

FORM A

STATEMENT REGARDING THE
ACQUISITION OF CONTROL OF OR MERGER WITH A DOMESTIC INSURER

Fidelis SecureCare of Michigan, Inc.

Name of Domestic Insurer

BY

Arcapita Ventures I, LLC

Name of Acquiring Person (Applicant)

Filed with the Insurance Department of

Michigan

(State of domicile of insurer being acquired)

Dated: July 10, 20 08

Name, Title, address and telephone number of Individual to Whom Notices and Correspondence Concerning this Statement Should be Addressed:

Sam Willcoxon

Fidelis SeniorCare, Inc.

1700 East Golf Road Suite 1115

Schaumburg, IL 60173

Telephone: (847) 605-0501

ITEM 1. METHOD OF ACQUISITION

State the name and address of the domestic insurer to which this application relates and a brief description of how control is to be acquired.

This domestic insurer is Fidelis SecureCare of Michigan, Inc. ("Fidelis"). The address of Fidelis is 1700 East Golf Road, Suite 1115, Schaumburg, IL 60173. Fidelis stockholder agreement dated Nov. 22, 2004 has been amended as of Nov. 1, 2007 to accommodate an investment by a new venture capital firm, Arcapita Ventures I, LLC ("Arcapita"). We have attached, hereto, that Amended and Restated Stockholders Agreement as Appendix A ("Amended Agreement") for your review. Fidelis disclosed this agreement and Arcapita's investment interest in the Series C stock in the Form B filing filed on April 30, 2008.

In addition to Arcapita, three other investors, CHL, Highland, and Versant have investment interests in Fidelis. Neither the Stockholder Agreement nor the Amended Agreement differ in the fact that no single venture capital firm or any other person has the ability to control the operations of Fidelis SeniorCare, Inc. ("Fidelis"). In addition to Arcapita, three other investors, CHL, Highland, and Versant ("the Investors") have investment interests in Fidelis. None of these four venture capital firms have the ability to control any operational or investment decisions of Fidelis based on their individual voting power. That is because, regardless of the number/percentage of shares owned, each venture capital firm is entitled to only one Director position and each Director has only one vote. Neither the Stockholder Agreement or the Amended Agreement grant additional directorship rights to a venture capital firm or others if its number of shares is greater.

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There is no basis to assume that the interests of the venture capital firms are aligned in all instances nor is it reasonable to assume that any one of the venture capital firms would agree to vote for additional Director representatives for one or more of the other venture capital firms. In fact, such an outcome defies logic as it would have the effect of diluting one or more of the venture firm's own voting power of the Board. The fact that there have never been additional venture capital representatives voted to the Board by the Series A venture capital firm directors seem to illustrate that point.

In the Stockholder Agreement, the Investors agree to nominate two (2) "independent directors" and the CEP to the Board. That provision is expanded in the Amended Agreement, which expressly provides, in paragraph 4(b), that the Investors agree to nominate four (4) "independent directors" and the CEO to the Board. The Fidelis Board has always been constituted with four (4) independent directors, but the Amended Agreement now ensures that outcome.

Fidelis and the Board's commitment to an independent board is demonstrated by the Amended and Restated Stockholders Agreement, which has reduced the possible venture capital firm directorship to four (4) and increase the dedicated independent directorships to four (4) plus the dedicated CEO directorship. In sum, Fidelis strongly believes in the election and retention of independent Board members and has at least four independent Board members since the first equity infusion in November of 2004. At no point have any of the venture capital firms held more than one Director seat each.

ITEM 2. IDENTITY AND BACKGROUND OF THE APPLICANT

- (a) State the name and address of the applicant seeking to acquire control over the insurer.

Arcapita Ventures I, LLC

75 Fourteenth St. Atlanta, GA 30309

- (b) If the applicant is not an individual, state the nature of its business operations for the past 5 years or for such lesser period as such person and any predecessors thereof shall have been in existence. Describe the business intended to be done by the applicant and the applicant's subsidiaries.

