

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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DOCUMENT
ELECTRONICALLY FILED
DOC #:
DATE FILED #: 12/15/11

In re LEHMAN BROTHERS SECURITIES
AND ERISA LITIGATION

Case No. 09-MD-2017 (LAK)

This Document Applies To:

ECF CASE

*In re Lehman Brothers Equity/Debt
Securities Litigation, 08-CV-5523-LAK*

PRETRIAL ORDER No. 27

**PROPOSED ORDER CONCERNING PROPOSED SETTLEMENT WITH THE
DIRECTOR AND OFFICER DEFENDANTS**

WHEREAS:

A. Lead Plaintiffs Alameda County Employees' Retirement Association, Government of Guam Retirement Fund, Northern Ireland Local Government Officers' Superannuation Committee, City of Edinburgh Council as Administering Authority of the Lothian Pension Fund, and Operating Engineers Local 3 Trust Fund ("Lead Plaintiffs"), on behalf of themselves and the Settlement Class (as hereinafter defined), and the director and officer defendants (the "Director and Officer Defendants" or the "D&O Defendants")¹ entered into a Stipulation of Settlement and Release on October 14, 2011 (the "Stipulation"), which, together with the exhibits annexed thereto, sets forth the terms and conditions of their proposed settlement and the release of claims and dismissal of the Action against the D&O Defendants with prejudice upon the terms and conditions set forth therein (the "D&O Settlement");

¹ The D&O Defendants are: Richard S. Fuld, Jr., Christopher M. O'Meara, Joseph M. Gregory, Erin Callan, Ian Lowitt, Michael L. Ainslie, John F. Akers, Roger S. Berlind, Thomas H. Cruikshank, Marsha Johnson Evans, Sir Christopher Gent, Roland A. Hernandez, Henry Kaufman and John D. Macomber.

B. Lead Plaintiffs have moved the Court, pursuant to Rule 23 of the Federal Rules of Civil Procedure, for an order concerning the proposed D&O Settlement;

C. The D&O Defendants do not oppose this request; and

D. The Court is familiar with and has reviewed the record in the Action and has reviewed the Stipulation, including the exhibits attached to the Stipulation, and found good cause for entering the following Order:

NOW, THEREFORE, IT IS HEREBY ORDERED:

1. The Court, for the purposes of this Order, adopts all defined terms as set forth in the Stipulation unless otherwise defined herein.

2. Pending further order of the Court, all litigation activity against or by the Settling Defendants in this Action, except that contemplated herein, in the Stipulation, in the Notice of Pendency of Class Action and Proposed Settlement, Settlement Fairness Hearing, and Motion for Attorneys' Fees and Reimbursement of Litigation Expenses (the "Notice" or "Class Notice") or in the Judgment, is hereby stayed and all hearings, deadlines and other proceedings in this Action to the extent they involve claims against the Settling Defendants, except for the Final Approval Hearing, are hereby taken off calendar.

CLASS CERTIFICATION

3. The Court finds, upon a preliminary evaluation, that for purposes of the D&O Settlement only, that the requirements of Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure, have been met and the D&O Settlement Class should be defined as all persons and entities who:

- (1) Purchased or acquired Lehman securities identified in Appendix A to the Stipulation pursuant or traceable to the Shelf Registration Statement and who were damaged thereby,
- (2) Purchased or acquired any Lehman Structured Notes identified in Appendix B to the Stipulation pursuant or traceable to the Shelf Registration Statement and who were damaged thereby, or
- (3) Purchased or acquired Lehman common stock, call options, and/or sold put options between June 12, 2007 and September 15, 2008, through and inclusive, and who were damaged thereby (the "D&O Settlement Class").

Excluded from the D&O Settlement Class are (i) Defendants, (ii) Lehman, (iii) the executive officers and directors of each Defendant or Lehman, (iv) any entity in which Defendants or Lehman have or had a controlling interest, (v) members of Defendants' immediate families, and (vi) the legal representatives, heirs, successors or assigns of any such excluded party. Also excluded from the D&O Settlement Class are any persons or entities who exclude themselves by filing a timely request for exclusion in accordance with the requirements set forth in the Notice of Pendency of Class Action and Proposed Settlement with the Director and Officer Defendants, Settlement Fairness Hearing and Motion for Attorneys' Fees and Reimbursement of Litigation Expenses (the "D&O Notice").

4. The Court hereby finds based on a preliminary evaluation that pursuant to Rule 23 of the Federal Rules of Civil Procedure, and for purposes of the D&O Settlement only, the following are adequate class representatives and preliminarily certifies the following as Settlement Class Representatives for the D&O Settlement Class: Alameda County Employees' Retirement Association; Government of Guam Retirement Fund; Northern Ireland Local

Government Officers' Superannuation Committee; City of Edinburgh Council as Administering Authority of the Lothian Pension Fund; Operating Engineers Local 3 Trust Fund; Brockton Contributory Retirement System; Inter-Local Pension Fund of the Graphic Communications Conference of the International Brotherhood of Teamsters; Police and Fire Retirement System of the City of Detroit; American European Insurance Company; Belmont Holdings Corp.; Marsha Kosseff; Stacey Oyler; Montgomery County Retirement Board; Fred Telling; Stuart Bregman; Irwin and Phyllis Ingwer; Carla LaGrassa; Teamsters Allied Benefit Funds; Francisco Perez; Island Medical Group PC Retirement Trust f/b/o Irwin Ingwer; Robert Feinerman; John Buzanowski; Steven Ratnow; Ann Lee; Sydney Ratnow; Michael Karfunkel; Mohan Ananda; Fred Mandell; Roy Wiegert; Lawrence Rose; Ronald Profili; Grace Wang; Stephen Gott; Juan Tolosa; Neel Duncan; Nick Fotinos; Arthur Simons; Richard Barrett; Shea-Edwards Limited Partnership; Miriam Wolf; Harry Pickle (trustee of Charles Brooks); Barbara Moskowitz; Rick Fleischman; Karim Kano; David Kotz; Ed Davis; and Joe Rottman. The Court further certifies Lead Counsel as Class Counsel pursuant to Rule 23(g) of the Federal Rules of Civil Procedure.

5. The Court finds, based on a preliminary evaluation, for purposes of the D&O Settlement only, that as to the D&O Settlement Class, the prerequisites for a class action under Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure have been satisfied in that: (a) the number of D&O Settlement Class Members is so numerous that joinder of all members thereof is impracticable; (b) there are questions of law and fact common to the D&O Settlement Class; (c) the claims of the D&O Settlement Class Representatives are typical of the claims of the D&O Settlement Class; (d) the Settlement Class Representatives and Lead Counsel have and will fairly and adequately represent the interests of the D&O Settlement Class; (e) the questions of law and fact common to the D&O Settlement Class predominate over any questions affecting only

individual members of the D&O Settlement Class; and (f) a class action is superior to other available methods for the fair and efficient adjudication of the controversy.

