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創興銀行有限公司
Chong Hing Bank Limited

(a Hong Kong-incorporated limited liability company)

(Stock Code: 01111)

**FINAL RESOLUTION PROPOSAL
IN RESPECT OF RELEVANT MINIBONDS**

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

The Board of Directors of CHB hereby announces a final resolution proposal in respect of Relevant Minibonds.

Shareholders and potential investors of securities of CHB should exercise caution when dealing in the securities of CHB.

Reference is made to (i) the announcement dated 22 July 2009 made by CHB regarding the agreement entered into by CHB with the SFC, the HKMA and the fifteen other Distributing Banks in respect of the Repurchase Scheme for the repurchase of certain series of Minibonds, without admission of any liability, whereby CHB has offered to repurchase certain series of Minibonds from the Eligible Customers who had purchased those Minibonds through CHB; and (ii) the press announcement dated 28 March 2011 jointly published by CHB and the fifteen other Distributing Banks in respect of the proposed arrangements under the Conditional Agreement, a copy of which is attached to this announcement as Appendix (the "Joint Announcement").

On 28 March 2011, the Receivers announced that Lehman Brothers, the Trustee, the Receivers (as agents of the Issuer) and others have entered into the Conditional Agreement to settle the opposing claims asserted by Lehman Brothers in respect of the Collateral. The Receivers advised that the Conditional Agreement will, upon its becoming unconditional, enable investors of the Relevant Minibonds to recover between 70% and 93% of the amounts they invested. The level of recovery for each tranche of the Relevant Minibonds is different. The actual distribution to each investor will depend on the specific circumstances of the investor. Please refer to the Joint Announcement for further details.

The Conditional Agreement is conditional upon the following:

- (1) the US Bankruptcy Court confirming that its previous orders which lay down procedures for Lehman Brothers to enter into settlements in respect of claims arising under certain derivatives contracts apply to settlements relating to the Collateral. The Receivers have advised that an application will be made by Lehman Brothers to the US Bankruptcy Court on 29 March 2011 for this purpose; and
- (2) the passing of extraordinary resolutions for each and every series of the Relevant Minibonds. For this purpose, the Issuer will convene a meeting for each series of the Relevant Minibonds which can only be attended by persons who hold a beneficial title in the Relevant Minibonds. If investors have transferred the beneficial title in their Relevant Minibonds to CHB pursuant to either the Repurchase Scheme or some other settlement with CHB, CHB will participate and vote in such noteholder meetings.

CHB understands that, after extensive negotiations with Lehman Brothers, the Receivers believe that the proposed level of recovery represents the best possible outcome for investors of the Relevant Minibonds given the legal uncertainty surrounding the priority of claims over the Collateral. Accordingly, the Receivers recommend the proposed arrangements with Lehman Brothers. Therefore, CHB has, based on the information available to it as of the date of this announcement, decided to accept the Receivers' recommendation for the Relevant Minibonds owned by it and will vote in favour of the extraordinary resolutions at the meetings of the holders of the Relevant Minibonds.

As stated in the Joint Announcement, in addition to the arrangements under the Repurchase Scheme and the Conditional Agreement, as a goodwill gesture, CHB has agreed to offer Ex-gratia Payments to Eligible Customers of the Relevant Minibonds if the Conditional Agreement is approved and fully implemented. For the purpose of the Ex-gratia Payment Scheme, Eligible Customers are those investors in the Relevant Minibonds who are either those investors who were eligible to participate in the Repurchase Scheme or those who would have been eligible under the Repurchase Scheme had they not previously reached a settlement with CHB on a case-by-case basis. Under the Ex-gratia Payment Scheme, the Ex-gratia Payments to which each Eligible Customer will be notionally entitled are equal to 50% of any shortfall in the recovery of the amount invested. The actual amount of the Ex-gratia Payments to be received by Eligible Customers of the Relevant Minibonds will depend on the recovery amount of the Collateral and the amount (if any) previously received from CHB as part of a settlement with CHB pursuant to the Repurchase Scheme or otherwise. Consequently, the amount of the Ex-gratia Payments is investor-specific. For further details of the Ex-gratia Payment Scheme, please refer to the Joint Announcement.

Based on the rates of recovery of between 70% and 93% as advised by the Receivers, the total level of recovery to Eligible Customers, after taking into account the offer of Ex-gratia Payments, will be between 85% and 96.5% of the principal amount of their investment.

