

Further Frequently Asked Questions (“FAQs”)

IMPORTANT DISCLAIMER:

THIS GUIDE HAS BEEN PREPARED FOR INFORMATION PURPOSES ONLY. IT DOES NOT CONSTITUTE LEGAL ADVICE AND IS NOT INTENDED TO BE EXHAUSTIVE. WHILST CARE HAS BEEN TAKEN IN ITS PREPARATION, NO RESPONSIBILITY IS ACCEPTED FOR THE COMPLETENESS OR ACCURACY OF ITS CONTENTS. INTERESTED PARTIES SHOULD NOT RELY ON THIS GUIDE AND SHOULD OBTAIN THEIR OWN LEGAL ADVICE.

These FAQs have been prepared for the noteholders of notes (the "Noteholders"), commonly referred to as "Minibonds", issued under series 10 to 12, 15 to 23 and 25 to 36 of the secured continuously offered note programme of Pacific International Finance Limited (the "Issuer"). The trustee of the notes is HSBC Bank USA, National Association (formerly HSBC Bank USA) (the "Trustee").

Attention is drawn to the disclaimer set out above which should be read before the rest of this document.

Q1 Will the Receivers redeem the underlying collateral on a Series-by-Series basis?

There are several complex issues common to each of the Minibond Series, all of which will need to be resolved as part of the process to unwind the Minibond Structure. For this reason, the Receivers are currently exploring a global solution to realise the value of the Minibonds for all beneficiaries, including the Noteholders. The Receivers are not currently considering any steps to realise the Mortgaged Property on a Series-by-Series basis.

Q2 Once the collateral has been realised will the Receivers be returning the proceeds directly to the Noteholders or will they be returning the proceeds to the Trustee or Distributing Banks for onward distribution to the Noteholders?

The Receivers have been appointed by the Trustee (acting as representative of the beneficiaries, including the Noteholders) and will be required as a matter of law to distribute any proceeds from the realisation of the Mortgaged Property securing the Minibonds (following deduction of the costs of realisation) to the Trustee. The Trustee will then be obliged to distribute the proceeds (following deduction of the costs and expenses) to the beneficiaries including the Noteholders in accordance with the terms of the existing Minibond documentation.

Q3 Will the timing of distributions be different for each Series?

The timing of distributions may vary between each of the Minibond Series. Due to the complex nature of the Minibond Structure it is not possible at this time for the Receivers to provide any meaningful estimate of the timing of any return that may be paid to Noteholders in each of the Minibonds Series.

Q4 How much are the Receivers' costs likely to be? I need to make the decision whether to accept a buyback from my Distributing Bank and the Receivers' costs will be one of the factors for my consideration.

The reasonable professional fees and any costs (including legal and other advisory costs) and expenses incurred by the Receivers will be based on the actual time costs which are incurred to provide professional advice and services. Due to the complex nature of the Minibond Structure the process to unwind the Minibond Structure may take a considerable period of time, particularly if the Minibond Structure is subject to prolonged litigation. It is not possible for the Receivers to estimate the time required and as such it is not possible for the Receivers to provide any meaningful estimate of the fees and any costs which the Receivers are likely to incur.