Deutsche Bank

10 October 2005

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

Nexus3 Notes (the "Notes") – Notification of Credit Event

We refer to the Notes and the Portfolio Agreement entered into between Deutsche Bank AG, Sydney Branch and 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 a Bankruptcy Credit Event in respect of a Reference Entity in the Reference Portfolio, Delphi Corporation, that has occurred on or about 8 October 2005; and

2 an initial Final Price Estimate in relation to the Defaulted Reference Obligation of Delphi Corporation.

For and on behalf of
Deutsche Bank AG, Sydney Branch
(as Operating Agent for Nexus Bonds Limited)

Name: KEVIN KOSOVICH
Title: MANAGING DIRECTOR

Name: M. ORMAECHEA
Title: DIRECTOR.

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Level 16, Deutsche Bank Place
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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 Bankruptcy Credit Event occurred on or about 8 October 2005 with respect to the Reference Entity having the identifier #9 in the Reference Registry when Delphi Corporation filed for protection under Chapter XI of the U.S. Bankruptcy Code.

As at the date of this notice, the Defaulted Notional Amount in respect of the relevant Defaulted Reference Obligation is AUD 20,000,000.

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

Name: KEVIN KOSOVICH
Title: MANAGING DIRECTOR

Name: M. ORMAECHEA
Title: DIRECTOR

Deutsche Bank

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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 Delphi Corporation is 97.375% of the Defaulted Notional Amount. The relevant Defaulted Reference Obligation is a senior secured obligation of Delphi Corporation.

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

Name: KEVIN KOSOVICH
Title: MANAGING DIRECTOR

Name: M. ORMAECHEA
Title: DIRECTOR

Press Releases

Delphi Corporation Files Voluntary Chapter 11 Business Reorganization Cases to Execute Transformation Plan And Address Legacy Issues and High-Cost Structure in the U.S.

Release Date: October 8, 2005

Non-U.S. Subsidiaries Are Not Included in U.S. Filing and Are Not Subject to Court Supervision or Chapter 11 Process

Existing Global Management Team to Continue to Operate U.S. Businesses as Debtors-in-Possession and Non-U.S. Subsidiaries in the Ordinary Course of Business

Global Operations and Shipments to Customers Expected to Continue Without Interruption

Aggregate USD $4.5 Billion Financing Includes Commitment for USD $2 Billion in Debtor-in-Possession Financing and Adequate Protection Package for USD $2.5 Billion Prepetition Facilities

DIP Financing and Cash on Hand of USD $1.6 Billion Available to Support Delphi's Worldwide Operations

TROY, Mich. -- Delphi Corporation (NYSE:DPH) today announced that in order to preserve the value of the company and complete its transformation plan designed to resolve Delphi's existing legacy issues and the resulting high cost of U.S. operations, Delphi and 38 of its domestic U.S. subsidiaries filed voluntary petitions for business reorganization under chapter 11 of the U.S. Bankruptcy Code on Saturday in New York City. Delphi s non -U.S. subsidiaries were not included in the filing, will continue their business operations without supervision from the U.S. courts and will not be subject to the chapter 11 requirements of the U.S. Bankruptcy Code. Delphi's global management team will continue to manage both the U.S. and global businesses. Delphi expects to complete its U.S.-based restructuring and emerge from chapter 11 business reorganization in early to mid-2007.

"Our global operations, both U.S. and non-U.S., will continue without interruption," said Robert S. "Steve" Miller, Delphi's chairman and CEO. "Our customers all over the world can be assured that we will continue to meet their scheduling, delivery and production needs in a timely manner. Throughout this reorganization of our U.S. businesses and beyond, we will be intensely focused on continuing to provide all of our customers with leading-edge technology, product development, superior engineering, outstanding quality products and services, and world-class customer support."

Delphi plans to finance its global operations going forward with USD $4.5 billion in debt facilities plus additional committed and uncommitted financing lines and/or securitization facilities in Asia, Europe and the Americas. The financing includes USD $2.5 billion borrowed from prepetition revolver and term loan facilities and a commitment for up to USD $2 billion in senior secured debtor-in-possession (DIP) financing from a group of lenders led by JPMorgan Chase Bank and Citigroup Global Markets, Inc. The company plans to obtain approval of an adequate protection package for the benefit of its prepetition lenders as part of the Company's overall financing activities.

The proceeds of the DIP financing together with cash generated from daily operations and cash on hand will be used to fund post-petition operating expenses, including its supplier obligations and employee wages, salaries and benefits. The overall liquidity available to Delphi (including more than USD $1 billion on hand outside the U.S., which Delphi does not plan to repatriate to fund U.S. operations) will support its global operations outside the U.S. and help ensure the continued adequacy of working capital throughout its global business units.

