

PATTON BOGGS, LLP

Mark A. Salzberg (*pro hac vice*)
2550 M Street, NW
Washington, DC 20037
Telephone: (202) 457-6000
Facsimile: (202) 457-6315

and

H. Jefferson LeForce (*pro hac vice*)
2000 McKinney Avenue, Suite 1700
Dallas, TX 75201
Telephone: (214) 758-1500
Facsimile: (214) 758-1550

Attorneys for Mayhoola for Investment Q.S.P.C.

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

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

ADDENDUM TO MAYHOOLA FOR INVESTMENT Q.S.P.C.’S OBJECTION TO THE DEBTORS’ MOTION FOR AN ORDER (I) APPROVING THE DISCLOSURE STATEMENT AND THE FORM AND MANNER OF NOTICE OF THE DISCLOSURE STATEMENT HEARING, (II) ESTABLISHING SOLICITATION AND VOTING PROCEDURES, (III) SCHEDULING A CONFIRMATION HEARING, AND (IV) ESTABLISHING NOTICE AND OBJECTION PROCEDURES FOR CONFIRMATION OF THE DEBTORS’ JOINT CHAPTER 11 PLAN

Mayhoola for Investment Q.S.P.C. (“MFI”), a creditor and party-in-interest in the above-captioned consolidated cases, hereby files this addendum to its *Objection to the Debtors’ Motion for an Order (I) Approving the Disclosure Statement and the Form and Manner of Notice of the Disclosure Statement Hearing, (II) Establishing Solicitation and Voting Procedures, (III) Scheduling a Confirmation Hearing, and (IV) Establishing Notice and Objection Procedures for Confirmation of the Debtors’ Joint Chapter 11 Plan* [Docket No. 896] (the “Objection”), and states as follows:

1. In its Objection, MFI argued that the Disclosure Statement should not be approved because the Plan is unconfirmable as a matter of law and because the Disclosure Statement does not contain adequate information supporting the Third-Party Releases.¹

2. On April 16, 2013, the Debtors filed their *First Amended Disclosure Statement in Support of the Joint Plan of Liquidation* [Dkt. No. 983] (the “Amended Disclosure Statement”) and their *First Amended Joint Plan of Liquidation* [Dkt. No. 981] (the “Amended Plan”).

3. The Amended Disclosure Statement and Amended Plan suffer from the same deficiencies as did the original Disclosure Statement. Specifically, the Amended Plan described in the Amended Disclosure Statement contains at Section 9.2.4 substantively identical third-party release provisions (the “Amended Third-Party Releases”) as did the Plan. If anything, the Amended Third-Party Releases are **broader** than the Third-Party Releases contained in the Plan because the Amended Third-Party Releases explicitly provide that creditors who do not even submit a ballot are bound by the release provisions. *See* Amended Plan, § 9.2.4. For the reasons set forth in the Objection, the Amended Plan is unconfirmable as a matter of law, and the Amended Disclosure Statement should not be approved. *See* Objection, ¶¶5-8.

4. Additionally, the Amended Disclosure Statement should not be approved because it does not contain adequate information supporting the Amended Third-Party Releases. In fact, the Debtors made absolutely no changes to that section of the Amended Disclosure Statement which discusses the release provisions. *See* Black-lined Amended Disclosure Statement [Dkt. No. 984], p.157. Because the Amended Disclosure Statement, like its predecessor, contains no information supporting the need for, or the propriety of, the release provisions, the Amended Disclosure Statement should not be approved. *See* Objection, ¶¶ 11-12.

¹ All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Objection.

WHEREFORE, MFI respectfully asks that the Court (a) deny approval of the Amended Disclosure Statement, and (b) grant MFI such other and further relief as it may be entitled.

Dated: April 22, 2013

PATTON BOGGS LLP

/s/ Mark A. Salzberg
Mark A. Salzberg (*pro hac vice*)
2550 M Street, NW
Washington, DC 20037
Telephone: (202) 457-6000
Facsimile: (202) 457-6315
msalzberg@pattonboggs.com

and

H. Jefferson LeForce (*pro hac vice*)
2000 McKinney Avenue, Suite 1700
Dallas, TX 75201
Telephone: (214) 758-1500
Facsimile: (214) 758-1550
jleforce@pattonboggs.com

Attorneys for Mayhoola for Investment Q.S.P.C.

CERTIFICATE OF SERVICE

I certify that on April 22, 2013, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of New York and on April 22, 2013 by First Class Mail and e-mail to the parties listed below.

/s/ Mark A. Salzberg

Mark A. Salzberg

Gibson, Dunn & Crutcher LLP
200 Park Avenue
New York, NY 10166
Attn: Michael A. Rosenthal
Attn: Craig H. Millet
Attn: Matthew K. Kelsey
Email: mrosenthal@gibsondunn.com
Email: cmillet@gibsondunn.com
Email: mkelsey@gibsondunn.com

The Office of the U.S. Trustee for the
Southern District of New York
33 Whitehall Street, 21st Fl.
New York, NY 10004
Attn: Richard Morrissey
Email: Richard.morrissey@usdoj.gov

Sidley Austin LLP
Woolgate Exchange
25 Basinghall Street
London, EC2V 5HA
Attn: Patrick Corr
Attn: Benjamin Klinger
Email: pcorr@sidley.com
Email: bklinger@sidley.com

Milbank, Tweed, Hadley & McCloy LLP
1 Chase Manhattan Plaza
New York, NY 10005
Attn: Dennis F. Dunne
Attn: Evan R. Fleck
Email: ddunne@milbank.com
Email: efleck@milbank.com