MAILING AND PUBLICATION OF NOTICE

6. The Court authorizes Lead Counsel to retain, and the Court hereby appoints, The Garden City Group, Inc. as the Claims Administrator to supervise and administer the notice procedure, as well as the processing of claims as more fully set forth below:

a. No later than 20 business days following entry of this Order, the Claims Administrator shall cause a copy of the D&O Notice and Claim Form, annexed hereto as Exhibits A-1 and A-2, respectively, to be mailed by first-class mail, postage prepaid, to those members of the D&O Settlement Class who may be identified through reasonable effort, including in the records of Lehman or its transfer agent(s) (the "Notice Date");

b. The D&O Notice and Claim Form will be mailed along with the notice for the settlements reached with all but one of the settling underwriter defendants (the "UW Settlements") (the "UW Notice") (collectively, the "Notice Packet") to potential D&O Settlement Class Members;

c. A joint summary notice (the "Summary Notice"), annexed hereto as Exhibit A-3, shall be published once in the national edition of *The Wall Street Journal* and *Investor's Business Daily* no later than 10 business days after the Notice Date; and

d. The D&O Notice, the Summary Notice and the Claim Form shall also be placed on the Claims Administrator's website, or a website created for the settlements obtained in this Action, on or before the Notice Date.

7. The Court approves the form of the D&O Notice and Summary Notice (together, the "Notices") and the Claim Form, and finds that the procedures established for publication,

mailing and distribution of such Notices substantially in the manner and form set forth in Paragraph 6 of this Order meet the requirements of Rule 23 of the Federal Rules of Civil Procedure, Section 21D(a)(7) of the Securities Exchange Act of 1934 (the "Exchange Act"), as amended by the Private Securities Litigation Reform Act of 1995 (the "PSLRA"), 15 U.S.C. § 78u-4(a)(7), the Constitution of the United States, and any other applicable law, and constitute the best notice practicable under the circumstances.

8. No later than 35 calendar days prior to the Approval Hearing, Lead Counsel shall cause to be filed with the Court affidavits or declarations showing that the mailing and publication have been made in accordance with this Order.

9. Nominees who purchased Lehman securities for beneficial owners who are D&O Settlement Class Members are directed to: (a) request within fourteen (14) calendar days of receipt of the Notice additional copies of the Notice and the Claim Form from the Claims Administrator for such beneficial owners; or (b) send a list of the names and addresses of such beneficial owners to the Claims Administrator within fourteen (14) calendar days after receipt of the Notice. If a nominee elects to send the Notice to beneficial owners, such nominee is directed to mail the Notice within fourteen (14) calendar days of receipt of the additional copies of the Notice from the Claims Administrator, and upon such mailing, the nominee shall send a statement to the Claims Administrator confirming that the mailing was made as directed, and the nominee shall retain the list of names and addresses for use in connection with any possible future notice to the D&O Settlement Class. Upon full compliance with this Order, including the timely mailing of the Notice to beneficial owners, such nominees may seek reimbursement of their reasonable expenses actually incurred in complying with this Order by providing the Claims Administrator with proper documentation supporting the expenses for which

reimbursement is sought and reflecting compliance with these instructions, including timely mailing of the Notice, if the nominee elected or elects to do so. Such properly documented expenses incurred by nominees in compliance with the terms of this Order shall be paid from the Settlement Fund.

HEARING: RIGHT TO BE HEARD

10. The Court will hold a settlement hearing (the "Approval Hearing" or "Fairness Hearing") on ^{12/}April ~~23~~, 2012, at 4:00 p.m., in the United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, New York 10007, Courtroom 12D, for the following purposes: (i) to determine whether the D&O Settlement should be approved as fair, reasonable, adequate and in the best interests of the D&O Settlement Class; (ii) to determine whether a Judgment substantially in the form attached as Exhibit B to the Stipulation, should be entered dismissing and releasing the Settled Claims (as that term is defined in the Stipulation) with prejudice; (iii) to rule upon the Plan of Allocation; (iv) to rule upon Lead Counsel's application for an award of attorneys' fees and reimbursement of Litigation Expenses; and (v) to consider any other matters that may properly be brought before the Court in connection with the D&O Settlement. Papers in support of the D&O Settlement, the Plan of Allocation and Lead Counsel's application for attorneys' fees and reimbursement of Litigation Expenses shall be filed no later than 35 calendar days prior to the Approval Hearing. Reply papers shall be filed no later than 7 calendar days prior to the Approval Hearing.

11. Any member of the D&O Settlement Class may appear at the Approval Hearing and show cause why the proposed D&O Settlement embodied in the Stipulation should or should not be approved as fair, reasonable, adequate and in the best interests of the D&O Settlement Class, or why the Judgment should or should not be entered thereon, and/or to present opposition

to the Plan of Allocation or to the application of Lead Counsel for attorneys' fees and reimbursement of Litigation Expenses. However, no D&O Settlement Class Member or any other person shall be heard or entitled to contest the approval of the terms and conditions of the D&O Settlement, or, if approved, the Judgment to be entered thereon approving the same, or the terms of the Plan of Allocation or the application by Lead Counsel for an award of attorneys' fees and reimbursement of Litigation Expenses, unless, no later than 21 calendar days prior to the Approval Hearing, that D&O Settlement Class Member or person (i) filed said objections, papers and briefs with the Clerk of the United States District Court for the Southern District of New York; and (ii) has served written objections, by hand or first-class mail, including the basis therefor, as well as copies of any papers and/or briefs in support of his, her or its position upon each of the following counsel for receipt no later than 21 calendar days prior to the Approval Hearing: David Stickney, Bernstein Litowitz Berger & Grossmann LLP, 12481 High Bluff Drive, Suite 300, San Diego, CA 92130 and David Kessler, Kessler Topaz Meltzer & Check, LLP, 280 King of Prussia Road, Radnor, PA 19087 on behalf of the Lead Plaintiffs; and Adam J. Wasserman, Dechert LLP, 1095 Avenue of the Americas, New York, NY 10036 as representative counsel for the Individual Defendants. Lead Counsel will promptly provide copies of any objections received to counsel for the Individual Defendants.

