DUBAI BANKING GROUP

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Essa Kazim
DFM Chairman
Dubai Financial Market
P.O. Box 9700
Dubai

16 June 2009

Your Excellency,

Re: Notice of Election to Redeem AED 1,500,000,000 convertible note issued by Shuaa Capital PJSC

We refer to the AED 1,500,000,000 convertible note issued by Shuaa Capital PJSC (**Shuaa Capital**) on 31 October 2007 to Dubai Banking Group, maturing on 31 October 2008 (the **Note**).

Following numerous attempts at achieving a reasonable settlement with regard to the Note with Shuaa Capital, Dubai Banking Group, on 15 June 2009, elected not to convert the Note but rather to redeem the Note at its principal amount in accordance with the Note and applicable laws.

As a consequence of this election, we are writing to give you notice that we will not accept delivery of the conversion shares issued by Shuaa Capital in contravention of our election and respectfully request you not to effect registration of any shares in Shuaa Capital in the name of Dubai Banking Group without our express consent.

In addition, we have issued Shuaa Capital with a notice of redemption of the Note for its principal amount and have demanded payment of the principal amount and other amounts payable under the Note and related documents, together with accrued interest in respect of each up to the final payment date.

We thank you for your commitment and excellence in respect of the Dubai capital markets and trust that with your support we can reach a long term and sustainable solution that will be to the mutual benefit of Dubai Banking Group and Shuaa Capital.

Sincerely,

Ahmad Bin Byat
Chief Executive Officer
Dubai Holding LLC

Soud Ba'alawy
Authorized Signatory
Dubai Banking Group LLC