

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

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	:	
<b>In re:</b>	:	
	:	<b>Chapter 11</b>
<b>ARCAPITA BANK B.S.C.(c), et al.,</b>	:	
	:	<b>Case No. 12-11076 (SHL)</b>
	:	
<b>Debtors.</b>	:	<b>Jointly Administered</b>
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**SUMMARY SHEET FOR FIRST FEE APPLICATION OF KPMG LLP (US)  
AS TAX CONSULTANTS TO THE DEBTORS AND DEBTORS IN POSSESSION,  
FOR INTERIM ALLOWANCE AND COMPENSATION FOR PROFESSIONAL  
SERVICES RENDERED AND REIMBURSEMENT OF ACTUAL AND  
NECESSARY EXPENSES  
INCURRED FROM MARCH 19, 2012 THROUGH JULY 31, 2012**

<b>NAME OF APPLICANT:</b>	KPMG LLP (US)	
<b>TIME PERIOD:</b>	March 19, 2012 through and including July 31, 2012	
<b>ROLE IN THIS CASE:</b>	Tax Consultants to the Debtors and Debtors in Possession	
<b>CURRENT APPLICATION:</b>	Total Fees Requested: (discounted)	\$ 80,003.95
	Total Expenses Requested:	\$ 0.00
<b>THIS APPLICATION IS AN:</b>	<u> X </u> Interim    ___ Final Application	

**COMPENSATION BY PROFESSIONAL**  
**March 19, 2012 through July 31, 2012**

<u>Professional</u>	<u>Position</u>	<u>Current Hours Billed</u>	<u>Hourly Rate</u>	<u>Fees Billed</u>
Grande, Mary C.	Partner	5.0	\$ 665.00	\$ 3,325.00
DeCairano, Jill M	Senior Manager	15.9	\$ 507.50	\$ 8,069.25
DeCairano, Jill M	Senior Manager	4.1	\$ 580.00	\$ 2,378.00
DeCairano, Jill M	Manager	8.0	\$ 460.00	\$ 3,680.00
Sellers, Monica	Manager	15.3	\$ 492.00	\$ 7,527.60
Kim, Dale Y	Manager	0.5	\$ 492.00	\$ 246.00
Avdzhieva, Denitsa D	Senior Associate	25.5	\$ 318.50	\$ 8,121.75
Beel, Ryan C	Senior Associate	54.5	\$ 318.50	\$ 17,358.25
Beel, Ryan C	Senior Associate	12.0	\$ 364.00	\$ 4,368.00
Tatum, Pamela Renea	Senior Associate	7.9	\$ 364.00	\$ 2,875.60
Tomasovich, Datus	Senior Associate	0.5	\$ 318.50	\$ 159.25
Lewis, Kimberlyetta R	Associate	45.5	\$ 245.00	\$ 11,147.50
Lewis, Kimberlyetta R	Associate	4.0	\$ 280.00	\$ 1,120.00
Chigurupati, Vijaya	Paraprofessional	82.2	\$ 122.50	\$ 10,069.50
Chigurupati, Vijaya	Paraprofessional	6.0	\$ 140.00	\$ 840.00
<b>Total Hours and Discounted Fees</b>		<b>286.9</b>		<b>\$ 81,285.70</b>

Discounted Fees	\$ 81,285.70
Less Reduction due to Difference in June tax compliance billing rates	\$ (1,281.75)
<b>Subtotal of Fees</b>	<b>\$ 80,003.95</b>
Out of Pocket Expenses	\$ -
<b>Net Requested Fees &amp; Out of Pocket Expenses</b>	<b>\$ 80,003.95</b>

**Hourly Blended Rate** **\$ 354.18**

<sup>(1)</sup> Effective July 1, 2012 Jill DeCairano was promoted to Senior Manager from Manager.

<sup>(2)</sup> This work relates to tax consulting services and as such the tax consulting rates apply.

<sup>(3)</sup> The rate differential for professionals listed is due to an inadvertent error in the tax compliance rates applied in the June fee statement and corrected via \$1,281.75 reduction.

<sup>(4)</sup> This adjustment is necessary to correct a billing error on the June Fee Statement. To the extent further detail is necessary, KPMG would be happy to provide such detail.

**COMPENSATION BY PROJECT CATEGORY**  
**March 19, 2012 through July 31, 2012**

<u>Category</u>	<u>Hours</u>	<u>Fees</u>
Tax Compliance Services	259.6	\$ 67,222.75
Retention Preparation	13.9	\$ 6,838.80
Fee Application Preparation	9.3	\$ 3,564.40
Tax Consulting Services	4.1	\$ 2,378.00
<b>Total</b>	<b>286.9</b>	<b>\$ 80,003.95</b>

**EXPENSE SUMMARY**  
**March 19, 2012 through July 31, 2012**

<u>Category</u>	<u>Amount</u>
Airfare	\$ 0.00
Lodging	\$ 0.00
Meals	\$ 0.00
Ground Transportation	\$ 0.00
Miscellaneous	\$ 0.00
<b>Total</b>	<b>\$ 0.00</b>

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

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<b>In re:</b>	:	
	:	<b>Chapter 11</b>
<b>ARCAPITA BANK B.S.C.(c), et al.,</b>	:	
	:	<b>Case No. 12-11076 (SHL)</b>
	:	
<b>Debtors.</b>	:	
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**FIRST FEE APPLICATION OF KPMG LLP (US),  
AS TAX CONSULTANTS TO THE DEBTORS AND DEBTORS IN POSSESSION,  
FOR INTERIM ALLOWANCE AND COMPENSATION FOR PROFESSIONAL  
SERVICES RENDERED AND REIMBURSEMENT OF ACTUAL AND  
NECESSARY EXPENSES  
INCURRED FROM MARCH 19, 2012 THROUGH JULY 31, 2012**

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

KPMG LLP (“KPMG-US”), tax consultants to the above-captioned debtors and debtors in possession (the “Debtors”), in support of its First Fee Application for Interim Allowance of Compensation for Professional Services Rendered and Reimbursement of Actual and Necessary Expenses Incurred from March 19, 2012 through July 31, 2012 (the “Application”), pursuant to sections 330(a) and 331 of title 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Local Bankruptcy Rules for the United States Bankruptcy Court for the Southern District of New York (the “Local Bankruptcy Rules”), respectfully states as follows:

### **JURISDICTION**

1. This Court has subject matter jurisdiction to consider and determine this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

### **BACKGROUND**

2. On March 19, 2012 (the “Petition Date”), each of the Debtors commenced cases (the “*Chapter 11 Cases*”) under chapter 11 of the Bankruptcy Code. The Debtors are operating their businesses and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

3. 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*”) pursuant to section 1102 of the Bankruptcy Code. No trustee or examiner has been appointed in this chapter 11 case.

### **KPMG-US’s FEES AND EXPENSES**

4. By application dated May 2, 2012, the Debtors sought entry of an order authorizing the retention of KPMG-US as tax consultants to the Debtors *nunc pro tunc* to the Petition Date (the “Retention Application”). By Order (the “Retention Order”) dated July 11, 2012, this Court approved the retention of KPMG-US as tax consultants to the Debtors. A copy of the Retention Order is attached hereto as Exhibit A.

5. This Application has been prepared in accordance with: (a) the Administrative Order Re: Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases approved by the Board of Judges on April 19, 1995 (the “Local Guidelines”), (b) the United States Trustee

Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 adopted on January 30, 1996 (the “UST Guidelines”), and (c) the Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures Governing Interim Monthly Compensation of Professionals, dated May 18, 2010 (the “Interim Compensation Order,” and collectively with the Local Guidelines and the UST Guidelines, the “Guidelines”). Pursuant to the Guidelines, a certification regarding compliance with same is annexed as Exhibit F.

