

**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**  
:   
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**INTERIM ORDER (A) AUTHORIZING THE DEBTORS TO CONTINUE INSURANCE  
COVERAGE ENTERED INTO PREPETITION AND TO PAY OBLIGATIONS  
RELATING THERETO; AND (B) AUTHORIZING FINANCIAL INSTITUTIONS TO  
HONOR AND PROCESS RELATED CHECKS AND TRANSFERS**

Upon consideration of the motion (the “*Motion*”)<sup>1</sup> of Arcapita Bank B.S.C.(c) and certain of its subsidiaries, as debtors and debtors in possession in the above-captioned Chapter 11 Cases (collectively, the “*Debtors*” and each, a “*Debtor*”), for entry of interim and final orders:

(a) authorizing the Debtors to continue insurance coverage currently in effect and to pay any prepetition premiums, deductibles, adjustments, administrative expenses, brokers’ fees, and other charges related to their Policies (together, the “*Insurance Obligations*”), to the extent that the Debtors determine in their discretion that such payment is necessary or appropriate;

(b) authorizing banks and other financial institutions to receive, process, honor, and pay checks or electronic transfers used by the Debtors to pay the foregoing and to rely on the representations of such Debtors as to which checks are issued and authorized to be paid in accordance with this Order; and (c) to the extent necessary, authorizing the Debtors to issue replacements for any dishonored check or transfer related to the foregoing, all as set forth in the Motion; and upon the Thompson Declaration in support thereof; and the Court having found that it has jurisdiction to

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

consider this Motion pursuant to 28 U.S.C. §§ 157 and 1334; and the Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and notice of the Motion and the opportunity for a hearing on the Motion was appropriate under the particular circumstances; and the Court having reviewed the Motion and having considered the statements in support of the relief requested therein at a hearing before the Court (the "**Hearing**"); and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; **and the objections having been resolved**; and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor,

**IT IS HEREBY ORDERED:**

1. The Motion is granted on an interim basis to the extent set forth herein.
2. The Debtors are authorized to continue the current and prior year Policies uninterrupted and, in their sole discretion, to pay any premium amounts required to maintain the Policies, including prepetition amounts, to the extent that such payments are due and owing and the Debtors determine that such payment is necessary or appropriate.
3. The Debtors are authorized to renew or replace the Policies in their sole discretion, to the extent that the Debtors determine such renewal or replacement is necessary or appropriate. The Debtors are further authorized to take any and all actions necessary to effectuate such renewals or replacements, including the payment of applicable premiums.
4. A final hearing with respect to the Motion shall be held on April 17, 2012 at 11:00 a.m. prevailing Eastern Time (the "**Final Hearing**"). Any objections or responses to the

Motion shall be filed on or before April 10, 2012 at 4:00 pm (prevailing Eastern Time) and served upon (i) proposed counsel for the Debtors, Gibson, Dunn & Crutcher LLP, 200 Park Avenue, New York, New York, 10166 (Attn: Michael A. Rosenthal, Esq., Janet M. Weiss, Esq. and Matthew K. Kelsey, Esq.); (ii) the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, 21<sup>st</sup> Floor, New York, New York 10004 (Attn: Richard Morrissey, Esq.); (iii) Kasowitz Benson Torres & Friedman LLP, 1633 Broadway, New York, New York 10019 (Attn: David Friedman, Esq. and David Mark, Esq.), attorneys for Euroville, S.a.r.l.; and (iv) Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153 (Attn: Stephen Karotkin, Esq.), attorneys for Midtown Acquisitions, LLC. If no objections are timely filed, the Court may enter the Final Order without further notice or hearing.

5. The Debtors' right to make payments in respect of the Deductibles as provided in the Motion shall be considered by the Court at the Final Hearing. ***The Debtors are not authorized or directed to make any payments in respect of the Deductibles pursuant to this Order.***

6. All applicable banks and other financial institutions are hereby authorized, when requested by the Debtors, to receive, process, honor, and pay any and all checks and transfers regarding amounts authorized to be paid by the Debtors under this Order, without regard to whether any check or transfer was issued before or after the Petition Date. Such banks and other financial institutions may rely on the representations of the Debtors with respect to whether any check or transfer issued by the Debtors before the Petition Date should be honored pursuant to this Order, and shall not have any liability to any party for relying on such representations by the Debtors as provided for herein.

7. The Debtors are authorized, in their sole discretion and to the extent necessary, to issue checks and transfers postpetition to replace any checks or transfers in respect of the Policies or the Insurance Obligations (but excluding Deductibles until *such payment in respect thereof is approved by the Court*) that are dishonored or rejected.

8. Nothing in the Motion or this Order, nor as a result of the Debtors' payment of any prepetition amounts pursuant to this Order, shall be deemed or construed as an admission as to the validity or priority of any claim against the Debtors, a waiver of the right to dispute any claim, or an approval or assumption of any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code.

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

10. Rule 6003(b) of the Federal Rules of Bankruptcy Procedure (the "*Bankruptcy Rules*") has been satisfied.

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

12. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

13. This Court shall retain jurisdiction with respect to all matters arising from or relating to the interpretation or implementation of this Order.

Dated: New York, New York  
**March 30, 2012**

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