

2 September 2009

The Directors
Nexus Bonds Limited
Level 16, Deutsche Bank Place
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Sydney NSW 2000

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Dear Sirs

Nexus3 Notes – S&P rating downgrade to BB +

In our capacity as Operating Agent for Nexus Bonds Limited, in relation to Nexus3 Notes (ASX code NXBHC), we attach a rating letter from Standard & Poor's (S&P) dated 31 August 2009 in relation to the Nexus3 Notes.


S&P have downgraded the Nexus3 Notes from BBB+ (credit watch with negative implications) to BB+.

We note that, in determining its rating for Nexus3 Notes, S&P have assumed a standard recovery rate of 37% in respect of Lear Corp (the Portfolio Company that suffered a Bankruptcy Credit Event on 7 July 2009), despite Deutsche Bank's initial Final Price Estimate for recovery of 68.0000%.

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



Attorney
Name: *W.B. Holt*



Attorney
Name: *Martin Thomas*

STANDARD & POOR'S

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Standard & Poor's (Australia) Pty. Ltd.
A.C.N.: 007 324 852

31 August 2009

To:

Deutsche Bank
GPO Box 1033
Sydney, NSW 2001
Australia

Nexus Bonds Ltd – Nexus 3 Notes - Rating Letter

Standard & Poor's has removed from CreditWatch with negative implications and downgraded the rating on Nexus 3 Notes credit-linked notes issued by Nexus Bonds Ltd following that the synthetic rated overcollateralization (SROC) level fell below 100% at the current rating level.

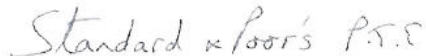
Securities	Revised Current Rating	Previous Rating
Nexus Bonds Ltd – Nexus 3 Notes	BB+	BBB+/Watch Neg

The rating on the Nexus 3 notes reflects the issuer's ability to make timely interest and principal payments to the noteholders in accordance with the terms and conditions of the documentation governing the securities.

Standard & Poor's relies on the issuer and its accountants, counsel, and other advisers for the accuracy and completeness of the information relied on in connection with the rating and the surveillance process. Standard & Poor's has undertaken no duty of due diligence or independent verification of any information provided. A rating is not a verifiable statement of fact and it does not constitute an audit of the issuer or the transaction.

It should be noted that the above rating is not a "market" rating, that is, it does not constitute a recommendation to buy, hold or sell the securities. Nor does the rating attest to the suitability of an investment in the securities by any individual investor nor is the likelihood or timing of redemption prior to final maturity addressed.

Sincerely,



Standard & Poor's
Structured Finance Ratings

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www.standardandpoors.com.au