6. By this Application, KPMG-US respectfully requests (i) an interim allowance for professional services rendered to the Debtors during the period March 19, 2012 through July 31, 2012 (the “Compensation Period”), in the amount of \$80,003.95, and for reimbursement of expenses incurred in connection with the rendition of such services in the aggregate of \$0.00. KPMG-US’s request for compensation is broken down as follows:

Compensation Period	Requested		Paid		Amount Outstanding
	Requested Fees	Requested Expenses	Fees Paid to Date	Expenses Paid to Date	
03-19-12 to 06-30-12	\$17,820.80	\$0.00	\$14,256.64	\$0.00	\$3,564.16
07-01-12 to 07-31-12	\$62,183.15	\$0.00	\$0.00 <sup>1</sup>	\$0.00	\$62,183.15
<b>Total</b>	<b>\$80,003.95</b>	<b>\$0.00</b>	<b>\$14,256.64</b>	<b>\$0.00</b>	<b>\$65,747.31</b>

7. During the Compensation Period, other than pursuant to the Interim Compensation Order, KPMG-US has received no payment and no promises of payment

<sup>1</sup> KPMG-US filed the second monthly fee statement covering the period of July 1, 2012 through July 31, 2012 on August 14, 2012, Docket No. 394. As of the date hereof, the Objection Period for KPMG-US’s second monthly fee statement *has* not expired. Accordingly, the Debtors have not yet paid to KPMG-US any fees or expenses in connection with this period. Assuming no objection is timely filed to KPMG-US’s second monthly fee statement, the Debtors are authorized, pursuant to the Interim Compensation Order, to pay KPMG-US \$49,746.52 for fees (80% of fees) and \$0.00 for expenses (100% of expenses) incurred during the Compensation Period.

from any source for services rendered or to be rendered in this case. There is no agreement or understanding between KPMG-US and any other entity, other than a member, partner or regular associate of KPMG-US, for the sharing of compensation received or to be received for services rendered in connection with this case. KPMG-US did not receive a security retainer or advance payment for fees and expenses incurred in this case.

8. Pursuant to the UST Guidelines, annexed as Exhibit B is a schedule setting forth all KPMG-US professionals who have performed services in this chapter 11 case during the Compensation Period, the capacities in which each such individual is employed by KPMG-US, the hourly billing rate charged by KPMG-US for services performed by such individual, and the aggregate number of hours expended in this matter and fees billed therefore.

9. Pursuant to Section II.D of the UST Guidelines, annexed as Exhibit C is a summary of KPMG-US's time records billed during the Compensation Period by project category. Detailed records of hours expended and associated fees by professional during the Compensation Period are attached hereto as Exhibits E1 – E4.

10. During the Compensation Period, KPMG-US has not incurred expenses as reflected in Exhibit D.

#### **SUMMARY OF SERVICES**

11. KPMG-US has provided such services as were necessary and appropriate to the Debtors in the course of this chapter 11 case. The full scope and breadth of the services rendered are reflected in the monthly fee statements, which were filed and provided to the Notice Parties, as defined in the Interim Compensation Order, and

incorporated herein. Set forth below is a summary of the services KPMG-US rendered to the Debtors during the Compensation Period. During the Compensation Period, KPMG-US provided the following services to the Debtors:

**Tax Compliance Services**

- (i) Preparation and review of federal and state and local corporate tax returns and supporting schedules, including preliminary engagement planning activities related to the tax returns for the 2011 tax year;
- (ii) Determining the corporations' quarterly estimated tax payments for the 2012 tax year;
- (iii) Preparation and review of amended federal and state tax returns for U.S. Senior Living Funding, Inc. and USSLF Subco, Inc. for the year ended December 31, 2009; and

**Tax Consulting Services**

- (i) Consulting on tax matters that may arise for which the Debtors seek our advice, both written and oral

**Retention and Fee Application Preparation**

- (i) Retention services - included the preparation of Partner declaration and retention order; including discussions with KPMG-US Partners and Debtor's counsel related to employment application and filing of same; and
- (ii) Fee application preparation services - the billing procedures required by the Guidelines differ from KPMG-US's normal billing procedures, and as such, this case has required significant effort to (a) compile and review summary schedules of fees incurred; and (b) draft the schedules included in the monthly fee statements.

12. The professional services performed by KPMG-US were in the best interests of the Debtors, its estate and other parties in interest. Compensation for the



foregoing services as requested is commensurate with the complexity, importance, and nature of the problems, issues, or tasks involved. The professional services were performed expediently and in an efficient manner.

13. During the Compensation Period, KPMG-US billed the Debtors for time expended by professionals based on hourly rates ranging from \$122.50 to \$665.00 per hour. Of the aggregate time expended, 5.0 hours were expended by principals and partners, 43.8 hours were expended by senior managers and managers, 149.9 hours were expended by senior associates and associates, and 88.2 were expended by paraprofessionals. During the Compensation Period KPMG-US's blended hourly rate for services provided regarding its discounted fees is \$354.18.

**ACTUAL AND NECESSARY DISBURSEMENTS OF KPMG-US**

14. As set forth on Exhibit D and D1, KPMG-US is not aware of any expenses incurred by KPMG-US during the Compensation Period.

**THE REQUESTED COMPENSATION SHOULD BE ALLOWED**

15. Section 331 of the Bankruptcy Code provides for interim compensation of professionals and incorporates the substantive standards of section 330 to govern the Court's award of such compensation. 11 U.S.C. § 331. Section 330 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." *Id.* § 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 shall consider the

nature, the 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;
- (E) with respect to a professional person whether the person is board certified or otherwise has demonstrated skill and experience in the bankruptcy field; and
- (F) 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).

16. The services for which KPMG-US seeks compensation in this Application were necessary for and beneficial to the orderly administration of the Debtors' estate and its rehabilitation and reorganization effort. The Debtors retained KPMG-US as tax consultants to provide it with a variety of necessary services during the course of this case. These services were necessary to and in the best interests of the Debtors' estate and creditors.

17. Accordingly, the compensation requested herein is reasonable in light of the nature, extent, and value of such services to the Debtors, its estate, and all parties in interest.

18. All of KPMG-US's professionals that rendered services in these proceedings made a deliberate effort to avoid unnecessary duplication of work and time expended. In certain instances, however, conferences and/or collaboration were necessary among KPMG-US's professionals.

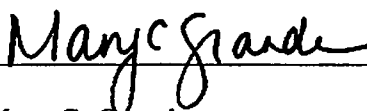
19. In sum, the services rendered by KPMG-US were necessary and beneficial to the Debtors' estate and were consistently performed in a timely manner commensurate with the complexity, importance, and nature of the issues involved, and approval of the compensation for professional services and reimbursement of expenses sought herein is warranted.

20. To the extent that time or disbursement charges for services rendered or disbursements incurred relate to the Compensation Period, but were not processed prior to the preparation of this Application, KPMG-US reserves the right to request additional compensation for such services and reimbursement of such expenses in a future application. Furthermore, KPMG-US reserves the right to seek final approval of the fees and expenses requested herein.

**CONCLUSION**

**WHEREFORE**, KPMG-US respectfully requests that the Court enter an order (i) approving the interim allowance for professional services rendered to the Debtors during the Compensation Period, in the amount of \$80,003.95 and reimbursement for actual and necessary expenses incurred in connection with the rendition of such services in the aggregate of \$0.00; ii) holding that the allowance of such interim compensation for professional services rendered and reimbursement of actual and necessary expenses incurred be without prejudice to KPMG-US's right to seek additional compensation for services performed and expenses incurred during the Compensation Period which were not processed at the time of this Application; (iii) authorizing and directing the Debtors to pay the fees awarded; and (iv) granting KPMG-US such other and further relief as is just.

