

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

In re: ) Chapter 11  
)  
)  
CORUS BANKSHARES, INC.,<sup>1</sup> ) Case No. 10-26881 (PSH)  
)  
) Hearing Date: August 3, 2010,  
) 11:00 a.m., C.T.  
Debtor. )

**NOTICE OF APPLICATION OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF CORUS BANKSHARES, INC. TO RETAIN AND EMPLOY FTI CONSULTING, INC. AS FINANCIAL ADVISORS TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS, RETROACTIVE TO JUNE 28, 2010**

**PLEASE TAKE NOTICE** that on **August 3, 2010 at 11:00 a.m. C.T.**, or as soon thereafter as counsel may be heard, we shall appear before the Honorable Pamela S. Hollis in Courtroom 644 in the United States Courthouse, 219 South Dearborn Street, Chicago, Illinois, or before any other judge who may be sitting in her place and stead, and present the attached **Application of the Official Committee of Unsecured Creditors of Corus Bankshares, Inc. to retain and Employ FTI Consulting, Inc. as Financial Advisors to the Official Committee of Unsecured Creditors, Retroactive to June 28, 2010**, at which time and place you may appear if you so desire.

**PLEASE TAKE FURTHER NOTICE** that any objection must be filed with the Court by **July 27, 2010 at 4:00 p.m. C.T.** and served by such time on: (a) FTI Consulting, Inc., Attn: Samuel Star; (b) proposed counsel to the Official Committee of Unsecured Creditors, Attn: Todd C. Meyers, Esq. and Deborah M. Gutfeld, Esq. (c) counsel to the Debtor; (d) the Office of the United States Trustee for the Northern District of Illinois, Attn: Richard C. Friedman, Esq.; (e) counsel to the indenture trustee for each of the Debtor’s subordinated debentures; (f) the Securities and Exchange Commission; (g) the Internal Revenue Service; (h) the Federal Deposit Insurance Corporation; (i) the United States Attorney for the Northern District of Illinois; (i) the Civil Process

<sup>1</sup> The Debtor in this chapter 11 case, along with the last four digits of the Debtor’s federal tax identification number, is: Corus Bankshares, Inc. (3592). The location of the Debtor’s corporate headquarters and the service address for the Debtor is: 10 S. Riverside Plaza, Suite 1800, Chicago, IL 60606.

Clerk, United States Attorney's Office for the Northern District of Illinois; and (j) the Attorney General of the United States, Washington, D.C.

Dated: July 16, 2010

Respectfully submitted,

THE OFFICIAL COMMITTEE OF UNSECURED  
CREDITORS OF CORUS BANKSHARES, INC.

By: /s/ Todd C. Meyers

Todd C. Meyers (ARDC # 90785773)  
Sameer K. Kapoor (Georgia Bar No. 407525)

KILPATRICK STOCKTON LLP  
1100 Peachtree Street, Suite 2800  
Atlanta, Georgia 30309-4530  
(404) 815-6500 (Telephone)  
(404) 815-6555 (Facsimile)  
tmeyers@kilpatrickstockton.com  
skapoor@kilpatrickstockton.com

and

By: /s/ Deborah M. Gutfeld  
Deborah M. Gutfeld (ARDC # 6272331)

NEAL, GERBER & EISENBERG, LLP.  
Two North LaSalle Street, Suite 1700  
Chicago, IL 60602-3801  
(312) 269-5381 (Telephone)  
(312) 269-1747 (Facsimile)  
dgutfeld@ngelaw.com

*Proposed Counsel for the Official  
Committee of Unsecured Creditors of  
Corus Bankshares, Inc.*

**CERTIFICATE OF SERVICE**

Deborah M. Gutfeld, an attorney, certifies that on July 16, 2010, she caused the foregoing *Application of the Official Committee of Unsecured Creditors of Corus Bankshares, Inc. to Retain and Employ FTI Consulting, Inc. as Financial Advisors to the Official Committee of Unsecured Creditors, Retroactive to June 28, 2010* (the “Application”) to be filed electronically. Notice of this filing was sent by operation of the Court’s electronic filing system to the following parties:

Jeff W. Gettleman <a href="mailto:jgettleman@kirkland.com">jgettleman@kirkland.com</a>	David R. Seligman <a href="mailto:dseligman@kirkland.com">dseligman@kirkland.com</a>
William T. Neary <a href="mailto:USTPRegion11.ES.ECF@usdoj.gov">USTPRegion11.ES.ECF@usdoj.gov</a>	Frank F. McGinn, Esq. <a href="mailto:ffm@bostonbusinesslaw.com">ffm@bostonbusinesslaw.com</a>
Michael D. Messersmith <a href="mailto:mmessersmith@kayescholer.com">mmessersmith@kayescholer.com</a>	Mark Berkoff <a href="mailto:mberkoff@ngelaw.com">mberkoff@ngelaw.com</a>
Deborah M. Gutfeld <a href="mailto:dgutfeld@ngelaw.com">dgutfeld@ngelaw.com</a>	Nicholas M. Miller <a href="mailto:nmiller@ngelaw.com">nmiller@ngelaw.com</a>
Deborah J. Bisco <a href="mailto:bisco.deborah@pbgc.gov">bisco.deborah@pbgc.gov</a>	Sonia U. Chae <a href="mailto:chaes@sec.gov">chaes@sec.gov</a>

In addition, the parties listed on the attached service lists were served via electronic mail if an e-mail address is listed and via first class mail, postage prepaid, if there is no e-mail address.

Parties may access this filing through the Court’s CM/ECF system.

