



DBS BANK LTD

U.S.\$3,000,000,000 Structured Note Programme

SGD73,360,000 Callable Bank Basket Credit-Linked Notes due 2011 (the "Notes")



NOTICE

To: the holders of the Notes (the "Noteholders")

On 11 August 2009, we, DBS Bank Ltd, as Issuer of the Notes, received from Constellation Investment Ltd ("Constellation"), issuer of the Structured Notes Series 38 (SGD Callable Basket Credit Linked Notes due 2011) (the "Reference Notes"), a notice in the form attached as Appendix 1, that notified us, a notice in the form attached as Appendix 1, that provided us with certain information relating to the Reference Notes and potential consequences of the Collateral Credit Events (as defined in the notice from Constellation).

We hereby notify the Noteholders of the same.

Signed for and on behalf of **DBS BANK LTD**
by:

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) Name: Yvonne Er
) Title: Associate
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) Name: Joanne Foo
) Title: Associate
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Dated: 11 August 2009

APPENDIX 1

CONSTELLATION INVESTMENT LTD.

To: the holder of the Notes (the "Noteholder")

Structured Notes Series 38

(the "Notes") issued by Constellation Investment Ltd. pursuant to its U.S.\$5,000,000,000 Limited Recourse Secured Note Programme (the "Programme").

As at the date of this notice, the collateral for the Notes consist of U.S.\$46,408,082 Class A Floating Rate Notes due 2011 issued by Zenesis SPC on behalf of the Zenesis Series 2006-5 Segregated Portfolio (the "Collateral") which are securities referenced to a list of entities (the "Portfolio").

Since the date of the issue of the Collateral, credit events have occurred in respect of each of the entities listed in Part A of the annex to this notice (the "Annex") under the "Entity" column (each, an "Entity") (each a "Collateral Credit Event"). Whilst such Entity is not a Reference Entity under the Notes, it is an Entity under the Portfolio underlying the Collateral.

Although we are under no obligation to provide information in respect of the Notes or the Collateral, in the present exceptional circumstances we believe it may be helpful to write to the Noteholder to provide this written information in relation to the Notes and potential consequences of the Collateral Credit Events.

As of the date of this notice, the occurrence of the Collateral Credit Events has not resulted in a Credit Event or an early redemption event in relation to the Notes. Nevertheless, the Issuer can give no assurance as to whether a Credit Event or an early redemption event will or will not occur in relation to the Notes in the future.

Losses of Collateral Credit Event

We have set out in Part A of the Annex the following information in relation to the loss calculations in respect of the Portfolio following the occurrence of the relevant Collateral Credit Event:

- (a) the relevant Entities under the Portfolio;
- (b) a notional amount (the "Notional Amount") assigned to each such Entity;
- (c) the loss amount determined to have occurred, based on ((100% minus the final price of the relevant Entity determined under the terms of the Collateral) multiplied by the Notional Amount for that Entity), in respect of each Collateral Credit Event which have occurred since the issue date of the Collateral where such amounts have been determined (the "Loss Amount"); and
- (d) the sum of the Loss Amounts in relation to the Portfolio (the "Aggregate Loss Amount").

Loss of the Collateral

We have set out in Part B of the Annex, as at the date of this notice in relation to the Collateral:

- (x) the Aggregate Loss Amount under the Collateral;
- (y) the loss threshold amount (the "Loss Threshold Amount") of the Collateral, which represents the amount of loss which has to be determined to have occurred to the

Collateral for an early redemption event to be determined to have occurred to the Notes due to a default under the Collateral; and

- (z) the remaining threshold amount of the Collateral after subtracting the Aggregate Loss Amount from the Loss Threshold Amount (the "**Remaining Threshold Amount**").

Taking into account the Collateral Credit Events which have occurred in relation to each Portfolio since the issue date of the Collateral, the Aggregate Loss Amount of the Portfolio is USD49,129,916. Since the Loss Threshold Amount is USD130,870,791, the Remaining Threshold Amount is USD81,740,875 (being the difference between the Loss Threshold Amount and the Aggregate Loss Amount) as at the date of this notice. This means that there is still USD81,740,875 remaining in the Collateral before an early redemption event would be triggered under the Notes due to a default under the Collateral.

Capitalised terms used but not otherwise defined in this notice or otherwise specified shall have the meanings ascribed thereto in the terms and conditions of the Notes.

Yours faithfully



CONSTELLATION INVESTMENT LTD.

Alan Corkish
Director

11 August 2009

CONSTELLATION NOTES SERIES 38

ANNEX TO NOTICE TO NOTEHOLDER DATED 11 August 2009

Part A

The Portfolio under the Collateral which references one or more of the Entities, the Notional Amount, Final Price and Loss Amount in relation to each Entity under the Portfolio and the Aggregate Loss Amount in relation to the Portfolio, in each case as at the date of this notice

Entity	Notional Amount (USD)	Final Price	Loss Amount in relation to the Entity (USD)	Aggregate Loss Amount in respect of the Portfolio (USD)
Federal Home Loan Mortgage Corporation	46,408,082	94%	2,784,485	49,129,916
Federal National Mortgage Association	46,408,082	91.51%	3,940,046	
Lehman Brothers Holdings Inc.	46,408,082	8.625%	42,405,385	

Part B

In respect of the Collateral: the Loss Threshold Amount, Aggregate Loss Amount and Remaining Threshold Amount as at the date of this notice

Loss Threshold Amount (USD)	Aggregate Loss Amount (USD)	Remaining Threshold Amount (USD)
130,870,791	49,129,916	81,740,875