Dated: August 15, 2012  
Stamford, Connecticut



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Mary C. Grande  
*Partner*  
KPMG LLP (US)  
Stamford Square  
3001 Summer St  
Stamford, CT 06905-4317  
Tel: (203) 406-8054  
Fax: (203) 643-2135

# **EXHIBIT A**

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

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

**ORDER AUTHORIZING THE DEBTORS AND DEBTORS-IN-POSSESSION  
TO RETAIN AND EMPLOY KPMG LLP (US) AS TAX CONSULTANTS  
NUNC PRO TUNC TO THE PETITION DATE**

Upon the application (the “*Application*”) of the above-captioned Debtors and Debtors-in-  
possession (collectively, the “*Debtors*”), for the entry of an order pursuant to section 327(a) and  
of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “*Bankruptcy Code*”),  
Rule 2014(a) of the Federal Rules of Bankruptcy Procedure (the “*Bankruptcy Rules*”) and Rule  
2014-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy  
Court for the Southern District of New York (the “*Local Rules*”), authorizing them to employ  
and retain KPMG LLP (“*KPMG-US*”) as tax consultants to the Debtors in the above-captioned  
chapter 11 cases *nunc pro tunc* to the Petition Date;<sup>1</sup> and upon the Declaration of Mary C.  
Grande, a CPA and partner at KPMG-US (the “*Declaration*”) in support thereof; and the Court  
being satisfied based on the representations made in the Application and in the Declaration that  
KPMG-US represents no interest adverse to the Debtors’ estates with respect to the matters upon  
which they are to be engaged, that they are disinterested persons as that term is defined under  
section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy

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<sup>1</sup> Capitalized terms not otherwise defined herein shall have the definitions ascribed to them in the Application.

Code, and that their employment is necessary and in the best interests of the Debtors' estates; and consideration of the Application and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Application having been provided; and it appearing that no other or further notice need be provided; and after due deliberation and sufficient cause appearing therefore, it is hereby:

ORDERED that the Application is granted to the extent set forth herein; and it is further

ORDERED that in accordance with section 327(a) of the Bankruptcy Code, Bankruptcy Rule 2014, and Local Rule 2014, the Debtors are authorized to employ and retain KPMG-US as tax consultants to the Debtors on the terms set forth in the Application and the Engagement Letter, as modified by this Order; and it is further

ORDERED that all requests of KPMG-US for payment of indemnity pursuant to the Engagement Letter shall be made by means of an application and shall be subject to review by the Court to ensure that the payment of such indemnity conforms to the terms of the Engagement Letter and is reasonable based upon the circumstances of the litigation or settlement in respect of which indemnity is sought; and it is further

ORDERED that KPMG-US shall be compensated in accordance with the Engagement Letter, sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, this Order and any other applicable orders of this Court; and it is further

ORDERED that the terms and conditions of the Engagement Letters, as modified by this Order, are approved and subject to the procedures set forth in the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, the U.S. Trustee Guidelines and any other applicable orders of this Court; and it is further

ORDERED that to the extent the Debtors make payments to KPMG-US on account of fees and expenses incurred in the performance of services pursuant to the Engagement Letter and this Order for the benefit of AIHL or any subsidiary of AIHL, nothing herein shall be construed to affect any claims among the members of the Arcapita Group on account of such payments to KPMG-US; and it is further

ORDERED that notice shall be provided by KPMG-US to the Debtors, the U.S. Trustee and the Committee prior to any increases in the rates set forth in the Application and such notice must be filed with the Court; and it is further

ORDERED that to the extent the Debtors and KPMG-US enter into any additional engagement letter(s), the Debtors will file such engagement letter(s) with the Bankruptcy Court and serve such engagement letter(s) upon the United States Trustee and counsel to the Official Committee of Unsecured Creditors. To the extent any of such parties object, within 14 days of such new engagement letter(s) being served, to the additional services to be provided by KPMG-US, the Debtors will promptly schedule a hearing before the Court. All additional services will be subject to the provisions of this Order; and it is further

ORDERED that the following terms apply during the pendency of the Debtors' Chapter 11 Cases:

- (a) KPMG-US shall not be entitled to indemnification, contribution or reimbursement for services other than those described in the Engagement Letters and the Application, unless such services and indemnification therefor are approved by the Court; provided, that to the extent additional engagement letter(s) are filed with the Court and no parties object to such engagement letter(s) in accordance with the procedures described in the immediately preceding Ordered paragraph, such engagement letter(s) shall be deemed approved by the Court;
- (b) The Debtors shall have no obligation to indemnify KPMG-US, or provide contribution or reimbursement to KPMG-US, for any claim or expense



that is either: (i) judicially determined (the determination having become final) to have arisen from KPMG-US's bad faith, self-dealing, breach of fiduciary duty (if any such duty exists), gross negligence or willful misconduct; or (ii) judicially determined (the determination having become final), based on a breach of KPMG-US's contractual obligations to the Debtor; or (iii) settled prior to a judicial determination as to the exclusions set forth in clauses (i) and (ii) immediately above, but determined by the Court, after notice and a hearing to be a claim or expense for which KPMG-US should not receive indemnity, contribution or reimbursement under the terms of KPMG-US's retention by the Debtors pursuant to the terms of the Engagement Letters and Application, as modified by this Order; and

- (c) If, before the earlier of: (i) the entry of an order confirming a chapter 11 plan in this case (that order having become a final order no longer subject to appeal); and (ii) the entry of an order closing these chapter 11 cases, KPMG-US believes that it is entitled to the payment of any amounts by the Debtors on account of the Debtors' indemnification, contribution and/or reimbursement obligations under the Engagement Letter (as modified by this Order) and Application, including without limitation the advancement of defense costs, KPMG-US must file an application therefor in this Court. This subparagraph (c) is intended only to specify the period of time under which the Court shall have jurisdiction over any request for fees and expenses by KPMG-US for indemnification, contribution or reimbursement, and not a provision limiting the duration of the Debtors' obligation to indemnify KPMG-US. All parties in interest shall retain the right to object to any demand by KPMG-US for indemnification, contribution or reimbursement; and it is further

ORDERED that the Debtors shall comply with the notice requirement set forth in paragraph 4(c) of KPMG-US's Standard Terms and Conditions for Advisory and Tax Services (the "*Standard Terms and Conditions*"), including providing written notice to KPMG-US prior to disseminating or advancing any of KPMG-US's advice, recommendations, information, or work product to third parties; and it is further

ORDERED that during the pendency of the Chapter 11 Cases, paragraph 6 of the Standard Terms and Conditions is deleted; and it is further

ORDERED that notwithstanding anything in the Application or the Engagement Letter to the contrary, prior to the earlier of (i) entry of an order confirming a chapter 11 plan in this case (that order having become a final order no longer subject to appeal); and (ii) the entry of an order closing these chapter 11 cases, this Court shall retain exclusive jurisdiction over all matters arising out of and/or pertaining to KPMG-US's engagement; and it is further

ORDERED that during the pendency of the Chapter 11 Cases, this Court shall retain jurisdiction with respect to any matters, claims, rights or disputes arising from or related to the implementation of this Order.

Dated: July 11, 2012  
New York, New York

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

**EXHIBIT B**

Arcapita Bank B.S.C. (c)  
Summary Of Hours and Discounted Fees Incurred By Professional  
March 19, 2012 through July 31, 2012

<u>Professional</u>	<u>Position</u>	<u>Current Hours</u>	<u>Hourly Rate</u>	<u>Fees Billed</u>
Grande, Mary C.	Partner	5.0	\$ 665.00	\$ 3,325.00
DeCairano, Jill M	Senior Manager	(1) 15.9	\$ 507.50	\$ 8,069.25
DeCairano, Jill M	Senior Manager	4.1	\$ 580.00 (2)	\$ 2,378.00
DeCairano, Jill M	Manager	8.0	\$ 460.00 (3)	\$ 3,680.00
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Lewis, Kimberlyetta R	Associate	4.0	\$ 280.00 (3)	\$ 1,120.00
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Chigurupati, Vijaya	Paraprofessional	6.0	\$ 140.00 (3)	\$ 840.00
<b>Total Hours and Discounted Fees</b>		<b>286.9</b>		<b>\$ 81,285.70</b>

Subtotal - Discounted Fees	\$ 81,285.70
Less Reduction due to Difference in June tax compliance billing rates	\$ (1,281.75) (4)
<b>Total Discounted Fees</b>	<b>\$ 80,003.95</b>
Out of Pocket Expenses	\$ -
<b>Net Requested Fees &amp; Out of Pocket Expenses</b>	<b>\$ 80,003.95</b>

**Hourly Blended Rate** \$ 354.18

(1) Effective July 1, 2012 Jill DeCairano was promoted to Senior Manager from Manager.

(2) This work relates to tax consulting services and as such the tax consulting rates apply.

