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Attorneys for the Chapter 11 Trustee

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

| | | |
|---------------------------------|---|----------------------------------|
| -----X | : | |
| | : | |
| In re: | : | Chapter 11 |
| | : | |
| GSC GROUP, INC., et al., | : | Case No. 10 – 14653 (SCC) |
| | : | |
| Debtors.¹ | : | (Jointly Administered) |
| -----X | : | |

**THIRD SUPPLEMENTAL DECLARATION OF
JAMES L. GARRITY, JR. REGARDING ELIGIBILITY FOR
APPOINTMENT AS CHAPTER 11 TRUSTEE**

James L. Garrity, Jr., declares as follows:

1. I am an attorney admitted to practice in the State of New York and before the United States District Courts for the Southern and Eastern Districts of New York. I am a member of the law firm of Morgan Lewis & Bockius LLP (“**Morgan Lewis**”), which maintains its offices at, among other places, 101 Park Avenue, New York, New York 10017.

2. By order of this Court dated January 7, 2011, I was appointed Chapter 11 Trustee of the estates of the above-captioned debtors (the “**Debtors**”) [Docket No. 388]. In

¹ The Debtors along with the last four digits of each Debtor’s federal tax identification number are GSC Group, Inc. (6382), GSCP, LLC (6520), GSC Active Partners, Inc. (4896), GSCP (NJ), Inc. (3944), GSCP (NJ) Holdings, L.P. (0940) and GSCP (NJ), L.P. (0785).

support of the United States Trustee's Application For An Order Approving the Appointment of a Chapter 11 Trustee [Docket No. 380], and to demonstrate that I am eligible to serve as Chapter 11 Trustee in these cases under section 1104(d) of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the "**Bankruptcy Code**") and Rule 5002 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"), I filed my Declaration Regarding Eligibility for Appointment of Chapter 11 Trustee and Appointment of Shearman & Sterling as Trustee's Counsel, on January 7, 2011 (the "**Initial Declaration**"). Upon learning about additional parties in interest in these cases, I filed a Supplemental Declaration Regarding Eligibility for Appointment of Chapter 11 Trustee and Appointment of Shearman & Sterling as Trustee's Counsel, dated February 10, 2011 (the "**First Supplemental Declaration**") and a Second Supplemental Declaration Regarding Eligibility for Appointment of Chapter 11 Trustee and Appointment of Shearman & Sterling as Trustee's Counsel, dated August 10, 2011 (the "**Second Supplemental Declaration**").

3. I submit this third supplemental declaration (this "**Third Supplemental Declaration**") in furtherance of the representation I made in paragraph 20 of my Initial Declaration that "[i]f I . . . learn[] that [I have] a relationship with, or [have] represented, a party in interest in these cases, I will supplement this declaration immediately and promptly notify the United States Trustee."

4. To the best of my knowledge, I continue to be a "disinterested person" under section 101(14) and 327 of the Bankruptcy Code and sections 101(14) and 1104(d) of the Bankruptcy Code, respectively, and continue to satisfy Bankruptcy Rule 5002.

5. After submitting my Initial Declaration, my First Supplemental Declaration and my Second Supplemental Declaration, I joined Morgan Lewis.

6. In preparing this Third Supplemental Declaration, and to ascertain Morgan Lewis' connection, if any, to any parties in interest in this case, I used the same set of procedures to ensure compliance with the requirements of the Bankruptcy Code and the Bankruptcy Rules regarding the retention of professionals by a chapter 11 trustee under the Bankruptcy Code that I used to prepare my Initial Declaration, First Supplemental Declaration and Second Supplemental Declaration. Those procedures are described in paragraphs 12 and 13 of the Initial Declaration. A copy of the list of Interested Parties that I reviewed is attached as Schedule 1.

7. On the strength of my review of the parties who may have an interest in these cases, I have determined that the parties listed on Schedule 2 attached hereto are current clients or affiliates of current clients of Morgan Lewis. Morgan Lewis has not and does not represent any of these entities or their affiliates or subsidiaries in matters related to the Debtors or their chapter 11 cases, except that prior to the commencement of the chapter 11 cases, Morgan Lewis advised Jeffries & Company on matters relating to an investment in GSC Group. Morgan Lewis did not represent Jeffries in these cases.

8. To the best of my knowledge and information, the annual fees for the parties listed on Schedule 2 did not exceed 0.5% of the annual gross revenue of Morgan Lewis for the year 2011.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: New York, New York
May 15, 2012

/s/ James L. Garrity, Jr.
James L. Garrity, Jr.