12. Any objection must include: (a) the full name, address, and phone number of the objecting D&O Settlement Class Member; (b) a list and documentation of all of the D&O Settlement Class Member's transactions involving Lehman Securities during the Settlement Class Period, including brokerage confirmation receipts or other competent documentary evidence of such transactions, including the amount and date of each purchase, acquisition or sale and the price paid and/or received; (c) a written statement of all grounds for the objection

accompanied by any legal support for the objection; (d) copies of any papers, briefs or other documents upon which the objection is based; (e) a list of all persons who will be called to testify in support of the objection; (f) a statement of whether the objector intends to appear at the Approval Hearing; (g) a list of other cases in which the objector or the objector's counsel have appeared either as settlement objectors or as counsel for objectors in the preceding five years; and (h) the objector's signature, even if represented by counsel. If the objector intends to appear at the Approval Hearing through counsel, the objection must also state the identity of all attorneys who will appear on his, her or its behalf at the Approval Hearing. Any D&O Settlement Class Member who does not make his, her or its objection in the manner provided for herein shall be deemed to have waived such objection and shall forever be foreclosed from making any objection to the fairness or adequacy of the D&O Settlement as reflected in the Stipulation, to the Plan of Allocation or to the application by Lead Counsel for an award of attorneys' fees and reimbursement of Litigation Expenses. By objecting to the Settlement, the Plan of Allocation and/or the application by Lead Counsel for an award of attorneys' fees and reimbursement of Litigation Expenses, or otherwise requesting to be heard at the Approval Hearing, a person or entity shall be deemed to have submitted to the jurisdiction of the Court with respect to the person's or entity's objection or request to be heard and the subject matter of the D&O Settlement, including, but not limited to, enforcement of the terms of the Settlement (including, but not limited to, the release of the Settled Claims provided for in the Stipulation and the Judgment).

13. If approved, all Settlement Class Members will be bound by the proposed Settlement provided for in the Stipulation, and by any judgment or determination of the Court

affecting Settlement Class Members, regardless of whether or not a Settlement Class Member submits a Claim Form.

14. Any member of the D&O Settlement Class may enter an appearance in the Action, at his, her or its own expense, individually or through counsel of his, her or its own choice. If they do not enter an appearance, they will be represented by Lead Counsel.

15. The Court reserves the right to (a) adjourn or continue the Approval Hearing, or any adjournment or continuance thereof, without further notice to Settlement Class Members and (b) approve the Stipulation with modification and without further notice to Settlement Class Members. The Court retains jurisdiction of this Action to consider all further applications arising out of or otherwise relating to the proposed Settlement, and as otherwise warranted.

16. All Settlement Class Members shall be bound by all determinations and judgments in the Action concerning the Settlement, whether favorable or unfavorable to the Settlement Class.

CLAIMS PROCESS

17. In order to be entitled to participate in the D&O Settlement, a D&O Settlement Class Member must complete and submit a Claim Form in accordance with the instructions contained therein. To be valid and accepted, Claim Forms submitted in connection with the D&O Settlement must be postmarked no later than 120 calendar days after the Notice Date.

18. Any D&O Settlement Class Member who does not timely submit a valid Claim Form shall not be eligible to share in the Settlement Fund, unless otherwise ordered by the Court, but will otherwise be bound by all of the terms of the Stipulation and D&O Settlement, including the terms of the Judgment to be entered in the Action and the releases provided for therein.

REQUEST FOR EXCLUSION FROM THE D&O SETTLEMENT CLASS

19. Any requests for exclusion must be submitted in accordance with the instructions included in the Notice and for receipt no later than 21 calendar days prior to the Approval Hearing. Any D&O Settlement Class Member who wishes to be excluded from the D&O Settlement Class must provide (i) name, (ii) address, (iii) telephone number, (iv) number and type of Lehman security purchased or acquired, (v) prices or other consideration paid or received for such Lehman securities, (vi) the date of each purchase, acquisition or sale transaction, and (vii) a statement that the person or entity wishes to be excluded from the D&O Settlement Class. It must also be signed by the person or entity requesting exclusion, and provide a telephone number for that person or entity. All persons who submit valid and timely requests for exclusion in the manner set forth in this paragraph and the Notice shall have no rights under the Stipulation, shall not share in the distribution of the Net Settlement Fund, and shall not be bound by the Stipulation or any final judgment.

20. Any member of the D&O Settlement Class who does not request exclusion from the D&O Settlement Class in the manner stated in this Order and the Notice shall be deemed to have waived his, her or its right to be excluded from the D&O Settlement Class, and shall forever be barred from requesting exclusion from the D&O Settlement Class in this or any other proceeding, and shall be bound by the D&O Settlement and the Judgment, including, but not limited to the release of the Settled Claims against the Released Parties provided for in the Stipulation and the Judgment, if the Court approves the D&O Settlement.

21. The Released Parties shall have no responsibility or liability whatsoever with respect to the Plan of Allocation or Lead Counsel's application for an award of attorneys' fees and reimbursement of Litigation Expenses. The Plan of Allocation and Lead Counsel's

application for an award of attorneys' fees and reimbursement of Litigation Expenses will be considered separately from the fairness, reasonableness and adequacy of the Settlement. At or after the Approval Hearing, the Court will determine whether Lead Counsel's proposed Plan of Allocation should be approved, and the amount of attorneys' fees and Litigation Expenses to be awarded to Lead Counsel. Any appeal from any orders relating solely to the Plan of Allocation or solely to Lead Counsel's application for an award of attorneys' fees and Litigation Expenses, or any reversal or modification thereof, shall not operate to terminate or cancel the Settlement, or affect or delay the finality of the Judgment approving the Stipulation and the Settlement of the Action set forth therein.

22. If a person or entity excludes him/her/itself only from the D&O Settlement Class in the manner stated in this Order, he/she/it is not automatically excluded from the settlement class in the UW Settlements or any other settlement class. Likewise, if a person or entity requests exclusion only from the settlement class in the UW Settlements, or the class in any subsequent settlement of this Action, he/she/it is not automatically excluded from the D&O Settlement Class. In the event the person or entity does not specify which settlement class he/she/it seeks to be excluded from, the request will be interpreted as seeking exclusion from both the D&O Settlement Class and the UW Settlement Class.

23. Only D&O Settlement Class Members and Lead Counsel shall have any right to any portion of, or any rights in the distribution of, the Settlement Fund, unless otherwise ordered by the Court or otherwise provided in the Stipulation.

24. All funds held by the Escrow Agent shall be deemed and considered to be in custodia legis and shall remain subject to the jurisdiction of the Court until such time as such funds shall be distributed pursuant to the Stipulation and/or further order of the Court.

25. As set forth in the Stipulation, notwithstanding the fact that the Effective Date has not yet occurred, Lead Counsel may pay from the Settlement Fund, without further approval from D&O Defendants ~~or further order of this Court~~, ^{but with the prior approval} all reasonable Notice and Administration Costs actually incurred, up to \$1 million. Such costs and expenses shall include, without limitation, the actual costs of printing and mailing the Notice and Proof of Claim Form, reimbursements to nominee owners for forwarding the Notice to their beneficial owners, publication of the Summary Notice, the administrative expenses incurred and fees charged by the Claims Administrator in connection with providing Notice and processing the submitted Claims, and the fees, if any, of the Escrow Agent. Additional Notice and Administration Costs may be paid from the Settlement Fund upon approval of this Court. In the event that the D&O Settlement is terminated pursuant to the terms of the Stipulation, all Notice and Administration Costs reasonably paid or reasonably incurred, including any related fees, shall not be returned or repaid to the D&O Defendants, any Released Party, Lehman, the Insurers or to any person or entity who or which paid any portion of the Settlement Amount on their behalf.