/s/ Deborah M. Gutfeld  
Deborah M. Gutfeld (ARDC #06272331)  
**NEAL, GERBER & EISENBERG LLP**  
Two North LaSalle Street – Suite 1700  
Chicago, IL 60602-3801  
(312) 269-8000

j.chris.matthews@bnymellon.com  
mudassir.mohamed@bnymellon.com  
shillier@cohenandcompany.com  
cstrung@corusbankshares.com  
cmiles@corusbankshares.com  
rcurtis@corusbankshares.com  
santal@corusbankshares.com  
  
collegezone@isac.org  
david.seligman@kirkland.com  
james.sprayregen@kirkland.com  
jeffrey.gettleman@kirkland.com  
dhartnett@kayescholer.com  
tedgeworth@kayescholer.com  
mmessersmith@kayescholer.com  
  
chicago@sec.gov  
RViloria@StoneCastlePartners.com  
cthagard@trapeza.com  
cag@finstocks.com  
igoldman@goodwin.com  
mpollio@goodwin.com  
  
jwilley@potteranderson.com  
tmeyers@kilpatrickstockton.com  
ffm@bostonbusinesslaw.com  
mmessersmith@kayescholer.com  
tmeyers@kilpatrickstockton.com  
skapoor@kilpatrickstockton.com  
mberkoff@ngelaw.com  
dgutfeld@ngelaw.com  
nmiller@ngelaw.com  
chaes@sec.gov  
  
mohammad.qattum@regus.com

Atty General of the United States  
Dept of Justice  
950 Pennsylvania Ave, NW  
Washington, DC 20530-0001

Bank of America NA  
(RE: Unsecured Creditors Committee)  
Michael D Messersmith  
Trustee Corus Trust XI  
70 W Madison St; Ste 4100  
Chicago, IL 60602

Dept of the Treasury - IRS  
Centralized Insolvency Operations  
PO Box 21126  
Philadelphia, PA 19114

FDIC  
James Vordtriede  
1601 Bryan St 17th Floor  
Dallas, TX 75201

Federal Deposit Insurance Corp FDIC  
Greg Watson, Res & Closings Mgr  
Div of Resolutions & Receiverships  
300 South Riverside Plaza, Ste 1700  
Chicago, IL 60606

Federal Deposit Insurance Corp FDIC  
Mitchell Glassman, Director  
Div of Resolutions & Receiverships  
1776 F Street, NW - Room F-8076  
Washington, DC 20006

Federal Deposit Insurance Corp FDIC  
Richard Gill  
Virginia Square, L. Wm Seidman Ctr  
3501 Fairfax Drive  
Arlington, VA 22226

Federal Deposit Insurance Corp-FDIC  
Timothy E Divis, Regional Counsel  
300 S Riverside Plaza, Ste 1700  
Chicago, IL 60606

Illinois Department of Revenue  
Bankruptcy Section  
Level 7-425  
100 W Randolph St  
Chicago, IL 60101

Illinois Dept of Employmnt Security  
Benefit Payment Control Division  
PO BOX 4385  
Chicago, IL 60680

Office of the United States Atty  
Attn: Civil Process Clerk  
Northern Distr of IL, Eastern Div  
219 S Dearborn St  
Chicago, IL 60604

Office of the United States Atty  
Northern Distr of IL, Eastern Div  
219 S Dearborn St, 5th Floor  
Chicago, IL 60604

Office of The United States Trustee  
Richard C. Friedman  
219 S. Dearborn Street, Room 873  
Chicago, IL 60604

PBGC  
Deborah J Bisco  
1200 K Street NW  
Suite 340  
Washington, DC 20005-4026

Securities and Exchange Commission  
SEC Headquarters  
100 F Street NE  
Washington, DC 20549

US Bank NA  
(RE: Unsecured Creditors Committee)  
James H Byrnes  
Trustee Corus Trust I, III & V  
Corp Trst Div, 3rd Fl; 1 Federal St  
Boston, MA 02110

US Environmental Protection Agency  
Richard L Nagle  
Bankruptcy Contact  
US EPA Region 5 Mail Code C-14J  
Chicago, IL 60604

Wells Fargo Bank NA  
(RE: Unsecured Creditors Committee)  
James R Lewis  
Trustee Corus Trust XII  
45 Broadway; 17th Fl  
New York, NY 10006

Wilmington Trust Company  
(RE: Unsecured Creditors Committee)  
Steven Cimalore  
Trustee Corus Trust VII, X & XIII  
1100 N Market St; Rodney Sq N  
Wilmington, DE 19890-1615

Bloomberg  
Debt Collector Marie Ferguson  
Vengroff Williams & Associated Inc  
PO Box 4155  
Sarasota, FL 34230-4155

Flora Boemi  
1100 Pembridge Dr Apt 127  
Lake Forest, IL 60045

Harry L Shapiro  
3100 Lexington Lane Apt 307  
Glenview, IL 60026

Joel T Harris  
1212 N Lake Shore Dr #32cs  
Chicago, IL 60610

Joseph C Glickman  
7770 Starlight Dr  
La Jolla, CA 92037

Marvin Strunk  
80 Linden Ave  
Glencoe, IL 60022

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

---

In re: ) Chapter 11  
) )  
CORUS BANKSHARES, INC.,<sup>1</sup> ) Case No. 10-26881 (PSH)  
) )  
Debtor. ) )  
) )  
) )  
) )

---

**APPLICATION OF THE OFFICIAL COMMITTEE OF UNSECURED  
CREDITORS OF CORUS BANKSHARES, INC. TO RETAIN AND  
EMPLOY FTI CONSULTING, INC. AS FINANCIAL ADVISORS TO THE  
OFFICIAL COMMITTEE OF UNSECURED CREDITORS  
RETROACTIVE TO JUNE 28, 2010**

The Official Committee of Unsecured Creditors (the “Committee”) of Corus Bankshares Inc. (the “Debtor”) respectfully submits this application (the “Application”), pursuant to section 1103 of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 2014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), for entry of an order authorizing the Committee to retain and employ FTI Consulting, Inc. (“FTI”) as its Financial Advisors in connection with the Debtor’s chapter 11 case, retroactive to June 28, 2010. In support of this Application, the Committee respectfully represents as follows:

<sup>1</sup> The Debtor in this chapter 11 case, along with the last four digits of the Debtor’s federal tax identification number, is: Corus Bankshares, Inc. (3592). The location of the Debtor’s corporate headquarters and the service address for the Debtor is: 10 S. Riverside Plaza, Suite 1800, Chicago, IL 60606.

