

The following is a statement forwarded by the Financial Services Compensation Scheme (“FSCS”) which has been included in the Joint Administrators’ Progress Report of Pacific Continental Securities (UK) Limited (In Administration) (“the Company”) dated 18 January 2008 (at section 6):

“As previously reported, FSCS continues to work with the Administrators in establishing the best way to handle claims against the Company.

Until the Administrator has completed the reconciliation process and the complete financial position of the Company has been ascertained, FSCS is not in a position to declare the Company to be “in default” in accordance with its rules. Therefore, FSCS is unable to deal with any claims it may receive at this time. If you feel you have a valid claim against the Company, it is recommended that you continue to contact the Administrator to register the claim in the first instance.

If FSCS declares the Company “in default”, the Administrators will provide to FSCS the names and addresses of all customers who have previously indicated that they may have a claim. FSCS will then write to those claimants with more information about the compensation process as well as providing an application form for compensation.

FSCS’s website is at www.fscs.org.uk for further information.”