The proposal to pay the Ex-gratia Payments to Eligible Customers of the Relevant Minibonds is not part of the Repurchase Scheme, but is instead a goodwill gesture by CHB under highly unusual and unprecedented circumstances. It should not be viewed as a precedent for other investors or investment products of CHB.

CHB has made available to the Trustee approximately HK\$12 million (equivalent to the amount of commission income CHB received as distributors of Minibonds) by way of an Expenses Funding Agreement. As part of the final resolution proposal, CHB will increase the funding available to the Trustee to up to approximately HK\$23 million to pay all fees, expenses and other amounts which may be incurred in connection with the recovery of the collateral of certain series of Minibonds and the Trustee's execution of the trusts underlying the Minibonds. Without this funding, the Trustee would have been entitled to retain all or a part of the Collateral to indemnify it (and its agents) for liabilities and expenses arising from the settlement process. Such retention would reduce the amounts available to holders of the Relevant Minibonds.

As of the date of this announcement, CHB had repurchased a total of approximately HK\$458 million in nominal value of the principal amount of Minibonds under the Repurchase Scheme or pursuant to settlement agreements with customers. As a result, for the financial years ended 31 December 2009 and 2010, CHB had recognised in aggregate HK\$304 million losses through making full provisions for the Minibonds repurchased by CHB and the funding required under the original terms of the Expenses Funding Agreement.

If the Conditional Agreement is approved and proceed to full implementation, as a holder of the Relevant Minibonds it repurchased, CHB will be entitled to receive distributions under the Conditional Agreement. Taking into account the expected recovery payments of the Relevant Minibonds under the Conditional Agreement, the potential payments by CHB pursuant to the Ex-gratia Payment Scheme and the increased funding under the Expenses Funding Agreement, CHB estimates that it will recover part of the expenses in respect of the Minibonds it repurchased. It is estimated the write-back will effectively reduce the original losses recognised by CHB to approximately HK\$73 million.

Assuming that the proposed arrangements under the Conditional Agreement are fully implemented and the Ex-gratia Payment Scheme is consequently also fully implemented, based on the estimates stated above, investors who purchased the Relevant Minibonds from CHB is expected to realise in aggregate a loss of HK\$46 million in nominal value of the principal amount of the Relevant Minibonds invested (this amount does not take into account the interest received by such investors).

CHB would like to emphasise that the above information only represents the estimation of CHB based on its current understanding of the proposed arrangements under the Conditional Agreement. The actual recovery and hence the overall financial impact to CHB would depend on the final distributions and payments under the Conditional Agreement and the Ex-gratia Payment Scheme.

IMPORTANT

Shareholders of CHB, potential investors of securities of CHB and customers of the Relevant Minibonds should note that the Conditional Agreement is subject to the satisfaction of two conditions and therefore may or may not proceed. The Issuer will not receive the recovery proceeds from the Collateral unless the two conditions in the Conditional Agreement are satisfied. As the Ex-gratia Payment Scheme is subject to the approval and full implementation of the arrangements under the Conditional Agreement, it may or may not proceed. The actual distribution to be paid to customers of the Relevant Minibonds are subject to CHB having received from or on behalf of the Issuer the proceeds from the recovery of the Collateral for each Relevant Minibond. Any information provided by CHB on the potential and estimated payments to the customers of the Relevant Minibonds pursuant to the Conditional Agreement and the Ex-gratia Payment Scheme is an estimation only, and there is no guarantee that the payments would be made. Even if the Conditional Agreement and the Ex-gratia Payment Scheme proceed, as the final payments would depend on the implementation of the Conditional Agreement and the Ex-gratia Payment Scheme, there is no guarantee that such payments will be in the amounts described in this announcement or the Joint Announcement.

Shareholders and potential investors of securities of CHB should therefore exercise caution when dealing in the securities of CHB.

