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

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In re:	:	Chapter 11
	:	
ARCAPITA BANK B.S.C.(C), et al.,	:	Case No. 12-11076 (SHL)
	:	
Debtors.	:	(Jointly Administered)
	:	
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**STATEMENT OF OFFICIAL COMMITTEE OF UNSECURED CREDITORS IN
CONNECTION WITH DEBTORS’ MOTION TO AMEND SECOND ORDER
EXTENDING EXCLUSIVITY AND TO FURTHER EXTEND THEIR EXCLUSIVE
PERIODS TO FILE A PLAN AND TO SOLICIT ACCEPTANCES THEREOF**

The Official Committee of Unsecured Creditors (the “Committee”) of Arcapita Bank B.S.C.(c) and its affiliated debtors in possession (collectively, the “Debtors”) in the above-captioned chapter 11 cases hereby submits this statement (the “Statement”) in connection with the *Debtors’ Motion to Amend Second Order Extending Exclusive Periods to File a Plan or Plans of Reorganization and to Solicit Acceptances Thereof and Further Extending the Exclusive Periods* [Docket No. 701] (the “Motion”).¹

STATEMENT

1. The Committee does not oppose the relief requested in the Motion, but submits this Statement to make the Court aware of its position regarding certain statements contained in the Motion.

¹ Capitalized terms used but not defined herein have the meanings ascribed to them in the Motion.

2. The Debtors repeatedly assert that they are ready and willing to file a plan by the December 15, 2012 deadline, yet seek a further extension of their Exclusive Periods solely at the request of the Committee. (Motion ¶¶ 7, 8, 11, 13). Those assertions fail to reveal that, while the Debtors may be prepared to file a plan, that plan has no creditor support and can therefore have no meaningful impact upon these cases. Instead, it would act as a mere placeholder until a confirmable plan can be proposed.

3. The Committee believes the proposed extension is warranted in order to (i) avoid the cost of the Debtors' efforts to finalize and file a placeholder plan, (ii) avoid a motion to terminate exclusivity should the Debtors have proceeded down that path, and (iii) allow the Committee to finalize settlements with respect to critical intercreditor allocation and governance issues. While there is no agreement in this regard, the Committee's position with respect to the Motion is premised on its expectation that the Debtors will file a plan embodying those settlements. If they do not, the Committee will seek to file its own plan.

Dated: New York, New York
December 17, 2012

MILBANK, TWEED, HADLEY & M^cCLOY LLP

By: /s/ Dennis F. Dunne

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