## **BACKGROUND**

1. On June 15, 2010 (the “Petition Date”), the Debtor filed a voluntary petition with this Court under chapter 11 of the Bankruptcy Code. The Debtor is operating its business and managing its property as a debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No request for the appointment of a trustee or examiner has been made in this chapter 11 case.

2. On June 28, 2010 (the “Formation Meeting”), the Office of the United States Trustee appointed the Committee pursuant to section 1102 of the Bankruptcy Code. At the Formation Meeting, the Committee selected FTI as its financial advisor. The Committee consists of the following five members:

- (a) U.S. Bank, N.A.;
- (b) The Bank of New York Mellon Trust Company, N.A.;
- (c) Wilmington Trust Company;
- (d) Wells Fargo Bank, N.A.; and
- (e) Bank of America, N.A.

## **JURISDICTION AND VENUE**

3. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding pursuant to 28 U.S.C. § 157(b). The statutory predicates for the relief requested herein are section 1103 of the Bankruptcy Code and Bankruptcy Rule 2014.

**RELIEF REQUESTED**

4. By this Application, the Committee seeks to employ and retain FTI pursuant to sections 1103 of the Bankruptcy Code to perform financial advisory services for the Committee in this chapter 11 case, with such employment being retroactive to June 28, 2010, the date when the Committee was appointed and selected FTI as its financial advisors for this case.

5. The Committee is familiar with the professional standing and reputation of FTI. The Committee understands and recognizes that FTI has a wealth of experience in providing financial advisory services in restructurings and reorganizations and enjoys an excellent reputation for services it has rendered in complex chapter 11 cases on behalf of debtors and creditors throughout the United States.

6. The services of FTI are deemed necessary to enable the Committee to assess and monitor the efforts of the Debtor and its professional advisors to maximize the value of its estate and to reorganize successfully. Further, FTI is well qualified and able to represent the Committee in a cost-effective, efficient, and timely manner.

**SCOPE OF SERVICES**

7. The Committee respectfully submits that it is necessary and appropriate for it to employ and retain FTI to provide, among other things, the following services:

- Assistance with the assessment and monitoring of the Debtor's short term cash flow, liquidity, and operating results;
- Assistance in the review of financial information distributed by the Debtor to creditors and others, including, but not limited to, cash flow projections and budgets, cash receipts and disbursement analysis, analysis of various asset and liability accounts, and analysis of proposed transactions for which Court approval is sought;
- Assistance in the review and monitoring of the plan sponsor/asset sale process, including,



but not limited to an assessment of the adequacy of the marketing process, completeness of any buyer lists, review and quantifications of any bids and other services deemed necessary by the Committee;

- Assistance to the Committee in the review of financial related disclosures required by the Court, including the Schedules of Assets and Liabilities, the Statement of Financial Affairs and Monthly Operating Reports;
- Assistance with review of any tax issues associated with, but not limited to, claims/stock trading, preservation of net operating losses, refunds due to the Debtor, plans of reorganization, and asset sales;
- Assistance in the review of the claims reconciliation and estimation process;
- Assistance in the review of the plan(s) of reorganization and the related disclosure statement;
- Assistance regarding the identification of areas of potential cost savings, including overhead and operating expense reductions and efficiency improvements;
- Attendance at meetings and assistance in discussions with the Debtor, potential investors, the Committee, the U.S. Trustee, other parties in interest and professionals hired by the same, as requested;
- Assistance in the review and/or preparation of information and analysis necessary for the confirmation of a plan in this chapter 11 proceeding;
- Assistance in the evaluation and analysis of avoidance actions, including fraudulent conveyances and preferential transfers;
- Litigation advisory services with respect to accounting and tax matters, along with expert witness testimony on case related issues as required by the Committee; and
- Rendering such other general business consulting or such other assistance as the

Committee or its counsel may deem necessary that are consistent with the role of a financial advisor and not duplicative of services provided by other professionals in this proceeding.

**FTI'S ELIGIBILITY FOR EMPLOYMENT**

8. FTI has informed the Committee that, except as may be set forth in the Affidavit of Samuel Star (the "Star Affidavit"), it does not represent any other entity having an adverse interest in connection with this case, and therefore believes it is eligible to represent the Committee under Section 1103(b) of the Bankruptcy Code.

9. FTI will continue ongoing review of its files to ensure that no conflicts or other disqualifying circumstances exist or arise. If any new material facts or relationships are discovered, FTI will supplement its disclosure to the Court.

10. FTI has agreed not to share with any person or firm the compensation to be paid for professional services rendered in connection with this case.

**TERMS OF RETENTION**

11. The Committee understands that FTI intends to apply to the Court for allowance of compensation and reimbursement of expenses for its financial advisory support services in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, corresponding local rules, orders of this Court and guidelines established by the United States Trustee.

12. FTI will seek to be compensated on an hourly fee basis plus reimbursement of actual and necessary expenses incurred by FTI. Actual and necessary expenses would include any reasonable defense of its retention application and fee applications in this matter subject to Court approval.

