

GIBSON, DUNN & CRUTCHER LLP

Michael A. Rosenthal (MR-7006)
Craig H. Millet (admitted *pro hac vice*)
Matthew K. Kelsey (MK-3137)
200 Park Avenue
New York, New York 10166-0193
Telephone: (212) 351-4000
Facsimile: (212) 351-4035

Attorneys for the Debtors and Debtors in Possession

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

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| IN RE: | : Chapter 11 |
| ARCAPITA BANK B.S.C.(c), <i>et al.</i> , | : Case No. 12-11076 (SHL) |
| Debtors. | : Jointly Administered |
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NOTICE TO HOLDERS OF EQUITY INTERESTS IN ARCAPITA BANK B.S.C.(c)

PLEASE TAKE NOTICE OF THE FOLLOWING:

On April 25, 2013, Arcapita Bank B.S.C.(c) (“*Arcapita Bank*”) and its affiliated debtors and debtors in possession (collectively, the “*Debtors*”) filed their (i) *Second Amended Joint Plan of Reorganization of Arcapita Bank B.S.C.(c) and Related Debtors Under Chapter 11 of the Bankruptcy Code* (including all exhibits thereto and as amended, modified or supplemented, the “*Plan*”), and (ii) *Second Amended Disclosure Statement in support of the Joint Plan of Reorganization of Arcapita Bank B.S.C.(c) and Related Debtors Under Chapter 11 of the Bankruptcy Code* (including all exhibits thereto and as amended, modified or supplemented from time to time, the “*Disclosure Statement*”).¹ By order dated April 26, 2013 [Docket No. 1045], the United States Bankruptcy Court for the Southern District of New York (the “*Bankruptcy Court*”) approved the Disclosure Statement and authorized the Debtors to solicit votes accepting or rejecting the Plan.

According to the transfer ledger or similar register of Arcapita Bank, as of the Record Date set forth in the Plan, you hold a Share in Arcapita Bank (the “*Arcapita Bank Shares*” or “*Shares*”). Your Arcapita Bank Shares have been classified in Class 9(a) under the Plan. As a

¹ Copies of the Plan and Disclosure Statement are available free of charge at <http://www.gcginc.com/cases/arcapita> as described in more detail on page 5 of this Notice. Capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings given to them in the Plan or the Disclosure Statement.

Holder of Interests in Class 9(a), you are not entitled to vote to accept or reject the Plan and, accordingly, you have not been provided with a Ballot to cast a vote on the Plan.

The Plan provides that, as part of the reorganization of the Debtors, you shall retain your Arcapita Bank Shares (subject to the conditions described below). However, if the Plan is confirmed, your existing Arcapita Bank Shares will have little or no value because the vast majority of Arcapita Bank's Assets will be transferred to newly-formed subsidiaries of a new top-level holding company of the Reorganized Debtors ("*New Arcapita Topco*") which will no longer be owned by Arcapita Bank.

The Option to Exchange Your Arcapita Bank Shares for Warrants in New Arcapita Topco

The Plan provides you with the option of transferring your Arcapita Bank Shares to New Arcapita Bank Holdco in exchange for warrants (the "*Transferring Shareholder Warrants*") issued by New Arcapita Topco. Depending on the success of the business plan of the Reorganized Debtors, recoveries may exceed the amount necessary to pay Creditors of Arcapita Bank in full. As more fully explained in the Disclosure Statement, the Debtors project that Arcapita Bank Creditors will be paid in full if approximately \$3.4 billion in net proceeds (after expenses) are received from sale of the Debtors' Assets. The Transferring Shareholder Warrants provide the Transferring Shareholders with the opportunity to share in the future results of New Arcapita Topco after the payment of Creditors.

Once Creditor obligations are paid in full, the Transferring Shareholder Warrants may be exercised in accordance with the terms in the Transferring Shareholder Warrants to purchase up to 80% of the New Arcapita Ordinary Shares in New Arcapita Topco on a fully diluted basis.

