

**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**
Debtors. : **Joint Administration Requested**
: :
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**DECLARATION OF HENRY A. THOMPSON IN SUPPORT
OF THE DEBTORS' CHAPTER 11 PETITIONS AND FIRST DAY
MOTIONS AND IN ACCORDANCE WITH LOCAL RULE 1007-2**

I, Henry A. Thompson, hereby declare under penalty of perjury:

1. I am the Executive Director, Head of Legal, of Arcapita Bank B.S.C.(c) ("*Arcapita*"), a Bahrain closed joint stock company, one of the above-captioned debtors and debtors in possession (collectively, with Arcapita, the "*Debtors*") and the corporate parent to the other Debtors. In this capacity, I am generally familiar with the Debtors' operations, business, financial affairs, and books and records.

2. On the date hereof (the "*Petition Date*"), each of the Debtors commenced cases (collectively, the "*Chapter 11 Cases*") under chapter 11 of title 11 of the United States Code (the "*Bankruptcy Code*"). The Debtors continue to operate their businesses and manage their property as debtors 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 the Chapter 11 Cases and no committees have been appointed or designated. Concurrently herewith, the Debtors filed a motion seeking joint administration of the Chapter 11 Cases pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "*Bankruptcy Rules*").

3. Subsequent to the commencement of these Chapter 11 Cases, Arcapita

Investment Holdings Limited (“*AIHL*”), a wholly owned Debtor subsidiary of Arcapita incorporated in the Cayman Islands, issued a summons seeking ancillary relief from the Grand Court of the Cayman Islands with a view to facilitating these Chapter 11 Cases (the “*Cayman Proceeding*”).

4. I submit this declaration (the “*First Day Declaration*”) to provide an overview of the Debtors and the Chapter 11 Cases, to comply with Rule 1007-2 of the Local Bankruptcy Rules for the Southern District of New York (the “*Local Rules*”) and to supplement the Debtors’ chapter 11 petitions and “first day” motions and applications (each, a “*First Day Motion*,” and collectively, the “*First Day Motions*”). Except as otherwise indicated herein, all facts set forth in this First Day Declaration are based upon my personal knowledge of the Debtors’ operations and finances, information learned from my review of relevant documents, information supplied to me by other members of the Debtors’ management team or the Debtors’ advisors, and/or my opinion based upon my knowledge and experience and information I have reviewed concerning the Debtors’ operations and financial condition. I am authorized to submit this First Day Declaration on behalf of the Debtors and, if called upon to testify, I could and would testify competently to the facts set forth herein.

5. The purpose of this First Day Declaration is to familiarize the Court with the Debtors and the relief they will seek on the first day of the Chapter 11 Cases. To that end, this First Day Declaration is organized as follows: Part I describes the Debtors’ businesses, their corporate/organizational structure and their capital structure. Part II describes the events leading to the commencement of the Chapter 11 Cases. *Exhibit A* attached hereto sets forth the relevant facts in support of each First Day Motion; *Exhibit B* attached hereto contains the information required by Local Rule 1007-2.

I.

**THE DEBTORS' BUSINESS, OPERATIONS,
ORGANIZATIONAL STRUCTURE AND CAPITAL STRUCTURE**

A. The Arcapita Group's Business

6. Founded in 1996, Arcapita, through its Debtor and non-Debtor subsidiaries (collectively with Arcapita, the "*Arcapita Group*"), is a leading global manager of Shari'ah-compliant alternative investments and operates as an investment bank. Arcapita is not a domestic bank licensed in the United States, nor does it have a branch or agency in the United States as defined in section 109(b)(3)(B) of the Bankruptcy Code. Arcapita is headquartered in Bahrain and is regulated under an Islamic wholesale banking license issued by the Central Bank of Bahrain (the "*CBB*"), which is responsible for maintaining monetary and financial stability in Bahrain. The Arcapita Group employs 268 people and has offices in Atlanta, London, Hong Kong and Singapore in addition to its Bahrain headquarters. The Arcapita Group's principal activities include investing on its own account and providing investment opportunities to third-party investors in conformity with Islamic Shari'ah rules and principles. The Arcapita Group, through certain of its Debtor and non-Debtor subsidiaries, also derives revenue from managing assets under investment. The Arcapita Group currently has approximately \$7 billion in assets under management. On a consolidated basis, the Arcapita Group owns assets valued at approximately \$3.06 billion¹ and has liabilities of approximately \$2.55 billion.

7. The Arcapita Group provides investors the opportunity to co-invest with the Arcapita Group on a deal-by-deal basis across three global asset classes: real estate,

¹ This includes the Arcapita Group's beneficial interest in the assets under management, discussed in more detail below.

infrastructure and private equity and venture capital. Typically, the Arcapita Group, through its non-Debtor subsidiaries, takes an indirect 10-20% equity stake alongside its third-party investors in holding companies that directly own operating portfolio companies in the United States, Europe, Asia and the Middle East. The underlying investments made by the Arcapita Group are generally medium to long term projects that have limited value in the short term and often require significant on-going capital funding to complete in order to realize the value of the investment. The Arcapita Group's proven track record includes investments in companies such as Church's Chicken and Caribou Coffee. Current assets include interests in PODS, a portable moving and storage company founded in Florida, and Tensar International Corporation, a provider of soil stabilization, earth retention, and foundation support technologies headquartered in Atlanta, Georgia. These operating companies are not obligors on the debt described in this First Day Declaration and, therefore, are not Debtors in these Chapter 11 Cases. To maximize the value of these operating companies, the Arcapita Group seeks to minimize disruption to these entities' operations while the Debtors' obligations are restructured.

B. The Debtors' Prepetition Corporate Structure

8. As discussed above, Arcapita's Debtor and non-Debtor subsidiaries are holding companies that hold minority ownership interests in a global portfolio of operating companies. AIHL, a wholly-owned subsidiary of Arcapita, was incorporated as a Cayman Islands exempt company in 1998 for the purpose of holding Arcapita's ownership interests in its investments. AIHL owns 100% of Arcapita LT Holdings Limited ("**AIHL Sub**"), a Cayman Islands exempted company, which in turn owns 100% of the shares of each of the other subsidiary Debtors: WindTurbine Holdings Limited ("**WTHL**"), AEID II Holding Limited ("**AEID II**") and RailInvest Holdings Limited ("**RailInvest**"), each a Cayman Islands exempted company. WTHL, AEID II and RailInvest indirectly hold minority interests in the portfolio of

investments.

9. A chart depicting Arcapita's corporate structure is attached hereto as

Exhibit C.

C. Debtors' Prepetition Capital Structure

10. The Debtors' prepetition liabilities include the following:

i. Secured Debt

11. The SCB Facilities: Arcapita is the borrower under two facilities made available by Standard Chartered Bank: (i) a \$50 million facility dated May 30, 2011, of which approximately \$46.6 million is outstanding and which matures on March 28, 2012 (the "**SCB May 2011 Facility**"); and (ii) a \$50 million facility dated December 22, 2011, of which approximately \$50.1 million is outstanding and which matures on March 28, 2012 (the "**SCB December 2011 Facility**" and, together with the SCB May 2011 Facility, the "**SCB Facilities**").

12. The SCB May 2011 Facility is guaranteed by each of AIHL, AIHL Sub and WTHL. These guarantees are secured by: (i) a first priority pledge of AIHL's shares in AIHL Sub; (ii) a first priority pledge of AIHL Sub's shares in WTHL; and (iii) a second priority pledge of AIHL Sub's shares in AEID II and RailInvest.

