



SECURITIES AND FUTURES COMMISSION
證券及期貨事務監察委員會

CB(1)2117/08-09(01)

8th Floor, Chater House, 8 Connaught Road Central, Hong Kong
香港中環干諾道中八號遮打大廈八樓

Martin Wheatley, JP 韋奕禮
Chief Executive Officer 行政總裁

26 June 2009

Your Ref: CBI/PL/FA

By Hand

Mr Noel Sung
Clerk to Panel on Financial Affairs
Legislative Council
3/F Citibank Tower, Citibank Plaza
3 Garden Road
Central, Hong Kong

Dear Noel,

Re: Panel on Financial Affairs
Follow-up to special meeting on 11 June 2009

Thank you for your letter of 12 June 2009. Please find enclosed a copy of each of the marketing leaflet for Octave Notes 19 & 20 and 21 & 22 (both Chinese and English language versions).

You may wish to note that:

1. There is up-front, prominent disclosure on the cover page of the marketing leaflets that *"the Notes are not principal protected"*;
2. Under the subsection headed "Redemption of Principal Amount of the Scheduled Maturity Date" of the section headed "Octave Notes - Summary of Terms", it is stated that redemption would be at 100%...*"unless...a Mandatory Redemption Event...occurs..."*
3. Under the subsection headed "Other Redemption Events" of the section headed "Octave Notes - Summary of Terms", it is stated that *"The Notes will be redeemed if...a Mandatory Redemption Event...occurs, and any amount which investors receive in such circumstances may be substantially less than the principal amount of the Notes."*;
4. It is stated in the subsection headed "Defined terms" under the section headed "Disclaimer and Important Notice" that capitalised terms are defined in the issue prospectus and the programme prospectus. Prospective investors are also advised to read the prospectuses carefully before deciding whether or not to invest in the Notes;
5. The issue prospectuses generally define "Mandatory Redemption Event" to include (a) a payment default in respect of any Underlying Securities; (b)



6. reduction or writedown in the outstanding principal amount of any of the Underlying Securities; and (c) termination of swap agreement; and
7. Under the "Risk Factors" section of the programme prospectus, there is a subsection headed "Exposure to the Underlying Securities where Underlying Securities consist of Synthetic CDO Securities, CDO Squared Securities, Credit Commodity Linked Securities and Asset-Backed Securities". Amongst other things, prospective investors are warned that *"whether the principal amount of any Synthetic CDO Security is reduced or otherwise written down will depend on whether one or more credit events in respect of the underlying reference entities of such Synthetic CDO Security occur as well as whether any loss calculations in connection with such credit event(s) exceed any relevant threshold amount."*

Yours sincerely,

A handwritten signature in black ink, appearing to read 'M. Wheatley'.

Martin Wheatley
Chief Executive Officer

Encls.

精明債券 系列19及20 Octave Notes Series 19&20

雄厚基礎 精雕穩健潛在回報 A strong potential return built on solid foundations



本債券並不保本
The Notes are not
principal protected

系列 19 Series 19

投資年期：4年 + 3年[▲]（如被發行人延長）
Investment tenor: 4 years + 3 years[▲]
(if extended by the Issuer)

最高潛在年息率：
Highest potential interest rate：

9% p.a.*

（僅適用於第5年至第7年，如被發行人延長）
(Only applicable from Year 5-7 if extended
by the Issuer)

系列 20 Series 20

投資年期：5.5年
Investment tenor: 5.5 years

最高潛在年息率：
Highest potential interest rate：

8% p.a.**

與下列的信貸表現相聯： Linked to the credits of:

- | | | |
|--|------------------------------------|--|
| • 中華人民共和國
The People's Republic
of China | • 滙豐銀行有限公司
HSBC Bank plc | • 渣打銀行
Standard Chartered Bank |
| • 星展銀行有限公司
DBS Bank Ltd. | • 國家開發銀行
China Development Bank | • 華僑銀行
Oversea-Chinese Banking
Corporation Limited |
| • 太古股份有限公司
Swire Pacific Limited | | |

發行人 Issuer:
Victoria Peak International Finance Limited



凡成功認購每張精明債券 系列19及20
即可獲贈100港元百佳禮券一張[§]

Get a HKD100 PARKIN SHOP gift
coupon for every Note purchased[§]

認購期限至2007年7月27日（星期五）（可更改而毋須提前通知）
On offer until July 27, 2007 (Friday) (may change without prior notice)

[▲] 精明債券系列19投資年期為4年，若發行人行使其發行人延期權，則總投資年期為7年。

^{*} 上列所示最高潛在年息率9%為系列19美元債券組別A於第5至7年所派發的固定年息率（僅若發行人行使其發行人延期權），第1至4年的固定年息率為7.25%。其港元債券組別B固定年息率為6.75%（第1至4年），若發行人行使其發行人延期權則於第5至7年派發固定年息率8%（倘若沒有發出發生公司或主權信貸事件的通知函，並沒有發生強制贖回事件或發行人失責事件）。

^{**} 上列所示最高潛在年息率8%為系列20美元債券組別A於第5至5.5年（即最後1.5年）所派發的固定年息率（港元債券組別B為7.5%）。第1至4年固定年息率分別為6.5%（美元債券組別A）及6%（港元債券組別B）（倘若沒有發出發生公司或主權信貸事件的通知函，並沒有發生強制贖回事件或發行人失責事件）。

[▲] Octave Notes Series 19 has a tenor of 4 years, if the Issuer exercises its Issuer Extension Option, the total investment tenor will be 7 years.

^{*} The highest potential interest rate of 9% p.a. above is the fixed interest rate for Series 19 USD Tranche A in Year 5-7 (only applicable if the Issuer exercises its Issuer Extension Option), the fixed interest rate of which in Year 1-4 is 7.25% p.a.. For Series 19 HKD Tranche B, the fixed interest rate payable in Year 1-4 is 6.75% p.a., and the fixed interest rate payable in Year 5-7 is 8% p.a. (only applicable if the Issuer exercises its Issuer Extension Option) (if no notice of the occurrence of a Company or Sovereign Credit Event is given and no Mandatory Redemption Event or Issuer's Event of Default has occurred).

^{**} The highest potential interest rate of 8% p.a. above is the fixed interest rate for Series 20 USD Tranche A in Year 5-5.5 (being the last 1.5 years) (HKD Tranche B is 7.5% p.a.). The fixed interest rates payable in Year 1-4 are 6.5% p.a. (USD Tranche A) and 6% p.a. (HKD Tranche B) respectively (if no notice of the occurrence of a Company or Sovereign Credit Event is given and no Mandatory Redemption Event or Issuer's Event of Default has occurred).