Arcapita is a \$200 million dedicated investment fund launched in November 2006 that focuses on growth stage enterprises primarily in the United States. Arcapita is established under the laws of the Cayman Islands by Arcapita Bank B.S.C. (c) and its affiliates. For U.S. tax purposes Arcapita is treated as a single member LLC. Arcapita is wholly owned by Arcapita Ventures I Holding Company Limited. From its offices in Atlanta, Arcapita typically acts as an investor in companies operating in the (i) healthcare, (ii) information technology, and (iii) industrial technology sectors. The investment team looks for businesses that have established technologies and customer bases, and where the Arcapita's investment capital, network and expertise can be applied to scale a proven business model. Arcapita generally invests between \$4 and \$8 million in an initial round of funding, with the capability to invest up to \$20 million over the life of a portfolio company. Where appropriate, Arcapita partners with other leading venture firms who can bring additional capital, market reach and overall support to the portfolio companies.

Within its targeted sectors, Arcapita looks for companies that have at least \$2 million in revenues over the prior twelve months. Arcapita seeks businesses that have proprietary technology, clear value propositions, referenceable customers, robust margins and strong management teams.

- (c) Furnish a chart or listing clearly presenting the identities of the interrelationships among the applicant and all affiliates of the applicant, including the ultimate controlling person(s). No affiliate need be identified if its total assets are equal to less than 1/2 of 1% of the total assets of the ultimate controlling person affiliated with the applicant. Indicate in such chart or listing the percentage of voting securities of each such person which is owned or controlled by the applicant or by any other such person. If control of any person is maintained other than by the ownership or control of voting securities, indicate the basis of such control. As to each person specified in such chart or listing indicate the type of organization (e.g. corporation, trust, partnership), primary

business (e.g. holding company, insurance agency, manufacturer) and the state or other jurisdiction of domicile. If court proceedings involving a reorganization or liquidation are pending with respect to any such person, indicate which person, and set forth the title of the court, nature of proceedings and the date when commenced.

Sole investment control of Arcapita Ventures, I, LLC rests with the general partner, Arcapita Bank.

ITEM 3.

IDENTITY AND BACKGROUND OF INDIVIDUALS ASSOCIATED WITH THE APPLICANT

State the following with respect to 1) the applicant if she or he is an individual 2) if the applicant is not an individual, all persons who are, or who have been selected to be, directors, executive officers (or others who perform or will perform functions appropriate to those positions), or owners of 10% or more of the voting securities of the applicant, and, 3) in all instances where individuals will be the direct or indirect source of funding for the acquisition:

- (a) Name and business address;

The following individuals have been selected to be, directors, and executive officers of Arcapita Venture I, LLC and serve as managers of the Arcapita Venture I, LLC:

John J. Huntz - Executive Director - Arcapita Ventures I, LLC
Arcapita Ventures I, LLC
75 Fourteenth Street, 24th Floor
Atlanta, GA 30309

Charles H. Ogburn - Executive Director - Corporate Investment for Arcapita Ventures I, LLC
Arcapita Ventures I, LLC
75 Fourteenth Street, 24th Floor
Atlanta, GA 30309

Mohammed A. Muiz Chowdhury - Executive Director - Financial Management for Arcapita Ventures I, LLC
Arcapita Ventures I, LLC
P.O. Box 1406 Manama, Bahrain

Henry A. Thompson - Executive Director - Corporate Management for Arcapita Ventures I, LLC
Arcapita Ventures I, LLC
15 Sloane Square, 2nd
Floor London SW1W 8ER
United Kingdom

Ramsay Battin holds the Board position on the Fidelis SeniorCare, Inc. Board of Directors. His director supervisor is John Huntz, Executive Director- Arcapita Ventures I, LLC.

- (b) Present principal business activity, occupation or employment including position and office held and the name, principal business and address of any corporation or other organization in which such employment is carried on;

The following individuals are managers of a venture capital fund: John J. Huntz, Charles H. Ogburn, Mohammed A. Muiz Chowdhury, and Henry A. Thompson.

- (c) All occupations, positions, offices or employment during the last 5 years, giving the starting and ending dates of each and the name, principal business and address of any business corporation or other organization in which each such occupation, position, office or employment was carried on; if any such occupation, position, office or employment required licensing by or registration with any federal, state or municipal governmental agency, indicate such fact, the current status of such licensing or registration, and an explanation of any surrender, revocation, suspension or disciplinary proceedings in connection therewith.

Please refer to Appendix B for the biographical information of the directors and executive officers for Arcapita Ventures I, LLC.

- (d) Whether or not such person has ever been convicted in a criminal proceeding (excluding minor traffic violations) during the last 10 years and, if so, give the date, nature of conviction, name and location of court, and penalty imposed or other disposition of the case. Whether or not such person has had any civil judgments against the person resulting in \$25,000 or more in civil fines or penalties or injunctive or other equitable relief.