(3) The rate differential for professionals listed is due to an inadvertent error in the tax compliance rates applied in the June fee statement and corrected via \$1,281.75 reduction.

**EXHIBIT B**

Arcapita Bank B.S.C. (c)  
Summary Of Hours and Discounted Fees Incurred By Professional  
March 19, 2012 through July 31, 2012

<u>Professional</u>	<u>Position</u>	<u>Current Hours</u>	<u>Hourly Rate</u>	<u>Fees Billed</u>
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<sup>(4)</sup>This adjustment is necessary to correct a billing error on the June Fee Statement. To the extent further detail is necessary, KPMG would be happy to provide such detail.

**EXHIBIT C**

Arcapita Bank B.S.C. (c)  
Summary Of Hours and Discounted Fees Incurred by Category  
March 19, 2012 through July 31, 2012

<u>Category</u>	<u>Exhibit</u>	<u>Hours</u>	<u>Fees</u>
Tax Compliance Services	D1	259.6	\$ 67,222.75
Retention Preparation	D2	13.9	\$ 6,838.80
Fee Application Preparation	D3	9.3	\$ 3,564.40
Tax Consulting Services	D4	4.1	\$ 2,378.00
	<b>Total</b>	<b>286.9</b>	<b>\$ 80,003.95</b>

**EXHIBIT D**

Arcapita Bank B.S.C. (c)  
Summary of Out of Pocket Expenses  
March 19, 2012 through July 31, 2012

<u>Category</u>	<u>Amount</u>
Airfare	\$ -
Lodging	\$ -
Meals	\$ -
Ground Transportation	\$ -
Miscellaneous	\$ -
<b>Total</b>	<b>\$ -</b>

**EXHIBIT D1**

Arcapita Bank B.S.C. (c)  
Detail of Out of Pocket Expenses  
March 19, 2012 through July 31, 2012

<b>Name</b>	<b>Date</b>	<b>Description</b>	<b>Amount</b>
		<b>Air Fare Subtotal</b>	<u>\$ -</u>
		<b>Lodging Subtotal</b>	<u>\$ -</u>
		<b>Meals Subtotal</b>	<u>\$ -</u>
		<b>Ground Transportation Subtotal</b>	<u>\$ -</u>
		<b>Miscellaneous Subtotal</b>	<u>\$ -</u>
		<b>Total Out of Pocket Expenses</b>	<u><u>\$ -</u></u>

**EXHIBIT E1**

Arcapita Bank B.S.C. (c)  
Tax Compliance Services  
March 19, 2012 through July 31, 2012

<b>Name</b>	<b>Date</b>	<b>Description</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
Beel,Ryan C	26-Mar-12	Respond to Missouri notice for US Assisted Living Facilities III and US Senior Living Funding.	1.0	\$ 364.00	\$ 364.00
Kim,Dale Y	05-Apr-12	Respond to New York State (NYS) unclaimed property noncompliance notice.	0.5	\$ 492.00	\$ 246.00
Lewis, Kimberlyetta R	05-Jun-12	Calculated US Senior Living Inc. & Subs 2012 Q2 estimated payments as stated in the engagement letter. This calculation is for the following jurisdictions: Federal, Arizona, California, Florida, Georgia, Illinois, New York State, NY MTA, Oklahoma and Virginia.	2.0	\$ 280.00	\$ 560.00
Lewis, Kimberlyetta R	05-Jun-12	Calculated US Senior Living Inc. stand alone 2012 Q2 estimated payments as stated in the engagement letter for the following jurisdictions: Missouri, North Carolina and Oklahoma.	1.0	\$ 280.00	\$ 280.00
Lewis, Kimberlyetta R	05-Jun-12	Calculated USSLF Subco. Inc. stand alone 2012 Q2 estimated payments as stated in the engagement letter for the following jurisdictions: Missouri, North Carolina and Oklahoma.	1.0	\$ 280.00	\$ 280.00
DeCairano,Jill M	13-Jun-12	Communication with M. Casey (Arcapita) and each of the joint venture contacts to gather information to prepare Q2 estimates for all entities listed in EL.	1.5	\$ 460.00	\$ 690.00
DeCairano,Jill M	13-Jun-12	Review Q2 Estimates for all entities provided for in the EL.	2.5	\$ 460.00	\$ 1,150.00
DeCairano,Jill M	13-Jun-12	Manager review of the OK tax return for U.S. Senior Living Funding, Inc.	2.0	\$ 460.00	\$ 920.00
DeCairano,Jill M	13-Jun-12	Manager review of the W-8BENs (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding) for all entities provided for in the EL where applicable.	2.0	\$ 460.00	\$ 920.00
Beel,Ryan C	14-Jun-12	Communication with M. Casey (Arcapita) regarding the appropriate information for the Q2 estimates for the Arcapita entities.	0.2	\$ 364.00	\$ 72.80



**EXHIBIT E1**

Arcapita Bank B.S.C. (c)  
Tax Compliance Services  
March 19, 2012 through July 31, 2012

<b>Name</b>	<b>Date</b>	<b>Description</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
Beel,Ryan C	14-Jun-12	Completed the Arcapita Q2 tax summary schedule.	0.8	\$ 364.00	\$ 291.20
Beel,Ryan C	14-Jun-12	Consolidated OK BT-190 (Business Activity Tax) Return.	2.0	\$ 364.00	\$ 728.00
Beel,Ryan C	28-Jun-12	Reviewed Orlando Residential Holding Company's workpapers.	3.9	\$ 364.00	\$ 1,419.60
Chigurupati, Vijaya	29-Jun-12	Prepare the Orlando Residential Holding company's tax work papers.	3.9	\$ 140.00	\$ 546.00
Chigurupati, Vijaya	29-Jun-12	Prepared the federal tax return for Orlando Residential Holding	2.1	\$ 140.00	\$ 294.00
Beel,Ryan C	29-Jun-12	Reviewed Orlando Residential Holding Company's federal return.	3.6	\$ 364.00	\$ 1,310.40
Beel,Ryan C	29-Jun-12	Reviewed Orlando Residential Holding Company's Florida return.	0.5	\$ 364.00	\$ 182.00
Chigurupati, Vijaya	02-Jul-12	Prepare tax workpapers for the partnership return, Orlando Residential Holding Company.	3.1	\$ 122.50	\$ 379.75
Chigurupati, Vijaya	02-Jul-12	Continue to prepare tax workpapers for the partnership return, Orlando Residential Holding Company.	0.9	\$ 122.50	\$ 110.25
Chigurupati, Vijaya	02-Jul-12	Prepare form 1065, partnership return, for Orlando Residential Holding Company.	1.9	\$ 122.50	\$ 232.75
Chigurupati, Vijaya	02-Jul-12	Prepare Florida partnership return for Orlando Residential Holding Company.	1.1	\$ 122.50	\$ 134.75
Beel,Ryan C	02-Jul-12	Senior Associate review of the workpapers for Orlando Conversion.	3.9	\$ 318.50	\$ 1,242.15
Beel,Ryan C	02-Jul-12	Senior Associate review of the federal return for Orlando Conversion.	3.1	\$ 318.50	\$ 987.35

**EXHIBIT E1**

Arcapita Bank B.S.C. (c)  
Tax Compliance Services  
March 19, 2012 through July 31, 2012