精明債券系列19及20 ("本債券") — 與中國及六間著名機構之信貸表現相聯^{△,‡}

投資回報與以下公司及主權實體信貸相聯^{△,‡}

公司或主權實體	中華人民共和國	滙豐銀行有限公司	渣打銀行	星展銀行有限公司	國家開發銀行	華僑銀行	太古股份有限公司
信貸評級	(A2/A/A)	(Aa2/AA-/AA-)	((P) [△] A3/A/A)	(Aa2/A/A+)	(A2/A/A)	(Aa2/NA/A+)	(A3/A-/A-)

上述相對於各公司及主權實體的信貸評級為截至2007年6月21日由穆迪投資者服務公司、標準普爾(The McGraw-Hill Companies, Inc.的一個部門)及惠譽國際各自刊發的對各公司及主權實體之參考債項(其可能為後償債項)的信貸評級。

(P)[△]代表臨時評級。作為一項向市場提供的服務,及為滿足發行人的要求,穆迪信貸評級將提供一個臨時評級,當收妥所有文件,或債項於市場發行後,該評級極度可能會成為最後評級。

投資精明債券,收取定息回報[†]

精明債券系列19		精明債券系列20	
美元組別A	港元組別B	美元組別A	港元組別B
第1年至第4年: 7.25%年息率	第1年至第4年: 6.75%年息率	第1年至第4年: 6.5%年息率	第1年至第4年: 6%年息率
第5年至第7年: 9%年息率 (若發行人行使其發行人延期權)	第5年至第7年: 8%年息率 (若發行人行使其發行人延期權)	第5年至第5.5年: 8%年息率 (即最後1.5年)	第5年至第5.5年: 7.5%年息率 (即最後1.5年)

100%本金贖回[†]

就每一系列債券,發行人可於在第一個利息期滿日或其後的任何時候行使其發行人提早贖回權,以100%之本金額及截至有關的贖回權贖回日的累計利息提早贖回該系列一組或兩組債券的全部(而非一部分)。否則,除非發生公司或主權信貸事件的通知函被發出或發生強制贖回事件或發行人失責事件,該系列債券將在該系列債券預計到期日以100%本金及累計利息全數贖回。

精明債券系列19及20將只透過分銷商出售,並需於認購期內認購。

認購期限至

2007年7月27日(星期五) 可延長或提早截止

精明債券系列19及20 — 條款概要[¶]

發行人:	Victoria Peak International Finance Limited
認購期開始日:	2007年6月26日上午9時正
認購期結束日:	2007年7月27日下午4時30分(可能延遲或提早截止)
發行日期 [¶] :	預計為2007年8月9日(但不會遲於2007年10月9日)
面額:	系列19: 美元組別A: 5,000美元 港元組別B: 40,000港元 系列20: 美元組別A: 5,000美元 港元組別B: 40,000港元
發行價:	100%本金額
預計到期日 [†] :	系列19: 2011年8月9日可延長至2014年8月9日(若發行人行使其發行人延期權)(即最長年期可為7年) 系列20: 2013年2月9日
發行人延期權 (僅適用於系列19):	發行人可於任何時候事先發出不少於十個營業日的書面通知延長系列19的一組或兩組債券的預計到期日。
發行人提早贖回權:	就每一系列債券,發行人可於在第一個利息期滿日或其後的任何時候事先發出不少於五個營業日的書面通知以100%之本金額及截至有關的贖回權贖回日的累計利息提早贖回該系列一組或兩組債券的全部(而非一部分)。請參閱發行章程「概要—發行人提早贖回權」。
利息支付日期:	利息每六個月(約在每年的8月9日及2月9日)派發 [†] 。
預計到期日的本金贖回:	在有關的預計到期日 [†] 以100%本金額贖回 ^{¶,△,‡} (除非發生公司或主權信貸事件的通知函被發出,或發生強制贖回事件或發行人失責事件,或發行人行使其發行人提早贖回權)。
信貸事件:	中國、滙豐、渣打、星展、國家開發銀行、華僑銀行及太古的任何一間公司或主權實體的信貸失責或同類事件 [△] (詳情見發行章程內定義的「公司或主權信貸事件」)。
抵押品:	每一系列債券將以列明於發行章程的該系列的指定證券(其可能包括合成抵押債務證券)及某些該系列的合約權益作為抵押 [¶] 。
[†] 其他贖回情況:	如果發生公司或主權信貸事件的通知函被發出,或發生強制贖回事件或發行人失責事件,本債券將被贖回,而投資者在該情況下獲得的款額可能遠低於本債券的本金額。由之前一個利息期滿日起計的利息將不會獲得支付。

附註:

△ 受限於發行章程及計劃章程所載之條款。

Ω 受限於發行人可酌情選擇不發行一系列債券的所有或其中一組。

本債券並非保本投資;並無保證投資者在到期日可收回本債券的本金。

△ 本債券與中華人民共和國("中國")("主權實體")、滙豐銀行有限公司("滙豐")、渣打銀行("渣打")、星展銀行有限公司("星展")、國家開發銀行("國家開發銀行")、華僑銀行("華僑銀行")及太古股份有限公司("太古")(各自為一"公司")之信貸相聯。倘於該系列的預計到期日或前(1)上述任何一間公司或主權實體發生公司或主權信貸事件的通知函被發出或(2)發生強制贖回事件或發行人失責事件,則該系列債券投資者有可能損失全部或部分本金額。

‡ 發生公司或主權信貸事件的通知函發出給債券持有人將引致本債券根據該失責的公司或主權實體的某些債項的市場價值金額贖回(根據發行章程內所載的某些調整後),而該金額可能遠低於本債券的本金額。

¶ 本債券之抵押性質及有限追索權:每一系列債券將以該系列的指定證券(其可能包括合成抵押債務證券)及某些該系列的衍生交易安排("合約權益")作為抵押。如果指定證券的發行人不能實現指定證券項下付款的按時支付,或掉期對手或遠期對手不能實現其有關衍生交易安排項下的責任,發行人從而無法履行本債券項下到期的相應責任,債券投資者的追索權僅限於獲得有關系列的指定證券兌現金額以及衍生交易安排項下發行人應得的終止付款(如有)。本債券並非摩根士丹利的債項,亦非由摩根士丹利所擔保。本債券由Victoria Peak International Finance Limited("發行人")發行,而並非摩根士丹利或其聯營公司或任何公司或主權實體之債項。發行人為一間低資本額的特殊目的公司。

Octave Notes Series 19&20 (the "Notes") —

Credit-linked to China and six well-known corporations^{^, ‡}

Investment return is credit-linked to the following Companies and the Sovereign Entity^{^, ‡}

Company or Sovereign Entity	The People's Republic of China	HSBC Bank plc	Standard Chartered Bank	DBS Bank Ltd.	China Development Bank	Oversea-Chinese Banking Corporation Limited	Swire Pacific Limited
Credit rating	(A2/A/A)	(Aa2/AA-/AA-)	((P) [^] A3/A/A)	(Aa2/A/A+)	(A2/A/A)	(Aa2/NA/A+)	(A3/A-/A-)

The credit ratings shown above next to each Company and Sovereign Entity are those applicable to the relevant Reference Obligation of the relevant Company and Sovereign Entity (which may be subordinated obligations) as of June 21, 2007, as published by Moody's Investors Service, Inc., Standard & Poor's, a division of The McGraw-Hill Companies, Inc. and Fitch Ratings Ltd., respectively.