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26. The fact and terms of this Order and the D&O Settlement, all negotiations, discussions, drafts and proceedings in connection with this Order and the D&O Settlement, and any act performed or document signed in connection with this Order and the D&O Settlement, shall not, in this or any other Court, administrative agency, arbitration forum or other tribunal, constitute an admission of, or evidence of, or be deemed to create any inference of, (i) any acts of wrongdoing or lack of wrongdoing, (ii) any liability on the part of D&O Defendants or any other released party to Lead Plaintiffs, the D&O Settlement Class or anyone else, (iii) any deficiency of any claim or defense that has been or could have been asserted in this Action, (iv) any damages or lack of damages suffered by Lead Plaintiffs, the D&O Settlement Class or

anyone else, or (v) that the Settlement Amount (or any other amount) represents the amount that could or would have been recovered in this Action against the D&O Defendants if it was not settled at this point in time. The fact and terms of this Order and the D&O Settlement, all negotiations, discussions, drafts and proceedings in connection with this Order and the D&O Settlement, and any act performed or document signed in connection with this Order and the D&O Settlement, shall not be offered or received in evidence or used for any other purpose in this or any other proceeding in any court, administrative agency, arbitration forum or other tribunal, except as necessary to enforce the terms of this Order and/or the D&O Settlement, including, but not limited to, the Judgment and the release of the Settled Claims provided for in the Stipulation and the Judgment and/or to obtain the Bankruptcy Order.

27. Lead Counsel shall apply to this Court, on notice to Settling Defendants' Counsel, for a Class Distribution Order, *inter alia*: (a) approving the Claims Administrator's administrative determinations concerning the acceptance and rejection of the Claims submitted; and (b) if the Effective Date has occurred, directing payment of the Net Settlement Fund to the Authorized Claimants from the Escrow Account. Payment and/or distribution of any of the Settlement Amount to Settlement Class Members shall be made only after the Effective Date.

28. In the event that the D&O Settlement fails to become effective in accordance with its terms, or if the Judgment is not entered or is reversed, vacated or materially modified on appeal (and, in the event of material modification, if any party elects to terminate the Settlement), this Order (except Paragraphs 25 and 26) shall be null and void, the Stipulation shall be deemed terminated, and the Settling Parties shall return to their positions without prejudice in any way, as provided for in the Stipulation.

29. The Court retains exclusive jurisdiction over the Action to, *inter alia*, consider all further matters arising out of or connected with the D&O Settlement.

Dated: Dec. 15, 2011

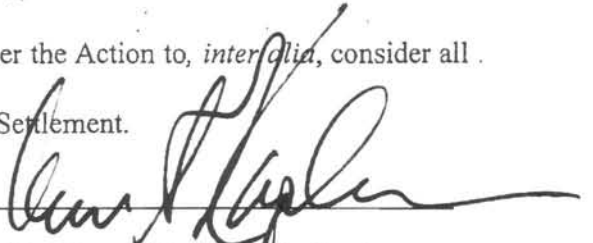

The Honorable Lewis A. Kaplan
United States District Judge

EXHIBIT A-1

**NOTICE OF PENDENCY OF CLASS ACTION AND
PROPOSED SETTLEMENT WITH THE DIRECTOR AND
OFFICER DEFENDANTS, SETTLEMENT FAIRNESS
HEARING AND MOTION FOR ATTORNEYS' FEES AND
REIMBURSEMENT OF LITIGATION EXPENSES**

**IF YOU PURCHASED OR ACQUIRED
THE LEHMAN SECURITIES DESCRIBED BELOW,
YOU COULD GET PAYMENTS FROM
LEGAL SETTLEMENTS WITH CERTAIN DEFENDANTS.**

A U.S. Federal Court authorized this Notice. This is not a solicitation from a lawyer.

- Multiple settlements have been reached in the class action lawsuit *In re Lehman Brothers Equity/Debt Securities Litigation*, No. 08-CV-5523-LAK (S.D.N.Y.) (the "Action"). This notice addresses one of those settlements – the settlement reached with certain of Lehman's directors and officers during the relevant time period (the "D&O Defendants" or the "Individual Defendants").¹ This notice is directed at all persons and entities who (1) purchased or acquired Lehman securities identified in Appendix A hereto pursuant or traceable to the Shelf Registration Statement and were damaged thereby, (2) purchased or acquired any Lehman Structured Notes identified in Appendix B hereto pursuant or traceable to the Shelf Registration Statement and were damaged thereby, or (3) purchased or acquired Lehman common stock, call options, and/or sold put options ("Lehman Securities") between June 12, 2007 and September 15, 2008, through and inclusive and were damaged thereby (the "D&O Class").
- The settlement is comprised of \$90,000,000 in cash ("Settlement Amount") plus interest (the "Settlement Fund") for the benefit of the D&O Class. Estimates of average recovery per damaged security are set forth on Appendix D hereto. In addition, as set forth in Question 19 below, Lead Counsel will seek approval for attorneys' fees in the amount not to exceed 17.5% of the Settlement Amount, plus interest thereon, and for reimbursement of Litigation Expenses in an amount not to exceed \$2.5 million, plus interest thereon. The total amount of Litigation Expenses awarded by the Court will be paid to Lead Counsel from the settlements in *pro rata* amounts. If the Court approves Lead Counsel's application for attorneys' fees and Litigation Expenses (as set forth in Question 19 below), the average cost per damaged security will be as set forth on Appendix D hereto.
- If the settlement is approved by the Court, it will result in (i) the distribution of the Settlement Fund, minus certain Court-approved fees, costs and expenses as described herein, to investors who submit valid claim forms; (ii) the release of the D&O Defendants (as defined below) and certain other related parties from further lawsuits that are based on, arise out of, or relate in any way to the facts and claims alleged, or that could have been alleged, in the Action; and (iii) the

¹ The settlements reached with all but one of the underwriters named as defendants in the Action (the "Settling Underwriter Defendants") are addressed briefly below in Question 6.

dismissal with prejudice of the D&O Defendants. The settlement also avoids the costs and risks of further litigation against these defendants.

- This settlement does not resolve claims against any other defendants in the Action, and the Action will continue against Lehman Brothers Holdings Inc.'s auditor and the remaining underwriter defendant, UBS Financial Services, Inc.. Please Note: This settlement is separate and apart from the proposed settlements Lead Plaintiffs reached with the Settling Underwriter Defendants (the "UW Settlements") for \$426,018,000. You should have received a notice for the UW Settlements along with this notice. See Question 6 below for more details. You are not automatically in all settlements as they cover different securities in some instances, so you should read both notices to determine if you are eligible to participate in each settlement.