SCHEDULE 1

Debtors

GSC Active Partner, Inc
GSC Group, Inc.
GSC Secondary Interest Fund LLC
GSCP LLC
GSCP (NJ) Holdings, LP
GSCP (NJ) Inc.
GSCP (NJ) LP

Debtor's Professionals

Capstone Advisory Group
Epiq Bankruptcy Solutions
Kaye Scholer LLP

Priority Unsecured Creditors

Georgia Department of Revenue
Internal Revenue Service
New York State
New York State Department of Taxation and Finance
NYC Department of Finance
NYS Corporation Tax Processing Unit
NYS Sales Tax Processing
Oregon Department of Revenue
State of New Jersey Division of Taxation
State of New Jersey – Part Filing Fee and Tax on Partnerships

General Unsecured Creditors

AT&T
Avaya Financial Services
Bombardier Aerospace Corp.
CB Richard Ellis
Cobalt Management
Davis Polk & Wardwell
DC Express, Inc.
Dechert LLP
Dell Marketing LP
DirectTV, Inc.
Duddy, Janet
ICP Asset Management LLC
Iron Mountain
Jara, Carlos
JT Magen & Co., Inc.
Lehman, Newman & Flynn
Lynch, Michael

Manhattan Mechanical
Pirro Zinna Cifelli Paris & Genitemp
The Police & Fire Retirement System of the City of Detroit
Shareholder.Com
Stroock & Stroock & Lavan LLP
Superior Office Systems
Tygris
Verizon
Village Office supply
Vogel Taylor Engineers LLP
Vornado/Vornado Realty Trust

Members of the Office of the U.S. Trustee

Davis, Tracy Hope
Gasparini, Elisabetta
Golden, Susan
Khodorovsky, Nazar
Masumoto, Brian S.
Morrissey, Richard C.
Nakano, Serene
Riffkin, Linda
Schwartz, Andrea B.
Schwartzberg, Paul K.
Velez-Rivera, Andy
Zipes, Greg M.

Micellaneous

888 Seventh Avenue LLC
ABN Amro
ACA Compliance Group
ACE
Ace America
AHW Investment Partnership
AIG
Akin Gump Strauss Hauer & Feld LLP
Alcatel – Lucent
Allison Bahen
Ambac Assurance Corporation
American Express
American Express Centurion Bank
American Home Assurance Co.
American Trading And Production Corp.
Ancefin Ltd.
Anna M. Martinez
Applied Insights LLC
Arbor Investments Prop Trust UAD 5/16/97
Archimedes Funding IV (Cayman), Ltd.
AT&T, Inc.

Axa Secondary Fund II
B.M.A. Tall One, Inc.
Bank of Ireland Connecticut Branch
Bank Of Nova Scotia
Barclays Bank PLC
Baxter Investments, LLC
Benecard Services, Inc.
Big Woods II, L.L.C.
Bipco Investments
Bishnu Patnaik
Blackrock PE Select Holdings II LLC
Bloomberg, L.P.
BMA Tall One, Inc.
BMS Tenant Services LLC
Boisi Family Limited Partnership
BoS Mezzanine Partners Fund
Bradley Evan Comp
Brush Creek Capital, LLC
Callidus Debt Partners CLO Fund V, Ltd.
Calyon New York Branch, Green Lane CLO Ltd.
Capital Source Finance LLCs
Capitalsource CF LLCs
Carolina McCann
Catletha Brooks
Challenge Foundation
Chemical Investments, Inc.
Chubb Insurance Company Of Europe SE
CIT Communications Finance Corp.
Cobalt Management
Coller Lothian 70, LP
Commonwealth of Pennsylvania
Continental Casualty Company
Copper River CLO Ltd.
Corporate Trust Services UK
Corporation Of Haverford College, The
Crow Family Partnership, L.P.
D.F.G. Capital Corp.
Danny A. Choy
Darier Hentsch Bank & Trust Cayman Ltd.
Dave Ray
David L. Goret
Deb Toner
Dell Financial Services, L.P.
Deltec Bank & Trust
Detroit Fire & Police Retirement System
Deutsche Bank
DFP Investments, LP
Directv, Inc.
Double Mako Investments, LLC
Dukes Place Holdings LLC
Dukes Place Holdings LP