<b>Name</b>	<b>Date</b>	<b>Description</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
Beel,Ryan C	02-Jul-12	Senior Associate review of the Florida return for Orlando Conversion.	1.1	\$ 318.50	\$ 350.35
Chigurupati, Vijaya	03-Jul-12	Prepare tax workpapers for the corporate return, Orlando Development.	2.9	\$ 122.50	\$ 355.25
Chigurupati, Vijaya	03-Jul-12	Prepare tax workpapers for the corporate return, Orlando Conversion.	2.1	\$ 122.50	\$ 257.25
Chigurupati, Vijaya	03-Jul-12	Prepare Federal corporate return for Orlando Development.	0.9	\$ 122.50	\$ 110.25
Chigurupati, Vijaya	03-Jul-12	Prepare Florida corporate return for Orlando Development.	0.6	\$ 122.50	\$ 73.50
Chigurupati, Vijaya	03-Jul-12	Prepare Federal corporate return for Orlando Conversion.	1.1	\$ 122.50	\$ 134.75
Chigurupati, Vijaya	03-Jul-12	Prepare Florida corporate return for Orlando Conversion.	0.5	\$ 122.50	\$ 61.25
Beel,Ryan C	03-Jul-12	Senior Associate review of the workpapers for Orlando Development.	3.2	\$ 318.50	\$ 1,019.20
Beel,Ryan C	03-Jul-12	Continue Senior Associate review of the workpapers for Orlando Development.	0.8	\$ 318.50	\$ 254.80
Beel,Ryan C	03-Jul-12	Senior Associate review of the federal return for Orlando Development.	2.9	\$ 318.50	\$ 923.65
Beel,Ryan C	03-Jul-12	Senior Associate review of the Florida return for Orlando Development.	1.1	\$ 318.50	\$ 350.35
Chigurupati, Vijaya	05-Jul-12	Revise the Orlando Conversion Federal return.	0.9	\$ 122.50	\$ 110.25
Chigurupati, Vijaya	05-Jul-12	Prepare tax workpapers for the corporate return, OSP Holding.	3.2	\$ 122.50	\$ 392.00
Chigurupati, Vijaya	05-Jul-12	Continue to prepare tax workpapers for the corporate return, OSP Holding.	0.8	\$ 122.50	\$ 98.00

**EXHIBIT E1**

Arcapita Bank B.S.C. (c)  
Tax Compliance Services  
March 19, 2012 through July 31, 2012

<b>Name</b>	<b>Date</b>	<b>Description</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
Chigurupati, Vijaya	05-Jul-12	Prepare Federal corporate return for OSP Holding.	1.9	\$ 122.50	\$ 232.75
Chigurupati, Vijaya	05-Jul-12	Prepare state corporate return for OSP Holding.	1.6	\$ 122.50	\$ 196.00
Lewis, Kimberlyetta R	05-Jul-12	Prepare a portion of the workpapers for Outlet Funding.	0.3	\$ 245.00	\$ 73.50
Chigurupati, Vijaya	09-Jul-12	Prepare the following tax workpapers for Outlet Funding: Trial balance and adjusting journal entries.	2.0	\$ 122.50	\$ 245.00
Chigurupati, Vijaya	09-Jul-12	Prepare the following workpapers for Outlet Funding: Partnership Investment roll-forward, Income/(Loss from Joint Venture, taxable income calculation and NOL (Net Operating Loss) roll-forward schedule).	3.9	\$ 122.50	\$ 477.75
Chigurupati, Vijaya	09-Jul-12	Continue to prepare the following workpapers for Outlet Funding: Partnership Investment roll-forward, Income/(Loss from JV, taxable income calculation and NOL roll-forward schedule).	1.1	\$ 122.50	\$ 134.75
Chigurupati, Vijaya	09-Jul-12	Prepare the state allocation and apportionment workpaper and cumulative book to tax adjustment workpaper.	1.5	\$ 122.50	\$ 183.75
Beel,Ryan C	10-Jul-12	Review revisions made to Orlando Conversion return.	0.9	\$ 318.50	\$ 286.65
DeCairano,Jill M	10-Jul-12	Senior Manager review of the 2009 amended federal return for US Senior Living Inc & Subs.	3.0	\$ 507.50	\$ 1,522.50
DeCairano,Jill M	10-Jul-12	Senior Manager review of the 2009 amended state tax returns (8 states) for US Senior Living Inc & Subs. and US Senior Living (3 state returns).	3.9	\$ 507.50	\$ 1,979.25

**EXHIBIT E1**

Arcapita Bank B.S.C. (c)  
Tax Compliance Services  
March 19, 2012 through July 31, 2012

<b>Name</b>	<b>Date</b>	<b>Description</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
DeCairano, Jill M	10-Jul-12	Senior Manager review of the 2009 amended state tax returns for USSLF Subco (3 states).	1.1	\$ 507.50	\$ 558.25
Beel, Ryan C	11-Jul-12	Review the following tax workpapers for Outlet Funding: Trial balance and adjusting journal entries.	2.0	\$ 318.50	\$ 637.00
Beel, Ryan C	11-Jul-12	Review the following workpapers for Outlet Funding: Partnership Investment roll-forward, Income/(Loss from JV, taxable income calculation and NOL roll-forward schedule).	2.1	\$ 318.50	\$ 668.85
Beel, Ryan C	11-Jul-12	Review the state allocation and apportionment workpaper and cumulative book to tax adjustment workpaper.	1.9	\$ 318.50	\$ 605.15
Chigurupati, Vijaya	12-Jul-12	Revise workpapers for journal entry adjustments as well as the solvency test for Outlet Funding.	2.6	\$ 122.50	\$ 318.50
Chigurupati, Vijaya	12-Jul-12	Prepare Federal corporate return for Outlet Funding.	3.4	\$ 122.50	\$ 416.50
Chigurupati, Vijaya	12-Jul-12	Prepare state corporate return for Outlet Funding.	1.6	\$ 122.50	\$ 196.00
Beel, Ryan C	12-Jul-12	Senior associate review of the federal return for OSP Holding.	2.4	\$ 318.50	\$ 764.40
Beel, Ryan C	12-Jul-12	Senior associate review of the revisions made to Orlando Development return.	1.6	\$ 318.50	\$ 509.60
Chigurupati, Vijaya	13-Jul-12	Revise the federal return for Outlet Funding.	1.9	\$ 122.50	\$ 232.75
Chigurupati, Vijaya	16-Jul-12	Prepare the corporate federal tax return for Outlet Funding.	3.0	\$ 122.50	\$ 367.50
Chigurupati, Vijaya	16-Jul-12	Prepare the state tax returns for Outlet Funding.	0.9	\$ 122.50	\$ 110.25

**EXHIBIT E1**

Arcapita Bank B.S.C. (c)  
Tax Compliance Services  
March 19, 2012 through July 31, 2012

<b>Name</b>	<b>Date</b>	<b>Description</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
Chigurupati, Vijaya	16-Jul-12	Continue to prepare the state tax returns (4 states) for Outlet Funding.	2.4	\$ 122.50	\$ 294.00
Chigurupati, Vijaya	16-Jul-12	Prepare the corporate tax return workpapers for Pond bay.	2.2	\$ 122.50	\$ 269.50
Chigurupati, Vijaya	17-Jul-12	Prepare tax return workpapers for Pond Bay.	3.9	\$ 122.50	\$ 477.75
Chigurupati, Vijaya	17-Jul-12	Prepare federal tax return for Pond Bay.	1.6	\$ 122.50	\$ 196.00
Beel,Ryan C	17-Jul-12	Senior Associate review of Pond Bay workpapers.	2.5	\$ 318.50	\$ 796.25
Beel,Ryan C	17-Jul-12	Senior Associate review of Pond Bay federal return.	2.0	\$ 318.50	\$ 637.00
Chigurupati, Vijaya	24-Jul-12	Prepare the complete set of workpapers for Orlando Development.	1.0	\$ 122.50	\$ 122.50
Chigurupati, Vijaya	24-Jul-12	Prepare the complete set of workpapers for Orlando Conversion.	1.0	\$ 122.50	\$ 122.50
Chigurupati, Vijaya	24-Jul-12	Prepare the complete set of workpapers for Orlando Residential.	1.0	\$ 122.50	\$ 122.50
Lewis, Kimberlyetta R	24-Jul-12	Revise the 2009 Amended return workpapers for US Senior Living Inc. & Subs based upon review comments	0.2	\$ 245.00	\$ 49.00
DeCairano,Jill M	24-Jul-12	Senior Manager review of Orlando Conversion returns.	0.5	\$ 507.50	\$ 253.75
DeCairano,Jill M	24-Jul-12	Senior Manager review of Orlando Development returns.	0.5	\$ 507.50	\$ 253.75
DeCairano,Jill M	24-Jul-12	Senior Manager review of Orlando Residential returns.	0.5	\$ 507.50	\$ 253.75
DeCairano,Jill M	24-Jul-12	Senior Manager review of Pond Bay return.	0.5	\$ 507.50	\$ 253.75
Grande,Mary C.	24-Jul-12	Partner review of US Senior Living Inc. & Subs 2009 amended returns.	1.9	\$ 665.00	\$ 1,263.50

