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

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In re:	: Chapter 11
	:
ARCAPITA BANK B.S.C.(C.), <i>et al.</i> ,	: Case No. 12-11076 (SHL)
	:
Debtors.	: Jointly Administered
	:
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**STANDARD CHARTERED BANK’S THIRD LIMITED OBJECTION AND
RESERVATION OF RIGHTS TO THE DEBTORS’ CASH MANAGEMENT MOTION**

Standard Chartered Bank (“**Standard Chartered**”), through its undersigned counsel, hereby asserts this third limited objection and reservation of rights (this “**Third Limited Objection**”)¹ to the *Motion for Interim and Final Orders (A) Authorizing Debtors to (I) Continue Existing Cash Management System, Bank Accounts, and Business Forms and (II) Continue Ordinary Course Intercompany Transactions; and (B) Granting an Extension of Time to Comply With the Requirements of Section 345(b) of the Bankruptcy Code* [Dkt. No. 12] (the “**Cash Management Motion**”) filed by the above-captioned debtors and debtors in possession (the

¹ Standard Chartered Bank’s initial Limited Objection to the Cash Management Motion [Dkt. No. 73] (the “**First Limited Objection**”) and Second Limited Objection to the Cash Management Motion [Dkt. No. 109] (the “**Second Limited Objection**”) are hereby incorporated as if fully set forth herein.

“Debtors”) for approval on a fifth interim basis and respectfully represents and states as follows:²

LIMITED OBJECTION AND RESERVATION OF RIGHTS

1. Standard Chartered is the Debtors’ sole secured creditor and the beneficiary of an express trust under its Equitable Mortgages³ with certain of the Debtors and Cayman Islands law. Standard Chartered and the Debtors have not resolved the issues set forth in the First Limited Objection or Second Limited Objection – including the Debtors’ attempted use of property required to be held in an express trust for the sole benefit of Standard Chartered.

2. Standard Chartered has been informed by counsel to the Debtors that the May 31, 2012 hearing on the Cash Management Motion will be a fifth interim hearing and not a final hearing. To date, Standard Chartered has not yet received a draft of the proposed order or the proposed budget. Standard Chartered objects to the entry of a fifth interim order to the extent the form of order and fifth interim budget are not acceptable to Standard Chartered and objects to the entry of any final order.

3. Standard Chartered reserves its rights to make additional objections at the hearing and reserves its rights to object to the entry of any further interim orders and/or a final order that would permit disbursements of funds from the Subsidiary Guarantors and their non-Debtor subsidiaries to AIHL or Arcapita Bank for the benefit of structurally subordinated unsecured creditors.

² By filing this Third Limited Objection, Standard Chartered is not acknowledging the propriety of these chapter 11 cases or that the Court should continue to exercise jurisdiction over each of the Debtors. Standard Chartered reserves the right to request that the Court dismiss, or abstain from, these chapter 11 cases.

³ Capitalized terms used but not defined herein shall have the meaning ascribed to them in Standard Chartered’s First Limited Objection.

WHEREFORE, for the foregoing reasons, Standard Chartered respectfully requests that the Court (a) deny the Cash Management Motion unless the form of order and budget for the fifth interim period are acceptable to Standard Chartered and (b) grant Standard Chartered such other and further relief as the Court deems appropriate.

Dated: New York, New York
May 24, 2012

DECHERT LLP

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