13. The customary hourly rates<sup>2</sup>, subject to periodic adjustments, charged by FTI professionals anticipated to be assigned to this case are as follows:

Senior Managing Directors	\$775-885
Directors/Managing Directors	\$585-725
Consultants/Senior Consultants	\$305-515
Administration/Paraprofessionals	\$110-250

14. FTI will maintain detailed records of actual and necessary costs and expenses incurred in connection with the financial advisory services described above.

### **INDEMNIFICATION**

15. In addition to the foregoing, and as a material part of the consideration for the agreement of FTI to furnish services to the Committee pursuant to the terms of this Application, FTI requests that the following indemnification provisions be approved:

- a. subject to the provisions of subparagraphs (b) and (c) below, the Debtor is authorized to indemnify, and shall indemnify, FTI for any claims arising from, related to, or in connection with FTI's engagement as financial advisors for the Committee, but not for any claim arising from, related to, or in connection with FTI's post-petition performance of any services other than those in connection with the engagement, unless such post-petition services and indemnification therefore are approved by this Court; and
- b. the Debtor shall have no obligation to indemnify FTI for any claim or expense that is either (i) judicially determined (the determination having become final) to have arisen primarily from FTI's bad faith, gross negligence or willful misconduct, or (ii) settled prior to a judicial determination as to FTI's bad faith, gross negligence or willful misconduct, but determined by this Court, after notice and a hearing pursuant to subparagraph (c) infra, to be a claim or expense for which FTI is not entitled to receive indemnity under the terms of the Application; and

<sup>2</sup> FTI will disclose the new billing rates after any such periodic adjustment, which normally occurs in January of each year.

- c. if, before the earlier of (i) the entry of an order confirming a chapter 11 plan in this case (that order having become a final order no longer subject to appeal), and (ii) the entry of an order closing this chapter 11 case, FTI believes that it is entitled to the payment of any amounts by the Debtor on account of the Debtor's indemnification obligations under the Application, including, without limitation, the advancement of defense costs, FTI must file an application therefor in this Court, and the Debtor may not pay any such amounts to FTI before the entry of an order by this Court approving the payment. This subparagraph (c) is intended only to specify the period of time under which the Court shall have jurisdiction over any request for fees and expenses by FTI for indemnification, and not as a provision limiting the duration of the Debtor's obligation to indemnify FTI.

#### **NOTICE**

16. The Committee has provided notice of this Application to: (a) the Debtor and its counsel; (b) the Office of the United States Trustee for this region; (c) counsel to the indenture trustees for each of the Debtor's subordinated debentures (where applicable); (d) the Securities and Exchange Commission; (e) the Internal Revenue Service; (f) the Federal Deposit Insurance Corporation; (g) the United States Attorney for the Northern District of Illinois; (h) the Civil Process Clerk, United States Attorney's Office for the Northern District of Illinois; (i) the Attorney General of the United States, Washington, D.C., and (j) those parties who have filed notices of appearance in this chapter 11 case. In light of the nature of the relief requested, the Committee respectfully submits that no further notice is necessary.

#### **NO PRIOR REQUEST**

No prior application for the relief requested herein has been made to this or any other Court.


WHEREFORE, the Committee respectfully requests that the Court enter an Order, substantially in the form attached hereto, authorizing the Committee to employ and retain FTI as

financial advisors for the Committee for the purposes set forth above, with such employment being retroactive to June 28, 2010 (the date the Committee selected FTI as its financial advisors), and grant such further relief as is just and proper.

Dated: July 16, 2010

**THE OFFICIAL COMMITTEE OF UNSECURED  
CREDITORS OF CORUS BANKSHARES, INC.**

**By: Chair of the Official Committee of Unsecured  
Creditors of Corus Bankshares, Inc.**



The Bank of New York Mellon Trust Company, N.A.

By: J. Chris Matthews

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

---

In re: ) Chapter 11  
 )  
CORUS BANKSHARES, INC.,<sup>1</sup> ) Case No. 10-26881 (PSH)  
 )  
Debtor. )  
 )  

---

**AFFIDAVIT OF SAMUEL STAR**

STATE OF ILLINOIS )  
COUNTY OF COOK ) ss.  
 )  
 )

I, Samuel Star, being duly sworn, hereby deposes and says:

1. I am a Senior Managing Director with FTI Consulting, Inc. (together with its wholly owned subsidiaries, agents, independent contractors, and employees "FTI"), a financial advisory services firm with numerous offices throughout the country. I submit this affidavit on behalf of FTI (the "Affidavit") in support of the application (the "Application") of the Official Committee of Unsecured Creditors (the "Committee") of Corus Bankshares, Inc. for entry of an order authorizing the employment and retention of FTI as financial advisors under the terms and conditions set forth in the Application. Except as otherwise noted,<sup>2</sup> I have personal knowledge of the matters set forth herein.

---

<sup>1</sup> The Debtor in this chapter 11 case, along with the last four digits of the Debtor's federal tax identification number, is: Corus Bankshares, Inc. (3592). The location of the Debtor's corporate headquarters and the service address for the Debtor is: 10 S. Riverside Plaza, Suite 1800, Chicago, IL 60606.

<sup>2</sup> Certain of the disclosures herein related to matters within the personal knowledge of other professionals at FTI and are based on information provided by them to me.

2. In connection with the preparation of this Affidavit, FTI conducted a review of its contacts with the Debtor, its affiliates and certain entities holding large claims against or interests in the Debtor that were made reasonably known to FTI. A listing of the parties reviewed is reflected on Exhibit A to this Affidavit. FTI's review, completed under my supervision, consisted of a query of the Exhibit A parties within an internal computer database containing names of individuals and entities that are present or recent former clients of FTI. A summary of such relationships that FTI identified during this process is set forth on Exhibit B to this Affidavit.

