing fee statements in connection with compensation procedures.
5/2/2012	0.1	Jankowski, Susan	Fee Application Preparation	\$17.50	Conducted case docket monitoring audit.
5/8/2012	1.0	Jankowski, Susan	Fee Application Preparation	\$175.00	Reviewed exhibits to fee application as to proper categorization (8); exchanged email correspondence with team regarding same (2).
5/9/2012	0.3	Jankowski, Susan	Fee Application Preparation	\$52.50	Requested expense information from billing department in connection with filing monthly fee statements (1); reviewed exhibits for same (2).
5/11/2012	0.4	Jankowski, Susan	Fee Application Preparation	\$70.00	Reviewed exhibits to fee statements (3); drafted email correspondence to team regarding same (1).
5/18/2012	0.3	Jankowski, Susan	Fee Application Preparation	\$52.50	Reviewed fee procedures order (2); conversation and email correspondence with C. Johnson regarding same (1).
5/21/2012	1.9	Jankowski, Susan	Fee Application Preparation	\$332.50	Drafted cover sheet for monthly fee statement (6); email correspondence with R. Nadick re same (1); compiled exhibits for monthly statement (5); conversations, and email correspondence with team regarding fee procedures and filing of fee statement (3). Worked on indexing documents in connection with fee application preparation.
5/22/2012	0.2	Jankowski, Susan	Fee Application Preparation	\$35.00	Reviewed and approved monthly fee statement for March and April.
5/21/2012	0.3	Johnson, Craig	Fee Application Preparation	\$88.50	Reviewed and approved monthly fee statement for March and April.
5/2/2012	0.1	Midnet, Catherine	Fee Application Preparation	\$4.50	Indexed fee statements, applications, and related orders
5/21/2012	0.3	Nadick, Ryan	Fee Application Preparation	\$52.50	Attended to first monthly fee statement
5/24/2012	0.1	Posa, Margaret	Fee Application Preparation	\$5.50	Updated internal records in connection with preparation of interim fee application.
Section 327 Project Management					
5/18/2012	0.2	Johnson, Craig	Section 327 Project Management	\$59.00	Compiled information and calculated budget estimate at request of Alvarez & Marsal.
5/21/2012	0.1	Johnson, Craig	Section 327 Project Management	\$29.50	Provide A&M with budget estimate.
Section 327 Retention					
5/1/2012	0.2	Johnson, Craig	Section 327 Retention	\$59.00	Finalized supplemental Johnson Retention Declaration.
5/4/2012	0.2	Johnson, Craig	Section 327 Retention	\$59.00	Executed and filed Johnson supplemental retention declaration.

GCG Detailed Time Entries

Date	Time Elapsed	Associate	Activity	Billing Amount	Description
			Total Billing Amount:	\$1,127.50	

Exhibit D

Summary of Compensation by Billing Category

COMPENSATION BY BILLING CATEGORY

Arcapita Bank B.S.C.(c), et al.
(March 16, 2012 – June 30, 2012)

	BLENDDED RATE	TOTAL HOURS BILLED	TOTAL FEES
Fee Application Preparation ¹	\$177.12	5.2	\$921.00
Schedules/SoFAs/Other Schedules	\$200.00	2.1	\$420.00
Section 327 Project Management	\$295.00	0.3	\$88.50
Section 327 Retention	\$277.95	7.8	\$2,168.00
Total	\$233.60	15.4	\$3,597.50

¹ For the First Interim Period, GCG voluntarily reduces its requested fees for Fee Application Preparation by \$787.17. This amount is a voluntary reduction for fee application preparation in accordance with the Court's decision in In re Mesa Air Group, Inc., 449 B.R. 441 (Bankr. S.D.N.Y. May 25, 2011). This reduction brings the total amount billed for Fee Application Preparation to approximately five percent (\$133.83) of the total professional fees rendered to the Debtors.

Exhibit E

Summary by Timekeeper

SUMMARY OF BILLING BY TIMEKEEPER

Arcapita Bank B.S.C.(c), *et al.*
(March 16, 2012 - June 30, 2012)

Name of Professional Person	Position with the applicant and number of years in that position	Hourly Billing Rate	Total Hours Billed	Total Compensation
Johnson, Craig	Sr. Director, Bankruptcy (6.87 yrs.)	\$ 295.00	6.5	\$1,917.50
Kinealy, Paul	Director, Bankruptcy (2.84 yrs.)	\$ 250.00	0.7	\$175.00
Petriano, Karen E.	Ass't Director, Bankruptcy (9.07 yrs.)	\$ 225.00	1.9	\$427.50
Ashley, Jeanette	Sr. Project Manager, Bankruptcy (1.61 yrs.)	\$ 175.00	1.4	\$245.00
Jankowski, Susan	Sr. Project Manager, Bankruptcy (2.86 yrs.)	\$ 175.00	4.4	\$770.00
Nadick, Ryan	Sr. Project Manager, Bankruptcy (0.54 yrs.)	\$ 175.00	0.3	\$52.50
Posa, Margaret	Administrative Assistant (3.16 yrs.)	\$ 55.00	0.1	\$5.50
Midnet, Catherine	Clerical Assistant (0.45 yrs.)	\$ 45.00	0.1	\$4.50
	TOTAL		15.4	\$3,597.50

Blended Rate: \$233.60