



1 March 2010

The Directors
Nexus Bonds Limited
Level 16, Deutsche Bank Place
Cnr Hunter & Phillip Streets
Sydney NSW 2000

Deutsche Bank AG
ABN 13 064 165 162
Deutsche Bank Place
Level 16, Cnr of Hunter & Phillip Streets
Sydney NSW 2000 Australia
GPO Box 7033 Sydney NSW 2001

Tel: 61 2 9258 1234
Fax: 61 2 9258 1400

Nexus3 Notes (the "Notes") -Notification of Credit Event – FGIC Corporation

We refer to the Notes and the Portfolio Agreement entered into between Deutsche Bank AG, Sydney Branch and Nexus Bonds Limited ("Nexus") dated 3 November 2004 (the "**Portfolio Agreement**"). Terms used in this letter have the meaning set out in the Portfolio Agreement.

Please find attached

1. a Credit Event Notice and Notice of Publicly Available Information from Deutsche Bank to Nexus under the Portfolio Agreement in relation to a Failure to Pay Credit Event in respect of a Reference Entity in the Reference Portfolio, FGIC Corporation, that has occurred on or about 15 February 2010; and
2. an initial Final Price Estimate in relation to the Defaulted Reference Obligation of FGIC Corporation.

For and on behalf of

**Deutsche Bank AG, Sydney branch
(as Operating Agent for Nexus Bonds Limited)**

Attorney:
Name: *Martin Thomas*

Attorney:
Name: *Jan Martin*

1st March 2010

Nexus Bonds Limited
Level 16, Deutsche Bank Place
Cnr Hunter & Phillip Streets
Sydney NSW 2000

Deutsche Bank AG
ABN 13 064 165 162
Deutsche Bank Place
Level 16, Cnr of Hunter & Phillip Streets
Sydney NSW 2000 Australia
GPO Box 7033 Sydney NSW 2001

Tel: 61 2 9258 1234
Fax: 61 2 9258 1400

Attention: Nexus Bonds Limited, Operating Agent

**CREDIT EVENT NOTICE AND
NOTICE OF PUBLICLY AVAILABLE INFORMATION**

Credit Derivative Transaction Details: Trade Date of 3 November 2004 and Effective Date of 14 December 2004, in respect of the Nexus3 Notes Series of Notes

Reference is made to the Credit Derivative Transaction described above (the "Transaction") between Nexus Bonds Limited as Seller and Deutsche Bank AG, Sydney branch as Buyer. Capitalised terms used and not otherwise defined in this letter shall have the meanings given to them in the confirmation of the Transaction.

This letter is our Credit Event Notice to you that a Failure to Pay Credit Event occurred on or about 15 February, 2010 with respect to the Reference Entity having the identifier #6609615 in the Reference Registry, when FGIC Corporation failed to make a payment of interest due and payable on its senior unsecured Senior Notes due on January 15, 2010 in an aggregate amount of not less than the Payment Requirement. The 30-day grace period for such payment expired on February 15, 2010. As at the date of this notice, the Defaulted Notional Amount in respect of the relevant Defaulted Reference Obligation is AUD 6,436,447.

This letter also comprises our Notice of Publicly Available Information with respect to this Credit Event. Accordingly, we provide copies of the Publicly Available Information attached hereto.

Nothing in this letter shall be construed as a waiver of any rights we may have with respect to the Transaction.

For and on behalf of

Deutsche Bank AG, Sydney branch



Attorney:
Name: *Marina Thomas*


Attorney:
Name: *R. MARTIN*



THE BANK OF NEW YORK MELLON

**Notice of Event of Default
to Holders
of
FGIC Corporation
6% Senior Notes due 2034 (the "Securities")
Cusip Number 302915AA1**

Note: This Notice contains important information that is of interest to the registered and beneficial owners of the Securities. Each registered holder of the Securities should forward a copy of this Notice immediately to any beneficial owners(s) of the Securities for whom the holder acts as nominee or in any other capacity.

The Bank of New York Mellon (formerly The Bank of New York) serves as Trustee for the Securities described above which were issued under an Indenture between FGIC Corporation (the "Company") and The Bank of New York, as Trustee dated as of January 12, 2004 (the "Indenture"). Capitalized terms used but not otherwise defined herein will have the meanings assigned to them in the Indenture. No representation is made as to the correctness of the CUSIP Number, which is included solely for the convenience of Holders of the Securities.

On January 15, 2010, a payment of interest was due and payable on the Securities. Such interest was not paid to Holders on January 15, 2010 by the Company. Per Section 501 (1) of the Indenture the Company has the opportunity to make the payment of the interest that was due and payable on January 15, 2010 within a period of 30 days following the January 15, 2010 interest payment due date.

The Trustee hereby provides notice to Holders of the Securities that an Event of Default has occurred and is continuing under Section 501 (1) of the Indenture as a result of the failure of the Company to pay the interest installment due and payable on the Securities on January 15, 2010, by February 15, 2010.

Section 512 of the Indenture provides that the Holders of a majority in aggregate principal amount of the Outstanding Securities shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee provided, as detailed in Section 603 (e) of the Indenture, that the Trustee shall be under no obligation to exercise any of its rights or powers under the Indenture at the request or direction of any of the Holders of the Securities unless the holders shall have offered to the Trustee security or indemnity reasonably satisfactory to it against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction. The Trustee will continue to February 16, 2010 - Notice of Event of Default Page 2 of 2 monitor this issue and will provide additional communication to Holders of the Securities as circumstances warrant.

Holders with questions concerning this Notice may contact the Trustee Attn: Bridget Schessler, 525 William Penn Place, 38th Floor, Pittsburgh, PA 15259, via phone at (412) 234-7967 or via e-mail to bridget.schessler@bnymellon.com.

Dated: February 16, 2010 The Bank of New York Mellon, as Trustee



1 March 2010

The Directors
Nexus Bonds Limited
Level 16, Deutsche Bank Place
Cnr Hunter & Phillip Streets
Sydney NSW 2000

Deutsche Bank AG
ABN 13 064 165 162
Deutsche Bank Place
Level 16, Cnr of Hunter & Phillip Streets
Sydney NSW 2000 Australia
GPO Box 7033 Sydney NSW 2001

Tel: 61 2 9258 1234
Fax: 61 2 9258 1400

Attention: Nexus Bonds Limited, Operating Agent

Credit Derivative Transaction Details: Trade Date of 3 November 2004 and Effective Date of 14 December 2004, in respect of the Nexus3 Notes Series of Notes

We refer to the confirmation of the above Credit Derivative Transaction dated 3 November 2004 (the "**Confirmation**"). Terms used in this letter have the meaning given in the Confirmation.

As contemplated by the paragraph entitled "Final Price Estimate" in section 4 of the Confirmation, the Transaction Servicer has advised that the current Final Price Estimate in relation to the Defaulted Reference Obligation of the Defaulted Reference Entity FGIC Corporation is 5.0000% of the Defaulted Notional Amount.

Under the Confirmation, the Final Price Estimate will be updated quarterly until the Final Price is actually determined.

The actual Final Price determined may be more or less than the Final Price Estimate.

For and on behalf of
Deutsche Bank AG, Sydney branch

Attorney:
Name: *Martin Thumel*

Attorney:
Name: *IAN MARTIN*