3. Based on the results of its review, except as noted below, FTI does not have a relationship with any of the parties on Exhibit A in matters related to this proceeding. FTI has provided and could reasonably expect to continue to provide services unrelated to the Debtor's case for the various entities shown on Exhibit B. FTI's assistance to these parties has been related to providing various financial restructuring, litigation support and/or engineering and scientific investigation consulting services. To the best of my knowledge, no services have been provided to these parties in interest which are adverse to the rights of the Committee, nor does FTI's involvement in this case compromise its ability to continue such consulting services.

4. Further, as part of its diverse practice, FTI appears in numerous cases, proceedings, and transactions that involve many different professionals, including attorneys, accountants and financial consultants, who may represent claimants and parties-in-interest in the Debtor's case. It is my understanding that Kirkland & Ellis is engaged as counsel to the Debtor in connection with this proceeding. Mr. George P. Stamas, a partner of Kirkland & Ellis, is currently a member of the Board of Directors of FTI. To the best of my knowledge, Mr. Stamas is in no way involved with the Kirkland & Ellis team in this proceeding, nor does Mr. Stamas have any professional involvement in this matter in any capacity.

5. FTI was retained in November 2009 by the Federal Deposit Insurance Corporation to provide technology and graphic support services in an unrelated arbitration matter. The engagement was completed in January 2010.

6. Further, a current FTI employee working on the engagement is related to an employee of one of the Committee members. To the best of my knowledge, the Committee member employee will not be involved in this matter.

7. Also, FTI has performed in the past, and may perform in the future, advisory consulting services for various attorneys and law firms, and has been represented by several attorneys, law firms and financial institutions, some of whom may be involved in this proceeding. In addition, FTI has in the past, may currently, and will likely in the future be working with or against other professionals involved in this case in matters unrelated to the Debtor and this case. Based on my current knowledge of the professionals involved, and to the best of my knowledge, none of these relationships create interests materially adverse to the Committee in matters upon which FTI is to be employed, and none are in connection with this case.

8. FTI is not a "Creditor" with respect to fees and expenses of the Debtor within the meaning of section 101(10) of Title 11 of the United States Code (the "Bankruptcy Code"). Further, neither I nor any other member of the FTI engagement team serving this Committee, to the best of my knowledge, is a holder of any outstanding debt instruments or shares of the Debtor's stock.

9. FTI has reviewed the relationship that the members of the FTI engagement team may have against a list of employees within the U.S. Trustee's office in this region, and I can confirm that no members of the FTI engagement team are related to the United States Trustee for this region or any known employee in the office thereof.



10. As such, to the best of my knowledge, FTI does not represent any other entity having an adverse interest in connection with this case, and therefore believes it is eligible to represent the Committee under section 1103(b) of the Bankruptcy Code.

11. It is FTI's policy and intent to update and expand its ongoing relationship search for additional parties in interest in an expedient manner. If any new material relevant facts or relationships are discovered or arise, FTI will promptly file a Bankruptcy Rule 2014(a) supplemental affidavit.

12. Subject to Court approval and in accordance with the applicable provisions of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, applicable U.S. Trustee guidelines, the local bankruptcy rules, and any applicable orders of the Court, FTI will seek payment for compensation on an hourly basis, plus reimbursement of actual and necessary expenses incurred by FTI. FTI's customary hourly rates as charged in bankruptcy and non-bankruptcy matters of this type by the professionals assigned to this engagement are outlined in the Application for the employment of FTI. These hourly rates are adjusted periodically.

13. According to FTI's books and records, during the ninety-day period prior to the Debtor's chapter 11 filing on June 15, 2010, FTI performed no professional services for nor incurred any reimbursable expenses on behalf of the Debtor.

14. To the best of my knowledge, a) no commitments have been made or received by FTI with respect to compensation or payment in connection with this case other than in accordance with the provisions of the Bankruptcy Code, and b) FTI has no agreement with any other entity to share with such entity any compensation received by FTI in connection with this chapter 11 case.

Dated this 15<sup>th</sup> day of July, 2010.

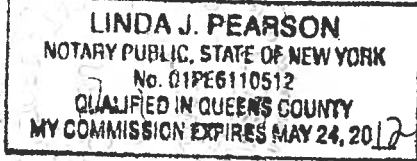


Samuel Star

SUBSCRIBED AND SWORN TO BEFORE ME this 15<sup>th</sup> day of July, 2010.

Linda Pearson  
Notary Public

My Commission Expires:



**EXHIBIT A**

**Listing of Parties-in-Interest Reviewed for Recent, Former, and Current Relationships**

**Debtor**

Corus Bankshares, Inc.

**Debtor Affiliates**

Corus Bank N.A.

**Debtor's Attorneys**

Kirkland & Ellis, LLP

**Debtor's Financial Advisors**

Kinetic Advisors LLC

**Debtor's Auditor**

Ernst & Young LLP

Plante & Moran LLC

**Claims Agent**

BMC Group

**Debtor's Tax Advisor**

Deloitte Tax, LLP

**Current and Recent Former Directors and Officers**

Antal, Stephen J.

Buford, Robert

Callahan, Kevin

Curtis, Randy

Grob, Ryan

Lubeznik, Rodney

McClure, Michael

Minnaugh, Michael J.

Roberts, Peter

**Former Employees**

Dulberg, Michael

Glickman, Robert

Koretz, Rick

Manley, Paula

Nunez, Luis

Taylor, Tim

**Shareholders**

Abdula Family Partnership

Abel, Tyrus C.

Abramovitz, Jake

Abramovitz, Lucille B.