SUBMIT A CLAIM FORM	The only way to get a payment. Instructions as to how to request a claim form are contained below.
EXCLUDE YOURSELF	Get no payment. The only option that might let you sue the defendants that settled concerning the claims being resolved in this settlement.
OBJECT	Write to the Court about why you don't like the settlement or any aspect thereof.
GO TO A HEARING	Ask to speak in Court about the fairness of the settlement.
DO NOTHING	Get no payment. Give up rights.

- These rights and options – and the deadlines to exercise them – are explained in this Notice.
- The Court in charge of this case still has to decide whether to approve the settlement. If it does, it will take time to process all of the claim forms and to distribute payments. Please be patient.

[END OF COVER PAGE]

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BASIC INFORMATION



A U.S. Court authorized this Notice to inform you about a settlement reached with certain of the defendants (the "D&O Defendants" or "Individual Defendants") in a class action lawsuit. This Notice explains the lawsuit, the settlement and your legal rights and options in connection with

the settlement before the Court decides whether to give “final approval” to the settlement. The Honorable Lewis A. Kaplan of the United States District Court for the Southern District of New York is presiding over the case known as *In re Lehman Brothers Equity/Debt Securities Litigation*, 08-CV-5523-LAK. The persons or entities that are suing are called plaintiffs, and those who are being sued are called defendants. In this case, the plaintiffs are referred to as Lead Plaintiffs. The defendants who have agreed to settle (*i.e.*, Richard S. Fuld, Jr., Christopher M. O’Meara, Joseph M. Gregory, Erin Callan, Ian Lowitt, Michael L. Ainslie, John F. Akers, Roger S. Berlind, Thomas H. Cruikshank, Marsha Johnson Evans, Sir Christopher Gent, Roland A. Hernandez, Henry Kaufman and John D. Macomber) are referred to as the Individual Defendants or the D&O Defendants. The proposed settlement will resolve all claims against the D&O Defendants and certain other released parties only; it will not resolve the claims against E&Y and UBS Financial Services, Inc., which Lead Plaintiffs will continue to pursue. As discussed below in Question 6, Lead Plaintiffs also reached separate proposed settlements with all but one of the underwriter defendants.

Receipt of this Notice does not necessarily mean that you are a D&O Class Member or that you will be entitled to receive proceeds from the settlement. If you wish to participate in the distribution of the proceeds from the settlement, you will be required to submit the Claim Form that is included with this Notice, as described in Question 13 below.

4. What is the lawsuit about?

The operative complaint in the Action, the Third Amended Class Action Complaint dated April 23, 2010 (the “Complaint”), asserts (i) claims under the Securities Act of 1933 against certain current and/or former Lehman officers and directors, Ernst & Young LLP (“E&Y”), and certain alleged underwriters of certain Lehman offerings, and (ii) claims under the Securities Exchange Act of 1934 against certain former Lehman officers and E&Y. The Complaint alleges, among other things, that during the Settlement Class Period and in connection with the Offering Materials, defendants made misrepresentations and omissions of material facts concerning certain aspects of Lehman’s financial results and operations. On September 15, 2008, Lehman Brothers Holdings Inc. filed for bankruptcy protection under Chapter 11 of the Bankruptcy Code and, as a result, is not named as a defendant in this Action. On July 27, 2011, the court issued an order granting the defendants’ motions to dismiss regarding certain of the claims in the Complaint and denying the defendants’ motions to dismiss with respect to other claims.

5. Why is this a class action?

In a class action lawsuit, one or more persons or entities known as class representatives – in this case the “Lead Plaintiffs” are Alameda County Employees’ Retirement Association, Government of Guam Retirement Fund, Northern Ireland Local Government Officers’ Superannuation Committee, City of Edinburgh Council as Administering Authority of the Lothian Pension Fund, and Operating Engineers Local 3 Trust Fund – assert legal claims on behalf of all persons and entities with similar legal claims.² The Lead Plaintiffs sued on behalf of others who have similar

² Additional named plaintiffs in this Action are Brockton Contributory Retirement System; Inter-Local Pension Fund of the Graphic Communications Conference of the International Brotherhood of Teamsters;

claims. All of these people together are referred to as the “D&O Class” or as “D&O Class Members.” One Court resolves the issues for all D&O Class Members, except for any persons or entities who choose to exclude themselves from the D&O Class (*see* Question 17 below), if the Court determines that a class action is an appropriate method to do so.

The D&O Defendants have agreed to settle the Action. The Court did not decide in favor of the Lead Plaintiffs or the D&O Defendants. The Settling Parties disagree on both liability and the amount of damages that could be won if Lead Plaintiffs had prevailed at trial. Specifically, the Settling Parties disagree, among other things, on (1) whether the statements made or facts allegedly omitted were material, false or misleading, (2) whether the D&O Defendants are otherwise liable under the securities laws for those statements or omissions, and (3) the average amount of damages per security, if any, that would be recoverable if Lead Plaintiffs were to prevail. Moreover, there are limitations on the ability of the Individual Defendants to pay a substantial judgment. And, in a recent Bankruptcy Court filing, Lehman Brothers Holding Inc. has stated that, taking into account settlement payments that have been or are contemplated to be made, as well as defense costs that have been or are contemplated to be paid by the Debtors’ third party insurers under the Debtors’ 2007-08 D&O Policies, the Debtors “anticipate that the limits of liability of the 2007-2008 D&O policies [the insurance policies that have been used to cover this Action] will be fully exhausted by year end.” Instead of continuing to litigate the Action, both sides agreed to a settlement. That way, the Settling Parties avoid the cost of a trial, and the people affected – the D&O Class Members – will get compensation. Based upon their investigation and extensive mediation efforts, and after considering (a) the attendant risks of litigation, (b) the desirability of permitting the Settlement to be consummated as provided by the terms of the Stipulation, and (c) the diminishing resources to fund a settlement or an adverse judgment, if any, against the D&O Defendants, Lead Plaintiffs and their lawyers believe that the settlement is in the best interests of the D&O Class Members.

The D&O Defendants have denied the claims asserted against them in the Action and deny having engaged in any wrongdoing or violation of law of any kind whatsoever. The D&O Defendants have agreed to the settlement solely to eliminate the burden and expense of continued litigation. Accordingly, the settlement may not be construed as an admission of any D&O Defendant’s wrongdoing.

Police and Fire Retirement System of the City of Detroit; American European Insurance Company; Belmont Holdings Corp.; Marsha Kosseff; Stacey Oyler; Montgomery County Retirement Board; Fred Telling; Stuart Bregman; Irwin and Phyllis Ingwer; Carla LaGrassa; Teamsters Allied Benefit Funds; Francisco Perez; Island Medical Group PC Retirement Trust f/b/o Irwin Ingwer; Robert Feinerman; John Buzanowski; Steven Ratnow; Ann Lee; Sydney Ratnow; Michael Karfunkel; Mohan Ananda; Fred Mandell; Roy Wiegert; Lawrence Rose; Ronald Profili; Grace Wang; Stephen Gott; Juan Tolosa; Neel Duncan; Nick Fotinos; Arthur Simons; Richard Barrett; Shea-Edwards Limited Partnership; Miriam Wolf; Harry Pickle (trustee of Charles Brooks); Barbara Moskowitz; Rick Fleischman; Karim Kano; David Kotz; Ed Davis; and Joe Rottman.