(P)[^] denotes a provisional rating. As a service to the market and typically at the request of an issuer, Moody's will assign a provisional rating when it is highly likely that the rating will become final after all documents are received, or an obligation is issued into the market.

Obtain fixed interest income by investing in the Notes[†]

Octave Notes Series 19		Octave Notes Series 20	
USD Tranche A	HKD Tranche B	USD Tranche A	HKD Tranche B
Year 1 - 4: Interest rate: 7.25% p.a.	Year 1 - 4: Interest rate: 6.75% p.a.	Year 1 - 4: Interest rate: 6.5% p.a.	Year 1 - 4: Interest rate: 6% p.a.
Year 5 - 7: Interest rate: 9% p.a. (If the Issuer exercises its Issuer Extension Option)	Year 5 - 7: Interest rate: 8% p.a. (If the Issuer exercises its Issuer Extension Option)	Year 5 - 5.5: Interest rate: 8% p.a. (being the last 1.5 years)	Year 5 - 5.5: Interest rate: 7.5% p.a. (being the last 1.5 years)

Redemption at 100% of the principal amount[†]

In respect of each Series of Notes, the Issuer may exercise its Issuer Call Option to early redeem either or both Tranches of each Series of Notes (in whole but not in part) at any time from and including the first Interest Period End Date at 100% of the principal amount plus accrued interest up to the relevant Call Redemption Date. Otherwise, unless notice of the occurrence of a Company or Sovereign Credit Event is given or a Mandatory Redemption Event or an Issuer's Event of Default occurs, the Notes of a Series will be redeemed at 100% of the principal amount plus accrued interest on the Scheduled Maturity Date in respect of such Series.

Octave Notes Series 19&20 are available for subscription only through the Distributors and only during the Offer Period. Limited Offer Period until

July 27, 2007 (Friday) *Subject to extension or early closure*

Octave Notes Series 19&20 - Summary of Terms[§]

Issuer:	Victoria Peak International Finance Limited
Offer Period start date:	9:00a.m. on June 26, 2007
Offer Period end date:	4:30p.m. on July 27, 2007 (subject to extension or early closure)
Issue Date[§]:	Expected to be August 9, 2007 (but not later than October 9, 2007)
Denomination:	Series 19: USD Tranche A: USD5,000 HKD Tranche B: HKD40,000 Series 20: USD Tranche A: USD5,000 HKD Tranche B: HKD40,000
Issue Price:	100% of principal amount
Scheduled Maturity Date[†]:	Series 19: August 9, 2011 and extendable to August 9, 2014 (if the Issuer exercises its Issuer Extension Option) (i.e. the maximum term can be 7 years) Series 20: February 9, 2013
Issuer Extension Option (for Series 19 only):	The Issuer may extend the Scheduled Maturity Date of either or both Tranches of Series 19 Notes at any time by giving at least 10 Business Days' prior written notice.
Issuer Call Option:	The Issuer may redeem either or both Tranches of each Series of Notes (in whole but not in part) at any time from and including the first Interest Period End Date at 100% of the principal amount plus accrued interest up to the relevant Call Redemption Date by giving at least 5 Business Days' prior written notice. Please refer to "Summary - Issuer Call Option" in the Issue Prospectus.
Interest Payment Dates:	Interest is payable semi-annually in arrear on or about August 9 and February 9 in each year [†] .
Redemption of Principal Amount on the Scheduled Maturity Date:	Redemption at 100% of the principal amount ^{§, ^, ‡} on the applicable Scheduled Maturity Date [†] (unless notice of the occurrence of a Company or Sovereign Credit Event is given, a Mandatory Redemption Event or an Issuer's Event of Default occurs or the Issuer exercises its Issuer Call Option).
Credit Event:	A credit default or similar event (as defined in the Issue Prospectus as a "Company or Sovereign Credit Event") in respect of any one of PRC, HSBC, Standard Chartered, DBS, China Development Bank, OCBC and Swire. [^]
Collateral/Security:	Each Series of Notes will be secured by the Underlying Securities (as described in the Issue Prospectus and which may include Synthetic CDO Securities) and certain Contract Rights of such Series [¶] .
[†]Other Redemption Events:	The Notes will be redeemed if notice of the occurrence of a Company or Sovereign Credit Event is given, or if a Mandatory Redemption Event or an Issuer's Event of Default occurs, and any amount which investors receive in such circumstances may be substantially less than the principal amount of the Notes. Interest from the previous Interest Period End Date will cease to be payable.

Notes:

[§] Subject to the terms set out in the Issue Prospectus and the Programme Prospectus.

^Ω Subject to the Issuer exercising its discretion not to issue any or all Tranches of a Series of Notes.

[#] **The Notes are not principal protected investments:** There is no assurance that investors will receive the principal amount of the Notes at maturity.

[^] **The Notes are credit-linked to The People's Republic of China ("PRC") ("the Sovereign Entity"), HSBC Bank plc ("HSBC"), Standard Chartered Bank ("Standard Chartered"), DBS Bank Ltd. ("DBS"), China Development Bank ("China Development Bank"), Oversea-Chinese Banking Corporation Limited ("OCBC") and Swire Pacific Limited ("Swire") (each a "Company").** If on or before the Scheduled Maturity Date in respect of a Series, (1) notice of the occurrence of a Company or Sovereign Credit Event is given in respect of any Company or the Sovereign Entity or (2) a Mandatory Redemption Event or an Issuer's Event of Default occurs, investors in the Notes of such Series could lose all or part of their investment.

[‡] The giving of notice of the occurrence of a Company or Sovereign Credit Event to the Noteholders will lead to the Notes being redeemed at an amount which is based on the market value of certain obligations of the defaulted Company or Sovereign Entity (after certain adjustments set out in the Issue Prospectus), which may be substantially less than the principal amount of the Notes.