No person has ever been convicted in a criminal proceeding and does not have any civil judgments against the person resulting in \$25,000 or more in civil fines or penalties or injunctive or other equitable relief.

- (e) Upon the request of the Commissioner, individuals shall provide fingerprint cards pursuant to Section 249a for state, multi-state, and federal criminal history record checks.

We are currently discussing the details and requirements of this issue with the Commissioner and this Form A will be supplemented with this information or other alternative information, as required.

ITEM 4.

NATURE, SOURCE AND AMOUNT OF CONSIDERATION

- (a) Describe the nature, source and amount of funds or other considerations used or to be used in effecting the merger or other acquisition of control. Describe any transaction where funds were or are to be obtained for such purpose, including any pledge of the insurer's stock or pledge of the stock of any of its subsidiaries or controlling affiliates. If any part of the same is represented or is to be represented by funds or other consideration borrowed or otherwise obtained for the purpose of acquiring, holding or trading securities, furnish a description of the transaction, the names of the parties thereto, the relationship, if any, between the borrower and the lender, the amounts borrowed or to be borrowed, and copies of all agreements, promissory notes and security arrangements relating thereto.

Arcapita Ventures I, LLC invested \$10,000,000 in Fidelis SeniorCare, Inc. in Nov. 2007. That investment is the sole Arcapita Ventures I, LLC investment in Fidelis SeniorCare, Inc. . The Amended Agreement allows for further investment in Fidelis, but there is no formal commitment to do so.

- (b) Explain the criteria used in determining the nature and amount of such consideration.

Fidelis used a third party to appraise the stock to determine the amount for consideration. Fidelis made several presentations, conducted meetings, and discussed in depth the nature of their business prior to Arcapita Venture I, LLC investment.

- (c) If the source of the consideration is a loan made in the lender's ordinary course of business and if the applicant wishes the identity of the lender to remain confidential, the applicant must specifically request that the identity be kept confidential.

NOT APPLICABLE. This transaction is not a loan.

ITEM 5.

FUTURE PLANS FOR INSURER

- (a) Describe any plans or proposals which the applicant may have for the insurer to declare a dividend, (whether or not extraordinary), to liquidate the insurer, to sell its assets, to merge it with any person or persons, or to make any other material change in its business operations or corporate structure or management.

None.

- (b) Provide a 5 year business plan which describes the types of business to be written by the insurer, marketing plan, projected direct, assumed, ceded, and net written premiums by line, pro-forma statutory balance sheets and income statements. Also, describe proposed changes to the insurer's reinsurance program (if any), amount, timing, and type of capital contributions (if any), proposed

changes to the insurer's executive officers and directors, and compliance plan with the "books and records in Michigan" requirement of Section 5256.

Fidelis does not plan to provide any additional services other than those they are currently providing. Due to the current moratorium on new and expansion plans for Medicare Special Needs plans, Fidelis does not have imminent plans for further expansions at this time.

ITEM 6.

VOTING SECURITIES TO BE ACQUIRED

State the number of shares of the insurer's voting securities which the applicant, its affiliates and any person listed in Item 3 plan to acquire, and the terms of the offer, request, invitation, agreement or acquisition, and a statement as to the method by which the fairness of the proposal was arrived at.

Arcapita Ventures I, LLC holds 6,230,530 shares of Series C stock. The terms of the agreement can be found in the Amended and Restated Stockholders Agreement. See Appendix A, attached hereto.

ITEM 7.

OWNERSHIP OF VOTING SECURITIES

State the amount of each class of any voting security of the insurer which is beneficially owned or concerning which there is a right to acquire beneficial ownership by the applicant, its affiliates or any person listed in Item 3.

Arcapita Ventures I, LLC is not a holder of record and does not beneficially own, or have any right to acquire, directly or indirectly, any of the Registrant's voting securities. Except as provided in the Amended and Restated Stockholders Agreement, Arcapita does not have the right to acquire, directly or indirectly, additional shares of Fidelis.

ITEM 8.

CONTRACTS, ARRANGEMENTS, OR UNDERSTANDINGS WITH RESPECT TO VOTING SECURITIES OF THE INSURER

Give a full description of any contracts, arrangements or understandings with respect to any voting security of the insurer in which the applicant, its affiliates or any person listed in Item 3 is involved, including but not limited to transfer of any of the securities, joint ventures, loan or option arrangements, puts or calls, guarantees of loans, guarantees against loss or guarantees of profits, division of losses or profits, or the giving or withholding of proxies. Such description shall identify the persons with whom the contracts, arrangements or understanding have been entered into.