No. This Settlement only includes the D&O Defendants. The lawsuit is continuing against E&Y, Lehman's auditor during the Settlement Class Period, and UBS Financial Services, Inc.

Lead Plaintiffs have reached separate settlements with certain of the underwriters (the "Settling Underwriter Defendants") in the total amount of \$426,018,000. A separate notice addresses those settlements in detail (the "UW Notice"). If you did not receive a copy of the UW Notice along with this notice, you can obtain a copy by visiting the settlement website listed above or by contacting the claims administrator.

Lead Plaintiffs have obtained proposed cash settlements with the Settling Underwriter Defendants in the total amount of \$426,018,000, which are separate and apart from the proposed settlement with the D&O Defendants. You should have received a similar notice explaining the UW Settlements along with this notice. If you are a D&O Class Member you may also be a class member for purposes of the UW Settlements and you may be eligible to participate in the UW settlements as well, but that depends on what securities you purchased and you should review both notices to determine if you are eligible to participate in each settlement.

As explained in Question 13 below, you must submit a Claim Form in order to participate in any or all of the settlements. The Claim Form you submit in connection with this settlement will also be reviewed in connection with the UW Settlements. **You do not have to submit a separate Claim Form for the UW Settlements.** Please be sure to include all of your transactions in the Lehman securities listed on the Claim Form.

WHO IS IN THE SETTLEMENT

To see if you will get money from this settlement, you first have to determine if you are a D&O Class Member.

Judge Kaplan has determined that everyone who fits the following description is a D&O Class Member, unless you are excluded from the D&O Class as described in Question 8 below: *All persons and entities who (1) purchased or acquired Lehman securities identified in Appendix A hereto pursuant or traceable to the Shelf Registration Statement and who were damaged thereby, (2) purchased or acquired any Lehman Structured Notes identified in Appendix B hereto pursuant to or traceable to the Shelf Registration Statement and who were damaged thereby, or (3) purchased or acquired Lehman common stock, call options, and/or sold put options between June 12, 2007 and September 15, 2008 through and inclusive, and who were damaged thereby.*

Yes. Excluded from the D&O Class are: (i) Defendants, (ii) Lehman, (iii) the executive officers and directors of each Defendant or Lehman, (iv) any entity in which Defendants or Lehman have or had a controlling interest, (v) members of Defendants' immediate families, and (vi) the legal representatives heirs, successors or assigns of any such excluded party. Also excluded are any persons or entities who timely and validly request exclusion from the D&O Class as set forth in this Notice.



If you are not sure whether you are a D&O Class Member, you may visit www.LehmanSecuritiesLitigationSettlement.com or you can contact the Claims Administrator for the settlement, GCG, Inc. by writing to *In Re: Lehman Brothers Equity/Debt Securities Litigation*, c/o GCG, Inc., P.O. Box 9821, Dublin, OH 43017-5721 or by calling (800) 505-6901. You may also want to contact your broker to see if you bought the Lehman Securities eligible to participate in the settlement.

THE SETTLEMENT BENEFITS – WHAT YOU GET



A Settlement Fund for \$90,000,000 has been established. If the settlement is approved, the Settlement Fund, less Court-awarded attorneys' fees and expenses, the costs of administering the settlement and taxes, if any (the "Net Settlement Fund"), will be distributed to eligible D&O Class Members.



The proposed Plan of Allocation provides for distribution of the Net Settlement Fund to Authorized Claimants. Each person claiming to be a claimant entitled to share in the Net Settlement Fund ("Authorized Claimant") shall be required to submit a separate Claim Form signed under penalty of perjury and supported by such documents as specified in the Claim Form as are reasonably available to the Authorized Claimant.

All Claim Forms must be postmarked no later than _____, 2012 addressed as follows:

In Re: Lehman Brothers Equity/Debt Securities Litigation
c/o GCG
Claims Administrator
P.O. Box 9821
Dublin, OH 43017-5721

Unless otherwise ordered by the Court, any D&O Class Member who fails to submit a properly completed and signed Claim Form within such period as may be ordered by the Court shall be forever barred from receiving any payments pursuant to the settlement, but will in all other respects be subject to the provisions of the Stipulation of Settlement and Release dated October

14, 2011 (the "Stipulation") entered into by the Settling Parties and the final judgment entered by the Court.

The Plan of Allocation is a matter separate and apart from the proposed settlement, and any decision by the Court concerning the Plan of Allocation shall not affect the validity or finality of the proposed settlement. The Court may approve the Plan of Allocation with or without modifications agreed to among the Settling Parties, or another plan of allocation, without further notice to D&O Class Members.

The proposed Plan of Allocation, which is subject to Court approval, is attached as Appendix C to this Notice. Please review the Plan of Allocation carefully.

If the settlement is approved by the Court and becomes final, you will be releasing the D&O Defendants (as set forth in Question 1 above) and certain parties related to the D&O Defendants (*i.e.*, the "Released Parties" as set forth in paragraph 1(hh) of the Stipulation) for all of the Settled Claims defined in paragraph 1(jj) of the Stipulation. These claims are called "Settled Claims" and are those brought in this case or that could have been raised in the case, as fully defined in the Stipulation. The Stipulation is available at www.LehmanSecuritiesLitigationSettlement.com. The Stipulation describes the Settled Claims with specific description, in necessarily accurate legal terminology, so please read it carefully.

The Settling Parties will also seek, among other things, a judgment reduction order in connection with the Judgment in the Action. A judgment reduction order generally reduces the liability of non-settling defendants and/or certain other parties for common damages by the greater of the settlement amount paid by or on behalf of the settling defendants for common damages or the percentage share of responsibility of the settling defendants for common damages.³

If you are a D&O Class Member you will need to submit a Claim Form and the necessary supporting documentation to establish your potential eligibility to share in the Net Settlement Fund. A Claim Form is included with this Notice, or you may go to the website maintained by the Claims Administrator, www.LehmanSecuritiesLitigationSettlement.com, to request that a Claim Form be mailed to you. Submitting a Claim Form does not necessarily guarantee that you will receive a payment. Please refer to the attached Plan of Allocation for further information on how Lead Plaintiffs propose the Settlement Fund will be allocated.

³ The Settling Parties will also seek to include in the Judgment a "bar order" that will, among other things, bar certain claims for contribution and indemnification against or by the Settling Defendants and/or certain other related parties. The bar order typically does not apply to Settlement Class Members.

Please retain all records of your ownership of and transactions in Lehman Securities, as they may be needed to document your claim.