Albrecht, Jane

Allen, Kathleen L.

Anderson, Correne V.

Anderson, Gordon A.

Anderson, Robert A.

Armstrong, Gerald R.

Bayer, Rudolph C.

Bernstein, Benjamin

Bidochka, Ronald M.

Biebuyck, Paula J.

Birnberg, Gary

Birnberg, Joanne

Birnberg, Reuben

Blake, Janice B.

Blake, Kenneth E.

Bookheim, Louis W., III

Brach, Donna J.

Braun, Mary Ann

Broggi, Charles M.

Bronstein, Joel R.

Bruzek, Emil

Burkett, Perry C.

Burns, Barton C.

Cahow, Harold T.

Canyon State Life Insurance Co.

Carlin, Ingrid

Castleman, Linda

Cedar, David A.

Cede & Co.

Coast Life Insurance Co.

Colvin, Lynn M.

Colvin, Ronald H.

Conrad, Cyril A.

Cronin, Susan

Dalton, Deborah A.

Davis, Josh

Desnick, Milton

Dibble, Cynthia W.

Ditlove, Dennis

Ditlove, Nancy

Dotto, Robert L.

Eccles, G. Stephen

Eisel, Edward J.

Eliot, Allen E.

Eliot, Lise S.

Fassbind, Carl

Feeney, Kevin

Feurzeig, Alberta L.

Fingerman, David

Fink, Joel R.

First Clearing LLC

Fisher, Cynthia

Fong, Ronald G.

Frumkin, Leonard

Gardner, Brayden Allen

**EXHIBIT A**

**Listing of Parties-in-Interest Reviewed for Recent, Former, and Current Relationships**

Gibson, Yong	Krebsbach, Urban P.
Giesberger, Liesbeth	Kroeplin, William F.
Gilbert, Aidan D.	Larios, Guadalupe M.
Gindorff, Mary	Latawiec, Chester W.
Glickman, Anne W.	Lebowitz, Harold
Glickman, Caryn	Leder, Morton
Glickman, Hardye	Lepor, Julie
Glickman, Joseph C.	Levoir, Kenneth C.
Glickman, Marnie Rose	Levoir, Michael R.
Glickman, Robert J.	Levoir, Patrick J.
Goldman, Shari	Levoir, Thomas A.
Good, Eleanor H.	Levoir, William J.
Goodman, Marilyn E.	Long, Robert H.
Goodstein, Shirley	Lorr, Alan J.
Gordon, Pearl	Lubeznik, Jack Steven
Graupner, Bonnie J.	Mann, Harriet S.
Gregg, Bernard M.	Mann, Paul S.
Grounds, Harry C.	Martin, Marilyn Klehm
Haim, Susan	Martin, Thomas
Hans, Abby L.	Mary Ann G. McMorrow Trust
Hans, Sharyl A.	McCormick, Alvin W.
Hansen, Terry A.	McParland, John E.
Hartman, Kathleen	McQueen, Michael
Hauf, Carol W.	Millegan, James W.
Helleckson, Dwain D.	Miller, Richard L.
Hernandez, Esau	Mizgalski, Paul J.
Hoffman, Jay F.	Moel, Hardye S.
Hoime, Kristen M.	Moukalian, Mary
Hork, Murial P.	Mueller, Matt
Horwitz, Harriet C.	Murawski, William J.
Hotvedt, Arthur L.	Natkin, Gerald L.
Johnson, Charles R.	Nelson, Justin
Johnson, Phyllis M.	Nicol, Herbert C.
Johnson, Samuel E.	Nicosia, Gina M.
Jones, Stanley H.	Nisson, Rube N.
Kalfadelis, Charles	Norris, J. Martin
Kalina, Mark D.	Nye, Marguerite F.
Kalina, Robert C.	Organ, Joseph, Jr.
Kalina, Terrance M.	Panton, John H.
Kalina, Todd J.	Pearson, Richard G.
Kanner, Marguerite Moukalian	Peralta, Joseph
Keenan, Terence W.	Perkins, Becky
Keller, Leonard M.	Perkins, Carol L.
Kelly, Hubert P.	Perkins, Michael
Kelly, Michael J.	Perkins, Patsy
Kessler, Brandon	Phillips, Mary Kay
Kloss, Donald	Plinski, Darleen M.
Klossner, Barbara A.	Plitman, Michael
Knipers, August	Pokoyoway, Robin A.
Kowalski, Thomas R.	Predd, Marilyn
Krakau, Floyd M.	Propper, Cathy

**EXHIBIT A**

**Listing of Parties-in-Interest Reviewed for Recent, Former, and Current Relationships**

Propper, Janice S.  
Rubenstein, Lee  
Rubenstein, Marlene  
Ruffolo, Fiore J.  
Safirstein, Ronald  
Salloway, Louis  
Salloway, Michael M.  
Schapiro, Jeremiah  
Scheerer, John  
Schlavin, Robert E.  
Schlumpberger, E. James  
Schmaus, Robert L.  
Schneider, Doris E.  
Segal, Mara Clair  
Serber, Marilyn D.  
Serber, Paul  
Shapiro, Paul  
Shobowale, Olatokumbo  
Siker, Marcia  
Slonina, Larry  
Smith, Anthony  
Smith, Dorothy A.  
Smith, Linda Joyce  
Smith, Thomas Steven  
SNL Securities LLC  
Solomon, Joel C.  
Song, Charles CS  
Spaulding, Robert A.  
Stoltman, Donna K.  
Stroyny, Ann  
Stroyny, Stephan  
Studney, Bridget M.  
Sullivan, Patrick Michael  
Tarshish, Heidi S.  
Tengdin, Robert C.  
Upham, Millard  
Uselman, Cynthia J.  
Van Bellingner, Daniel  
Veidel, Joseph  
Vlach, Anna M.  
Vos, Ralph R.  
Watkins, Deborah S.  
Westby, Allen E.  
Wilensky, Alan J.  
Wilharm, Charles F.  
Wiltenmuth, Harold C.  
Wolf, Marshall  
Wolfe, Diane Eve  
Wrobel, Joanne H.  
Yarosh, Sheri Salloway