13. The SCB December 2011 Facility is guaranteed by each of AIHL, AIHL Sub, WTHL, AEID II, and RailInvest. These guarantees are secured by: (i) a second priority pledge of AIHL's shares in AIHL Sub; (ii) a first priority pledge of AIHL Sub's shares in AEID II and RailInvest; and (iii) a second priority pledge in AIHL Sub's shares in WTHL.

14. The SCB Facilities represent the sole secured obligations of the Debtors. As there is currently no cash collateral associated with the collateral pledged to secured these

obligations, the Debtors are not required to seek, and have not sought, the use of cash collateral.

ii. Unsecured Debt

15. The Syndicated Facility: Arcapita is the borrower under that certain \$1.1 billion unsecured murabaha, Shari'ah-compliant syndicated facility, dated as of March 28, 2007 (the "*Syndicated Facility*"). The "Deferred Purchase Price" on the Syndicated Facility, which is the aggregate of the cost price, the profit element and certain mandatory costs is approximately \$1.103 billion. The Syndicated Facility matures on March 28, 2012. The Syndicated Facility is unsecured, and guaranteed by AIHL.

16. The SIF Facilities: Arcapita is the borrower under an aggregate of approximately \$145 million in various unsecured strategic investor facilities (collectively, the "*SIF Facilities*").

17. The Arcsukuk Facility: Arcapita is a sponsor of a \$100 million murabaha-based Arcsukuk facility (the "*Arcsukuk Facility*"), dated as of September 7, 2011 and maturing on September 7, 2013. Certificates in the Arcsukuk Facility were issued by Arcsukuk (2011-1) Limited, an affiliate of Arcapita, which serves as the trustee under a declaration of trust in favor of beneficiaries that are the registered holders of the Arcsukuk Facility certificates. The Arcsukuk Facility is unsecured, and guaranteed by AIHL.

18. The CBB Facility: Arcapita is the borrower under an approximately \$256 million unsecured facility issued by the CBB (the "*CBB Facility*"). Four tranches of \$50 million each of the CBB Facility roll over on a monthly basis and a fifth tranche of \$50 million rolls-over on a weekly basis. The CBB has agreed to continue to roll over the tranches of the CBB

Facility as they mature.²

19. Interbank Facilities: Arcapita is the borrower under a number of short-term, unsecured regional bank loans (the “*Interbank Facilities*”). As of the Petition Date, obligations outstanding under the Interbank Facilities were comprised of approximately: (i) \$28.4 million of U.S. dollar-denominated debt, (ii) €2.7 million of Euro-denominated debt and (iii) BHD 3.6 million of Bahraini dinar-denominated debt.

20. Bahrain Bay Development Facility. Arcapita is the borrower under that certain unsecured Bahrain Bay Development Facility in the approximate amount of \$116 million.

21. Contingent Guaranty Liability. Arcapita’s material contingent guaranty liability is summarized as follows:

- *Commerzbank Guarantees*: Arcapita has issued two guarantees in favor of Commerzbank in support of equity and debt obligations relating to its investors’ portfolio investment in Profine GmbH, a German portfolio company, totaling approximately \$190 million.
- *National Bank of Bahrain Guarantee*: Arcapita has issued a guarantee in favor of the National Bank of Bahrain in support of debt obligations of Riffa Views B.S.C. (c) (“*Riffa Views*”), a Bahrain real estate investment, totaling approximately \$132 million.
- *G.P.Z Guarantee*: Arcapita has issued a guarantee in favor of G.P. Zachariades Overseas Ltd in support of debt obligations of Riffa Views in the maximum amount of approximately \$13.25 million.

22. Miscellaneous: The Debtors’ additional material outstanding liabilities include:

- *Unsecured Claims Arising Under Investment Agreements*: The Debtors owe approximately \$323 million on account of funds paid by

² In connection with the CBB Facility, the CBB has a call option over Arcapita’s shares in AIHL exercisable up to October 19, 2013 for up to \$250 million worth of shares.

investors that have executed investing agreements with Arcapita or its affiliates.

- *Intercompany Liabilities:* AIHL is liable to Arcapita on account of an unsecured intercompany claim in the approximate amount of \$456 million.
- *Operating Investments:* The Debtors have liabilities with respect to approximately \$458 million invested by Arcapita, on account of itself and its investors, for the benefit of the portfolio investment vehicles.

II.

EVENTS LEADING TO THE CHAPTER 11 CASES AND RELATED APPLICATION TO APPOINT A PROVISIONAL LIQUIDATOR IN THE CAYMAN ISLANDS

23. Like virtually all private equity institutions and investment banks, the Debtors have been adversely impacted by the global economic downturn, and have been especially hard hit by the recent debt crisis in the Eurozone. This global recession has hampered the Debtors' ability to obtain liquidity from the capital markets, and has also resulted in a reduction in asset values (and concomitant difficulties in monetizing certain of the Debtors' illiquid and complex assets owned by the Debtors' affiliated portfolio companies).

24. As a result thereof, the Debtors do not have the liquidity necessary to repay the Syndicated Facility when it comes due on March 28, 2012. Accordingly, the Debtors' management has been actively engaged in discussions with the lenders in the Syndicated Facility, among others, regarding potential out-of-court restructuring scenarios. In connection therewith, the Debtors are in the process of developing a proposal designed to enable the Debtors to (i) restructure their debt, (ii) weather the current economic conditions, and (iii) realize the full value of their assets over time for the benefit of the Debtors' creditors and other stakeholders.

25. Investors under the Syndicated Facility have formed a coordinating committee (the "*Co-Comm*") which, prior to the Petition Date, engaged in initial negotiations

with the Debtors regarding the terms of out-of-court restructuring solutions. The Debtors, however, have been unable to achieve the 100% lender consent required to effectuate the terms of an out-of-court restructuring (including extending the maturity date of the Syndicated Facility). More importantly in the short term, one or more hedge funds that are minority participants in the Syndicated Facility – and who purchased their interests at deep discounts and are seeking to leverage their opposition to a restructuring to obtain a buyout at par while other lenders may well receive less favorable treatment – have threatened precipitous action that would, if successful, undermine the Debtors’ going concern value to the detriment of other creditors and stakeholders. While the Debtors believe that the Co-Comm is not in favor of the actions threatened by these funds, the Co-Comm is not in a position to prevent them.

26. In assessing these threats – which included, among other things, the commencement of an involuntary and value-destructive straight liquidation proceeding in the Cayman Islands – the Debtors carefully considered reorganization options under the laws of various other jurisdictions. It is management’s view, however, that Chapter 11 is the proper – and, indeed, the most effective – venue for implementing a comprehensive restructuring plan for all the Debtors that will maximize recoveries for all creditors and stakeholders. The CBB has been fully informed of the Debtors’ decision to seek chapter 11 protection.

27. The Debtors commenced these Chapter 11 Cases to provide a forum for a global restructuring of their liabilities through a confirmed chapter 11 plan of reorganization. Through non-Debtor subsidiaries, the Arcapita Group manages assets located throughout the world, including the United States, the Middle East, Europe and Asia. The Debtors’ creditor body is an international group of financial institutions and other entities. To ensure that the Debtors have an opportunity through the Chapter 11 Cases to take maximum advantage of the

benefits offered by the United States Bankruptcy Code, and preclude the taking of any action in the Cayman Islands which would undermine or interfere with the realization of those benefits, AIHL commenced the Cayman Proceeding, seeking the appointment of Zolfo Cooper as a provisional liquidator (the "*Provisional Liquidator*").