Definitions

“CHB”	Chong Hing Bank Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Code of Conduct”	the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission issued by the SFC pursuant to section 399 of the SFO
“Collateral”	the underlying collateral for the Relevant Minibonds
“Conditional Agreement”	the conditional agreement between Lehman Brothers, the Trustee, the Receivers (as agents of the Issuer) and others dated 27 March 2011 in relation to the settlement of opposing claims asserted by Lehman Brothers in respect of the Collateral
“Distributing Banks”	CHB, Bank of China (Hong Kong) Limited, Bank of Communications Co, Ltd Hong Kong Branch, The Bank of East Asia, Limited, Chiyu Banking Corporation Limited, CITIC Bank International Limited, Dah Sing Bank Limited, Fubon Bank (Hong Kong) Limited, Industrial and Commercial Bank of China (Asia) Limited, MEVAS Bank Limited, Nanyang Commercial Bank, Limited, Public Bank (Hong Kong) Limited, The Royal Bank of Scotland NV, Shanghai Commercial Bank Limited, Wing Hang Bank, Limited, Wing Lung Bank Limited
“Eligible Customers”	persons who, through CHB, purchased the Relevant Minibonds (and series 5, series 6, series 7 and series 9 of Minibonds) as part of a primary offering and with open positions in such Minibonds, except those who (i) have, in the three years preceding their first purchase of Minibonds, executed five or more transactions in Leveraged Products, Structured Products or a combination of these products; (ii) are non-individuals, meaning those who hold an account with CHB in the name of an entity incorporated or formed in Hong Kong

or elsewhere, excluding sole proprietorships and exempt charitable bodies under section 88 of the Inland Revenue Ordinance (Chapter 112 of the Laws of Hong Kong) and not-for-profit organisations whose assets are not managed by an SFC licensed fund manager; (iii) are professional investors falling under paragraph (a) to (i) of the definition of “professional investor” in Part 1 of Schedule 1 to the SFO; (iv) are professional investors under section 3 of the Securities and Futures (Professional Investor) Rules (Chapter 571D of the Laws of Hong Kong) and classified by CHB and agreed by the customers to be treated as such in accordance with paragraphs 15.3 and 15.4 of the Code of Conduct at the time they purchased the Minibonds; or (v) have previously settled their claims in relation to the distribution of Minibonds with CHB

For the purpose of the Ex-gratia Payment Scheme, Eligible Customers are those investors in the Relevant Minibonds who are either those investors who were eligible to participate in the Repurchase Scheme or those who would have been eligible under the Repurchase Scheme had they not previously reached a settlement with CHB on a case-by-case basis

“Ex-gratia Payments” the ex-gratia payments to which the Eligible Customers will be notionally entitled are equal to 50% of any shortfall in the recovery of the amount invested

“Ex-gratia Payment Scheme” a scheme to be offered by CHB to the Eligible Customers of the Relevant Minibonds upon the approval and full implementation of the Conditional Agreement to make Ex-gratia Payments to Eligible Customers of the Relevant Minibonds

“Expenses Funding Agreement” the agreement dated 30 October 2009 entered into between the Trustee, CHB and the fifteen other Distributing Banks in relation to the recovery of the collateral for the Minibonds, pursuant to which CHB had made available an amount of approximately HK\$12 million to fund the Trustee’s expenses in realising the value of the Collateral and CHB has subsequently agreed to increase the funding to up to approximately HK\$23 million

“HK\$” Hong Kong dollars, the lawful currency of Hong Kong

“HKMA” Hong Kong Monetary Authority

“Issuer” Pacific International Finance Limited

“Lehman Brothers” Lehman Brothers Special Financing Inc

“Leveraged Product” any unlisted securities product which involves any method by which an investor increases his or her exposure to a particular market, risk or asset class, whether through borrowing of cash, through the use of derivatives or by any other means

“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Minibonds”	retail structured notes issued under the “Secured Continuously Offered Note Programme” of the Issuer, commonly known as Lehman Brothers Minibonds
“Receivers”	Messrs Ted Osborn, Anthony Boswell and Jan Blaauw, partners of PricewaterhouseCoopers Hong Kong, who have been appointed by the Trustee to act as receivers for the Relevant Minibonds
“Relevant Minibonds”	the following series of Minibonds: series 10, series 11, series 12, series 15, series 16, series 17, series 18, series 19, series 20, series 21, series 22, series 23, series 25, series 26, series 27, series 28, series 29, series 30, series 31, series 32, series 33, series 34, series 35 and series 36
“Repurchase Scheme”	the scheme to repurchase the Relevant Minibonds (and series 5, series 6, series 7 and series 9 of Minibonds) from Eligible Customers offered by CHB pursuant to the agreement between CHB, the SFC, the HKMA and the fifteen other Distributing Banks dated 22 July 2009 pursuant to section 201 of the SFO
“SFC”	the Securities and Futures Commission
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Structured Product”	a derivative or other product which is structured in the form of a debenture, security or deposit and which contains, references, or is based on, a derivative or a derivative strategy. The definition comprises (i) credit-linked notes or credit-linked instruments, (ii) equity-linked notes, deposits or instruments, and (iii) private placement notes, provided that, however, Structured Products do not include any principal-protected product or listed securities
“Trustee”	HSBC Bank USA, National Association

