

VICTORIA PEAK INTERNATIONAL FINANCE LIMITED

To:

Bank of China (Hong Kong) Limited
CITIC Ka Wah Bank Limited
ICEA Securities Ltd.
Nanyang Commercial Bank, Limited
Tai Fook Securities Co. Ltd.
Wing Lung Bank Limited

Chiyu Banking Corporation Limited
Core Pacific-Yamaichi International (H.K.)
Limited
Chong Hing Bank Limited
Shanghai Commercial Bank Limited
Wing Hang Bank, Ltd.

Octave Notes Series 3

**USD Credit-Linked Secured Callable Fixed Rate Notes due 2010 (ISIN: XS0218381365)
("Tranche A Notes")**

**USD Credit-Linked Secured Callable Variable Rate Notes due 2010 (ISIN:
XS0218380987) ("Tranche B Notes")**

**HKD Credit-Linked Secured Callable Fixed Rate Notes due 2010 (ISIN: XS0218380474)
("Tranche C Notes")**

**HKD Credit-Linked Secured Callable Variable Rate Notes due 2010 (ISIN:
XS0218381522) ("Tranche D Notes")**

**(each a "Tranche" and the notes of any or all Tranches, the "Notes") issued by Victoria
Peak International Finance Limited pursuant to its Retail Note Programme (the
"Programme")**

We are writing to you because of recent market events. Although we are under no obligation to provide information in respect of the Notes or the Underlying Securities beyond that specified in the Offering Documents, in the present exceptional circumstances we believe it may be helpful to write to all Distributors to provide certain information relating to the Notes and the Underlying Securities. We would encourage you to provide this information to your customers who invested in the Notes.

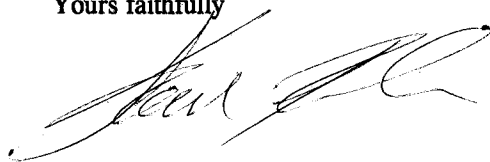
The Issue Prospectus made clear in the sections headed "Information About the Underlying Securities" at pages 50 to 52 and "Risk Factors - Exchange Rate Risks" at pages 66 to 67 that the Original Underlying Securities may include CDO Squared Securities. The section headed "Risk Factors - Exposure to the Companies and Sovereign Entity and the Underlying Securities" at pages 61 to 63 also made clear that the Underlying Securities may consist of CDO Squared Securities. The Original Underlying Securities for the Notes are the Series 2005-11 Class II Secured Floating Rate Notes due 2010 issued by Morgan Stanley ACES SPC acting for the account of the Series 2005-11 Segregated Portfolio (the "**Original Underlying Securities**"). As at the Issue Date, the credit rating assigned by S&P to the Original Underlying Securities was "AAA". Paragraph 39(a) of the Pricing Supplements dated 29 April 2005 relating to each Tranche of the Notes, which have always been available for inspection, set out the details of the Original Underlying Securities.

Since the Issue Date, credit events have occurred in respect of Quebecor World, Inc., Lehman Brothers Holdings Inc., Washington Mutual, Inc., Dana Corporation and Federal National Mortgage Association. Whilst these are not Reference Entities under the Notes, they are reference entities under the Original Underlying Securities. As at the date of this notice, the occurrence of these credit events has not resulted in an Underlying Securities Default Event or an Early Redemption Event in relation to the Notes.

If you have any questions or queries regarding this notice or the Notes, please consult your own legal, tax, accountancy or other professional adviser as you may see fit.

Capitalised terms used but not otherwise defined in this notice or otherwise specified shall have the meanings ascribed thereto in the Issue Prospectus relating to the Notes dated 29 March 2005.

Yours faithfully



VICTORIA PEAK INTERNATIONAL FINANCE LIMITED

BY: Kareem Robinson
1 December 2008 Director