28. The summons in the Cayman Proceedings contains not only a request for the appointment of the Provisional Liquidator, but also a petition for a winding-up (or liquidation) order (the "*Winding-Up Order*"). Notably, AIHL has requested that the Winding-Up Order be stayed pending resolution of the Chapter 11 Cases. If the Grand Court of the Cayman Islands grants the relief requested, the decision on the Winding-Up Order would be adjourned and the Provisional Liquidator would be empowered, pursuant to a protocol to be negotiated between AIHL and the Provisional Liquidator, to monitor, oversee and assist AIHL's directors to take such steps as may be necessary or expedient to advance AIHL's Chapter 11 Case. In addition, the Provisional Liquidator will provide updates to the Grand Court of the Cayman Islands with respect to the progress of AIHL's Chapter 11 Case. Importantly, the request to appoint the Provisional Liquidator specifically provides that (i) the Provisional Liquidator will not supersede or displace the AIHL board from its duties, responsibilities and authority to manage and direct AIHL, as a debtor in possession, or to control and direct AIHL's Chapter 11 Case, (ii) the Provisional Liquidator's role shall be limited to monitoring, overseeing and assisting AIHL's directors and reporting to the Grand Court of the Cayman Islands regarding the progress of AIHL's Chapter 11 Case, (iii) the appointment of the Provisional Liquidator shall not be deemed to have initiated a foreign proceeding, within the meaning of section 101(23) of the U.S. Bankruptcy Code and (iv) the Provisional Liquidator is not sought to be appointed as a "foreign representative" within the meaning of section 101(24) of the US Bankruptcy Code and

is not authorized or required to seek recognition under Chapter 15 of the US Bankruptcy Code.

29. As previously mentioned, if a Provisional Liquidator is appointed pursuant to the request in the Cayman Proceeding, AIHL's directors will continue to be authorized to exercise all powers of management conferred on them immediately prior to the Cayman Proceeding, will remain as the representatives of AIHL as a debtor in possession pursuant to section 1107 of the Bankruptcy Code and will be entitled to take all necessary steps to negotiate with creditors and otherwise represent AIHL in these Chapter 11 Cases.

30. While the Debtors believe that all of the Debtors' creditors are fully bound by the provisions of the world-wide automatic stay imposed by section 362 of the Bankruptcy Code, the Cayman Proceeding ensures that the automatic stay is honored in the Cayman Islands and that none of the Debtors' creditors, including creditors who might be willing to risk violation of the automatic stay in an attempt to increase their own returns to the detriment of the Debtors' other creditors and stakeholders, will be able to use the courts in the Cayman Islands to collect or enforce obligations owed to them by AIHL.

III.

INFORMATION REQUIRED BY LOCAL RULE 1007-2

31. The information required by Local Rule 1007-2(a)(1) is set forth in Parts I and II above.

32. The information required by Local Rule 1007-2(a)(4) through (12) and 1007-2(b) is set forth in *Exhibit B* attached hereto, as Schedules 1 through 11.

Dated: New York, New York
March 19, 2012

/s/ Henry A. Thompson

Exhibit A

[To Be Filed]

Exhibit B

SCHEDULE 1

List of Creditors Holding 50 Largest Unsecured Claims

Pursuant to Local Bankruptcy Rule 1007-2(a)(4), the following is a list of those creditors holding the 50 largest unsecured claims against the Debtors, on a consolidated basis, as of March 14, 2012. This list has been prepared from the books and records of the Debtors, and in accordance with Rule 1007(d) of the Federal Rules of Bankruptcy Procedure, for filing in the Debtors' Chapter 11 Cases. This list does not include (1) persons who come within the definition of "insider" set forth in 11 U.S.C. § 101, (2) secured creditors unless the value of the collateral is less than the total amount of such creditor's claim or (3) claims held by any of the Debtors' employees.

The information set forth on this Schedule shall not constitute an admission of liability by, nor is binding on, the Debtors, and the failure to list a claim as contingent, disputed or subject to set-off shall not be a waiver of any of the Debtors' rights relating thereto.

	(1) Name of creditor and complete mailing address, including zip code	(2) Name, telephone number, fax numbers and complete mailing address, including zip code of employee, agents, or department of creditor familiar with claim who may be contacted	(3) Nature of claim (trade debt, bank loan, government contracts, etc.)	(4) Indicate if claim is contingent, unliquidated, disputed or subject to set off	(5) Amount of claim
1.	Central Bank of Bahrain	Mr. Ashley Freeman P.O. Box 27 Diplomatic Area Manama Kingdom of Bahrain Tel: +973 17547531 ashley@cbb.gov.bh	Bank Loan		\$255,120,417.00
2.	Commerzbank	Commerzbank Aktiengesellschaft Corporates & Markets, Leveraged Finance, Maizner Landstr. 153, DLZ-Geb. 2, Handlerhaus, 60327 Frankfurt am Main, Germany. Telephone: +49 69 136 429 01 , Christoph Reinhard, Christoph Neff, Christian Rodde.	Bank Loan		\$164,687,500.00
3.	National Bank of Bahrain	National Bank of Bahrain PO Box 106 Manama Kingdom of Bahrain 17205501 544 508	Bank Loan		\$132,251,777.15
4.	Bahrain Bay Development B.S.C.(c)	PO Box 5092 Manama, Kingdom of Bahrain	Bank Loan		\$116,481,112.28

(1) Name of creditor and complete mailing address, including zip code	(2) Name, telephone number, fax numbers and complete mailing address, including zip code of employee, agents, or department of creditor familiar with claim who may be contacted	(3) Nature of claim (trade debt, bank loan, government contracts, etc.)	(4) Indicate if claim is contingent, unliquidated, disputed or subject to set off	(5) Amount of claim	
5.	District Cooling Capital Limited	c/o Paget-Brown Trust Company Ltd. Boundary Hall Cricket Square P.O. Box 1111, Grand Cayman KY1-1102 Cayman Islands Tel: +13459495122	Bank Loan		\$110,673,520.60
6.	Arcsukuk (2011 - 1) Limited	c/o MaplesFS Limited P.O. Box 1093 GT Queensgate House South Church Street George Town Grand Cayman Cayman Islands Facsimile No: +1345 9457100 Attention: Directors	Bank Loan		\$100,000,000.00
7.	Euroville Sarl (formally Satinland Finance Sarl)	Fortelus Attn: Antoine Cadart Attn: Andy Low 125 London Wall London EC2Y 5AJ Tel: 020 77772000 Antoine.Cadart@fortelus.com Andy.Low@fortelus.com	Bank Loan		\$88,750,000.00
8.	Riyad Bank	Timothy Pope Financial Institutions Department P.O. Box 22622, Riyadh 11416, Saudi Arabia Tel: +966-1-4052477 timothy.pope@riyadbank.com	Bank Loan		\$75,000,000.00
9.	VR Global Partners LP.	400 Madison Avenue 15th Floor New York, NY 10017 United States of America Tel: +1 646 571 1870 backoffice@vr-capital.com	Bank Loan		\$74,900,000.00
10.	Midtown Acquisitions LP	Davidson Kempner c65 East 55th Street, 19th Floor New York, New York 10022 Tel: +1 212-446-4000 bdasari@dkpartners.com ckrishanthan@dkpartners.com jdonovan@dkpartners.com bdasari@dkpartners.com	Bank Loan		\$50,050,000.00

