

GIBSON, DUNN & CRUTCHER LLP

Michael A. Rosenthal (MR-7006)
Craig H. Millet (admitted *pro hac vice*)
Janet M. Weiss (JM-5460)
Matthew K. Kelsey (MK-3137)
200 Park Avenue
New York, New York 10166-0193
Telephone: (212) 351-4000
Facsimile: (212) 351-4035

Attorneys for the Debtors
and Debtors in Possession

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

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

**SUPPLEMENTAL DISCLOSURE OF GIBSON, DUNN & CRUTCHER LLP
WITH RESPECT TO THE DEBTORS' APPLICATION FOR AN ORDER
APPROVING THE EMPLOYMENT AND RETENTION OF GIBSON, DUNN &
CRUTCHER LLP AS COUNSEL FOR THE DEBTORS IN POSSESSION
NUNC PRO TUNC TO THE PETITION DATE**

Gibson, Dunn & Crutcher LLP (“*Gibson Dunn*”), counsel to the above-captioned debtors and debtors in possession, hereby supplements its previous disclosures in connection with its representation of the Debtors (as defined below) in these chapter 11 cases. In support of this supplemental disclosure (the “*Supplemental Disclosure*”), Gibson Dunn respectfully represents as follows:

BACKGROUND

1. On March 19, 2012 (the “*Petition Date*”), Arcapita Bank B.S.C.(c) (“*Arcapita Bank*”) and certain of its subsidiaries and affiliates (collectively, the “*Arcapita*

Group”), as debtors and debtors in possession, each commenced a case under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”). On April 30, 2012, Falcon Gas Storage Company, Inc. (“**Falcon**,” and collectively with the Arcapita Group, the “**Debtors**”) commenced a chapter 11 case, which is being jointly administered with the other Debtors (collectively the “**Chapter 11 Cases**”). The Debtors have continued to operate their business and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in these chapter 11 cases.

2. On April 5, 2012, the United States Trustee for the Southern District of New York appointed an Official Committee of Unsecured Creditors.

GIBSON DUNN’S RETENTION

3. On April 3, 2012, the Debtors filed the Debtors’ Application for an Order Approving the Employment and Retention of Gibson, Dunn & Crutcher LLP as Counsel for the Debtors in Possession *Nunc Pro Tunc* to the Petition Date [Dkt. No. 51] (the “**Application**”). The Declaration of Michael A. Rosenthal (the “**Rosenthal Declaration**,” and collectively with the Application, the “**Prior Disclosures**”), which was annexed as Exhibit A to the Application and submitted in support thereof, set forth certain disclosures relating to Gibson Dunn’s connection with various stakeholders in these cases. No objections were filed to the Application. By an order entered on May 15, 2012 [Dkt. No. 142], this Court granted the Application, and Gibson Dunn was retained as the Debtors’ counsel in the Chapter 11 Cases, *nunc pro tunc* as of the Petition Date.

PRIOR CONFLICTS SEARCHES

4. In connection with the Prior Disclosures, Gibson Dunn compared a list of Interested Parties, attached as Schedule 3 to the Rosenthal Declaration, to Gibson Dunn’s master

client database created from its conflict clearance and billing records. All matches between the Interested Parties and entities in Gibson Dunn's client database were reviewed by an attorney, and to the extent that Gibson Dunn currently represents, or has represented within the last three years, any of the Interested Parties, the identities of such entities and, for current clients, a brief description of the type of work performed by Gibson Dunn for the clients, were set forth in Schedule 2 to the Rosenthal Declaration. In the Prior Disclosures, Gibson Dunn represented that "Gibson Dunn represents, formerly has represented and in the future likely will represent Standard Chartered Bank . . . in matters wholly unrelated to the Chapter 11 Cases," but Standard Chartered Bank "do[es] not individually represent a material percentage of Gibson Dunn's revenue for the twelve-month period ending on March 18, 2012" and "Gibson Dunn does not and will not represent any of these parties in connection with the Chapter 11 Cases." Rosenthal Decl. ¶ 18. Schedule 2 further disclosed that "Gibson Dunn has represented and currently represents Standard Chartered Bank and Standard Bank PLC in corporate and litigation matters that are unrelated to the Debtors and these chapter 11 cases." Rosenthal Decl., Schedule 2 at 2.

CONTINUING AND SUPPLEMENTAL DISCLOSURE

5. As part of its ongoing disclosure responsibilities under Rule 2014 of the Federal Rules of Bankruptcy Procedure, and recognizing that the Prior Disclosures may require updating due to, among other things, the discovery of client representations that were not revealed by the Prior Conflict Searches and/or because of subsequent events, Gibson Dunn periodically re-examines its relationships with its clients and with interested parties in the Chapter 11 Cases.

6. In connection therewith, Gibson Dunn has discovered that Gibson Dunn completed approximately 15 hours of work for Standard Chartered Bank ("**SCB**") from June 11,

2012 until June 21, 2012 in which GDC provided general advice as to the form of a referral agreement that was unrelated to the Debtors and the Chapter 11 Cases. The services were provided as an accommodation to SCB to allow it to complete an internal project in Singapore that had been disrupted due the disintegration of Dewey & LeBoeuf.

7. Gibson Dunn did not charge SCB and has not and will not receive any fees for the services provided. Also, there was no opposing party in the corporate matter. Gibson Dunn does not intend to perform any additional work related to this matter for SCB.

DISINTERESTEDNESS

8. To the best of its knowledge, information and belief, Gibson Dunn represents, and has represented, no interest adverse to the Debtors or their respective estates. Gibson Dunn thus believes that it continues to be a “disinterested person,” as defined in section 101(14) of the Bankruptcy Code. If Gibson Dunn discovers additional information that requires disclosure, Gibson Dunn will file an additional supplemental disclosure with the Court as promptly as possible.

Dated: New York, New York
August 23, 2012

Respectfully submitted,

/s/ Michael A. Rosenthal

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