

**NOTES ISSUED UNDER THE  
US\$5,000,000,000 LIMITED RECOURSE SECURED NOTE PROGRAMME OF  
CONSTELLATION INVESTMENT LTD.  
(TOGETHER, THE “NOTES” AND EACH SERIES THEREOF, A “SERIES”)**

**DISCLAIMER**

**FREQUENTLY ASKED QUESTIONS**

*The Frequently Asked Questions and responses thereto (“FAQs”) in respect of any Series of Notes have been prepared for information only.*

*The FAQs are intended only for holders of the Series of Notes to which the FAQs relate. The FAQs are based on publicly available information, and whilst every effort has been made to ensure that the FAQs are accurate as at the respective dates that they are issued, DBS Bank Ltd makes no representations or warranties in respect of them.*

*The FAQs should not be treated as legal or financial advice. No one reading the FAQs is entitled to rely on any such FAQs as legal or financial advice. Investors should seek independent professional advice with respect to their own positions.*

**CONSTELLATION NOTES**  
**SERIES 34-37, 43-46, 55-58, 59-62, 63-66, 67-70, 71-74 AND 78-81**  
**(TOGETHER, THE “NOTES” AND EACH, A “SERIES”)**

**CREDIT EVENT IN RESPECT OF LEHMAN BROTHERS HOLDINGS INC.**

**FREQUENTLY ASKED QUESTIONS**

**3 OCTOBER 2008**

*This document has been prepared for information only in respect of the Notes, which were issued under the US\$5,000,000,000 Limited Recourse Secured Note Programme of Constellation Investment Ltd arranged by DBS Bank Ltd.*

*This document is based on publicly available information, and whilst every effort has been made to ensure that the responses to the FAQs below are accurate as at the date this document is issued, DBS Bank Ltd makes no representations or warranties in respect of them.*

*This document should not be treated as legal or financial advice. No one reading this document is entitled to rely on it as legal or financial advice. Investors should seek independent professional advice with respect to their own positions.*

**1. What is the collateral?**

For each of Series 71-74 and 78-81, the relevant collateral is a synthetic CDO issued by Zenesis SPC referencing a pool of international corporate entities from various industry sectors. For each of Series 34-37, 43-46, 55-58, 59-62, 63-66 and 67-70, the relevant collateral is a synthetic CDO issued by Zenesis SPC referencing a pool of other synthetic CDOs that, in turn, each referencing a pool of international corporate and government entities.

As discussed in question 3 below, the above synthetic CDOs were required to have, on the issue date of the relevant Series of Notes, a rating of AAA by S&P and/or AAA by Fitch and/or Aaa by Moody's which represent the highest credit rating categories assigned by such rating agencies. These credit ratings were assigned to the collateral after taking into account various factors relevant to the assessment of the creditworthiness of the underlying pools and applying complex rating methodology.

**2. What are synthetic CDOs?**

A synthetic CDO is a type of collateralised debt obligation (CDO). Whilst a CDO is generally a structured debt instrument backed by a pool of assets, a synthetic CDO is a CDO that is not actually invested in a physical pool of assets but rather in a credit default swap referencing a pool of reference assets, identified in the confirmation relating to such credit default swap.

In respect of the collateral, such confirmation is available for inspection by investors. Please check with your distributor for further details.

**3. How was the collateral chosen?**

As disclosed in each issue prospectus, information about the collateral would not be available at the time investors decided to purchase the Notes and accordingly investors were purchasing the Notes in reliance on the criteria that the collateral must meet. Under the terms of the offering of the Notes, Constellation was permitted to choose any form of collateral provided that the collateral satisfied the following criteria on the issue date of the relevant Series of Notes:

- (a) the collateral must have a rating of AAA by S&P and/or AAA by Fitch and/or Aaa by Moody's;
- (b) the collateral must not be subject to any negative CreditWatch of S&P, negative Rating Watch of Fitch or review for possible downgrade on Moody's Watchlist;
- (c) the maturity of the collateral cannot be earlier than the maturity date of the relevant Series of Notes; and
- (d) the collateral must be acceptable to the swap counterparty as a funding source for Constellation's obligations under the relevant swap arrangements.

**4. When was the collateral chosen?**

As stated in each issue prospectus, the collateral was chosen shortly before the issue date of the relevant Series of Notes.

**5. What are the current credit ratings of the collateral?**

Please find below a summary of the credit ratings of the collateral for the relevant Series of Notes both upon the date of issuance of the relevant Series as well as those as at 3 October 2008:

<b>Series of Notes</b>	<b>Rating of collateral upon issuance of Notes</b>	<b>Rating of collateral as at 3 October 2008</b>
34,35	AAA (Fitch)	AAA (Fitch)
36,37	AAA (Fitch)	AAA (Fitch)
43,44	AAA (Fitch)	AAA (Fitch)
45,46	AAA (Fitch)	AAA (Fitch)
55,56	AAA (Fitch)	AAA (Fitch)
57,58	AAA (Fitch)	AAA (Fitch)
59,60	AAA (Fitch)	AAA (Fitch)
61,62	AAA (Fitch)	AAA (Fitch)
63,64	AAA (Fitch)	AAA (Fitch)
65,66	AAA (Fitch)	AAA (Fitch)
67,68	AAA (Fitch)	AAA (Fitch)
69,70	AAA (Fitch)	AAA (Fitch)
71,72	AAA (Fitch)	BBB- (BBB minus) (Fitch)
73,74	AAA (Fitch)	BB+ (Fitch)
78,79	AAA (Fitch)	BB+ (Fitch)
80,81	AAA (Fitch)	BB- (BB minus) (Fitch)

**6. Does any of the collateral have any exposure to asset backed securities backed by sub-prime mortgages?**

As at 3 October 2008, none of the collateral is backed by asset backed securities (including asset backed securities referencing sub-prime mortgages or mortgages analogous to sub-prime mortgages).