(1) Name of creditor and complete mailing address, including zip code	(2) Name, telephone number, fax numbers and complete mailing address, including zip code of employee, agents, or department of creditor familiar with claim who may be contacted	(3) Nature of claim (trade debt, bank loan, government contracts, etc.)	(4) Indicate if claim is contingent, unliquidated, disputed or subject to set off	(5) Amount of claim
11.	Thornbeam Limited	#10F1, Ministry of Finance Building, Commonwealth Drive Jalan Kebangsan BB3910 Negara Brunei Darussalam Att: Mr. Junaidi Masri	Bank Loan	\$50,118,502.00
12.	Perbadanan Tabung Amanah Islam Brunei	Perbadanan Tabung Amanah Islam Brunei Jalan Sultan, Bandar Seri Begawan BS8811, Brunei Darussalam Attention: Tuan Yusof bin Haji Abd Rahman (Managing Director) and Hjh Fatimah Masri (CIO) Tel.: 673 223 2222 Fax: +673 224 0316	Bank Loan	\$47,258,216.20
13.	Fortis Bank NA/NV	Warandeberg 3 1000 Brussels Belgium Tel: +32 2 565 11 11 liane.a.santenero@bnpparibasfortis.com regine.ouyang@bnpparibasfortis.com jules.van.rie@bnpparibasfortis.com	Bank Loan	\$40,094,801.60
14.	Overseas Fund Co. S.P.C.	PO.Box 836 Sheraton Commercial Complex Manama, Kingdom of Bahrain, Attn: Mr. Mobin Chowdhury	Bank Loan	\$40,000,000.00
15.	Devonshire Limited	Abu Dhabi Investment Council Sheikh Hamdan Building - Silver Tower Abu Dhabi, United Arab Emirates P.O.Box 61999 Tel: +971 2 611 5915 / +971 50 617 5917 dbeau@adcouncil.ae cgriffin@adcouncil.ae pweber@adcouncil.ae mpfeffer@adcouncil.ae kbadawi@adcouncil.ae	Bank Loan	\$35,000,000.00

(1) Name of creditor and complete mailing address, including zip code	(2) Name, telephone number, fax numbers and complete mailing address, including zip code of employee, agents, or department of creditor familiar with claim who may be contacted	(3) Nature of claim (trade debt, bank loan, government contracts, etc.)	(4) Indicate if claim is contingent, unliquidated, disputed or subject to set off	(5) Amount of claim	
16.	Standard Bank plc	20 Gresham Street London EC2V 7JE England United Kingdom Tel: +44 (0)20 3145 5000 peter.kennedy@standardbank.com Simon.Reeves@standardbank.com justyna.hubert@standardbank.com	Bank Loan		\$31,000,000.00
17.	BBB Holding Company II Limited	c/o Paget-Brown Trust Company Ltd. Boundary Hall Cricket Square P.O. Box 1111, Grand Cayman KY1-1102 Cayman Islands Tel: +13459495122	Bank Loan		\$30,025,128.44
18.	Goldman Sachs Lending Partners	Goldman Sachs International Daniel House 133 Fleet Street London EC4A 2BB Tel: 44 207 051 8091 julien.farre@gs.com loandocumentation@ln.email.gs.com	Bank Loan		\$30,000,000.00
19.	Barclays Bank plc	5 The North Colonnade Canary Wharf London E14 4BB United Kingdom allan.power@barcap.com liam.wiltshire@barcap.com Simon.Lindow@barclayscapital.com	Bank Loan		\$30,000,000.00
20.	Bank of America N.A.	Bank of America Merrill Lynch Financial Centre 2 King Edward St. London EC1A 1HQ United Kingdom Tel.: +44 0 20 7628 1000 nick.j.reidy@baml.com randheer.sahota@baml.com bruce.mccormick@baml.com	Bank Loan		\$30,000,000.00

(1) Name of creditor and complete mailing address, including zip code	(2) Name, telephone number, fax numbers and complete mailing address, including zip code of employee, agents, or department of creditor familiar with claim who may be contacted	(3) Nature of claim (trade debt, bank loan, government contracts, etc.)	(4) Indicate if claim is contingent, unliquidated, disputed or subject to set off	(5) Amount of claim	
21.	CIMB Bank Berhad	10th Floor Bangunan CIMB Jalan Semantan Damansara Heights 50490 Kuala Lumpur Malaysia john.ng@cimb.com graham.tench@cimb.com Ground Floor 27 Knightsbridge London SW1X 7YB United Kingdom P: 00 44(0) 20 7201 3150 Tel: +603-2084-6458	Bank Loan		\$30,000,000.00
22.	Credit Suisse, London	One Cabot Square London E14 4QJ United Kingdom Tel: +44 207 888 0729 loan.tradingdocs@credit-suisse.com siobhan.mcgrady@credit-suisse.com george.miloszewski@credit-suisse.com sarah.j.ward@credit-suisse.com karim.blasetti@credit-suisse.com markus.niemeier@credit-suisse.com joseph.cresce@credit-suisse.com shamalee.vanderpoorten@credit-suisse.com ayaz.asaf@credit-suisse.com chingiz.mammadov@credit-suisse.com	Bank Loan		\$30,000,000.00
23.	Deutsche Bank Luxembourg S.A.	2, Boulevard Konrad Adenauer L-1115 Luxemburg Luxemburg Tel: +971 (4) 428-3218 Banu.ozkutan@db.com anke.budzisch@db.com nabeel.abdulaal@db.com peter.tracy@db.com	Bank Loan		\$30,000,000.00

(1) Name of creditor and complete mailing address, including zip code	(2) Name, telephone number, fax numbers and complete mailing address, including zip code of employee, agents, or department of creditor familiar with claim who may be contacted	(3) Nature of claim (trade debt, bank loan, government contracts, etc.)	(4) Indicate if claim is contingent, unliquidated, disputed or subject to set off	(5) Amount of claim
24.	European Islamic Investment Bank Plc	60 Chiswell Street London, EC1Y 4SA England Tel: +44 20 7847 9916 / +44 7854 354 515 doug.bitcon@eiib.co.uk danie.marx@eiib.co.uk chris.engel@eiib.co.uk chandimal.Ekanayake@EiIB.co.uk	Bank Loan	\$30,000,000.00
25.	Malayan Banking Berhad, London Branch	Bahrain branch Mr.Nor Rashidi Maybank Bahrain Branch 8th Floor, Al-Jasrah Tower P.O. Box 10470, Diplomatic Area Manama Kingdom of Bahrain Maybank London 74 Coleman Street, London EC2R 5BN United Kingdom Tel: Bahrain: +973 17 535 733 Tel: London:+44 20 76380561 raelah@maybank.uk.com shahrul@maybank.uk.com saleem@maybank.uk.com credit@maybank.com.bh mdbobu@maybank.com.bh	Bank Loan	\$30,000,000.00
26.	Mashreqbank psc	P.O. Box 1250, Dubai Near Al Ghurair City, Deira Tel: +9714 424 4444 NaumanF@Mashreqbank.com FaisalL@mashreqbank.com Sarwatt@mashreqbank.com DalalM@mashreqbank.com AsmaH@mashreqbank.com godrejM@Mashreqbank.com	Bank Loan	\$30,000,000.00
27.	Royal Bank of Scotland N.V.	RBS NV 280 Bishopsgate London EC2M 4RB United Kingdom Tel: +44 (0)131 556 8555 /+44 (0)20 7833 2121 steve.field@rbs.com amar.gill@rbs.com ruth.traugott@rbs.com david.pierce@rbs.com graham.cowe@rbs.com	Bank Loan	\$30,000,000.00

