

VICTORIA PEAK INTERNATIONAL FINANCE LIMITED

To the Distributors of the Notes:

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| Bank of China (Hong Kong) Limited | Chong Hing Bank Limited |
| Bank of Communications Co., Ltd. Hong Kong Branch | Nanyang Commercial Bank, Limited |
| Chiyu Banking Corporation Limited | Shanghai Commercial Bank Limited |
| CITIC Ka Wah Bank Limited | Tai Fook Securities Co. Ltd. |
| Core Pacific-Yamaichi International (H.K.) Limited | Wing Hang Bank, Ltd. |
| ICEA Securities Ltd. | Wing Lung Bank Limited |

Octave Notes Series 6

USD Credit-Linked Secured Callable Step-up Fixed Rate Notes due 2011 (ISIN: XS0227301420) ("Tranche A Notes")

USD Credit-Linked Secured Callable Fixed Rate with Equity Bonus Coupon Notes due 2011 (ISIN: XS0227301263) ("Tranche B Notes")

HKD Credit-Linked Secured Callable Step-up Fixed Rate Notes due 2011 (ISIN: XS0227300703) ("Tranche C Notes")

HKD Credit-Linked Secured Callable Fixed Rate with Equity Bonus Coupon Notes due 2011 (ISIN: XS0227301859) ("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. As previously, 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.

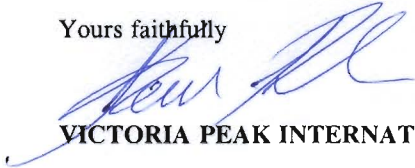
Since we sent our previous notice to you in relation to the Notes on 8 December 2008, a credit event has occurred in respect of Lyondell Chemical Company. Whilst this is not a Reference Entity (as defined under the Issue Prospectus for the Notes), it is a Reference Entity (as defined under the PPMS for the Underlying Securities) under one of the Reference Transactions which are referenced by the Master Swap Transaction for the Underlying Securities.

As of the date of this notice, the occurrence of this credit event has not resulted in an Underlying Securities Default Event or an Early Redemption Event in relation to the Notes. The Issuer can give no assurance as to whether an Underlying Securities Default Event or an Early Redemption Event will or will not occur in relation to the Notes in the future.

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 12 July 2005 (the "**Issue Prospectus**") or the Private Placement Memorandum Supplement of the Underlying Securities dated 15 August 2005 (the "**PPMS**"). The Issue Prospectus, the PPMS and certain other documents and information in relation to the Notes can be viewed on the following website: www.morganstanley.com/octavenotes.

Yours faithfully



VICTORIA PEAK INTERNATIONAL FINANCE LIMITED

By: Kareem Robinson
19 January 2009 Director