By Order of the Board
Michael K W Yeung
Company Secretary

28 March 2011

As of the date of this announcement, the seven executive directors of CHB are Dr Liu Lit Mo (Chairman), Mr Liu Lit Chi (Managing Director & Chief Executive Officer), Mr Don Tit Shing Liu (Executive Director & Deputy Chief Executive Officer), Mr Lau Wai Man (Executive Director & Deputy Chief Executive Officer), Mr Wilfred Chun Ning Liu, Mr Tsang Chiu Wing and Mr Wong Har Kar; the seven non-executive directors are Mr Timothy George Freshwater, Mr Wang Xiaoming, Mr Andrew Liu, Mr Hidemitsu Otsuka, Mr Christopher Kwun Shing Liu, Mr Alfred Cheuk Yu Chow and Mr Meng Qinghui; and the four independent non-executive directors are Dr Robin Yau Hing Chan, Mr Wanchai Chiranakhorn, Mr Cheng Yuk Wo and Mr Andrew Chiu Cheung Ma.

MOVING FORWARD TOGETHER WITH OUR CUSTOMERS**A PROPOSAL RELATING TO THE FINAL RESOLUTION OF CERTAIN SERIES OF LEHMAN BROTHERS MINIBONDS**

We, the sixteen Distributing Banks (the "Banks" or the "Distributing Banks") of Lehman Brothers Minibonds ("Minibonds") issued by Pacific International Finance Limited (the "Issuer"), have been working towards a satisfactory outcome for the recovery of the Minibond collateral, and announce today a final resolution proposal for Series 10 to 12, 15 to 23 and 25 to 36 of the Minibonds (the "Relevant Series" or the "Relevant Minibonds").

Following the offer of a repurchase scheme of Minibonds announced on 22 July 2009 ("Repurchase Scheme"), we committed to assist in and to expedite the recovery of the collateral for, among other outstanding Minibonds, the Relevant Minibonds ("Collateral") by HSBC Bank USA, N.A., the trustee for the Minibonds (the "Trustee"). The Trustee had already appointed Messrs. Ted Osborn, Anthony Boswell and Jan Blaauw, partners of PricewaterhouseCoopers Hong Kong as receivers (the "Receivers") for the Collateral.

COLLATERAL RECOVERY

The Receivers separately announced today that a conditional agreement among Lehman Brothers Special Financing Inc. ("Lehman Brothers"), the Receivers (as agents of the Issuer and without personal liability), the Trustee and others has been reached to settle opposing claims asserted by Lehman Brothers in respect of the Collateral. The Receivers advised that the agreement will, upon it becoming unconditional, enable investors of Relevant Minibonds to recover between 70% and 93% of the amounts they invested. Investors should note that the level of recovery for each tranche of the Relevant Minibonds is different. The actual distribution to each investor (the "Recovery Payment") will depend on the specific circumstances of the investor as illustrated under "Payment Examples" below. Investors should also refer to the Receivers' announcement for further details.

After extensive negotiations with Lehman Brothers, the Receivers believe that the proposed level of recovery represents the best possible outcome for investors of Relevant Minibonds given the legal uncertainty surrounding the priority of competing claims over the Collateral. The agreement allows the Receivers and the Trustee to avoid the risks and uncertainty of prolonged, complex and costly litigation with Lehman Brothers and other parties. Accordingly, the Receivers recommend the proposed arrangements with Lehman Brothers.

The agreement is subject to two conditions.

Firstly, the agreement is conditional on the US Bankruptcy Court confirming that its previous orders which lay down procedures for Lehman Brothers to enter into settlements in respect of claims arising under certain derivatives contracts apply to settlements relating to the Collateral. The Receivers have confirmed that an application will be made by Lehman Brothers to the US Bankruptcy Court on 29 March 2011 for this purpose.