**EXHIBIT E1**

Arcapita Bank B.S.C. (c)  
Tax Compliance Services  
March 19, 2012 through July 31, 2012

<b>Name</b>	<b>Date</b>	<b>Description</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
Tomasovich, Datus	24-Jul-12	Senior review of US Senior Living Inc. & Subs 2009 amended returns.	0.5	\$ 318.50	\$ 159.25
Chigurupati, Vijaya	25-Jul-12	Prepare the book to tax reconciliation workpaper for Longwood Holding.	1.5	\$ 122.50	\$ 183.75
Chigurupati, Vijaya	25-Jul-12	Prepare the Net Operating Loss (NOL) schedule workpapers for Longwood Holding.	1.1	\$ 122.50	\$ 134.75
Chigurupati, Vijaya	25-Jul-12	Prepare the trial balance and insolvency test workpapers for Longwood Holding.	3.9	\$ 122.50	\$ 477.75
Beel,Ryan C	25-Jul-12	Senior Associate review of workpapers for Outlet Funding.	3.9	\$ 318.50	\$ 1,242.15
Beel,Ryan C	25-Jul-12	Senior Associate review of federal return for Outlet Funding.	1.6	\$ 318.50	\$ 509.60
Beel,Ryan C	25-Jul-12	Senior Associate review of state returns for Outlet Funding.	1.4	\$ 318.50	\$ 445.90
Avdzhieva, Denitsa D	25-Jul-12	Senior Associate review of US Senior Living Inc & Subs consolidated Amended 2009 tax return workpapers.	3.9	\$ 318.50	\$ 1,242.15
Avdzhieva, Denitsa D	25-Jul-12	Senior Associate review of US Senior Living Inc Amended 2009 tax return workpapers.	1.1	\$ 318.50	\$ 350.35
Lewis, Kimberlyetta R	25-Jul-12	Prepare 2009 amended USSLF Subco federal return.	3.9	\$ 245.00	\$ 955.50
Lewis, Kimberlyetta R	25-Jul-12	Continue to prepare 2009 amended USSLF Subco federal return.	1.1	\$ 245.00	\$ 269.50
DeCairano,Jill M	25-Jul-12	Senior Manager review of 2009 amended Senior Living Inc & Subs returns.	3.9	\$ 507.50	\$ 1,979.25
Chigurupati, Vijaya	26-Jul-12	Revise and incorporate the review comments to Longwood Holding workpapers.	2.0	\$ 122.50	\$ 245.00

**EXHIBIT E1**

Arcapita Bank B.S.C. (c)  
Tax Compliance Services  
March 19, 2012 through July 31, 2012

<b>Name</b>	<b>Date</b>	<b>Description</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
Beel,Ryan C	26-Jul-12	Senior Associate review of changes per review comments for state returns for Outlet Funding.	1.1	\$ 318.50	\$ 350.35
Beel,Ryan C	26-Jul-12	Senior Associate review of Longwood Holdings workpapers.	2.1	\$ 318.50	\$ 668.85
Avdzhieva, Denitsa D	26-Jul-12	Senior Associate review of US Senior Living Amended 2009 federal return.	3.0	\$ 318.50	\$ 955.50
Lewis, Kimberlyetta R	26-Jul-12	Prepare 2009 amended US Senior Living Inc. workpapers return.	3.9	\$ 245.00	\$ 955.50
Lewis, Kimberlyetta R	26-Jul-12	Continue to prepare 2009 amended US Senior Living Inc. workpapers return.	3.1	\$ 245.00	\$ 759.50
Grande,Mary C.	26-Jul-12	Partner review of Orlando Conversion returns.	1.1	\$ 665.00	\$ 731.50
Chigurupati, Vijaya	27-Jul-12	Prepare the engagement summary detailing current year activity to include in tax return workpapers for Longwood Holding workpapers.	0.3	\$ 122.50	\$ 36.75
Chigurupati, Vijaya	27-Jul-12	Prepare the book to tax reconciliation workpaper for La Mesa.	1.5	\$ 122.50	\$ 183.75
Chigurupati, Vijaya	27-Jul-12	Prepare the Net Operating Loss (NOL) schedule workpapers for La Mesa.	1.5	\$ 122.50	\$ 183.75
Chigurupati, Vijaya	27-Jul-12	Prepare the trial balance and insolvency test workpapers for La Mesa.	2.7	\$ 122.50	\$ 330.75
Beel,Ryan C	27-Jul-12	Senior Associate review of changes per review comments of Longwood Holdings workpapers.	2.9	\$ 318.50	\$ 923.65
Beel,Ryan C	27-Jul-12	Senior Associate review of Longwood Holdings federal return.	3.1	\$ 318.50	\$ 987.35
Avdzhieva, Denitsa D	27-Jul-12	Senior Associate review of USSLF Subco Amended 2009 state returns.	3.9	\$ 318.50	\$ 1,242.15

**EXHIBIT E1**

Arcapita Bank B.S.C. (c)  
Tax Compliance Services  
March 19, 2012 through July 31, 2012

<b>Name</b>	<b>Date</b>	<b>Description</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
Avdzhieva, Denitsa D	27-Jul-12	Continue Senior Associate review of USSLF Subco Amended 2009 state returns.	3.1	\$ 318.50	\$ 987.35
Lewis, Kimberlyetta R	27-Jul-12	Prepare 2009 amended federal return for US Senior Living Inc.	3.9	\$ 245.00	\$ 955.50
Lewis, Kimberlyetta R	27-Jul-12	Prepare 2009 amended US Senior Living Inc. & Sub Federal return.	3.9	\$ 245.00	\$ 955.50
Lewis, Kimberlyetta R	27-Jul-12	Continue to prepare 2009 amended US Senior Living Inc. & Sub Federal return.	2.2	\$ 245.00	\$ 539.00
Lewis, Kimberlyetta R	29-Jul-12	Prepare 2009 amended US Senior Living Inc. & Sub state returns (5 states).	3.9	\$ 245.00	\$ 955.50
Lewis, Kimberlyetta R	29-Jul-12	Continue to prepare 2009 amended US Senior Living Inc. & Sub state returns (3 states).	3.1	\$ 245.00	\$ 759.50
Chigurupati, Vijaya	30-Jul-12	Revise and incorporate the review comments to La Mesa workpapers.	2.5	\$ 122.50	\$ 306.25
Chigurupati, Vijaya	30-Jul-12	Prepare the La Mesa CA return.	1.0	\$ 122.50	\$ 122.50
Chigurupati, Vijaya	30-Jul-12	Prepare the Net Operating Loss (NOL) schedule workpapers for Palatine properties.	1.5	\$ 122.50	\$ 183.75
Chigurupati, Vijaya	30-Jul-12	Prepare the book to tax reconciliation workpaper for Palatine properties.	1.5	\$ 122.50	\$ 183.75
Chigurupati, Vijaya	30-Jul-12	Prepare the trial balance and insolvency test workpapers for Palatine properties.	0.5	\$ 122.50	\$ 61.25
Chigurupati, Vijaya	30-Jul-12	Prepare the partnership investment workpaper for Palatine properties.	0.5	\$ 122.50	\$ 61.25
Beel,Ryan C	30-Jul-12	Senior Associate review of La Mesa Federal workpapers.	3.9	\$ 318.50	\$ 1,242.15
Beel,Ryan C	30-Jul-12	Senior Associate review of La Mesa Federal return.	1.1	\$ 318.50	\$ 350.35



**EXHIBIT E1**

Arcapita Bank B.S.C. (c)  
Tax Compliance Services  
March 19, 2012 through July 31, 2012