If the settlement is approved, it will take time for the Claims Administrator to review all of the Claim Forms that are submitted and to decide pursuant to the Plan of Allocation how much each claimant should receive. This could take many months. Furthermore, distribution may be postponed until the end of the case, so that any additional money collected from any future settlements may be distributed at the same time. Please check the website for updates.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want a payment from this settlement, but you want to keep the right to sue or continue to sue the D&O Defendants on your own about the same claims being released in this settlement, then you must take steps to exclude yourself from the settlement. This is sometimes referred to as "opting out" of the settlement class. See Question 17 below.

No. If you exclude yourself from the D&O Class, you will not be able to request a payment from this settlement, and you cannot object to this settlement. You will not be bound by anything that happens in this lawsuit with respect to the D&O Defendants, and you may be able to sue the D&O Defendants on your own in the future. Excluding yourself from this D&O Class will not automatically exclude you from any other, or subsequent, settlement class relating to any future settlement with other defendants. Accordingly, excluding yourself from the D&O Class will not automatically exclude you from the settlement class in the UW Settlements referenced above. A request for exclusion should specifically indicate that the person or entity wishes to be excluded from the D/O Settlement Class, the UW Settlement Class, or both. In the event the person or entity does not specify which settlement class he/she/it seeks to be excluded from, the request will be interpreted as seeking to be excluded from both the D&O Settlement Class and the UW Settlement Class.

No. Unless you exclude yourself, you give up any right to sue the D&O Defendants or any of the other released parties for the claims being released by this settlement. If you have a pending lawsuit relating to the claims being released in the Action against any of the D&O Defendants, you should speak to your lawyer in that case immediately.

To exclude yourself from the D&O Class, you must send a letter by mail saying that you want to be excluded from the D&O Class in the *In re Lehman Brothers Equity/Debt Securities Litigation – D&O Settlement*, Case No. 09-MD-2017 (LAK). Be sure to include your name, address, telephone number and your signature. You must also include information concerning your transactions in Lehman Securities, including the date(s), price(s), type(s) and amount(s) of all purchases, acquisitions, and sales of the eligible Lehman Securities during the Settlement Class Period. The request for exclusion must be signed by the person or entity requesting exclusion, and provide a telephone number for that person or entity. Requests for exclusion will not be valid if they do not include the information set forth above. You must mail your exclusion request so that it is **received** no later than _____, 2012 to:

In Re: Lehman Brothers Equity/Debt Securities Litigation
c/o GCG
Claims Administrator
P.O. Box 9821
Dublin, OH 43017-5721

*Please keep a copy of everything you send by mail, in case it is lost or destroyed during mailing.

You cannot exclude yourself over the phone or by e-mail.

THE LAWYERS REPRESENTING YOU

The Court has appointed the law firms of Bernstein Litowitz Berger & Grossmann LLP and Kessler Topaz Meltzer & Check, LLP to represent you and the other D&O Class Members. These lawyers are called Lead Counsel. You may contact them as follows: David R. Stickney, Esq., Bernstein Litowitz Berger & Grossmann LLP, 12481 High Bluff Drive, Suite 300, San Diego, CA 92130 (866) 648-2524, blbg@blbglaw.com, or David Kessler, Kessler Topaz Meltzer & Check, LLP, 280 King of Prussia Road, Radnor, PA 19087, (610) 667-7706, info@ktmc.com. You will not be separately charged for these lawyers beyond your *pro rata* share of any attorneys' fees and expenses awarded by the Court that will be paid from the Settlement Fund. If you want to be represented by your own lawyer, you may hire one at your own expense.

Lead Counsel have not received any payment for their services in pursuing claims against the D&O Defendants on behalf of the D&O Class, nor have they been reimbursed for their out-of-pocket expenses. Before final approval of the settlement, Lead Counsel intend to apply to the Court for an award of attorneys' fees, as compensation for investigating the facts, litigating the case and negotiating the settlement, on behalf of all Plaintiffs' Counsel not to exceed 17.5% of

the Settlement Amount, plus interest thereon. At the same time, Lead Counsel also intend to apply for reimbursement of Litigation Expenses in an amount not to exceed \$2.5 million, plus interest thereon. The total amount of Litigation Expenses awarded by the Court will be paid to Lead Counsel from the settlements in *pro rata* amounts. Litigation Expenses may include reimbursement of the expenses of Lead Plaintiffs in accordance with 15 U.S.C. § 78u-4(a)(4). The Court may award less than the requested amounts. Any payments to the attorneys for fees or expenses, now or in the future, will first be approved by the Court.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you don't agree with the settlement or some part of it.



If you are a D&O Class Member, you can object to the settlement if you don't like any part of it. To object, you must send a letter saying that you object to the settlement in the *In re Lehman Brothers Equity/Debt Securities Litigation – D&O Settlement*, Case No. 09-MD-2017 (LAK) and the reasons why you object to the settlement. Be sure to include your name, address, telephone number and your signature. You must also include information concerning all of your transactions in Lehman Securities, including the date(s), price(s), type(s) and amount(s) of all purchases, acquisitions, and sales of the eligible Lehman Securities during the Settlement Class Period to confirm that you are a member of the D&O Class, including brokerage confirmation receipts or other competent documentary evidence of such transactions. The objection must include a written statement of all grounds for an objection accompanied by any legal support for the objection; copies of any papers, briefs or other documents upon which the objection is based; a list of all persons who will be called to testify in support of the objection; a statement of whether the objector intends to appear at the Fairness Hearing; a list of other cases in which the objector or the objector's counsel have appeared either as settlement objectors or as counsel for objectors in the preceding five years; and the objector's signature, even if represented by counsel. If you are not a member of the D&O Class, you cannot object to the settlement as it does not affect you. Any objection to the settlement must be **received** by *each of the following* by _____, 2012:

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK Clerk of the Court 500 Pearl Street New York, NY 10007	BERNSTEIN LITOWITZ BERGER & GROSSMANN LLP David Stickney 12481 High Bluff Drive, Suite 300 San Diego, CA 92130-3582 KESSLER TOPAZ MELTZER & CHECK, LLP David Kessler John Kehoe	DECHERT LLP Adam J. Wasserman 1095 Avenue of the Americas New York, NY 10036
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	280 King of Prussia Road Radnor, PA 19087	
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Objecting is simply telling the Court that you do not like something about the settlement, the Plan of Allocation, and/or the application for attorneys' fees and Litigation Expenses. You can object *only if* you stay in the D&O Class. Excluding yourself is telling the Court that you do not want to be part of the settlement. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to consider whether to approve the settlement, the Plan of Allocation and the application for attorneys' fees and Litigation Expenses. You may attend and you may ask to speak, but you don't have to.