Secondly, the agreement is conditional on the passing of extraordinary resolutions for each and every Relevant Series. The Issuer will convene a meeting for each Relevant Series which can only be attended by persons who hold a beneficial title in the Relevant Minibonds. If investors have transferred the beneficial title in their Minibonds to their Bank pursuant to either the Repurchase Scheme or some other settlement with their Bank, their Bank will participate and vote in such noteholder meetings. Each Distributing Bank has, based on the information available to it today, individually decided to accept the Receivers' recommendation for the Relevant Minibonds owned by it and will vote in favour of the extraordinary resolutions at the noteholder meetings so that this matter can be resolved in a way which maximizes the benefits to investors within a reasonable timeframe.

Distributing Banks' Voluntary Initiative – the Ex Gratia Payment Scheme and Expenses Funding Agreement

Distributing Banks to make Ex Gratia Payment to Eligible Customers

In addition to the Collateral recovery amount, as a goodwill gesture, the Distributing Banks have resolved to offer an ex gratia payment scheme to Eligible Customers of Relevant Minibonds. For the purpose of the ex gratia payment scheme, Eligible Customers are either those investors who were eligible to participate in the Repurchase Scheme or those who would have been eligible under the Repurchase Scheme had they not previously reached a settlement with the Distributing Banks on a case-by-case basis. The ex gratia payment to which each Eligible Customer will be notionally entitled is equal to 50% of any shortfall in the recovery of the amount invested ("Ex Gratia Payment"). The actual amount of the Ex Gratia Payment will depend on the Collateral recovery amount as well as the amount (if any) previously received from the investor's Bank as part of a settlement. Consequently, the amount of the Ex Gratia Payment is investor specific. For further details, please see the "Payment Examples" and "Estimated Time for Payment" below and review in detail the notice that will be sent out by each Distributing Bank, on or about 28 March 2011, to its investors who currently hold, or previously held, Relevant Minibonds.

Based on the rates of recovery of between 70% and 93% as advised by the Receivers, the total level of recovery to Eligible Customers, after taking into account the offer of Ex Gratia Payments by the Distributing Banks, will be in the range of **85% to 96.5%** of the principal amount of their investment.

The proposal to pay the Ex Gratia Payments to Eligible Customers is *not* part of the Repurchase Scheme, but is instead a goodwill gesture by the Distributing Banks under highly unusual and unprecedented circumstances. It should not be viewed as a precedent for other investors or investment products.

Payment of the Recovery Payment and the Ex Gratia Payment, as applicable, is subject to the Distributing Banks having received from or on behalf of the Issuer the recovery proceeds from the Collateral for each Relevant Series. The Issuer will not receive the recovery proceeds from the Collateral unless the two conditions in the agreement with Lehman Brothers are satisfied.

Distributing Banks to provide further support to the Trustee

The Distributing Banks have made available to the Trustee approximately HK\$291 million (equivalent to the amount of commission income they received as distributors of Minibonds) by way of an Expenses Funding Agreement dated 30 October 2009. As part of this final resolution proposal, the Distributing Banks will increase the funding available to the Trustee to approximately HK\$662 million to pay for all fees, expenses and other amounts which may be incurred in connection with the recovery of the collateral of the outstanding Minibonds and the Trustee's role in respect of the Minibonds. Without this funding, the Trustee would have been entitled to retain all or a part of the Collateral to indemnify it (and its agents) for liabilities and expenses arising from the settlement process. Such retention would reduce the amounts available to holders of the Relevant Series.

LOOKING AHEAD

To date, approximately 97% of total Minibond investors who purchased Relevant Minibonds from the Distributing Banks have already received offers to repurchase their Minibonds, and 96% in total have accepted these offers (either under the Repurchase Scheme or under other terms). An overwhelming majority of investors of Relevant Minibonds have therefore already settled their claims with the Distributing Banks. We believe that those settlements, together with the Recovery Payment and (if applicable) the Ex Gratia Payment, will provide a high level of recovery to the vast majority of those investors. In addition, most investors of Relevant Minibonds (irrespective of whether they have previously settled with their Bank) can expect to

receive the Recovery Payment as described in this Announcement. We are therefore confident that the proposed arrangements will find the support of Minibond investors and the public.

We thank our customers, shareholders and the community again for their understanding and support during this challenging period. We also extend our appreciation to our staff who have exhibited commitment and professionalism throughout this trying time. We thank the HKSAR Government and local regulators for working with us to procure this result. We remain fully committed to working with the HKSAR Government, the local regulators and the investor community to ensure that Hong Kong remains one of the world's pre-eminent international financial centres.