(1) Name of creditor and complete mailing address, including zip code	(2) Name, telephone number, fax numbers and complete mailing address, including zip code of employee, agents, or department of creditor familiar with claim who may be contacted	(3) Nature of claim (trade debt, bank loan, government contracts, etc.)	(4) Indicate if claim is contingent, unliquidated, disputed or subject to set off	(5) Amount of claim	
28.	The Royal Bank of Scotland plc	RBS NV 280 Bishopsgate London EC2M 4RB United Kingdom Tel: +44 (0)131 556 8555 /+44 (0)20 7833 2121 steve.field@rbs.com amar.gill@rbs.com ruth.traugott@rbs.com david.pierce@rbs.com graham.cowe@rbs.com	Bank Loan		\$30,000,000.00
29.	The Arab Investment Company S.A.A.	Sharq - Ahmed Al-Jaber Street - Emad Commercial Center - 4th & 5th Floor P.O.Box: 26630 Safat 13127 Kuwait Tel: +965 - 2224 9999 Fax: 17-588983	Bank Loan		\$30,000,000.00
30.	ING Bank N.V.	ING Commercial Banking Amsterdamse Poort Building Bijlmerplein 888 1102 MG, Amsterdam, The Netherlands Attn: Richard Kirby Reinoud Le Coultre chris.van.den.berge@ingbank.com reinoud.le.coultre@ingbank.com richard.kirby@ingbank.com Fax: '+31 20 563 9111	Bank Loan		\$29,000,000.00

(1) Name of creditor and complete mailing address, including zip code	(2) Name, telephone number, fax numbers and complete mailing address, including zip code of employee, agents, or department of creditor familiar with claim who may be contacted	(3) Nature of claim (trade debt, bank loan, government contracts, etc.)	(4) Indicate if claim is contingent, unliquidated, disputed or subject to set off	(5) Amount of claim	
31.	HSH Nordbank AG, Luxembourg Branch holger.claessen@hsh-nordbank.com oliver.schreiber@hsh-nordbank.com bettina.schilz@hsh-nordbank.lu bernd.nolte@hsh-nordbank.com Kerstin.Tensfeldt-Biell@hsh-nordbank.com sabine.glover@hsh-nordbank.lu michael.wulf@hsh-nordbank.de jutta.gerber@hshn-securities.com bo.kolbe.nielsen.madsen@hshra.dk Kerstin.Tensfeldt-Biell@hsh-nordbank.com	2 Rue Jean Monnet 2180 Luxembourg Luxembourg Tel: +352 424141-1 Mr. Bo Kolbe Nielsen Madsen Mrs. Kerstin Tensfeldt-Biell	Bank Loan		\$29,000,000.00
32.	Yayasan Sultan Haji Hassanah Bolkiah	Peti Surat 1166, Bandar Seri Begawan BS8672 Negara Brunei Darussalam Attn: Dk Norazimah Pg Hj Muhammad Tel.: 6732234080 Fax:6732234082	Bank Loan		\$23,631,610.22
33.	Bandtree SDN BHD	c/o Brunei Investment Agency Level 12, Ministry of Finance Building Commonwealth Drive Jalan Kebangsaan, BSB BB3910, Brunei Darussalam Tel.: 673 2383535 Fax: 673 2383518	Bank Loan		\$23,631,592.24
34.	Saudi Industrial Capital I Limited	c/o Paget-Brown Trust Company Ltd. Boundary Hall Cricket Square P.O. Box 1111, Grand Cayman KY1-1102 Cayman Islands Tel: +13459495122	Bank Loan		\$21,314,388.94
35.	Fuad Al Ghanim & Sons General Trading and Contracting	PO Box 2118 Safat 13022, Kuwait Fax: +96524827555	Bank Loan		\$21,147,000.00

(1) Name of creditor and complete mailing address, including zip code	(2) Name, telephone number, fax numbers and complete mailing address, including zip code of employee, agents, or department of creditor familiar with claim who may be contacted	(3) Nature of claim (trade debt, bank loan, government contracts, etc.)	(4) Indicate if claim is contingent, unliquidated, disputed or subject to set off	(5) Amount of claim
36. BAWAG P.S.K. Bank für Arbeit und Wirtschaft und Österreichische Postsparkasse Aktiengesellschaft	BAWAG P.S.K. Bank für Arbeit und Wirtschaft und Österreichische Postsparkasse, Aktiengesellschaft, Seitzergasse 2-4, A-1010 Vienna Tel: +43 5 99 05 22518 / +43 664 80998 22518 Attn: Martin Leppin Attn: Darren Capon martin.leppin@bawagpsk.com darren.capon@bawagpsk.com	Bank Loan		\$20,000,000.00
37. BBK B.S.C.	43 Government Avenue Manama , Kingdom of Bahrain PO Box 597 Tel: +973 17 207 420 ankur.lalaji@bbkonline.com amardeep.singh@bbkonline.com prasenjit.mandal@bbkonline.com	Bank Loan		\$20,000,000.00
38. Boubyan Bank K.S.C.	Mubarak tower Kuwait City, Abdullah Al Salem St., Block 5 Building 15 Central Commercial Area, Kuwait Tel: +965 232 5000 maljaser@bankboubyan.com akhursheed@bankboubyan.com	Bank Loan		\$20,000,000.00
39. Doha Bank	P.O. Box 3818 Grand Hamad St. Doha, Qatar Tel: (974) 4015 4843 Mobile: (974) 6685 9755 Attn: Mr Narayanan Kattusery Pisharath knarayanan@dohabank.com.qa	Bank Loan		\$20,000,000.00
40. Natixis	30, avenue Pierre Mendès-France 75013 Paris Tel: +33 (0) 1 58 32 30 00 francois.lemeur@natixis.com lucinda.collins@uk.natixis.com stephane.robinet@natixis.com alexandre.baguet@natixis.com	Bank Loan		\$20,000,000.00

(1) Name of creditor and complete mailing address, including zip code	(2) Name, telephone number, fax numbers and complete mailing address, including zip code of employee, agents, or department of creditor familiar with claim who may be contacted	(3) Nature of claim (trade debt, bank loan, government contracts, etc.)	(4) Indicate if claim is contingent, unliquidated, disputed or subject to set off	(5) Amount of claim	
41.	Perbadanan Tabung Amanah Islam Brunei	Perbadanan Tabung Amanah Islam Brunei Jalan Sultan, Bandar Seri Begawan BS8811, Brunei Darussalam Tel.: +673 223 2222 Fax: 673 224 0316 Attention: Tuan Yusof bin Haji Abd Rahman (Managing Director) and Hjh Fatimah Masri (CIO)	Bank Loan		\$19,696,797.80
42.	Tadhamon Capital B.S.C.	Tadhamon Capital B.S.C.(c) P.O. Box 75511 GBCorp Tower 12th Flr. Bahrain Financial Harbour Manama, Kingdom of Bahrain Tel.: +973 17 103444 Fax: +973 17 104840	Bank Loan		\$18,421,924.14
43.	Kuwait Finance House KSC	Aras 18, Tower Two Etiqa Twins, 11 Jalan Pinang, 50450 Kuala Lumpur, Malaysia Tel: +603 2054 7414 Attn: (Malaysia) Berhad Nurulhelmy Bin Norman Fayaz Ahmed Mohammed Javid Mr. Yeow Tiang Hui KSC Attn: Mathew Thomas Attn: Sabah Ismael Thakoor raja.arni@kfh.com.my nurulhelmy.norman@kfh.com.my iqbal@kfh.com Abdullah.alhadad@kfh.com	Bank Loan		\$18,000,000.00