Please See Item 1.

ITEM 9.

RECENT PURCHASES OF VOTING SECURITIES

Describe any purchases of any voting securities of the insurer by the applicant, its affiliates or any person listed in Item 3 during the 12 calendar months preceding the filing of this statement. Include in the description the dates of purchase, the names of the purchasers, and the consideration paid or agreed to be paid therefore. State whether any shares so purchased are hypothecated.

None.

ITEM 10.

RECENT RECOMMENDATIONS TO PURCHASE

Describe any recommendations to purchase any voting security of the insurer made by the applicant, its affiliates or any person listed in Item 3, or by anyone based upon interviews or at the suggestion of the applicant, its affiliates or any person listed in Item 3 during the 12 calendar months preceding the filing of this statement.

All agreements to purchase voting security are encompassed in the Amended and Restated Stockholders Agreement. See Appendix A, attached hereto.

ITEM 11.**AGREEMENTS WITH BROKER-DEALERS**

Describe the terms of any agreement, contract or understanding made with any broker-dealer as to solicitation of voting securities of the insurer for tender and the amount of any fees, commissions or other compensation to be paid to broker-dealers with regard thereto.

None.

ITEM 12.**FINANCIAL STATEMENTS AND EXHIBITS**

- (a) Financial statements and exhibits shall be attached to this statement as an appendix, but list under this item the financial statements and exhibits so attached.
The financial statements for Arcapita are attached as Appendix C. Those statements are redacted in accordance with prior agreement with the Department. Those financial statements were also previously provided as part of the Fidelis 2007 Form B filed in 2008. Please note that Arcapita's fiscal year is from July 1 through June 30.

- (b) The financial statements shall include the audited annual financial statements of the persons (both corporate and individual) identified in Item 2(c), including individuals who are applying to be the ultimate controlling persons, for the preceding 5 fiscal years (or for such lesser period as such applicant and its affiliates and any predecessors thereof shall have been in existence), and similar information covering the period from the end of such person's last fiscal year as of a date not earlier than 90 days prior to the filing of the statement. The statements may be prepared on either an individual basis, or, unless the Commissioner otherwise requires, on a consolidated basis if consolidated statements are prepared in the usual course of business. The consolidated financial statements shall include the consolidating work sheets.

The annual financial statements of the applicant corporate entity shall be accompanied by the certificate of an independent public accountant to the effect that such statements present fairly the financial positions of the applicant and the results of its operations for the year then ended, in conformity with generally accepted accounting principles or with requirements of insurance or other accounting principles prescribed or permitted under law. If the applicant is an insurer which is actively engaged in the business of insurance, the financial statements need not be certified, provided they are based on the Annual Statement of the person filed with the insurance department of the person's domiciliary state and are in accordance with the requirements of insurance or other accounting principles prescribed or permitted under the law and regulations of the state.

Arcapita Ventures I, LLC began operations in November 2006. Their financials and independent auditor certification is disclosed in Appendix C.

- (c) File as exhibits copies of all tender offers for, requests or invitations for, tenders of, exchange offers for, and agreements to acquire or exchange any voting securities of the insurer and (if distributed) of additional soliciting material relating thereto, any proposed employment, consultation, advisory, managing general agent, controlling producer, or management contracts concerning the insurer, annual reports and proxy statements to the stockholders of the insurer and the applicant for the last two fiscal years, and any additional documents or papers required Form A forms and instructions Section 4 and 6.

None.

ITEM 13. SIGNATURE AND CERTIFICATION

Signature and certification required as follows:

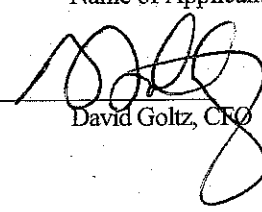
SIGNATURE

Pursuant to the requirements of Section 1311 of the Insurance Code of 1956, as amended, David Goltz has caused this application to be duly signed on its behalf in the City of Schaumburg and State of Illinois on the 25th day of June, 2008.

(SEAL) Fidelis SecureCare of Michigan, Inc.

Name of Applicant

BY


David Goltz, CEO

Attest:



(Signature of Officer)

CEO

(Title)