

**MULTI-MILLION DOLLAR LITIGATION LAUNCHED IN BATTLE FOR THE ASSETS OF  
THE INTERNATIONAL BANKING CORPORATION BSC (In Administration) (TIBC)**

*17 June 2010, Manama, Bahrain:* Trowers & Hamlins, the international law firm appointed as external Administrator of The International Banking Corporation B.S.C.(c) (In Administration) (TIBC) by the Central Bank of Bahrain (CBB), yesterday filed a US\$720 million foreign exchange claim against Ahmad Hamad Algozaibi & Brothers (AHAB) at the Saudi Arabian Monetary Agency (SAMA) Committee in the Kingdom of Saudi Arabia, following referral of the claim by the Council of Ministers.

The claim filed on Wednesday by the external Administrator Trowers & Hamlins, which is working with leading independent restructuring firm Zolfo Cooper, forms part of wider asset realisation program being implemented on behalf of the Central Bank of Bahrain and in the interests of TIBC's creditors.

In addition the Administrator recently filed cases with the Negotiable Instruments Committee (NIC) in Saudi Arabia against Saad Trading (US\$ 117 million), which is part of the Saad Group, as well as Abdulaziz Al Sanea (US\$54 million) for defaults on loans advanced by TIBC. Hearing dates have been set for early 2011 in relation to those cases and the administrators are currently working to expedite these hearings.

The Administrator also has filed an application in the Courts of New York under Chapter 15 of the US Bankruptcy Code for an Order pursuant to Bankruptcy Rule 2004 authorising discovery. The application seeks to obtain an Order from the Court compelling the disclosure of key financial information which the Administrator has been requesting from AHAB since August 2009 and which has not been forthcoming.

Abdullah Mutawi, the Partner at Trowers & Hamlins leading the asset realisation program, said: "The claim we have launched with the SAMA's Committee follows unsatisfactory responses from AHAB and their representatives to questions relating to the assets of TIBC that we have repeatedly asked them."

“These claims form the first in a series of litigation proceedings which will be brought in a variety of jurisdictions around the world against those debtors of TIBC including AHAB – the single biggest debtor owing \$3.2 billion. These proceedings will ultimately support the process of asset realisation for the benefit of the creditors of TIBC, who include international and local banks owed in the order of \$2.6 billion. Further claims will be lodged in the coming weeks and months.”

A spokesperson for the CBB, said: “We are pleased that litigation has been launched less than 12 months after the CBB placed TIBC into Administration. This is a positive step forward in what is clearly a very complex case and reflects the CBB’s commitment to maintaining a well regulated and stable investment environment in Bahrain.”

TIBC was placed in administration by the CBB in July 2009. The CBB then appointed Trowers & Hamlins as external Administrator on 10 August, 2009. TIBC is a wholesale bank and is majority-owned by AHAB.

- ENDS -

Media wishing to register for updates from the administrator or to log questions for the administrator are requested to contact Hill & Knowlton on +973 17533532 or use the contact details shown below:

Arabic Media:	Sami Amin	<a href="mailto:Sami.amin@hillandknowlton.com">Sami.amin@hillandknowlton.com</a>	+973 3838 1501
	Maheen Ali	<a href="mailto:Maheen.ali@hillandknowlton.com">Maheen.ali@hillandknowlton.com</a>	
English Media:	Chris Pratt	<a href="mailto:Chris.pratt@hillandknowlton.com">Chris.pratt@hillandknowlton.com</a>	+973 39418424
	Rowena Newcomen	<a href="mailto:Rowena.newcomen@hillandknowlton.com">Rowena.newcomen@hillandknowlton.com</a>	