

Constellation Investment Ltd.

USD \$5,000,000,000 Limited Recourse Secured Note Programme

Structured Retail Notes Series 42

HKD Callable Credit-Linked Notes due 2009 (ISIN : XS0250357471) (the "Notes")

NOTICE

To: the holders of the Notes (the "**Noteholders**")

Capitalized terms used and not otherwise defined in this notice shall have the meanings given to them in the terms and conditions of the Notes.

We, Constellation Investment Ltd., refer to our notice to the Noteholders dated 9 September 2008 in respect of the Notes (the "**Settlement Notice**"). Under the third paragraph of the Settlement Notice, it is stated that we will redeem each Note at the Credit Event Redemption Amount on the Credit Event Redemption Date (being the 30th Business Day following the Credit Event Determination Date, and therefore expected to be on or about 27 October 2008).

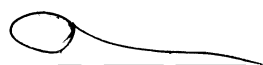
We hereby notify the Noteholders that DBS Bank Ltd, as Calculation Agent in respect of the Notes, has determined:

- (i) the Final Price to be 103.43425% (being the product of 103.365% (which is the price of the Reference Obligation of Fannie Mae expressed as a percentage, determined in accordance with the Valuation Method) and 1.00067 (which is the rate representing the increase or decrease in the exchange rate of Hong Kong dollars/United States dollars from the Issue Date up to the Valuation Date, calculated as the rate of exchange of the number of Hong Kong dollars for which one United States dollar can be exchanged (the "**Exchange Rate**") on the Valuation Date divided by the Exchange Rate on the Issue Date)); and
- (ii) the Charged Assets Adjustment Amount (expressed as an amount per Note and converted into Hong Kong dollars at 7.7588) to be HKD 912.61 per Note; and
- (iii) the Hedging Costs to be HKD 0 per Note.

As a result, we hereby also notify the Noteholders that the Credit Event Redemption Amount is HKD 30,117.67 per Note which is calculated as follows:

	HKD 30,000	principal amount of each Note
multiplied by	103.43425%	Final Price
	HKD 31,030.28	
minus	HKD 912.61	Charged Assets Adjustment Amount per Note
minus	HKD 0	Hedging Costs per Note
	HKD 30,117.67	

SIGNED for and on behalf of **CONSTELLATION INVESTMENT LTD.** by:

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) Duly Authorised Signatory
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) Name: Alan Corkish
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) Title: Director
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Dated: 22 October 2008