Your right to retain your Arcapita Bank Shares and the option to exchange the Shares for the Transferring Shareholder Warrants is subject to the following important conditions ("*Warrant Issuance Conditions*"):

1. You must agree to transfer your Arcapita Bank Shares to New Arcapita Bank Holdco by executing the Shareholder Acknowledgment and Assignment (the "*Shareholder Acknowledgment and Assignment*")² and by taking the other steps outlined below. By taking these steps and executing the Shareholder Acknowledgment and Assignment, you will be deemed a "*Transferring Shareholder*."

2. Prior to the Effective Date of the Plan, Holders of more than 50% of the Arcapita Bank Shares must agree to become a Transferring Shareholder by executing and returning the Shareholder Acknowledgment and Assignment. Therefore, if the Plan is confirmed and the Effective Date occurs, *but* prior to the Effective Date, Holders of more than 50% of the Arcapita Bank Shares fail to execute and return the Shareholder Acknowledgment and Assignment, you may *not* receive the Transferring Shareholder Warrants even if you executed and returned the Shareholder Acknowledgment and Assignment prior to the Effective Date.

² Additional copies of the Shareholder Acknowledgment and Assignment may be obtained by contacting GCG, Inc. at Arcapita Bank B.S.C.(c), c/o GCG, P.O. Box 9881, Dublin, Ohio 43017-5781, or by calling (800) 762-7029 (toll free) or +1 (440) 389-7311 (international).

3. If, prior to the Effective Date, Holders of more than 50% of the Arcapita Bank Shares do not agree to become Transferring Shareholders, then the Plan may be amended to provide that *no* Holder of any Arcapita Bank Shares will receive the Transferring Shareholder Warrants, and that *all* Arcapita Bank Shares shall be cancelled.

4. If, prior to the Effective Date, Holders of more than 50% of the Arcapita Bank Shares agree to become Transferring Shareholders, any Holder of Shares who did not agree to become a Transferring Shareholder and exchange the Holder's Shares by executing and returning the Shareholder Acknowledgment and Assignment will retain the Arcapita Bank Shares but will not receive the Transferring Shareholder Warrants.

5. The Bankruptcy Court must find that allowing the Holders of Arcapita Bank Shares to retain their Shares and to exchange the Shares for the Transferring Shareholder Warrants does not result in the Plan failing to comply with chapter 11 of the Bankruptcy Code, and the Bankruptcy Court must confirm the Plan and the Effective Date must occur.

- In the event that Holders of more than 50% of the Arcapita Bank Shares agree to become Transferring Shareholders, *but* the Bankruptcy Court determines that allowing the Holders of Arcapita Bank Shares to retain their Shares or to exchange those Shares for the Transferring Shareholder Warrants results in the Plan failing to comply with the Bankruptcy Code, *then* the Shareholder Acknowledgment and Assignments shall automatically become void, and the Plan may be modified to cancel the existing Arcapita Bank Shares. In that event, you will not be entitled to retain your Arcapita Bank Shares or to exchange them for Transferring Shareholder Warrants.

In the event that the Plan is not confirmed or the Effective Date does not occur, your Arcapita Bank Shares will then be treated in accordance with the terms of any subsequent chapter 11 plan that may be confirmed by the Court, as provided by the Bankruptcy Code or as otherwise ordered by the Bankruptcy Court.

The Debtors Recommend That You Execute and Return the Shareholder Acknowledgment and Assignment

The Plan provides that Arcapita Bank will be divested of substantially all of its Assets. Accordingly, any Arcapita Bank Shares that remain outstanding following the Effective Date of the Plan will have little or no value. Moreover, given the substantial outstanding Creditor obligations of the Debtors and the relative priority of the Arcapita Bank Shares as compared to Creditor Claims, any Arcapita Bank Shares that are retained by the Holders, under the Plan or any subsequent chapter 11 plan, are projected to have little to no value.

The Debtors believe that the Transferring Shareholder Warrants have potential value that may substantially exceed the value of the Arcapita Bank Shares under the Plan or any alternative chapter 11 plan. If you execute and return the Shareholder Acknowledgment and Assignment, the Warrant Issuance Conditions are met, the Effective Date of the Plan occurs and, if prior to the Effective Date, Holders of more than 50% of the Arcapita Bank Shares also agree to become

Transferring Shareholders, then you will be entitled to receive your pro rata share of the Transferring Shareholder Warrants.

