

**THIS NOTICE IS IMPORTANT AND REQUIRES THE IMMEDIATE ATTENTION OF NOTEHOLDERS. IF NOTEHOLDERS ARE IN ANY DOUBT AS TO THE ACTION THEY SHOULD TAKE, THEY SHOULD SEEK THEIR OWN FINANCIAL AND LEGAL ADVICE, INCLUDING AS TO ANY TAX CONSEQUENCES, IMMEDIATELY FROM THEIR STOCKBROKER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT FINANCIAL OR LEGAL ADVISER.**

HSBC Bank USA, National Association, as Trustee  
(the "**Trustee**")

### **NOTICE OF POTENTIAL EVENT OF DEFAULT**

**NOTICE** to the holders of the Notes of Series 5 (XS0170735160) issued by Pacific International Finance Limited (the "**Issuer**") presently outstanding (the "**Noteholders**" and the "**Notes**," respectively).

This Notice will serve to advise that the Trustee has received a Notice of Non-Receipt of Payment from HSBC Bank plc in its capacity as Paying Agent for the Notes, a copy of which is attached hereto as Exhibit A. The Notice of Non-Receipt of Payment states that the Paying Agent did not receive unconditionally and in full the interest payment due in respect of the Notes on 2 January, 2009.

Failure to make a required interest payment on the Notes constitutes an Event of Default thereunder **if such failure continues for a period of 15 days after the scheduled interest payment date**. Accordingly, unless the Issuer makes the required interest payment on the Notes before 20 January 2009, an Event of Default will exist with respect to the Notes. Upon the occurrence of an Event of Default, the Trustee, if requested in writing by Noteholders representing 1/5 in principal amount of the outstanding Notes or directed by an Extraordinary Resolution<sup>1</sup> (subject in each case to being indemnified to its satisfaction), shall notify the Issuer that the Notes are immediately due and payable at their Redemption Amount, together with accrued interest thereon. If such amounts are not paid, the Trustee may be requested in writing by Noteholders representing 1/5 in principal amount of the outstanding Notes or directed by an Extraordinary Resolution (subject in each case to being indemnified to its satisfaction) to enforce the collateral for the Notes.

In addition, Noteholders will be aware that Lehman Brothers Holdings Inc. and certain of its subsidiaries have entered into certain protective bankruptcy or similar proceedings in various jurisdictions (the "**Proceedings**").

The Trustee, pursuant to the terms of the Trust Deed, is reviewing the situation and is considering its rights and powers under the Notes in light of the Proceedings. The Trustee may be seeking directions in due course from Noteholders in respect of certain matters relating to the Proceedings and possible actions it may take on behalf of the Noteholders in relation to the matters described above.

In the meantime, Noteholders who have any questions for the Trustee are invited to contact the representative of the Trustee at (852) 2748 3345.

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<sup>1</sup> The quorum requirement for a meeting at which an Extraordinary Resolution is being considered is two or more persons holding Notes representing in the aggregate a clear majority in principal amount of the Notes outstanding at such time. Any Extraordinary Resolution requires the approval of 3/4 of the Note Holders voting.

Noteholders are encouraged to review their individual positions and, if they are in any doubt as to the action they should take should consult their own independent professional advisers immediately.

This Notice is given by

HSBC Bank USA, National Association,  
as Trustee

Dated: 5 January, 2009

**EXHIBIT A**

Notice of Non-Receipt of Payment

(attached)



NOTICE

To: Pacific International Finance Ltd  
HSBC Bank USA, N.A.

PACIFIC INTERNATIONAL FINANCE LTD

Series 5 (XS0170735160)  
(the "Notes")

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Notification of Non-Receipt of Payment

We refer to our appointment as principal paying agent under the agency agreement in respect of the above Notes. Notice is hereby given that in relation to the interest payment due in respect of the Notes on 02 January 2009, the principal paying agent did not receive unconditionally and in full the required amount to make such payment to the noteholders.

This notice is sent to each of the persons listed above.

This notice is dated 05 January 2009.

This Notice is given by  
**HSBC Bank plc**  
(as Principal Paying Agent)