[¶] **Secured nature of the Notes and Limited Recourse:** Each Series of Notes will be secured by Underlying Securities (which may include Synthetic CDO Securities) and by certain derivatives arrangements ("Contract Rights") of such Series. To the extent that the issuer(s) of the Underlying Securities are unable to make payments under the Underlying Securities or the Swap Counterparty or the Forward Counterparty is unable to fulfill its obligations under the derivatives arrangements, the Issuer will be unable to meet its obligations under the Notes and the recourse of investors in the Notes is limited to the realisation of the Underlying Securities and to the termination payments (if any) due to the Issuer under the derivatives arrangements in respect of such Series. The Notes will not be obligations of and will not be guaranteed by Morgan Stanley. The Notes are issued by Victoria Peak International Finance Limited (the "Issuer") and are not obligations of any Company or Sovereign Entity or of Morgan Stanley or any of their affiliates. The Issuer is a special purpose company and a thinly capitalised entity.

免責聲明及重要事項：

定義：本廣告內之專用詞彙之定義載於日期為2007年6月25日有關本債券的發行章程("發行章程")及日期為2007年6月25日的計劃章程("計劃章程")。如本廣告與發行章程或計劃章程內之定義有矛盾，應以發行章程或計劃章程內之定義為準。

準投資者必須細閱發行章程及計劃章程：本廣告僅為本債券的主要特點的撮要。發行章程連同載有發行債券的計劃詳細資料的計劃章程載有本債券和發售的詳細資料，並可向發行章程內列明的各分銷商索取。本債券準投資者在決定是否投資本債券前，必須一併細閱發行章程及計劃章程及任何附錄或補充文件("最新附錄")。請向發行章程內列明的任何分銷商索取計劃章程、發行章程及查詢最新附錄是否已被刊發。

對準投資者的適合性：投資於本債券包含高度風險，包括信貸風險、市場風險、流通量風險以及發行人無法履行其於本債券項下的責任的風險。準投資者在作出有關投資於本債券的決定前須瞭解所有該等風險性質。準投資者應基於本身經驗、目標、財政狀況及其他相關因素仔細考慮本債券是否合適。如閣下對本債券有任何疑慮，或不清楚瞭解本債券是否適合閣下的特殊情況，則應請教閣下的專業顧問。本債券並不適合缺乏經驗的投資者。

本債券的流通性：準投資者可以變現本債券的情況可能有限。本債券可能不會有市場莊家的安排。本債券並不會在任何交易所上市，投資者將不會受到投資者保障基金提供的賠償保障。

一般事項：購買及持有本債券涉及高風險，詳情載於發行章程及計劃章程內(風險因素)一節。準投資者於本債券下的回報視乎多個不可預測的因素，而本廣告僅描述某些因素。本廣告並非章程，亦不構成要約或購買的邀請，也不構成在香港或其他地方誘使任何人提出獲取、購買、認購及投資於本債券要約的邀請。本債券之發售僅按發行章程及計劃章程及在發行日期結束前刊發的任何最新附錄而一併作出。凡本債券的認購申請，必須依照發行章程內載明的手續辦理方會獲得接受。視乎分銷商及準投資者的個別安排，準投資者在最新附錄刊發後亦可能不獲准許撤回本債券的認購申請。

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Prospective investors must read the Programme Prospectus and the Issue Prospectus: This is a summary only of some of the principal features of the Notes. The Issue Prospectus together with the Programme Prospectus (which contains details of the Programme under which the Notes are issued) contain full details of the Notes and the offering, and are available for collection from the Distributors listed in the Issue Prospectus. Prospective investors in the Notes must carefully read the Programme Prospectus and the Issue Prospectus together and any addendum or supplement to these documents ("Updating Addendum") before deciding whether or not to invest in the Notes. Ask any of the Distributors listed in the Issue Prospectus for a copy of our Programme Prospectus and Issue Prospectus and whether any Updating Addendum has been published by us.

Suitability for a prospective investor: An investment in the Notes involves substantial risks including credit risk, market risk, liquidity risk, and the risk that the Issuer will be unable to satisfy its obligations under the Notes. Prospective investors should ensure that they understand the nature of all these risks before making a decision to invest in the Notes. You should consider carefully whether the Notes are suitable for you in light of your experience, objectives, financial position and other relevant circumstances. If you have any concern about the Notes, or are uncertain about the suitability of the Notes for your personal circumstances, you should consult your professional adviser. The Notes are not suitable for inexperienced investors.

Liquidity of the Notes: The circumstances in which investors may be able to realise their investment may be limited. There may be no market making arrangements in respect of the Notes. The Notes will not be listed on any stock exchange and investors will not be covered by any investor compensation fund.

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精明債券人民幣掛鈎系列 21及22 Octave Notes RMB-Linked Series 21 & 22

緊扣人民幣匯率脈搏 高舉潛在回報

The RMB-linked investment with potential to soar



本債券並不保本*,#

The Notes are not
principal protected*,#

發售期限至2007年10月12日(星期五)(可更改而毋須提前通知)

On offer until 12 October 2007 (Friday) (may change without prior notice)

系列 21 Series 21

投資年期：4年+3年** (如被發行人延長)
Investment tenor : 4 years + 3 years**
(if extended by the Issuer)

最高潛在年息率：
Highest potential interest rate :

8.10% p.a.*†

系列 22 Series 22

投資年期：5年
Investment tenor : 5 years

年息率：
Interest rate :

5.00% p.a.*

* 利息及贖回額以港元支付，但以人民幣名義金額（及就利息而言，利率日計份數）計算及視乎人民幣兌美元匯率及美元兌港元匯率。利息及贖回額的支付可受有關人民幣兌美元匯率及美元兌港元匯率釐定時間的調整而被押後派發達14個營業日。投資者於本債券參照港元面額計算的利息回報率可受到人民幣兌美元匯率及美元兌港元匯率波動所影響，而可能較高或低。利息只會在沒有發出發生主權信貸事件的通知函，及沒有發生強制贖回事務或發行人失責事件的情況下派付。發生上述事件或會導致本債券可收回本金金額的損失。

** 精明債券系列21投資年期為4年，若發行人行使其發行人延期權，則總投資年期為7年。

† 上述最高潛在年息率8.10%為系列21於第5年至7年的固定年息率（僅若發行人行使其發行人延期權），第1年至4年的固定年息率為4.05%（倘若沒有發出發生主權信貸事件的通知函，及沒有發生強制贖回事務或發行人失責事件）。

* Interest and the Redemption Amount are payable in HKD but are calculated by reference to the RMB Notional Amount (and, in the case of interest, Interest Rate Day Count Fraction) and are dependent on the RMB/USD and USD/HKD exchange rates. Payment of Interest and the Redemption Amount are subject to Timing Adjustments relating to RMB/USD and USD/HKD exchange rate determinations which may delay any interest and/or Redemption Amount payment for up to 14 Business Days. Investor's rate of return by reference to the HKD denomination of the Notes may be higher or lower due to fluctuations in the RMB/USD exchange rate and the USD/HKD exchange rate. Interest is only payable if no notice of the occurrence of a Sovereign Credit Event has been given, and if no Mandatory Redemption Event or Issuer's Event of Default has occurred. The occurrence of such events may also lead to a loss of the principal amounts received under the Notes.