(1) Name of creditor and complete mailing address, including zip code	(2) Name, telephone number, fax numbers and complete mailing address, including zip code of employee, agents, or department of creditor familiar with claim who may be contacted	(3) Nature of claim (trade debt, bank loan, government contracts, etc.)	(4) Indicate if claim is contingent, unliquidated, disputed or subject to set off	(5) Amount of claim
44.	NavIndia Holding Company Limited	c/o Paget-Brown Trust Company Ltd. Boundary Hall Cricket Square P.O. Box 1111, Grand Cayman KY1-1102 Cayman Islands Tel: +13459495122	Bank Loan	\$17,605,878.21
45.	Commerzbank (beneficiary PVC (Lux) Lux Holding Company S.a. r.l.)	Commerzbank Aktiengesellschaft, Corporates & Markets Leveraged Finance Maizner Landstr. 153 DLZ-Geb. 2, Handlerhaus, 60327 Frankfurt am Main, Germany. Telephone: +49 69 136 429 01 , Attn: Christoph Reinhard, Christoph Neff, Christian Rodde	Bank Loan	\$17,127,500.00
46.	Falcon Gas Storage Company, Inc.	5847 San Felipe, Suite 3050, Houston, TX 77057 USA. Fax: 713-961-2676	Bank Loan	\$15,160,474.99
47.	The Governor and Company of the Bank of Ireland	Bank of Ireland Corporate Banking Lower Baggot Street, Dublin 2 Tel: +353 1 604 4713 adrian.behan@boi.com jennifer.lyons@boimail.com frank.schmitt@boimail.com russell.williamson@boi.com elaine.crowley@boi.com carla.ryon@boi.com	Bank Loan	\$15,000,000.00
48.	Bank of Taiwan, Singapore Branch	80 Raffles Place #28-20 UOB Plaza 2 Singapore 048624 jasonlee@botsg.com carol@botsg.com.sg	Bank Loan	\$15,000,000.00
49.	G.P. Zachariades Overseas Ltd.	PO Box 5632 Manama, Kingdom of Bahrain	Bank Loan	\$13,250,000.00
50.	Tabung Amanah Pekerja	Island Block Level 1 Commonwealth Drive Jln Kebangsaan Bandar Seri Begawan BB3910 Negara Brunei Darussalam Ms. Clarice Lim Boon Chi Fax: 673-2381218	Bank Loan	\$12,219,295.18

SCHEDULE 2

List of Creditors Holding Five Largest Secured Claims

Pursuant to Local Bankruptcy Rule 1007-2(a)(5), the following is a list of those creditors holding the five largest secured claims against the Debtors, on a consolidated basis, as of December 31, 2011. This list has been prepared from the books and records of the Debtors, and in accordance with Rule 1007(d) of the Federal Rules of Bankruptcy Procedure, for filing in the Debtors' Chapter 11 Cases.

The information set forth on this Schedule shall not constitute an admission of liability by, nor is binding on, the Debtors, and the failure to list a claim as contingent, disputed or subject to set-off shall not be a waiver of any of the Debtors' rights relating thereto.

The following creditors hold the five largest secured claims against the Debtors:

Standard Chartered Bank	USD 50,000,000.00	5th Floor, 1 Basinghall Avenue London EC2V 5DD United Kingdom	SCB Murabaha Facility
Standard Chartered Bank	USD 50,000,000.00	5th Floor, 1 Basinghall Avenue London EC2V 5DD United Kingdom	SCB Murabaha Facility

SCHEDULE 3

Assets and Liabilities of the Debtors
as of December 31, 2011

On a consolidated basis, the total value of the Debtors' assets is approximately \$3.06 billion¹ and the total amount of the Debtors liabilities is approximately \$2.55 billion.

¹ This amount reflects the assets of Arcapita and its subsidiaries on a consolidated basis, and includes the value of portfolio investments held by non-Debtor subsidiaries of Arcapita.

SCHEDULE 4

Public Securities of the Debtors

No shares are publicly traded.

SCHEDULE 5

Debtors' Property Not in the Debtors' Possession

Pursuant to Local Bankruptcy Rule 1007-2(a)(8), the following is a list of the property of the Debtors that is in the possession or custody of any custodian, public officer, mortgagee, pledgee, assignee of rents, secured creditor, or agent of such entity.

All of the shares of Arcapita LT Holdings, WindTurbine Holdings Limited, AEID II Holdings Limited, and RailInvest Holdings Limited have been pledged to Standard Chartered Bank pursuant to a Guarantee for the two murabaha facilities listed on Schedule 2. The share certificates of these entities are currently in the possession of Standard Chartered Bank or its legal counsel.

SCHEDULE 6

Premises Owned, Leased, or Held Under Other Arrangement, From Which the Debtors Operate Their Businesses

Pursuant to Local Bankruptcy Rule 1007-2(a)(9), the following is a list of the property or premises owned, leased or held under other arrangement by the Debtors from which the Debtors operate their businesses. The classification of contractual arrangements listed herein as real property leases or property held under other arrangements shall not be binding on the Debtors.

The following table lists the premises owned, leased, or held under other arrangement from which the Debtors operate their businesses:

<u>Premises Location</u>	<u>Nature of Property Interest</u>	<u>Usage</u>
Arcapita Bank B.S.C.(c), Arcapita Building, Bahrain Bay, P.O. Box 1406, Manama, Kingdom of Bahrain	Arcapita Bank B.S.C.(c) Lease	Headquarters building and surrounding property
Four Seasons Tower , 24th Floor, 75 Fourteenth Street, Atlanta, Georgia 30309	Arcapita Investment Holdings Limited Lease Arcapita LT Holdings Limited Lease WindTurbine Holdings Limited Lease RailInvest Holdings Limited Lease AEID II Holdings Limited Lease	Office space
Warehouse No. 7 & 9, Building # 2568 Road # 4450, Block # 744 A'aali Area Bahrain	Arcapita Bank B.S.C.(c) Lease	Storage space

SCHEDULE 7

Location of Debtors' Assets, Books and Records

Pursuant to Local Bankruptcy Rule 1007-2(a)(10), the following is a list of the location, value, and nature of the Debtors' substantial assets, including any assets held by the Debtors outside the territory of the United States.

As described in the First Day Declaration, the Debtors' substantial assets are approximately \$3.06 billion² in the form of investment securities, bank accounts, and real property. These assets are located primarily in Manama, Bahrain, Grand Cayman, Cayman Islands and New York, New York.

The Debtors' books and records are primarily located at Manama, Bahrain. The Debtors also store books and records in Grand Cayman, Cayman Islands, and New York, New York.

² This amount reflects the assets of Arcapita and its subsidiaries on a consolidated basis, and includes the value of portfolio investments held by non-Debtor subsidiaries of Arcapita.

SCHEDULE 8

Litigation

Pursuant to Local Bankruptcy Rule 1007-2(a)(11), the following is a list of the nature and present status of each action or proceeding, pending or threatened, against the Debtors or their properties, where a judgment against the Debtors or a seizure of their property may be imminent.