Dukes Place Holdings Ltd.
Elizabeth C. Dub
Ellison Capital, LLC
Emirates Bank International
Endurance CLO Ltd.
Enstar (US) Inc.
Enstar Group Ltd.
EOS, Inc.
Ercilia A. Mendoza
Erlbaum Family Foundation
Erlbaum Family, L.P.
Erlbaum Investments, L.P.
Ernst & Young LLP
Ernst & Young, Inc.
EURO Mezzanine, L.P.
F/B/O Florence Elisa Wigley UAD 7/15/85
Faust Oppenheim LLP
FedEx, Corp.
Ferguson Assoc. Family Partners, LP
Ferguson Associates Family Partners, LP
Feronia, LP
Financial Security Assurance Inc.
Fine Family Limited Partnership
Firststrand (Ireland) Public Limited Co.
Fisher Fund, The
Flight Options
Fluor Corporation
Fortis Nominees
Gadle Partners, L.P.
General Reinsurance Corp.
General Retirement System Of The City of Detroit
Gerald Abell Foundation
Glenn P. Murray
Graham Alternative Investment Partners I
Graham Foundation
Greenwich Insurance Company
Greenwich Street
GTE Service Corp. Master Pension Trust
Guggenheim Partners
Gulf Investment Corporation
Gulfstream – Compass CLO
Hanna Frank Investment LLC
Hanna Frank Investments LLC
Hare & Co.
Hayden Family, LP
Hayden Foundation
Highland CDO Opportunity Master Fund
Highland Partners, L.P.
Horizon BCBSNJ Inc.
IBM Retirement Fund
ING Capital LLC

ING Funds Trust
Intex Solutions, Inc.
JCP&L
Jeffries and Company
Jersey Boy Bagels
Jimit Sheth
Joe Ubaldo
John A. Giampetroni
Jones Investment Fund
Joseph H. Wender
JPMorgan Chase Retirement Plan
JVB Properties, LLP
KBS 300-500 Campus Drive LLC
Kennecott Funding, Ltd.
Key Equipment Finance
Kirk Kapital A/S
Koomar Consulting LLC
L.F. Investments, L.P.
Laguna Seca ABS CDO, Corp.
Laguna Seca ABS CDO, Ltd.
LAL Family Partners, L.P.
Landesbank Baden-Wuerttemberg, London Branch
Landmark II CDO Limited
Landmark III CDO Limited
Landmark IV CDO Limited
Landmark V CDO Limited
Landmark VI CDO Limited
Landmark VII CDO Limited
Landmark VIII CDO Limited
Latham & Watkins LLP
Latitude CLO I Ltd.
Lawrence Loeb
Leanda Cabral
Lehman Ali, Inc.
Lehman Brother International (Europe)
Lehman Brothers, Inc.
Lexington Capital Partners V, LP
Lexington Insurance Company
Lexington Partners - Hamilton Lane 2000
Lloyds TSB
LPAF I, LLC
Mac & Co.
Madison Tower Associates Limited Partner
Magnetar Constellation Master Fund III Ltd.
Maples & Calder
Maria Catapano
Marilyn Felton
Marsh USA Inc.
Mary V. Moroney
Mayank Girdhar
MC AI Holdings (Euro) Limited

McCall Preferred Partners, L.P.
MD Mezzanine SA, SICAR
Meretz Partners, LP
Merrill Lynch Pierce Fenner & Smith
Metlife Insurance Co. of Connecticut
Metlife Insurance Company
Metropolitan Life Insurance Company
Mira Durica
Montauk Partners, L.P.
Moody's Investors Service
Morgan Stanley Dean Witter, Inc.
Morris Saffer Holdings Inc.
MSD Portfolio L.P. - Investments
Multi-Strategy Holdings, L.P.
Myrna R. Fields
Nadkarni Joseph
Natexis Investment Corp.
Natexis Strategic Partners I, LP
National Indemnity Company
National Union Fire Ins. Co. Of Pittsburgh
National Union Insurance Company
NBK Capital
New Mexico State Investment Council
New York City Employees' Retirement System
New York City Police Pension Fund Subchapter 2
New York Life Insurance And Annuity Corporation
New York Life Insurance Company
New York Life Insurance Company Private Equity Separate Account No 39-001
Newcourt Commercial Finance
Nextone, LLC
Nigel Phillips
Nitin Arora
Ocean Trails CLO I
P&J Frank GmbH
Palmer ABS CDO 2007-1, Ltd.
Park Avenue Realty Holding, Inc.
Paul Capital Ellis Holdings, LLCs
Paul Capital Partners VII Holdings
Paul Laud
Pine Street Holdings, LLC
PJM McDonald Partners, Ltd.
PMI Mortgage Insurance Company
Pointblank Co.
Police & Fire Retirement SYS of Detroit
Pollard-Parker Partnership
Polygon Global Opportunities Master Fund
Pratik Mehta
Premium Loan Trust I, Ltd.
Primerica Life Insurance Company
Principal Life
Proban Holdings SA