Distributing Banks (In alphabetical order):

Bank of China (Hong Kong) Limited

Bank of Communications Co., Ltd. Hong Kong Branch

The Bank of East Asia, Limited

Chiyu Banking Corporation Limited

Chong Hing Bank Limited

CITIC Bank International Limited

Dah Sing Bank Limited

Fubon Bank (Hong Kong) Limited

Industrial and Commercial Bank of China
(Asia) Limited

MEVAS Bank Limited

Nanyang Commercial Bank, Limited

Public Bank (Hong Kong) Limited

The Royal Bank of Scotland N.V.

Shanghai Commercial Bank Limited

Wing Hang Bank, Limited

Wing Lung Bank Limited

Hong Kong, 28 March, 2011

PAYMENT EXAMPLES

The amount that investors will receive following the recovery of the Collateral depends on whether they are Eligible Customers or non-Eligible Customers.

Eligible Customers

Eligible Customers may receive both a Recovery Payment and an Ex Gratia Payment.

Example 1

Calculation of recovery – If you have received 60% of the amount invested

If you:

- are an Eligible Customer;
- accepted the offer to have your Minibonds repurchased; and
- have already received 60% of the principal amount of your Minibonds,

the following table sets out examples to illustrate how to calculate your Recovery Payment and Ex Gratia Payment:

Collateral recovered	70%	75%	80%	85%	90%	95%
Settlement amount received	60%	60%	60%	60%	60%	60%
Recovery Payment	10%	15%	20%	25%	30%	35%
Ex Gratia Payment	15%	12.5%	10%	7.5%	5%	2.5%
Total payment due to Eligible Customer	25%	27.5%	30%	32.5%	35%	37.5%
Total amount recovered by Eligible Customer	85%	87.5%	90%	92.5%	95%	97.5%

Example 2

Calculation of recovery – If you have received 70% of the amount invested

If you:

- are an Eligible Customer;
- accepted the offer to have your Minibonds repurchased; and
- have already received 70% of the principal amount of your Minibonds,

the following table sets out examples to illustrate how to calculate your Recovery Payment and Ex Gratia Payment:

Collateral recovered	70%	75%	80%	85%	90%	95%
Settlement Amount received	70%	70%	70%	70%	70%	70%
Recovery Payment	0%	5%	10%	15%	20%	25%
Ex Gratia Payment	15%	12.5%	10%	7.5%	5%	2.5%
Total payment due to Eligible Customer	15%	17.5%	20%	22.5%	25%	27.5%
Total amount recovered by Eligible Customer	85%	87.5%	90%	92.5%	95%	97.5%

Non-Eligible Customers

Non-Eligible Customers will receive a Recovery Payment that equals:

- the Collateral recovery amount for their Minibonds;
- less any payment they have previously received pursuant to any settlement with their Bank for their Minibonds,

provided that if the amount a non-Eligible Customer has previously received from their Bank for their Minibonds is equal to or higher than the Collateral recovery amount for their Minibonds, they will not receive any Recovery Payment.

ESTIMATED TIME FOR PAYMENT

Following receipt by the Distributing Banks of the recovery proceeds from the Collateral, which is currently expected to be not later than the end of June 2011:

- the Recovery Payment will be paid; and
- the Ex Gratia Payment will be payable to Eligible Customers upon receipt by the Distributing Banks of a prescribed form of acceptance signed and returned by those Eligible Customers.

Investors will not receive a Recovery Payment and/or Ex Gratia Payment if they have already been placed in an equivalent or better position through the receipt of settlement amounts from their Bank.

IMPORTANT

IF YOU ARE IN ANY DOUBT AS TO ANY ASPECT OF THIS ANNOUNCEMENT, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL OR OTHER PROFESSIONAL ADVISER.

THIS ANNOUNCEMENT IS A SUMMARY ONLY. YOU MUST READ THIS ANNOUNCEMENT TOGETHER WITH:

- **THE ANNOUNCEMENT MADE TODAY BY THE RECEIVERS OF THE COLLATERAL. SEE <http://www.pwchk.com/minibonds>; AND**
- **A LETTER WHICH YOUR BANK WILL SEND TO YOU BY POST ON OR ABOUT 28 MARCH 2011 WHICH EXPLAINS HOW THIS ANNOUNCEMENT APPLIES TO YOU.**