** Octave Notes Series 21 has a tenor of 4 years. However, if the Issuer exercises its Issuer Extension Option, the total investment tenor will be 7 years.

† The highest potential interest rate of 8.10 % p.a. above is the fixed interest rate for Octave Notes Series 21 in Year 5 to Year 7 (only applicable if the Issuer exercises its Issuer Extension Option), the fixed interest rate of which in Year 1 to Year 4 is 4.05 % p.a. (if no notice of the occurrence of a Sovereign Credit Event is given and no Mandatory Redemption Event or Issuer's Event of Default has occurred).

與下列的信貸表現掛鈎：
Linked to the credit of:

中華人民共和國
The People's Republic of China

及與人民幣匯率掛鈎

and linked to the exchange rate of the **Renminbi**

發行人 Issuer:
Victoria Peak International Finance Limited



凡成功認購每張精明債券
即可獲贈100港元百佳禮券一張\$

Get a HKD100 **PARKINSHOP** gift
coupon for every Note purchased\$

精明債券人民幣掛鈎系列21及22(「本債券」) — 與中華人民共和國之信貸表現及人民幣匯率變動掛鈎^{#, 1, Δ}

★ 港元投資工具，回報與人民幣掛鈎

每張債券面額為40,000港元，以此面額及於人民幣名義金額裁定日(預期為2007年10月16日)參照當時美元兌港元現貨匯率及當時人民幣兌美元不交付貨幣結算匯率計算人民幣參考金額(「人民幣名義金額」)。投資者於本債券的投資期內將獲得不固定港元金額的定期利息收益。投資者於到期日可收取100%之人民幣名義金額及累計利息[#]，均折算為港元支付。而該等利息及本金金額將視乎當時的人民幣兌美元匯率及美元兌港元匯率^{*, #}而定。

★ 投資回報與人民幣表現掛鈎

利息及贖回額按人民幣名義金額(及就利息而言，利率日計份數)計算，參照當時人民幣兌美元匯率^Δ折算為美元名義金額，然後參照當時美元兌港元匯率^Δ折算為港元支付。

★ 與中華人民共和國之信貸表現掛鈎

投資回報與中華人民共和國的信貸表現掛鈎(截至2007年9月11日，穆迪投資者服務公司對中華人民共和國的參考債項的評級為「A1」、標準普爾(The McGraw-Hill Companies, Inc. 的一個部門)的評級為「A」及惠譽國際的評級為「A」)[#]。有關該等評級的詳情，請參閱發行章程附錄甲，及「風險因素—指定證券的信貸評級及參考債項」一節敘述該等評級的有關風險。倘發生任何影響中華人民共和國的信貸事件，債券持有人可能損失全部或絕大部份投資金額。

★ 利率^{*}

系列21：(投資年期：4年+3年)**

第1年
至第4年 **4.05%**年息率

第5年至第7年
(如被發行人延長) **8.10%**年息率

系列22：(投資年期：5年)

5.00%年息率

相關系列債券的利息將由2008年4月開始於投資期內每年的4月及10月派發^{*}。每次派發的利息金額將由人民幣名義金額、上列所示有關年息率及利率日計份數相乘計算產生，並折算為港元金額支付，因而利息金額以港元計算並非固定。

★ 以港元贖回100%人民幣名義金額^{*, #, 1}

就每一系列債券而言，發行人可在2008年4月25日或其後的任何時候行使其發行人提早贖回權，提早贖回該系列的債券⁹，或於預計到期日贖回債券。在這兩種情況下，贖回額為100%之人民幣名義金額連同累計利息，參照當時人民幣兌美元匯率^Δ及當時美元兌港元匯率^Δ折算為港元支付。因此，港元的贖回額可能多於或少於最初投資於本債券的金額。

精明債券人民幣掛鈎系列21及22將只透過分銷商認購，並僅於發售期內認購。

發售期限至**2007年10月12日(星期五)**

可延長或提早截止

精明債券人民幣掛鈎系列21及22 — 條款摘要⁹

發行人：	Victoria Peak International Finance Limited
發售期開始日：	2007年9月17日上午9時正
發售期結束日：	2007年10月12日下午4時30分(可延長或提早截止)
發行日期 ¹ ：	預計為2007年10月25日(但不會遲於2007年12月28日)
面額：	系列21：40,000港元 系列22：40,000港元
發行價：	100%本金額
預計到期日 [*] ：	系列21：2011年10月25日及可延長至2014年10月25日(如發行人行使其發行人延期權)(即最長年期為7年) 系列22：2012年10月25日
發行人延期權： (僅適用於系列21)	發行人可於任何時間以不少於十個營業日的事先書面通知延長債券系列21的預計到期日。
發行人提早贖回權：	就任何一系列債券而言，發行人可於第一個利息期滿日或其後的任何時間以不少於五個營業日的事先書面通知以100%之人民幣名義金額及累計利息(均兌換為港元)(包括該日)贖回該系列債券的全部(而非一部份)。請參閱發行章程「概要—發行人提早贖回權」 [*] 。
利率 [*] ：	系列21：第1年至第4年的年息率為4.05%，第5年至第7年的年息率為8.10%(如發行人行使其發行人延期權) 系列22：5.00%年息率 每次派發的利息金額將由人民幣名義金額、上列所示有關年息率及利率日計份數相乘計算產生，並折算為港元金額支付，因而利息金額以港元計算並非固定。
利息支付日期 [*] ：	每六個月(由2008年4月25日起，約在每年的4月25日及10月25日)派發該利息期滿的累積利息 ^{9, *}
預計到期日的本金贖回 ⁹ ：	在有關的預計到期日以100%之人民幣名義金額折算為港元 ^Δ 贖回(除非已發出發生主權信貸事件通知函，或發生強制贖回事件或發行人失責事件，或發行人行使其發行人提早贖回權) ^{*, *} 。該人民幣名義金額相等於債券面額於人民幣名義金額裁定日(預期為2007年10月16日)參照當時美元兌港元現貨匯率及當時人民幣兌美元不交付貨幣的交收匯率。
信貸事件：	中華人民共和國的信貸失責或同類事件(詳情見發行章程內定義的「主權信貸事件」) [*] 。
抵押品：	每一系列債券將以列明於發行章程的該系列的指定證券(其可能包括合成抵押債務證券及資產抵押證券但不會包括與次級按揭或房地產掛鈎的資產抵押證券)及某些該系列的合約權利作為抵押 ⁹ 。
其他贖回事件：	如果發生主權信貸事件的通知函被發出，或發生強制贖回事件或發行人失責事件，本債券將被贖回，而投資者在該情況下獲得的款額可能低於本債券的本金額。由之前一個利息期滿日起計的利息將不會獲得支付 [*] 。