"We took this action because we are determined to achieve competitiveness for Delphi s core U.S. operations, and the key to accomplishing that goal is reducing these costs as soon as possible," said Miller. "We simply cannot afford to continue to be encumbered by high legacy issues and burdensome restrictions under current labor agreements that impair our ability to compete. We must also realign our global product portfolio and manufacturing footprint to preserve our core businesses. This will require a substantial segment of our U.S. manufacturing operations to be divested, consolidated or wound-down through the chapter 11 process. We believe the chapter 11 process will provide the flexibility to address our legacy issues and allow us to take advantage of the fundamental strength of our businesses."

Miller said that Delphi has been engaged in constructive discussions with representatives of its major unions, but was unable to complete the necessary modifications to its collective bargaining agreements without assistance from General Motors Corporation or intervention of the U.S. courts. "Having been unable to resolve our U.S. legacy issues out of court," Miller said, "we determined it was in Delphi s best interest to address the

U.S. cost-structure issues through the chapter 11 process now while our liquidity position is strong. We will be making a further proposal this month to each of our unions to transform our labor agreements to a competitive labor cost structure and to address non-profitable and non-strategic U.S. operations. In addition, we expect to address pension plans and health and retiree benefits to align them with competitive benchmarks in the industry and our transformation plan."

Delphi noted that its non-U.S. subsidiaries are generally competitive, cash flow positive and experiencing high growth opportunities. "One of our primary goals is to preserve and continue the strategic growth in non-U.S. operations while we address our U.S. cost structure issues through the chapter 11 process," said Miller. Delphi filed more than 40 "first-day" motions along with its voluntary petitions covering Delphi's employees and business operations, post-petition DIP financing, continuing supplier relations, customer practices, certain executory contracts, taxes and related matters, utilities, retention of professionals and case administration matters. The company said it expects that the Bankruptcy Court will hold hearings on the first-day motions following the Columbus Day holiday observed in the U.S. and, in the interim, will approve bridge orders granting interim relief with respect to employees and business operations, continuing vendor relations and customer practices pending the Court's consideration of first-day hearings. Delphi will issue a further press release this weekend regarding the Bankruptcy Court's consideration of Delphi's request for the entry of interim bridge orders and providing further information about its chapter 11 reorganization cases including the date, time and location of the hearing on Delphi's first day motions.

Among other matters, the relief anticipated from the Bankruptcy Court this weekend and at the first day hearings next week would permit the company to continue to pay wages, salaries and current benefits of U.S. hourly and salaried employees and certain retiree benefits without disruption and in the same manner as before the filing. Similar relief for employees in Delphi's subsidiaries outside the U.S. is not required because they will continue to be paid in the ordinary course of business without court supervision.

"The Board of Directors, the senior management team and I greatly appreciate the loyalty and support of our employees," said Miller. "Their dedication and hard work are critical to our success and integral to the future of Delphi."

Delphi also noted that the execution of its transformation plan through the chapter 11 process may give rise to the incurrence of additional prepetition claims as collective bargaining agreements, executory contracts, retiree health benefits and pension plans, and other liabilities of the company are addressed and resolved to maximize stakeholder value going forward. There is no assurance as to what values, if any, will be ascribed in the chapter 11 cases as to the value of Delphi's existing common stock and/or any other equity securities. Accordingly, the company urges that the appropriate caution be exercised with respect to existing and future investments in any of these securities as the value and prospects are highly speculative.

More information on Delphi s U.S. restructuring, including access to Court documents and other general information about the chapter 11 cases, is available at www.delphidocket.com. Delphi has also set up two separate toll-free information lines: one for specific supplier inquiries, 866-688-8679 or 248-813-2601, and another for employees, customers, shareholders and other interested parties, 866-688-8740 or 248-813-2602.

For more information about Delphi and its operating subsidiaries, visit Delphi s Media Room at www.delphi.com/media/.