Property Asset Management, Inc.
Provco Venture I, L.P. 2
Psters Cash Management
Pymrk Greenwich Partnership
Quail Brook Gs Partners, L.P.
Rahul Golchha
Reicon 2006 CLO Investments LLC
Republic Nominees Limited – 2482
Restructured Assets Securities - Enhanced Returns Series 2001-35 PT Trust
Retirement Annuity Plan For Employees Of The Army And Air Force Exchange Service
Ricoh Americas Corp.
Ricoh Customer Finance Corp.
RMPH 1, LLC
Robert F. Cummings, Jr.
Robert H. Lessin Venture Capital, LLC
Round Hill Investment Partners L.P.
Royal Bank of Scotland PLC
Sacramento Partners Limited Partnership
Sailorlaunch Co.
Salomon Smith Barney Inc.
Sandra Fontela
Savitri Nguyen
Scott Van Den Bosch
SG Partners, Inc
Sidley Austin LLP
SK Private Investment Fund 1998 L.L.C.
Skidmore, Owings & Merrill LLP
Skyline Credit Ride, Inc.
Societe Generale
Southvest Cdo Fund Ltd Partnership
Squared CDO 2007-1, Inc.
Squared CDO 2007-1, Ltd.
Standard & Poor's
Standard & Poor's Financial Services LLC
Standard Fire Insurance Company
Starbird Funding Corp.
Stephanie B. Crowder
Stichting Pensioenfond
Stichting Pensioenfond Metaal EN;
Stony Point Foundation
Striker Investment Group, L.P.
Studley, Inc.
Sullivan & Cromwell
Swiss Reinsurance Company Ltd.
Sylvester Sharp
Syncora
Taylor Winfield Corp.
Teachers' Retirement System of The City Of New York
Tetragon Financial Group Master Fund Limited
TFINN & Co.
The Bank Of Nova Scotia

The European Mezzanine Fund L.P.
The Fisher Fund
The Gerson Group
The Governor and Company of the Bank of Scotland
The Hallmark Master Trust
The Hayden Family Foundation
The Henry Francis Du Pont Winterthur Museum, Inc.
The Lynde & Harry Bradley Foundation Inc
The Phoenix Insurance Company
The Robert Wood Johnson Foundation
The Rothchild Foundation Europe
The Schwarzwaelder Investment Co. L.P.
The Striker Investment Group, LP
The Travelers Indemnity Company
The University of Maryland Foundation, Inc.
Thorn Communications, LLC
Tindy Foreign, Inc.
Tintoretto Investments, LLC
T-Mobile
Travelers Indemnity U.K. Investments LLC
Treasurer Of The State Of Connecticut
Trust For Retiree Medical, Dental & Life Insurance Plan Of The Army & Air Force
TRV Employees Fund
TRV Executive Fund, L.P.
Tzedakah Foundation
U.S. Bank, N.A.
UBS AG, Stamford Branch
UBS Securities LLC
Unicredit Bank AG, London Branch
Unilever United States
US AG, Stamford Branch
Verizon
Versa Capital
VF III Holdings, L.P.
Victor Abriano
Vornado Investments LLC
VZ Recovery IIA Investors, Inc.
Wachovia Bank, National Association
Wargrave Partners Ltd.
Wayne County Employees Retirement System
Wells Fargo Bank, NA FBO Dalton CDO, LTD.
West Gate Horizons Advisors
Westlb AG
Westpoint Stevens Inc.
WG Horizons CLO I
White & Case LLP
Whitecap (US) Fund ISPV LLC
William Kruse
Winston & Strawn LLP
WLD Equity Partners 1999, L.P.
Wolverine Trading Fund A, LLC

WP Global Mezzanine Capital Strategy LP
Wp Global Mezzanine Capital Strategy, L.P.
XL Capital Assurance Inc.
Yahaira Matias
Yale Levin Trust
Yash Shah
Yates Brothers
Yates Drilling Co.
Yates Petroleum Corp.
Zinnah Investments Limited

SCHEDULE 2

Current Clients

ACA Compliance Group
Alcatel – Lucent
American Express
Bank of Nova Scotia
Barclays Bank PLC
Citibank
Deutsche Bank
Emirates Bank International
Ernst & Young
Federal Express
Financial Security Assurance
Fluor
Guggenheim Partners
Horizon Blue Cross
Jersey Central Power & Light
Lehman Ali Inc.
Lehman Brothers International (Europe)
Merrill Lynch
New York Life Insurance Co.
Societe General

Affiliates of Clients

ABN Amro
AIG
Blackrock Select Holdings LLC
Enstar (USA) Inc.
JPMorgan Chase Retirement Plan
Marsh USA Inc.
Morgan Stanley
Polyglot Global Opportunities Master Fund
Principal Life
Royal Bank of Scotland
The Gerson Group
Unilever United States
XL Capital Assurance