附註：

Δ 所有匯率將由隨定代理按其全權及絕對酌情權釐定。

9 受限於發行章程及計劃章程所載之條款。

Ω 受限於發行人可酌情選擇不發行任何系列債券。

本債券並非保本投資：即使沒有發生主權信貸事件，本債券仍可能因為存在匯率風險而並不保證投資者在到期日可收回本債券的港元本金金額。本債券與中華人民共和國(「主權實體」)之信貸掛鈎。倘於該系列的預計到期日或前(1)主權實體發生主權信貸事件的通知函被發出或(2)發生強制贖回事件或發行人失責事件，本債券可(就上述情況(1)而言)根據該主權實體的某些債項的市場價值金額贖回(經作出發行章程所載的若干調整後)，而在各自情況下，贖回額有可能比債券本金額為低，該系列債券的投資者有可能損失全部或部分本金額。

1 本債券之抵押性質及有限追索權：每一系列債券將以該系列的指定證券(其可能包括合成抵押債務證券及資產抵押證券但不會包括與次級按揭或房地產掛鈎的資產抵押證券)及某些該系列的衍生交易安排(「合約權利」)作為抵押。請參閱發行章程內「風險因素—主權實體及指定證券的風險」一節，該節敘述與該指定證券有關的風險、發行章程內「指定證券的資料」一節，該節敘述有關指定證券及其信貸評級(如有)、「風險因素—指定證券的信貸評級及參考債項」一節，該節敘述有關指定證券的信貸評級、及「指定證券的流通性及估值」，該節敘述有關指定證券獲取二手市場的有關風險。如果指定證券的發行人不能按時支付指定證券項下的付款或掉期對手或逾期對手不能履行其在衍生交易安排項下的責任，發行人從而無法履行本債券項下的責任，債券投資者的追索僅限於獲得指定證券兌現金額以及衍生交易安排項下發行人應得的終止付款(如有)。本債券並非摩根士丹利的債項，亦非由摩根士丹利所擔保。本債券由Victoria Peak International Finance Limited(「發行人」)發行，而並非主權實體或摩根士丹利或其任何聯營公司之債項。發行人為一間低資本額的特殊目的公司。

Octave Notes RMB-Linked Series 21 & 22 (the "Notes") —

linked to the credit of the People's Republic of China and RMB currency exchange rate fluctuations^{Δ, ¶, §}

★ HK dollar investment for RMB linked returns

The Notes have a denomination of HKD40,000, based on which a RMB reference amount will be calculated by reference to the then prevailing USD/HKD spot exchange rate and the then prevailing RMB/USD non-deliverable currency settlement exchange rate on the RMB Notional Amount Fixing Date (expected to be 16 October 2007) (the "RMB Notional Amount"). Investors will receive periodic interest income of varying HKD amounts during the tenor of the Notes. Upon maturity, investors receive 100% of the RMB Notional Amount plus accrued interest[¶], in each case converted into and payable in HKD. The amount of such interest and principal payments will depend on the prevailing RMB/USD and USD/HKD exchange rates^{Δ, §}.

★ Investment return linked to the performance of RMB

Interest and redemption amounts are payable in HKD and will be calculated by reference to the RMB Notional Amount (and, in the case of interest, the Interest Rate Day Count Fraction), converted into a notional USD amount by reference to the then prevailing RMB/USD exchange rate^Δ, and then converted into HKD by reference to the then prevailing USD/HKD exchange rate^{Δ, §}.

★ Credit-linked to the People's Republic of China

Investment return is credit-linked to the People's Republic of China (the Reference Obligation in respect of which is rated "A1" by Moody's Investors Service, Inc., "A" by Standard & Poor's, a division of The McGraw-Hill Companies, Inc. and "A" by Fitch Ratings Ltd. as at 11 September 2007)[¶]. Please refer to Appendix A of the Issue Prospectus for further details of these ratings and to the section headed "Risk Factors - Credit Rating of the Underlying Securities and Reference Obligation" for a description of the relevant risks associated with these ratings. Upon the occurrence of any Credit Event affecting the People's Republic of China, Noteholders may lose all or substantially all of their investment.

★ Interest rates*

Series 21: (tenor: 4 years + 3 years)**			Series 22: (tenor: 5 years)	
Year 1 to Year 4	4.05% p.a.	Year 5 to Year 7 (if extended by the Issuer)	8.10% p.a.	5.00% p.a.

Interest is payable in April and October commencing April 2008 during the tenor of the relevant Series of Notes*. Each interest amount will be the product of the RMB Notional Amount, the relevant interest rate above and the Interest Rate Day Count Fraction and converted into and payable in HKD and is accordingly a variable amount in HKD.

★ Redemption in HKD at 100% of the RMB Notional Amount^{¶, §, ¶}

In respect of each Series of Notes, the Issuer may exercise its Issuer Call Option to early redeem the Notes of such Series at any time on or after 25 April 2008[¶], or otherwise redeem the Notes on the Scheduled Maturity Date. The redemption amount will be 100% of the RMB Notional Amount plus accrued interest, in each case converted into and payable in HKD by reference to the prevailing RMB/USD exchange rate^Δ and the prevailing USD/HKD exchange rate. Accordingly, the Redemption Amount in HKD could be greater or less than the original amount invested^Δ.

Octave Notes RMB-Linked Series 21 & 22 are available for subscription only through the Distributors and only during the Offer Period.