This press release as well as other statements made by Delphi may contain forward-looking statements within the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, that reflect, when made, the Company's current views with respect to current events and financial performance. Such forward looking statements are and will be, as the case may be, subject to many risks, uncertainties and factors relating to the Company's operations and business environment which may cause the actual results of the Company to be materially different from any future results, express or implied, by such forward-looking statements. Factors that could cause actual results to differ materially from these forward-looking statements include, but are not limited to, the following: the ability of the Company to continue as a going concern; the ability of the Company to operate pursuant to the terms of the DIP facility; the Company's ability to obtain court approval with respect to motions in the chapter 11 proceeding prosecuted by it from time to time; the ability of the Company to develop, prosecute, confirm and consummate one or more plans of reorganization with respect to the chapter 11 cases; risks associated with third parties seeking and obtaining court approval to terminate or shorten the exclusivity period for the Company to propose and confirm one or more plans of reorganization, for the appointment of a chapter 11 trustee or to convert the cases to chapter 7 cases; the ability of the Company to obtain and maintain normal terms with vendors and service providers; the Company's ability to maintain contracts that are critical to its operations; the potential adverse impact of the chapter 11 cases on the Company's liquidity or results of operations; the ability of the Company to fund and execute its business plan; the ability of the Company to attract, motivate and/or retain key executives and associates; and the ability of the Company to attract and retain customers. Other risk factors are listed from time to time in the Company's SEC reports, including, but not limited to the quarterly report on Form 10-Q for the quarter ended June 30, 2005. Delphi disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Similarly, these and other factors, including the terms of any reorganization plan ultimately confirmed, can affect the value of the Company's various pre-petition liabilities, common stock and/or other equity securities. No assurance can be given as to what values, if any, will be ascribed in the bankruptcy proceedings to each of these constituencies. Accordingly, the Company urges that the appropriate caution be exercised with respect to existing and future investments in any of these liabilities and/or securities.

For more information contact:

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FACTBOX-Delphi files for Chapter 11 protection

Sat Oct 8, 2005 6:26 PM ET

Printer Friendly | Email Article | Reprints | RSS XML (Page 1 of 2)

Oct 8 (Reuters) - Following are details from Delphi Corp.'s (DPH.N: Quote, Profile, Research) bankruptcy petition filed on Saturday with the U.S Bankruptcy Court for the Southern District of New York, including assets, debts and top unsecured trade creditors.

The petition lists as unknown the largest of the unsecured claims from General Motors Corp. (GM.N: Quote, Profile, Research) in the form of trad and warranty claims. It also lists as unknown wage and benefit claims from its unions and the guaranty from the Pension Benefit Guaranty Corp.

HEADQUARTERS: Troy, Michigan
WORLDWIDE EMPLOYEES: 185,000
U.S. EMPLOYEES: 50,600; including 34,750 hourly
2004 REVENUE: $28.6 billion
2004 SALES TO GM: $15.4 billion
DELPHI CORP. FINANCIAL DATA AS OF AUG. 31:
Assets: $17,098,734,530
Debts: $22,166,280,476
Number of common shares: 561,781,590
Largest unsecured trade creditors:

Continued ...

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Companies mentioned in this article

Data as of 08 Oct 2005 8:42 PM ET

Symb	Company	Last	Chg	Chg %
DPH.N	Delphi Corp	1.12	-1.08	-49.09
GM.N	General Motors Corp	28.29	-0.06	-0.21
FLEX.O	Flextronics International Ltd	11.92	-0.30	-2.45
FSL.N	Freescale Semiconductor Inc	23.83	+0.02	+0.08
SIEGn.DE	Siemens	€63.41	-0.24	-0.38
TYC.N	Tyco International	27.35	-0.12	-0.44

NYSE and AMEX quotes delayed by at least 20 minutes. Nasdaq and all other quotes delayed by at least 15 minutes.

BUSINESS

US car-parts maker opts for bankruptcy

October 10, 2005

Detroit: Delphi Corp, the largest US car parts supplier, has filed for bankruptcy, sending shock waves through a US vehicle industry already weakened by high labour costs and falling market share. Delphi's bankruptcy is one of the largest in US history.

Its operations outside the US, including manufacturing facilities in Australia, were not included in the filing.

Delphi filed to reorganise its US operations on Saturday in US Bankruptcy Court in New York, where hearings are scheduled to begin this week.

Company chairman and chief executive Robert Miller said Delphi hoped to emerge from bankruptcy in early to mid-2007.

"We will make every effort to make this as quick as possible," Mr Miller said.

Mr Miller, a restructuring expert hired in July, had threatened to take the company into bankruptcy if he failed to reach a restructuring agreement with Delphi's former parent, General Motors Corp, and its largest union, the United Auto Workers. Mr Miller set a deadline of October 17, when US bankruptcy laws are scheduled to change.

Mr Miller said Delphi would continue negotiating with GM and the UAW to lower its labour costs. Miller said the three parties agreed to continue their discussions after the bankruptcy filing.

"We mutually concluded there was still too much of the complex work yet to be done," Mr Miller said. "It was not going to be efficient to work right up to the midnight deadline to the change in the law."

He has told investors, customers and the union during the past five months that his money-losing company cannot afford to continue paying its 185,000 workers as much as $US27.50 an hour while also paying for health care and retiree benefits.

Nothing would change immediately, Mr Miller said.

AP, Bloomberg

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