The Debtors urge you:

To accept the exchange of your Arcapita Bank Shares for the Transferring Shareholder Warrants by executing and returning the Shareholder Acknowledgment and Assignment as provided below; and

Return the Shareholder Acknowledgment and Assignment *prior* to the Effective Date of the Plan to best insure that Holders of more than 50% of the Shares agree to become Transferring Shareholders prior to the deadline.

Returning the Shareholder Acknowledgment and Assignment

With this Notice, you have received a Shareholder Acknowledgment and Assignment. To become a Transferring Shareholder, you must sign the Shareholder Acknowledgment and Assignment and carefully follow the instructions set forth therein. You must send the fully completed and executed Shareholder Acknowledgment and Assignment to GCG, Inc., the Debtors' Balloting and Claims Agent:

- (a) If by first class mail:

Arcapita Bank B.S.C.(c) – Assignment Agreement
c/o GCG
P.O. Box 9881
Dublin, Ohio 43017-5781
Toll Free: (800) 762-7029
International: +1 (440) 389-7311

- (b) If by overnight courier or hand delivery:

Arcapita Bank B.S.C.(c) – Assignment Agreement
c/o GCG
5151 Blazer Parkway, Suite A
Dublin, Ohio 43017-5781
Toll Free: (800) 762-7029
International: +1 (440) 389-7311

Neither GCG, Inc., the Debtors nor the Debtors' counsel can provide you with legal advice as to whether you should execute and return the Shareholder Acknowledgment and Assignment, any potential tax consequences or any other aspect of the becoming a Transferring Shareholder. You should consult with your attorney or legal advisor if you have any questions about the Shareholder Acknowledgment and Assignment, the Transferring Shareholder Warrants, or any other aspect of becoming a Transferring Shareholder.

If on or after April 26, 2013 you transferred some or all of your Arcapita Bank Shares to another person or entity, you must forward a copy of the Shareholder Acknowledgment and

Assignment to the transferee and the transferee must return an executed copy of the Shareholder Acknowledgment and Assignment to the Debtors as provided above to become a Transferring Shareholder and to receive the Transferring Shareholder Warrants.

The receipt of the Transferring Shareholder Warrants may have certain tax consequences to you, and the Debtors recommend that you consult with your attorney and/or tax advisor as to any potential tax issues. Additional information regarding potential tax consequences may be found in the Disclosure Statement.

If and only if the Effective Date of the Plan occurs and the Warrant Issuance Conditions are satisfied (including the condition that Holders of more than 50% of the Shares execute and return the Shareholder Acknowledgment and Assignment prior to the Effective Date of the Plan) but you did not execute and return the Shareholder Acknowledgment and Assignment prior to the Effective Date, you may still exchange your Shares for the Transferring Shareholder Warrants if you execute and return the Shareholder Acknowledgment and Assignment on or prior to the first anniversary of the Effective Date of the Plan. Shareholder Acknowledgment and Assignment forms will not be accepted after that date.

You Should Refer to the Plan and Disclosure Statement for More Information.

The Debtors recommend that you thoroughly review the Plan and Disclosure Statement in deciding whether to execute the Shareholder Acknowledgment and Assignment. You may request a copy of the Plan and/or Disclosure Statement in writing from GCG, Inc. at:

Arcapita Bank B.S.C.(c) - Assignment Agreement
c/o GCG
P.O. Box 9881
Dublin, Ohio 43017-5781
Toll Free: (800) 762-7029 --- International: +1 (440) 389-7311
Email: arcapitabankinfo@gcginc.com

You may also view the Disclosure Statement on the website of GCG, Inc., at www.gcginc.com/cases/arcapita, or on the Bankruptcy Court's website: www.nysb.uscourts.gov. A Pacer password and login are needed to access documents on the Bankruptcy Court's website (www.pacer.psc.uscourts.gov).