Limited Offer Period until **12 October 2007 (Friday)** *Subject to extension or early closure*

Octave Notes RMB-Linked Series 21 & 22 - Summary of Terms[¶]

Issuer:	Victoria Peak International Finance Limited
Offer Period start date:	9:00a.m. on 17 September 2007
Offer Period end date:	4:30p.m. on 12 October 2007 (subject to extension or early closure)
Issue Date[¶]:	Expected to be 25 October 2007 (but not later than 28 December, 2007)
Denomination:	Series 21: HKD40,000 Series 22: HKD40,000
Issue Price:	100% of principal amount
Scheduled Maturity Date[¶]:	Series 21: 25 October 2011 and extendable to 25 October 2014 (if the Issuer exercises its Issuer Extension Option) (i.e. the maximum term can be 7 years) Series 22: 25 October 2012
Issuer Extension Option: (for Series 21 only)	The Issuer may extend the Scheduled Maturity Date of Series 21 Notes at any time by giving at least 10 Business Day's prior written notice.
Issuer Call Option:	The Issuer may redeem a Series of Notes (in whole but not in part) at any time from and including the first Interest Period End Date at 100% of the RMB Notional Amount* and accrued interest, in each case converted into HKD, by giving at least 5 Business Days' prior written notice. Please refer to "Summary - Issuer Call Option" in the Issue Prospectus*.
Interest Rate[¶]:	Series 21: 4.05 % p.a. for Year 1 to Year 4 and 8.10 % p.a. for Year 5 to Year 7 (if the Issuer exercises its Issuer Extension Option) Series 22: 5.00 % p.a. Each interest amount will be the product of the RMB Notional Amount, the relevant interest rate above and the Interest Rate Day Count Fraction and converted into and payable in HKD and is accordingly a variable amount in HKD.
Interest Payment Dates[¶]:	Interest is payable semi-annually in arrear on or about 25 April and 25 October in each year commencing on 25 April 2008 ^{¶, *} .
Redemption of Principal Amount on the Scheduled Maturity Date[¶]:	Redemption at 100% of the RMB Notional Amount converted into HKD ^Δ on or about the applicable Scheduled Maturity Date (unless notice of the occurrence of a Sovereign Credit Event is given, a Mandatory Redemption Event or an Issuer's Event of Default occurs or the Issuer exercises its Issuer Call Option) ^{¶, *} . The RMB Notional Amount will be an amount equivalent to the denomination of the Notes determined by reference to the then prevailing USD/HKD spot exchange rate and the then prevailing RMB/USD non-deliverable currency settlement exchange rate on the RMB Notional Amount Fixing Date (expected to be 16 October 2007).
Credit Event:	A credit default or similar event (as defined in the Issue Prospectus as a "Sovereign Credit Event") in respect of the People's Republic of China [¶] .
Collateral/Security:	Each Series of Notes will be secured by the Underlying Securities (as described in the Issue Prospectus and which may include Synthetic CDO Securities and Asset-Backed Securities but shall exclude Asset-Backed Securities linked to subprime mortgages or to real estate) and certain Contract Rights of such Series [¶] .
Other Redemption Events:	The Notes will be redeemed if notice of the occurrence of a Sovereign Credit Event is given, or if a Mandatory Redemption Event or an Issuer's Event of Default occurs, and any amount which investors receive in such circumstances may be substantially less than the principal amount of the Notes. Interest from the previous Interest Period End Date will cease to be payable [¶] .

Notes:

Δ All exchange rates will be determined by the Determination Agent in its sole and absolute discretion acting in good faith.

¶ Subject to the terms set out in the Issue Prospectus and the Programme Prospectus.

Ω Subject to the Issuer exercising its discretion not to issue any Series of the Notes.

The Notes are not principal protected investments: There is no assurance that investors will receive the HKD principal amount of the Notes at maturity, even if there has been no Sovereign Credit Event, due to the foreign exchange risk. **The Notes are credit-linked to The People's Republic of China ("the Sovereign Entity").** If on or before the Scheduled Maturity Date in respect of a Series, (1) notice of the occurrence of a Sovereign Credit Event is given in respect of the Sovereign Entity or (2) a Mandatory Redemption Event or an Issuer's Event of Default occurs, the Notes may be redeemed at an amount, (in the case of (1)), which is based on the market value of certain obligations of the Sovereign Entity (after certain adjustments set out in the Issue Prospectus), and which in each case may be substantially less than the principal amount of the Notes, and investors in the Notes of such Series could lose all or part of their investment.

¶ **Secured nature of the Notes and Limited Recourse:** Each Series of Notes will be secured by Underlying Securities (which may include Synthetic CDO Securities and Asset-backed Securities but shall exclude Asset-Backed Securities linked to subprime mortgages or to real estate) and by certain derivatives arrangements ("Contract Rights") of such Series. **Please refer to the section headed "Risk Factors - Exposure to the Sovereign Entity and the Underlying Securities" in the Issue Prospectus for a description of the relevant risks associated with such Underlying Securities, the section headed "Information about the Underlying Securities" in the Issue Prospectus for a description of the Underlying Securities and the credit ratings of such Underlying Securities (if any), the section headed "Risk Factors - Credit Rating of the Underlying Securities and Reference Obligation" for a description of the relevant risks associated with obtaining a secondary market for the Underlying Securities.** To the extent that the issuer(s) of the Underlying Securities are unable to make payments under the Underlying Securities or the Swap Counterparty or the Forward Counterparty is unable to fulfill its obligations under the derivatives arrangements, the Issuer will be unable to meet its obligations under the Notes and the recourse of investors in the Notes is limited to the realisation of the Underlying Securities and to the termination payments (if any) due to the Issuer under the derivatives arrangements in respect of such Series. The Notes will not be obligations of and will not be guaranteed by Morgan Stanley. The Notes are issued by Victoria Peak International Finance Limited (the "Issuer") and are not obligations of any Sovereign Entity or of Morgan Stanley or any of their affiliates. The Issuer is a special purpose company and a thinly capitalised entity.