<b>Name</b>	<b>Date</b>	<b>Description</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
Avdzhieva, Denitsa D	30-Jul-12	Senior Associate review of US Senior Living Inc & Subs Amended 2009 state returns (8 returns).	3.9	\$ 318.50	\$ 1,242.15
Avdzhieva, Denitsa D	30-Jul-12	Continue Senior Associate review of US Senior Living Inc & Subs Amended 2009 state returns (8 returns).	0.7	\$ 318.50	\$ 222.95
Avdzhieva, Denitsa D	30-Jul-12	Senior Associate review of US Senior Living Inc & Subs Amended 2009 Federal tax return.	3.9	\$ 318.50	\$ 1,242.15
Lewis, Kimberlyetta R	30-Jul-12	Revise and incorporate review comments to 2009 amended US Senior Living Inc. & Sub state returns (3 states).	3.9	\$ 245.00	\$ 955.50
Lewis, Kimberlyetta R	30-Jul-12	Continue to revise and incorporate review comments to 2009 amended US Senior Living Inc. & Sub state returns (3 states).	3.9	\$ 245.00	\$ 955.50
Lewis, Kimberlyetta R	30-Jul-12	Continue to revise and incorporate review comments to 2009 amended US Senior Living Inc. & Sub state returns (2 states).	3.2	\$ 245.00	\$ 784.00
Grande, Mary C.	30-Jul-12	Partner review of Orlando Development returns.	0.9	\$ 665.00	\$ 598.50
Grande, Mary C.	30-Jul-12	Partner review of Orlando Residential returns.	1.1	\$ 665.00	\$ 731.50
Chigurupati, Vijaya	31-Jul-12	Prepare complete set of workpapers for La Mesa.	1.0	\$ 122.50	\$ 122.50
Chigurupati, Vijaya	31-Jul-12	Revise and incorporate the review comments to Palatine properties workpapers.	0.7	\$ 122.50	\$ 85.75
Beel, Ryan C	31-Jul-12	Senior Associate review of La Mesa CA return.	1.9	\$ 318.50	\$ 605.15
Avdzhieva, Denitsa D	31-Jul-12	Senior Associate review of US Senior Living Inc Amended 2009 state tax returns after changes per review comments.	2.0	\$ 318.50	\$ 637.00
Lewis, Kimberlyetta R	31-Jul-12	Revise and incorporate review comments to 2009 amended US Senior Living Inc. & Sub state returns (2 states).	3.9	\$ 245.00	\$ 955.50

**EXHIBIT E1**

Arcapita Bank B.S.C. (c)  
Tax Compliance Services  
March 19, 2012 through July 31, 2012

<b>Name</b>	<b>Date</b>	<b>Description</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
Lewis, Kimberlyetta R	31-Jul-12	Revise and incorporate review comments to 2009 amended US Senior Living Inc. & Sub Federal return.	1.1	\$ 245.00	\$ 269.50
DeCairano, Jill M	31-Jul-12	Senior manager review of Longwood Holding return.	2.0	\$ 507.50	\$ 1,015.00
Subtotal Tax Compliance Services					\$ 68,504.50
Less Reduction due to Difference in Billing Rates					\$ (1,281.75) <sup>(1)</sup>
<b>Total Tax Compliance Services</b>			<b><u>259.6</u></b>		<b><u>\$ 67,222.75</u></b>

<sup>(1)</sup> This adjustment is necessary to correct a billing error on the June Fee Statement regarding tax compliance rates. To the extent further detail is necessary, KPMG would be happy to provide such detail.

**EXHIBIT E2**

Arcapita Bank B.S.C. (c)  
Retention Preparation  
March 19, 2012 through July 31, 2012

<b>Name</b>	<b>Date</b>	<b>Description</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
Sellers,Monica	19-Mar-12	Review internal system regarding Arcapita filing, reach out to Partner and Manager for discussion of procedures during bankruptcy.	0.6	\$492.00	\$ 295.20
Sellers,Monica	20-Mar-12	Correspond with M. Grande and J. DeCairano (both KPMG) discussing bankruptcy requirements, inquire regarding services to be performed during bankruptcy and retention process and those requirements.	0.7	\$492.00	\$ 344.40
Sellers,Monica	27-Mar-12	Transmit communication to S. Carlin (KPMG) regarding new bankruptcy matter, services performed and other pertinent retention matters.	0.1	\$492.00	\$ 49.20
Sellers,Monica	27-Mar-12	Begin drafting Grande Declaration in Arcapita matter.	0.5	\$492.00	\$ 246.00
Sellers,Monica	27-Mar-12	Discussion with counsel regarding KPMG retention in matter and follow-up with email requesting interested party list.	0.2	\$492.00	\$ 98.40
Sellers,Monica	29-Mar-12	Finalize rough draft of declaration; create draft retention order and send both to Gibson Dunn & Crutcher (GD&C).	0.6	\$492.00	\$ 295.20
Sellers,Monica	02-Apr-12	Discussions during day with Engagement Management Coordinator to compile data to address 90 day payment information in Partner Declaration.	0.3	\$492.00	\$ 147.60
Sellers,Monica	04-Apr-12	Revise Declaration with additional details provided and provide to M. Grande and J. DeCairano (both KPMG).	0.4	\$492.00	\$ 196.80
Sellers,Monica	05-Apr-12	Review and revise schedule to be incorporated into retention documents.	0.1	\$492.00	\$ 49.20
Sellers,Monica	20-Apr-12	Review retention documents and provide for internal review and approval; transmit to Debtors' counsel.	0.6	\$492.00	\$ 295.20
Sellers,Monica	20-Apr-12	Send disinterestedness email to all professionals providing services to Arcapita during bankruptcy period.	0.2	\$492.00	\$ 98.40
Sellers,Monica	23-Apr-12	Transmit communication with Partner and Manager regarding retention.	0.1	\$492.00	\$ 49.20

**EXHIBIT E2**

Arcapita Bank B.S.C. (c)  
Retention Preparation  
March 19, 2012 through July 31, 2012

<b>Name</b>	<b>Date</b>	<b>Description</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
Sellers,Monica	24-Apr-12	Call with K. Goodheart (KPMG) regarding retention and transmit communication to D. Shontz and S. Carlin. Call with J. Weiser and S. Liu (Debtors' counsel) regarding same.	0.3	\$492.00	\$ 147.60
Sellers,Monica	25-Apr-12	Create retention application per request of Debtors' counsel.	1.8	\$492.00	\$ 885.60
Sellers,Monica	25-Apr-12	Revise Declaration with comments from counsel and incorporate additional disclosures into Declaration.	0.9	\$492.00	\$ 442.80
Sellers,Monica	25-Apr-12	Create schedules to be incorporated into retention document.	1.0	\$492.00	\$ 492.00
Sellers,Monica	25-Apr-12	Transmit retention information to Debtors' counsel along with summaries and descriptions.	0.4	\$492.00	\$ 196.80
Sellers,Monica	26-Apr-12	Revise retention documents throughout day incorporating additional information received from tax team; transmit to Tax Partner and Tax Manager for review and approval.	0.9	\$492.00	\$ 442.80
Sellers,Monica	26-Apr-12	Call with S. Liu (GD&C) to discuss counsel's specific revisions. Summarize counsel's revisions and transmit communication to M. Grande, J. DeCairano and S. Carlin (all KPMG) regarding revisions as noted by Debtors' counsel and request approval of Declaration.	0.7	\$492.00	\$ 344.40
Sellers,Monica	26-Apr-12	Follow-up call with S. Liu (GD&C) regarding KPMG's retention and revisions in retention documents.	0.2	\$492.00	\$ 98.40
Sellers,Monica	27-Apr-12	Continue to complete retention documents for filing; update tax team regarding status of Debtors' counsel review.	0.4	\$492.00	\$ 196.80
Sellers,Monica	01-May-12	Review revised retention documents; summarize changes made by Debtors' counsel and send to S. Carlin (KPMG) for comments. Transmit tracked changes file to S. Liu (GD&C).	0.8	\$492.00	\$ 393.60
Sellers,Monica	02-May-12	Call with S. Carlin (KPMG) regarding Arcapita; call with Serena at Debtors' counsel regarding outstanding items to complete retention documents and email out files.	0.8	\$492.00	\$ 393.60

**EXHIBIT E2**

Arcapita Bank B.S.C. (c)  
Retention Preparation  
March 19, 2012 through July 31, 2012