List of material claims

1. Riffa Views

Arcapita Bank B.S.C.(c) ("*Arcapita*") is a Guarantor to certain obligations for one of its portfolio companies Riffa Views B.S.C.(c) ("*Riffa*"), a property development project in Bahrain. G.P. Zacheriades Overseas Ltd. ("*GPZ*"), a contractor, provided construction services to Riffa. Some payment obligations under the contract that governed the services were guaranteed by Arcapita. The contract has since been terminated. Riffa and GPZ are currently in arbitration as to GPZ's claims. Simultaneously, GPZ instituted proceedings against Arcapita in Bahraini Court seeking payment under the Guaranty. The Notice of Pleading was issued on July 6, 2011. Under the contract the claim is limited to approximately BD 2.3 million. Arcapita's defense is that no payment is due until the underlying claims have been decided in arbitration. Currently, the parties are discussing settlement. In February 8, 2012, GPZ filed a claim in the Bahrain Court of Urgent Matters ("*COUM*") to request a freezing order for the amount of the Guarantee. The COUM has adjourned the hearing for the freezing order until March 13, 2012. Arcapita's defense in this matter is that the underlying claims have not yet been decided and the Court of Urgent Matters does not have the requisite competence or jurisdiction for this matter. Previously, GPZ had filed a similar claim requesting a freezing order for the amount of BD 2.3 million under the contractual claim described above. The COUM decided in favour of Arcapita in such matter.

2. Falcon - Alinda

On August 2, 2010, Alinda affiliates Tide Natural Gas Storage I, LP and Tide Natural Gas Storage II, LP (together, "*Tide*") sued Arcapita Bank, B.S.C.(c) and Arcapita Inc. (together for the purposes of this section, "*Arcapita Defendants*") and Falcon Gas Storage Company, Inc. ("*Falcon*") in the United States District Court for the Southern District of New York asserting claims arising out of the sale to Tide of Falcon's 100% interest in NorTex. Tide asserts claims for violations of the federal securities laws, common law fraud, breach of warranty, breach of contract, and for a permanent injunction. Tide is seeking damages as well as injunctive relief barring the release of \$70 million of the purchase price of NorTex, which had been placed in escrow at the closing of the sale. On August 30, 2010, the Arcapita Defendants answered the complaint and filed counterclaims against Tide for declaratory judgment and breach of contract with respect to the escrow agreement. On September 24, 2010, the Arcapita Defendants moved for partial summary judgment seeking dismissal of plaintiffs' request for injunctive relief and seeking a declaratory judgment in favor of Falcon with respect to its right to immediate disbursement of the escrowed funds. On October 1, 2010, Tide opposed Falcon's motion and moved to attach the \$70 million of escrowed funds. On October 27, 2010, the Arcapita Defendants moved for judgment on the pleadings on the remainder of the claims asserted in Tide's complaint. Discovery has been stayed pending resolution of these motions.

On September 29, 2011, the Court issued a decision denying all parties' motions. First, it denied the Arcapita Defendants' motion for judgment on the pleadings, holding that Tide had stated a claim for relief under its various causes of action. Second, it denied the Arcapita Defendants' motion for partial summary judgment dismissing Tide's claim for a permanent injunction on that ground that Tide had not moved for a preliminary injunction, and that summary judgment was premature. Third, it denied the Arcapita Defendants' motion for summary judgment on its counterclaim for declaratory relief, seeking immediate disbursement of the escrow. It held that there are issues of fact with respect to Tide's affirmative defense that the parties' agreements, including the escrow agreement, were fraudulently induced, excusing its obligation to direct that the escrow be released. Fourth, it denied Tide's cross-motion for an order attaching the funds in escrow.

The Court directed the parties to submit a joint status letter by October 28, 2011 providing a proposed scheduling order that would enable the case to be tried no later than January 17, 2012. The parties are also to state whether they wish to be referred to a magistrate judge for settlement discussions.

On December 9, 2011 the Court entered the parties' agreed-upon Scheduling Order and Discovery Plan, which sets deadlines of June 15, 2012 for fact discovery and August 10, 2012 for all discovery. The parties are to be ready for trial on or after September 10, 2012. That is still the operative schedule in the case. Discovery is proceeding. The Arcapita Defendants have begun its initial document production and will seek to begin fact depositions in April. Alinda has yet to produce any documents. Both sides have served subpoenas on third parties and received documents.

3. Profine

In October 2007, Arcapita invested in Profine GmbH., a German manufacturer of PVC Profiles, sheets and shutters with operations in Europe, North America and Asia ("**Profine**"). Arcapita, together with third party investors (which Arcapita arranged), is the indirect controlling shareholder of Profine with representatives on the boards of the various companies in Profine. The initial investment was made through PVC (Lux) Holding Company S.à r.l. ("PVC Lux"), an Investment Holding Company established specifically for the purposes of the investment, which is beneficially owned by Arcapita. The principal operating subsidiary of Profine is a wholly-owned German entity, headquartered in Berlin, Germany, called HT Troplast GmbH (the "Company"). Pursuant to statutory German laws, a supervisory board had to be formed at the level of HT Troplast GmbH, to which five Arcapita representatives were appointed by PVC Lux.

In May 2008, Arcapita agreed with Commerzbank (formerly Dresdner Bank) to amend the capital structure of the original transaction and to inject an additional €25 million of equity as well as grant an Arcapita guarantee totaling €25 million. The guarantee was tied to the financial performance of Profine and would fall away once €95 million of EBITDA was reached.

The Company's financial performance deteriorated further, due to the economic downturn and its impact on the construction industry and Commerzbank and Arcapita agreed to a further financial restructuring in the course of 2009 which closed in November 2010. The original Bank guarantee was kept in place. The restructuring agreement comprised an obligation by Arcapita to fund an additional €45 million of equity, either by funding that amount by the 31 December 2011 or by maintaining a minimum liquidity covenant of €20 million at Profine.

In December 2011, €13 million of the €45 million additional equity as per the restructuring agreement was still outstanding. Arcapita negotiated with Commerzbank a one-month extension and issued an

additional Arcapita guarantee of €13 million. At the end of January, the Arcapita Board took the decision not to fund the additional €13 million into Profine.

Subsequently to this decision, all Arcapita representatives have been removed from the HT Troplast Board to not jeopardize their fiduciary duties or raise a conflict of interest. Arcapita representatives are still directors of PVC (Lux) Holding Company S.à r.l. and PVC Investments Limited.

On 15 February 2012, Commerzbank demanded the payment of the €13 million Arcapita guarantee.

On 12 March 2012, Commerzbank issued three notices of acceleration against various Profine entities which have also been copied to Arcapita:

i) Notice of partial acceleration in respect of the Senior Facilities Agreement which requires the immediate payment of €25 million by HT Troplast GmbH to Commerzbank;

ii) Notice of Acceleration and Termination in respect of the Murabaha Facility Agreement which terminates the facility and requires the immediate payment of all Obligations (as defined therein) by PVC (Lux) Holding Company S.à r.l to Commerzbank; and

iii) Notice of Cancellation and Termination in respect of the PIK Facility Agreement which cancels the facility and requires the immediate payment of all Loans (as defined therein) by PVC (Lux) Holding Company S.à r.l to Commerzbank.

The Notice of Acceleration and Termination in respect of the Murabaha Facility Agreement notes that Commerzbank intends to enforce any and all rights and interests created under and existing under the guarantee granted in May 2008 i.e. the guarantee granted by Arcapita to Commerzbank for €25 million. Arcapita therefore expects that Commerzbank will issue a demand for payment for €25 million on or about 26 March 2012, 14 days after service of the said notice.

In addition, on 13 March 2012, HT Troplast issued a notice of acceleration under a revolving credit facility agreement dated 1 September 2011 to PVC (Lux) Holding Company S.à r.l., demanding repayment of an amount of €1.6 million.

SCHEDULE 9

Senior Management

Pursuant to Local Bankruptcy Rule 1007-2(a)(12), the following is a list of the individuals comprising existing senior management, describing their tenure and relevant responsibilities and experience.