**Taxing Authorities**

Arizona Department of Revenue  
California Franchise Tax Board  
Illinois Department of Revenue  
Indiana Department of Revenue

**Vendors**

24 Seven Discovere LLC  
Access Search Inc.  
ADP  
American Bank Note Co.  
Antal Consulting LLC  
Baker Tilly  
Merrill Lynch  
Bowne Of Chicago Inc.  
Boyer-Rosene Moving & Storage Inc.  
Broadridge ICS  
Business Wire Inc.  
Carey, Peter B.  
Crains Chicago Business  
CT Corp. System  
D' Absolute  
Dorsey & Whitney LLP  
Edens Express Inc.  
Encore Discovery Solutions  
Excel Graphics & Promotions Inc.  
Foliofn Investments Inc.  
Hewitt Associates LLC  
Hillard Heintze LLC  
Hinshaw & Culbertson  
Ice Systems Inc.  
Iron Mountain  
Katten Muchin Rosenman LLP  
Lake County Press Inc.  
Lindquist & Vennum PLLP  
Mayer Brown LLP  
Mellon Investor Services LLC  
Nasdaq Stock Market LLC  
PR Newswire Association LLC  
Pressley Jacobs Design Inc.  
Proxy Services Corp.  
Pure Compliance  
Resources Global Professionals  
RR Donnelley  
Schopf & Weiss LLP  
Sidley Austin LLP  
Stetler & Duffy Ltd.  
Sullivan & Cromwell LLP  
Thomson Reuters  
Towers Perrin  
Williams Lea Inc.

**EXHIBIT A**

**Listing of Parties-in-Interest Reviewed for Recent, Former, and Current Relationships**

**United States Trustee, Judges, and Court  
Contacts for the Northern District of Illinois -  
Eastern Division (and Key Staff Members)**

Black, Bruce W.  
Cox, Jacqueline P.  
Delaurent, Denise Ann  
Doyle, Carol A.  
Friedman, Richard C.  
Gleason, Kathryn M.  
Goldgar, A. Benjamin  
Gulden, Cameron  
Harvalis, Constantine  
Hollis, Pamela S.  
Rasnak, Sandra T.  
Schmetterer, Jack B.  
Schwartz, John D.  
Silver, M. Gretchen  
Sonderby, Susan Pierson  
Squires, John H.  
Sukley, Roman L.  
Wedoff, Eugene R.  
Wolfe, Stephen G.

**Largest Unsecured Creditors Listed on the  
Petition**

Regus Management Group LLC  
Flora Boemi  
Harry L. Shapiro  
Joel T. Harris  
Marvin Strunk  
Joseph Glickman  
Bloomberg  
U.S. Bank National Association as Statutory Trustee  
for Corus Statutory Trust I  
U.S. Bank National Association as Statutory Trustee  
for Corus Statutory Trust II  
U.S. Bank National Association as Statutory Trustee  
for Corus Statutory Trust III  
The Bank of New York as Statutory Trustee for  
Corus Statutory Trust IV  
U.S. Bank National Association as Statutory Trustee  
for Corus Statutory Trust V  
The Bank of New York as Statutory Trustee for  
Corus Statutory Trust IVI  
Wilmington Trust Company, as Statutory Trustee for  
Corus Statutory Trust VII  
The Bank of New York as Statutory Trustee for  
Corus Statutory Trust VIII  
The Bank of New York as Statutory Trustee for  
Corus Statutory Trust IX

Wilmington Trust Company, as Statutory Trustee for  
Corus Statutory Trust X  
LaSalle Bank, as Statutory Trustee for Corus  
Statutory Trust XI  
Wells Fargo Delaware Trust Co., as Statutory Trustee  
for Corus Statutory Trust XII  
Wells Fargo Delaware Trust Co., as Statutory Trustee  
for Corus Statutory Trust XIII

**Official Creditors' Committee Members**

Bank of America, N.A.  
The Bank of New York Mellon Trust Company, N.A.  
U.S. Bank, N.A.  
Wells Fargo Bank, N.A.  
Wilmington Trust Company

**Official Creditors' Committee Attorneys**

Kilpatrick Stockton LLP  
Neal, Gerber & Eisenberg LLP

**Counsel to Members of the Creditor's Committee**

Kaye Scholer LLP (*Counsel for Bank of America,  
N.A.*)  
Shipman & Goodwin (*Counsel for U.S. Bank, N.A.*)  
Loeb & Loeb, LLP (*Counsel for Wells Fargo Bank,  
N.A.*)  
Foley & Lardner LLP (*Counsel for Wilmington  
Trust Company*)  
Emmet, Marvin & Martin (*Counsel for the Bank of  
New York Mellon Trust Company, N.A.*)

**Other Significant Parties-in-Interest (as known)**

MB Financial Bank, NA  
Starwood Capital Group  
TPG Capital  
Federal Deposit Insurance Corporation (FDIC)  
Goodwin Procter LLP

**EXHIBIT B**

**Parties-in-Interest Noted for Court Disclosure**

**Relationships in Matters Related to This Proceeding**

None

**Relationships in Unrelated Matters**

**Debtor's Attorneys**  
Kirkland & Ellis, LLP

Bank of America, N.A.  
The Bank of New York Mellon Trust Company, N.A.  
U.S. Bank, N.A.  
Wells Fargo Bank, N.A.  
Wilmington Trust Company