免責聲明及重要事項：

界定詞彙：未於本廣告內界定之詞彙之定義載於日期為2007年9月14日有關本債券的發行章程（「發行章程」）及日期為2007年6月25日的計劃章程（「計劃章程」）。如本廣告與發行章程或計劃章程內之定義有分歧，應以發行章程或計劃章程內之定義為準。

準投資者必須細閱計劃章程及發行章程：本廣告僅為本債券的主要特點的摘要。發行章程連同載有發行債券的計劃詳細資料的計劃章程包含本債券和發售的詳細資料，並可向發行章程內列明的各分銷商索取。本債券的準投資者在決定是否投資本債券前，必須一併細閱於發售期結束前發行的計劃章程及該等文件的任何附錄或補充文件（「最新附錄」）。請向發行章程內列明的任何分銷商索取計劃章程、發行章程及查詢有否刊發最新附錄。

對準投資者的適合性：投資本債券涉及重大風險，包括信貸風險、市場風險、匯率風險、流通量風險，以及發行人將未能履行本債券項下的責任的風險。準投資者在作出有關投資於本債券的決定前須了解所有該等風險性質。閣下應基於經驗、目標、財政狀況及其他相關因素仔細考慮本債券是否合適。倘閣下對本債券有任何疑問，或不能確定債券是否適合閣下的個人狀況，應諮詢閣下的專業顧問。本債券並不適合投資經驗不足的投資者。

匯率風險：投資者將承受匯率風險，因人民幣兌美元匯率及／或美元兌港元匯率由人民幣名義金額裁定日至每個利息支付日期、贖回權贖回日（如有）或預計到期日有所變動。本債券以港元支付的任何利息及／或本金額可受人民幣兌美元匯率及美元兌港元匯率波動所影響，而可能較只以本債券的港元本金額計算的金額為高或低。港元金額首先將人民幣名義金額兌換為美元名義金額計算，然後將該美元金額參照當時匯率兌換為港元。

本債券的流通性：投資者可以變現本債券的情況可能有限。本債券可能不會有市場莊家的安排。本債券並不會在任何交易所上市，投資者將不會受到投資者保障基金提供的賠償保障。

一般事項：購買及持有本債券涉及高風險，詳情載於計劃章程及發行章程內「風險因素」一節。準投資者於本債券下的回報視乎多個不可預測的因素，而本廣告僅描述某些因素。本廣告並非章程，亦不構成要約或購買的邀請，也不構成在香港或其他地方誘使任何人提出獲取、購買、認購及投資於本債券要約的邀請。本債券之發售僅按發行章程及計劃章程及任何最新附錄，一併作出。凡本債券的認購申請，必須依照發行章程內載明的申請手續辦理方會獲接納。視乎分銷商及準投資者的個別安排，準投資者在最新附錄刊發後亦可能不獲准許撤回本債券的認購申請。

§ **其他事項：**投資者就每張成功認購的債券，可獲贈100港元的百佳禮券一張。禮券優惠計劃受條款及細則約束。請於認購前向分銷商查詢有關供應量、領取及責任詳情。禮券不可兌換為現金，如有遺失亦不會補發。Victoria Peak International Finance Limited並非禮券的供應商，並不會對使用禮券的條款及細則及有關供應商所提供之貨品及服務質素負上任何責任。Victoria Peak International Finance Limited有權以其他價值合理的優惠代替此優惠並不需作出事前通知。如有任何爭議，Victoria Peak International Finance Limited保留最後決定權。

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Defined terms: Capitalised terms not defined in this advertisement are defined in the Issue Prospectus for the Notes dated 14 September 2007 (the "Issue Prospectus") and the Programme Prospectus dated 25 June 2007 (the "Programme Prospectus"). In the event of any inconsistency between this advertisement and the Issue Prospectus or Programme Prospectus, the definition in the Issue Prospectus or Programme Prospectus will prevail.

Prospective investors must read the Programme Prospectus and the Issue Prospectus: This is a summary only of some of the principal features of the Notes. The Issue Prospectus together with the Programme Prospectus (which contains details of the Programme under which the Notes are issued) contain full details of the Notes and the offering, and are available for collection from the Distributors listed in the Issue Prospectus. **Prospective investors in the Notes must carefully read the Programme Prospectus and the Issue Prospectus together and any addendum or supplement to these documents published before the end of the Offer Period ("Updating Addendum") before deciding whether or not to invest in the Notes.** Ask any of the Distributors listed in the Issue Prospectus for a copy of the Programme Prospectus and Issue Prospectus and whether any Updating Addendum has been published.

Suitability for a prospective investor: An investment in the Notes involves substantial risks including credit risk, market risk, exchange rate risk, liquidity risk, and the risk that the Issuer will be unable to satisfy its obligations under the Notes. Prospective investors should ensure that they understand the nature of all these risks before making a decision to invest in the Notes. You should consider carefully whether the Notes are suitable for you in light of your experience, objectives, financial position and other relevant circumstances. If you have any concern about the Notes, or are uncertain about the suitability of the Notes for your personal circumstances, you should consult your professional adviser. The Notes are not suitable for inexperienced investors.

Foreign exchange risk: Investors bear a foreign exchange risk as the RMB/USD exchange rate and/or the USD/HKD exchange rate changes between the RMB Notional Amount Fixing Date and each Interest Payment Date, the Call Redemption Date (if any) or the Scheduled Maturity Date. Any interest and/or principal amounts payable under the Notes in HKD may be higher or lower than if such amounts are calculated only on the HKD principal amount of the Notes, due to fluctuations in the RMB/USD exchange rate and the USD/HKD exchange rate. HKD amounts are calculated by first converting the RMB Notional Amount into a notional USD amount and then by converting such USD amount into HKD at the prevailing exchange rate.

Liquidity of the Notes: The circumstances in which investors may be able to realise their investment may be limited. There may be no market making arrangements in respect of the Notes. The Notes will not be listed on any stock exchange and investors will not be covered by any investor compensation fund.

General: Acquiring and holding the Notes involve a high degree of risk as explained in the sections headed Risk Factors in both the Programme Prospectus and the Issue Prospectus. Prospective investors' return on the Notes depends on a number of unpredictable factors and this advertisement only describes some of them. This advertisement is not a prospectus, and does not constitute an offer or an invitation to purchase or to induce an offer by any person to acquire or purchase or subscribe or invest in the Notes within Hong Kong and elsewhere. The offer of the Notes is made solely on the basis of the Issue Prospectus and the Programme Prospectus together with any Updating Addendum. No application for the Notes will be accepted by any person other than in accordance with the application procedures set out in the Issue Prospectus. **Depending on the individual arrangements between the Distributors and prospective investors, prospective investors may not be permitted to revoke their application for the Notes even after an Updating Addendum has been published.**

§ **Others:** Each investor will receive a HKD100 PARKINSHOP gift coupon for every Note purchased. Terms and conditions apply. Please ask your Distributor for details relating to availability, collection and liability prior to purchase. The gift coupons cannot be exchanged for cash and will not be replaced if lost. Victoria Peak International Finance Limited is not the merchant provider of the gift coupons and accepts no liability for the terms and conditions for using the gift coupons and the quality of goods and services provided by the merchant involved in this promotion. Victoria Peak International Finance Limited reserves the right to replace the offer of gift coupons with another offer of a fair value without prior notice. If there are any disputes, Victoria Peak International Finance Limited's decision is final.

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