<b>Name</b>	<b>Date</b>	<b>Description</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
Sellers,Monica	11-Jun-12	Review email received regarding US Trustee questions and send out for response to Partner and Sr. Manager	0.1	\$492.00	\$ 49.20
Sellers,Monica	25-Jun-12	Communications with M. Grande (KPMG) regarding revised order, provide updated language provided by S. Liu (Debtors' counsel). Transmit communication for approvals of same language with S. Carlin (KPMG). Communications throughout day with S. Liu regarding hearing on 6/26 and provide Partner with details regarding same.	0.9	\$492.00	\$ 442.80
Sellers,Monica	26-Jun-12	Discussion regarding hearing and respond to questions and provide assistance to Partner, discuss results of retention hearing and go forward from compensation perspective and timing.	0.3	\$492.00	\$ 147.60
<b>Total Retention Preparation</b>			<b><u>13.9</u></b>		<b><u>\$ 6,838.80</u></b>

**EXHIBIT E3**

Arcapita Bank B.S.C. (c)  
Fee Application Preparation  
March 19, 2012 through July 31, 2012

<b>Name</b>	<b>Date</b>	<b>Description</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
Tatum,Pamela Renea	09-Apr-12	Review related documents to prepare the time template and distribute to team.	1.0	\$364.00	\$ 364.00
Tatum,Pamela Renea	09-Apr-12	Review Arcapita court documents in order to determine timing of filing of monthly documents for compensation, parties to be noticed regarding monthly fee statements, billing rates for various personnel, etc.	0.4	\$364.00	\$ 145.60
Tatum,Pamela Renea	19-Jun-12	Review the June time details and provide comments to the manager to address.	0.6	\$364.00	\$ 218.40
Sellers,Monica	05-Jul-12	Discussion with R. Beel (KPMG) regarding new services to be performed for client, rates in original retention documents and go-forward procedures.	0.4	\$492.00	\$ 196.80
Tatum,Pamela Renea	09-Jul-12	Access time and expense system, obtain the monthly time detail and prepare to include in monthly fee statement.	0.2	\$364.00	\$ 72.80
Sellers,Monica	11-Jul-12	Review details in exhibit to be billed in upcoming fee statement.	0.2	\$492.00	\$ 98.40
Tatum,Pamela Renea	11-Jul-12	Review and reconcile the March 19th through June 30th time detail and incorporate into the workbook.	1.1	\$364.00	\$ 400.40
Tatum,Pamela Renea	13-Jul-12	Continue to review the March 19th through June 30th time detail and incorporate into the workbook and forward to M. Sellers (KPMG) for review.	0.4	\$364.00	\$ 145.60
Sellers,Monica	18-Jul-12	Review of fee statement details and provide comments and revisions.	0.5	\$492.00	\$ 246.00
Tatum,Pamela Renea	18-Jul-12	Clear fee statement description comments, provided by M. Sellers (KPMG US), and incorporate into the June fee statement.	0.4	\$364.00	\$ 145.60
Tatum,Pamela Renea	18-Jul-12	Prepare the June fee statement which includes, adding professionals and updating the billing rates, to adhere with the bankruptcy court requirements.	1.0	\$364.00	\$ 364.00

**EXHIBIT E3**

Arcapita Bank B.S.C. (c)  
Fee Application Preparation  
March 19, 2012 through July 31, 2012

<b>Name</b>	<b>Date</b>	<b>Description</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
Tatum,Pamela Renea	18-Jul-12	Draft detailed correspondence to the Partner and Manager outlining the fee statement and important information to consider when reviewing.	0.6	\$364.00	\$ 218.40
Sellers,Monica	19-Jul-12	Final review of fee statement; provide approval.	0.3	\$492.00	\$ 147.60
Tatum,Pamela Renea	19-Jul-12	Review and clear comments on the fee statement provided by J. DeCairano (KPMG).	0.8	\$364.00	\$ 291.20
Tatum,Pamela Renea	20-Jul-12	Clear comments provided by M. Sellers (KPMG) and forward the fee statement to the US Manager for review.	0.3	\$364.00	\$ 109.20
Tatum,Pamela Renea	20-Jul-12	Finalize the June fee statement and forward to Debtor's Counsel to file and serve.	0.2	\$364.00	\$ 72.80
Tatum,Pamela Renea	20-Jul-12	Draft correspondence to Debtors Counsel in the Arcapita matter regarding assistance with filing and service of the first fee statement for KPMG-US.	0.1	\$364.00	\$ 36.40
Tatum,Pamela Renea	27-Jul-12	Review and reconcile the July 15th cycle time detail and provide a list of questions to the Manager for revision.	0.8	\$364.00	\$ 291.20
<b>Total Fee Application Preparation</b>			<b>9.3</b>		<b>3,564.40</b>

**EXHIBIT E4**

Arcapita Bank B.S.C. (c)  
Tax Consulting Services  
March 19, 2012 through July 31, 2012

<b>Name</b>	<b>Date</b>	<b>Description</b>	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
DeCairano,Jill M	09-Jul-12	Review power of attorney (POA) for Chicago Condo per services contemplated in engagement letter dated January 9, 2012.	0.6	\$580.00	\$ 348.00
DeCairano,Jill M	09-Jul-12	Contact IRS agent for Chicago Condo in regard to IRS audit per services contemplated in engagement letter dated January 9, 2012.	1.4	\$580.00	\$ 812.00
DeCairano,Jill M	26-Jul-12	Senior Manager review of form 2220 for US Assisted Living III mailed to IRS in response to notice per services contemplated in engagement letter dated January 9, 2012.	2.1	\$580.00	\$ 1,218.00
<b>Total Tax Consulting Services</b>			<b>4.1</b>		<b>\$ 2,378.00</b>



# **EXHIBIT F**

**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**  
----- x

**CERTIFICATION PURSUANT TO  
ADMINISTRATIVE ORDER RE: GUIDELINES  
FOR FEES AND DISBURSEMENTS FOR PROFESSIONALS  
IN SOUTHERN DISTRICT OF NEW YORK BANKRUPTCY CASES**

I, Mary C. Grande, certify as follows:

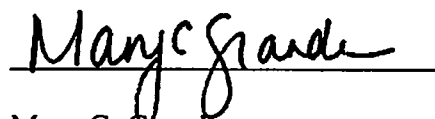
1. I am a Certified Public Accountant and a partner of KPMG LLP (US) (“KPMG-US”), a professional services firm.
2. By Order dated July 11, 2012, KPMG-US was retained as tax consultants to the debtors and debtors in possession (the “Debtors”).
3. I submit this certification in conjunction with KPMG-US’s application, dated August 15, 2012 (the “Application”), for KPMG-US’s first interim allowance of fees and reimbursement of expenses in this case for the period from March 19, 2012 through July 31, 2012, inclusive (the “Compensation Period”).
4. I am the professional designated by KPMG-US with the responsibility for KPMG-US’s compliance in this case with the administrative order regarding guidelines for fees and disbursements for professionals in Southern District of New York bankruptcy cases (the “Amended Guidelines”).
5. I have read KPMG-US’s Application and, to the best of my knowledge, information and belief formed after reasonable inquiry, except as stated herein or in the

Application: (i) the fees and disbursements sought in the Application fall within the Amended Guidelines and the Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses filed under 11 U.S.C. §330 promulgated by the Office of the United States Trustee (61 Fed. Reg. 24890 (May 17, 1996); 28 C.F.R. Part 58, appendix A) (the “UST Guidelines” and together with the Amended Guidelines the “Guidelines”); (ii) the fees and disbursements sought are billed at rates in accordance with those customarily charged by KPMG-US and generally accepted by KPMG-US’s clients for the types of services rendered to the Debtors and (iii) in providing a reimbursable disbursement, KPMG-US does not make a profit on the service, whether the service is performed by KPMG-US in-house or through a third party.

6. A copy of the Application is being provided to the United States Trustee, any official statutory committees appointed in this case and the Debtors, contemporaneously with the filing hereof.

7. To the extent that the Application is not in compliance with the Guidelines, KPMG-US requests a waiver of any such requirements.

Dated: August 15, 2012



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