Name	Age	Bio
Atif A. Abdulmalik Chief Executive Officer Bahrain	46	One of the founders of Arcapita in 1997, Atif was responsible for assembling the Bank's management team. Atif has a BBA in Accounting, Finance and Management from Saint Edward's University, Texas and he qualified as a Certified Public Accountant (CPA) in the United States. In 2007, he was awarded The Proficiency Medal First Class by His Majesty King Hamad bin Isa Al Khalifa, in acknowledgement of his outstanding contribution to the Kingdom of Bahrain.
Khalid A. Al Jassim Executive Director, Investment Placement Bahrain	44	Prior to joining Arcapita in 1998, Khalid served as a Senior Consultant with Arthur Andersen in Bahrain, responsible for multi-dimensional projects in the GCC market. Previously, he was Head of Marketing at National Chemical Industries Corporation in Bahrain, a specialty petrochemical company which was majority owned by Saudi Basic Industries Corporation (SABIC). Khalid was also a Marketing Coordinator at AST Research in the United States, operating out of Orange County California. Khalid has a BS in Computer Science and Mathematics from California State University at Long Beach and an Executive MBA from Pepperdine University in California.
Hisham Abdulrahman Al Raei Executive Director, Investment Placement Bahrain	44	Hisham is an Executive Director at Arcapita, and has been a member of the management team since the bank's inception. With over 16 years of investment banking and finance experience, he currently heads placement and relationship management for Arcapita's clients in Bahrain, Saudi Arabia's Central and Eastern region, Oman and all regions beyond the Arabian Gulf. Prior to joining Arcapita, Hisham was the Senior Director of Business Development with Reuters Middle East in Saudi Arabia for five years and prior to that he worked in the finance department at Citibank N.A., Bahrain. Hisham holds a CSD in Business Administration from the University of Bahrain and a Masters in Business Administration from the University of Hull, UK.
Mohammed A. Muiz Chowdhury Executive Director, Financial Management Bahrain	45	Mohammed heads up the Financial Management Group. Prior to joining Arcapita in 1998, he spent nine years in the accounting profession working for Ernst & Young in Bahrain and KPMG in London. Mohammed is a member of the Institute of Chartered Accountants in England and Wales, completing his training contract while working for KPMG in London. He is a graduate of the London School of Economics and has an MBA from the London Business School.
Peter Karacsonyi Executive Director, Corporate Management Bahrain	46	Prior to joining Arcapita in 2008, Peter was with Bear Stearns in New York, where he was a Managing Director and Chief Operating Officer. Prior to joining Bear Stearns, Peter was with JP Morgan and before that, Goldman Sachs and General Electric, and has over 18 years of experience. Peter has a BBA from the University of Oklahoma and, during his time at GE, completed the GE Finance Management Program and GE Managers Development Course.

<p>Nael Mustafa Executive Director, Real Estate Bahrain</p>	<p>44</p>	<p>Nael is the head of Real Estate in the Middle East and India. His responsibilities include the origination and structuring of real estate investments, real estate funds the management of existing portfolio investments in the GCC as well participating in the management of Arcapita’s global real estate activities. Prior to joining Arcapita in 2003, Nael spent 13 years with various investment banks in Bahrain and covering the GCC through a wide range of investment sectors and asset classes including capital markets, corporate finance and advisory services. Nael worked with TAIB Bank E.C., where in his last assignment was General Manager of TAIB Securities, TAIB Bank’s capital markets arm and at Securities & Investment Co. in Bahrain, where he was head of corporate finance. Nael has an MBA from Edinburgh University, Scotland and is a Chartered Financial Analyst “CFA”.</p>
<p>Henry A. Thompson Executive Director, Legal London</p>	<p>60</p>	<p>Henry is Arcapita’s General Counsel, responsible for administering the Bank’s legal affairs, corporate governance and developing the legal aspects of the Islamic financial instruments utilized by the Bank. Prior to joining Arcapita in 1997, Henry was with US law firms, Gibson, Dunn & Crutcher LLP and Hogan & Hartson LLP for eight years, specializing in cross-border investments as well as financing on both conventional and Islamic lines. Henry has a BS in Foreign Service from Georgetown University in Washington, D.C., and JD (Cum Laude) from Georgetown University Law Center in Washington, D.C. Henry is a Member of the District of Columbia Bar.</p>
<p>Asim Zafar Executive Director, Chief Strategy Officer Bahrain</p>	<p>48</p>	<p>Asim is Arcapita’s Chief Strategy Officer, responsible for developing new business partnerships at the corporate level and supporting Arcapita’s funding requirements and relationships, including sourcing strategic equity investments. Prior to joining Arcapita in 1997, Asim was with the corporate finance group at Coopers & Lybrand for two years, focusing on the transport, energy and telecommunications sectors. Prior to Coopers & Lybrand, Asim was with Touche Ross for three years, where he was involved in a broad range of product lines with a focus on insurance and banking. Asim is a Member of the Institute of Chartered Accountants of England and Wales (ACA) and a Member of the Chartered Institute of Management Accountants, UK (ACMA).</p>
<p>Essa Zainal Executive Director, Financial Control Bahrain</p>	<p>49</p>	<p>Essa is head of Financial Control. Prior to joining Arcapita in 2003, Essa was with Al Baraka Banking Group in Bahrain for three years as financial controller responsible for the consolidation of Al Baraka’s financial institutions. Previously, he was with Arthur Andersen in Bahrain for more than 15 years, during which he headed the assurance advisory services division. Essa has a BS in Accounting from the University of Bahrain and is a Certified Public Accountant (CPA) from Georgia, USA.</p>

SCHEDULE 10

Payroll

Pursuant to Local Bankruptcy Rule 1007-2(b)(1)-(2)(A) and (C), the following provides the estimated weekly payroll to the employees of the Debtors (not including officers, directors, and stockholders), and the estimated amount to be paid to officers, directors, stockholders, and financial and business consultants retained by the Debtors, for the thirty (30) day period following commencement of the Debtors' Chapter 11 Cases:

1. Amount paid to be paid to employees <u>per week</u>	\$ 250,000.00
2. Amount to be paid to officers and senior management <u>per week</u>	\$ 60,000.00
3. Amount anticipated to be accrued by business and financial consultants <u>per week</u>	\$1,500,000.00

Total weekly estimate (the sum of rows 1. and 2. above): \$1,810,000
Total estimate for accrual of business and financial consultants during the first 30 days: \$7,240,000

SCHEDULE 11

Estimated Cash Receipts and Disbursements, Net Cash Gain or Loss, and Obligations and Receivables Expected to Accrue But Remain Unpaid

Pursuant to Local Bankruptcy Rule 1007-2(b)(3), the following provides, for the thirty (30) day period following commencement of the Chapter 11 Cases, the Debtors' estimated cash receipts and disbursements, net cash gain or loss, and obligations and receivables expected to accrue that remain unpaid, other than professional fees.

Estimated Cash Receipts	Approx. \$84.8 million	Includes: Exit proceeds, management fees and yield from deal companies
Estimated Cash Disbursements	Approx. \$34.6 million	Includes: G&A, staff expenditure, deal funding requirements, investment commitments
Net Cash Gain (Loss)	(Approx. \$50.2 million)	
Accrual (Decrease) of Unpaid Obligations	(Approx. \$1.4 million)	Includes: projected/recurring expenses.
Accrual (Decrease) of Unpaid Receivables	(Approx. \$4.8 million)	Includes: projected management fees to be received and yield from investment companies.

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