**Debtor's Auditor**  
Ernst & Young LLP  
Plante & Moran LLC

**Debtor's Tax Advisor**  
Deloitte Tax, LLP

**Official Creditors' Committee Attorneys**  
Kilpatrick Stockton LLP  
Neal, Gerber & Eisenberg LLP

**Vendors**  
Baker Tilly  
Merrill Lynch  
Dorsey & Whitney LLP  
Katten Muchin Rosenman LLP  
Mayer Brown LLP  
Mellon Investor Services LLC  
RR Donnelley  
Schopf & Weiss LLP  
Sidley Austin LLP  
Sullivan & Cromwell LLP

**Counsel to Members of the Creditor's Committee**  
Kaye Scholer LLP (*Counsel for Bank of America, N.A.*)  
Shipman & Goodwin (*Counsel for U.S. Bank, N.A.*)  
Loeb & Loeb, LLP (*Counsel for Wells Fargo Bank, N.A.*)  
Foley & Lardner LLP (*Counsel for Wilmington Trust Company*)  
Emmet, Marvin & Martin (*Counsel for the Bank of New York Mellon Trust Company, N.A.*)

**Largest Unsecured Creditors Listed on the Petition**  
Bloomberg

**Other Significant Parties-in-Interest (as known)**  
TPG Capital  
Federal Deposit Insurance Corporation (FDIC)  
Goodwin Procter LLP

**Official Creditors' Committee Members**

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

---

In re:	) Chapter 11
	)
CORUS BANKSHARES, INC., <sup>1</sup>	) Case No. 10-26881 (PSH)
	)
Debtor.	)
	)
	)
	)

---

**ORDER AUTHORIZING THE OFFICIAL COMMITTEE  
OF UNSECURED CREDITORS OF CORUS BANKSHARES, INC. TO  
RETAIN AND EMPLOY FTI CONSULTING, INC.  
AS FINANCIAL ADVISORS, RETROACTIVE TO JUNE 28, 2010**

Upon the application (the "Application") of the Official Committee of Unsecured Creditors (the "Committee") of Corus Bankshares, Inc. (the "Debtor") for an order pursuant to section 1103 of chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"), authorizing the Committee to retain FTI Consulting, Inc. ("FTI") as financial advisors; and upon the Affidavit of Samuel Star in support of the Application; and due and adequate notice of the Application having been given; and it appearing that no other notice need be given; and it appearing that FTI is not representing any other entities having an adverse interest in connection with this case; and it appearing that the relief requested in the Application is in the best interest of the Committee; after due deliberation and sufficient cause appearing therefor, it is **HEREBY ORDERED THAT:**

<sup>1</sup> The Debtor in this chapter 11 case, along with the last four digits of the Debtor's federal tax identification number, is: Corus Bankshares, Inc. (3592). The location of the Debtor's corporate headquarters and the service address for the Debtor is: 10 S. Riverside Plaza, Suite 1800, Chicago, IL 60606.



1. The Application is GRANTED as set forth herein.
2. The capitalized terms not defined herein shall have the meanings ascribed to them in the Application.
3. In accordance with section 1103 of the Bankruptcy Code, the Committee is authorized to employ and retain FTI as its financial advisors on the terms set forth in the Application, with such employment being retroactive to June 28, 2010.
4. FTI shall be compensated in accordance with the procedures set forth in sections 330 and 331 of the Bankruptcy Code and such Bankruptcy Rules as may then be applicable, from time to time, and such procedures as may be fixed by order of this Court.
5. FTI is entitled to reimbursement of actual and necessary expenses, including any reasonable legal fees incurred for FTI's defense of its retention and fee applications in this matter, subject to Court approval.
6. FTI will maintain detailed records of actual and necessary costs and expenses incurred in connection with the financial advisory services described in the Application.
7. The following indemnification provisions are approved:
  - a. subject to the provisions of subparagraphs (b) and (c) below, the Debtor is authorized to indemnify, and shall indemnify, FTI for any claims arising from, related to, or in connection with FTI's engagement as financial advisors for the Committee, but not for any claim arising from, related to, or in connection with FTI's post-petition performance of any services other than those in connection with the engagement, unless such post-petition services and indemnification therefor are approved by this Court; and
  - b. the Debtor shall have no obligation to indemnify FTI for any claim or

expense that is either (i) judicially determined (the determination having become final) to have arisen primarily from FTI's bad faith, gross negligence or willful misconduct, or (ii) settled prior to a judicial determination as to FTI's bad faith, gross negligence or willful misconduct, but determined by this Court, after notice and a hearing pursuant to subparagraph (c) infra, to be a claim or expense for which FTI is not entitled to receive indemnity under the terms of the Application; and

c. if, before the earlier of (i) the entry of an order confirming a chapter 11 plan in this case (that order having become a final order no longer subject to appeal), and (ii) the entry of an order closing this chapter 11 case, FTI believes that it is entitled to the payment of any amounts by the Debtor on account of the Debtor's indemnification obligations under the Application, including, without limitation, the advancement of defense costs, FTI must file an application therefor in this Court, and the Debtor may not pay any such amounts to FTI before the entry of an order by this Court approving the payment. This subparagraph (c) is intended only to specify the period of time under which the Court shall have jurisdiction over any request for fees and expenses by FTI for indemnification, and not as a provision limiting the duration of the Debtor's obligation to indemnify FTI.

8. This Court shall retain jurisdiction with respect to all matters arising or related to the implementation of this order

Dated: \_\_\_\_\_, 2010  
Chicago, Illinois

---

Honorable Pamela S. Hollis  
United States Bankruptcy Judge