

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 ADVISERS.

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

Notice of Event of Default

NOTICE IS HEREBY GIVEN to the holders of the Notes of Series 7 HKD (XS0180628017) issued by Pacific International Finance Limited (the "**Issuer**") presently outstanding (the "**Noteholders**" and the "**Notes**," respectively).

This Notice will serve to advise that as of the date hereof, an Event of Default has occurred and is continuing with respect to the Notes. The Event of Default arises out of the continued failure of the Issuer to make the required payment in full of the interest and maturity payment due on the Notes on 3 December 2008. As you are aware, the Trustee provided to the Noteholders a Notice of Potential Event of Default dated as of 4 December 2008 which notice included a related copy of a Notice of Non-Receipt of Payment from HSBC Bank plc in its capacity as Paying Agent for the Notes.

Upon the occurrence of an Event of Default, Noteholders representing 1/5 in principal amount of the outstanding Notes or by adoption of an Extraordinary Resolution¹ may direct the Trustee, in writing (subject in each case to being indemnified to its satisfaction), to notify the Issuer that the Notes are immediately due and payable at their Redemption Amount, together with accrued interest thereon. The decision by each Noteholder to direct the Trustee to accelerate the Notes as described in the previous sentence should be considered carefully and should be subject to advice from such Noteholder's independent professional advisors. The Trustee will revert to the Noteholders shortly to seek appropriate direction.

In the meantime, Noteholders who have any questions for the Trustee are invited to contact the representative of the Trustee by email at lbnyinquiries@us.hsbc.com.

This Notice is given by

HSBC Bank USA, National Association,
as Trustee

Dated: 18 December, 2008

¹ 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 $\frac{3}{4}$ of the Note Holders voting.