The Court will hold a fairness hearing at _____m., on _____, 2012, before the Honorable Lewis A. Kaplan at the United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl St, New York, NY 10007, Courtroom 12D. At this hearing, the Court will consider whether the settlement and the Plan of Allocation are fair, reasonable, and adequate. If there are objections, the Court will consider them. Judge Kaplan will listen to people who have asked to speak at the hearing. Judge Kaplan may also consider Lead Counsel's application for attorneys' fees and Litigation Expenses at this time. The fairness hearing may occur on a different date without additional notice, so it is a good idea to check www.LehmanSecuritiesLitigationSettlement.com for updated information.



No. Lead Counsel will answer any questions Judge Kaplan may have. But, you are welcome to attend the hearing at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as your written objection was received on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not required.



You may ask the Court for permission to speak at the fairness hearing. To do so, you must send a letter stating that it is your "Notice of Intention to Appear in the *In re Lehman Brothers*

Equity/Debt Securities Litigation, Case No. 09-MD-2017 (LAK).” Be sure to include your name, address, telephone number, your signature, and also identify your transactions in Lehman Securities, including the date(s), price(s), type(s) and amount(s) of all purchases, acquisitions, and sales of the eligible Lehman Securities during the Settlement Class Period. Your notice of intention to appear must be received no later than _____, 2012, and must be sent to the Clerk of the Court, Lead Counsel, and Representative Counsel for the Individual Defendants, at the addresses listed in Question 20 above. You cannot speak at the hearing if you exclude yourself from the D&O Class.

IF YOU DO NOTHING

If you do nothing, you will receive no money from this settlement. But, unless you exclude yourself, you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against the D&O Defendants or other released parties about the same claims being released in this settlement. You will be able to act on any rights you have against the non-settling defendants.

GETTING MORE INFORMATION

This notice summarizes the settlement. More details are contained in the Stipulation. You can get a copy of the Stipulation and more information about the settlement by visiting www.LehmanSecuritiesLitigationSettlement.com. You may also write to the Claims Administrator at, *In re Lehman Brothers Equity/Debt Securities Litigation*, c/o GCG, Claims Administrator, P.O. Box 9821, Dublin, OH 43017-5721.

INFORMATION FOR BROKERS AND OTHER NOMINEES

If you bought Lehman Securities during the Settlement Class Period as a nominee for a beneficial owner, the Court has directed that, **within fourteen (14) days after you receive the Notice**, you must either:

- (1) provide the names and addresses of such persons and entities to the Claims Administrator, GCG, and GCG will send a copy of the Notice and Claim Form to the beneficial owners; or
- (2) send a copy of the Notice and Claim Form by first class mail to the beneficial owners of such Lehman Securities. You can request copies of these documents by contacting the Claims Administrator or by going to www.LehmanSecuritiesLitigationSettlement.com.

If you verify and provide details about your assistance with either of these options, you may be reimbursed from the Settlement Fund for the actual expenses you incur to send the Notice and Claim Form, including postage and/or the reasonable costs of determining the names and addresses of beneficial owners. Please send any requests for reimbursement, along with appropriate supporting documentation, to: *In Re: Lehman Brothers Equity/Debt Securities Litigation*, c/o GCG, Claims Administrator, P.O. Box 9821, Dublin, OH 43017-5721, or visit www.LehmanSecuritiesLitigationSettlement.com.

**DO NOT CALL OR WRITE THE COURT OR THE OFFICE OF THE CLERK OF THE
COURT REGARDING THIS NOTICE.**

Dated: _____, 2012

By Order of the Clerk of the Court
United States District Court
Southern District of New York

Appendix A

ISSUE DATE	SECURITY (CUSIP)
June 9, 2008	Common Stock (524908100)
February 5, 2008 (the "Series J Offering")	7.95% Non-Cumulative Perpetual Preferred Stock, Series J (the "Series J Shares") (52520W317)
April 4, 2008 (the "Series P Offering")	7.25% Non-Cumulative Perpetual Convertible Preferred Stock, Series P (the "Series P Shares") (52523J453)
June 12, 2008 (the "Series Q Offering")	8.75% Non-Cumulative Mandatory Convertible Preferred Stock, Series Q (the "Series Q Shares") (52520W218)
June 15, 2007	Medium-Term Notes, Series I (52517P2S9)
July 19, 2007	6% Notes Due 2012 (52517P4C2)
July 19, 2007	6.50% Subordinated Notes due 2017 (524908R36)
July 19, 2007	6.875% Subordinated Notes Due 2037 (524908R44)
July 31, 2007	100% Principal Protected Notes Linked to a Basket Consisting of a Foreign Equity Component and a Currency Component (524908K25)
August 1, 2007	Partial Principal Protection Notes Linked to a Basket of Global Indices (524908J92)
August 22, 2007	Annual Review Notes with Contingent Principal Protection Linked to an Index (52517P4Y4)
August 29, 2007	Medium-Term Notes, Series I (52517P4T5)
September 26, 2007	6.2% Notes Due 2014 (52517P5X5)
September 26, 2007	7% Notes Due 2027 (52517P5Y3)
December 5, 2007	Medium-Term Notes, Series I (5252M0AU1)
December 7, 2007	Medium-Term Notes, Series I (5252M0AW7)

December 21, 2007	6.75% Subordinated Notes Due 2017 (5249087M6)
December 28, 2007	Medium-Term Notes, Series I (5252M0AY3)
January 22, 2008	5.625% Notes Due 2013 (5252M0BZ9)
January 30, 2008	Medium-Term Notes, Series I (5252M0BX4)
February 5, 2008	Lehman Notes, Series D (52519FFE6)
February 14, 2008	Medium-Term Notes, Series I Principal Protected Notes Linked to MarQCuS Portfolio A (USD) Index (5252M0DK0)
February 20, 2008	Buffered Return Enhanced Notes Linked to the Financial Select Sector SPDR Fund (5252M0DH7)
February 27, 2008	Medium-Term Notes, Series I (5252M0CQ8)
March 13, 2008	Medium-Term Notes, Series I (5252M0EH6)
April 21, 2008	Medium-Term Notes, Series I (5252M0EY9)
April 21, 2008	Medium-Term Notes, Series I (5252M0FA0)
April 24, 2008	6.875% Notes Due 2018 (5252M0FD4)
April 29, 2008	Lehman Notes, Series D (52519FFM8)
May 7, 2008	Buffered Semi-Annual Review Notes Linked to the Financial Select Sector SPDR® Fund (5252M0FR3)
May 9, 2008	7.50% Subordinated Notes Due 2038 (5249087N4)
May 19, 2008	Medium-Term Notes, Series I (5252M0FH5)
June 13, 2008	Annual Review Notes with Contingent Principal Protection Linked to the S&P 500® Index (5252M0GM3)
June 26, 2008	Medium-Term Notes, Series I (5252M0GN1)

Appendix B

ISSUE DATE	SECURITY (CUSIP)
March 30, 2007	100% Principal Protection Notes Linked to a Global Index Basket (52520W564) (524908VP2)
March 30, 2007	Performance Securities with Partial Protection Linked to a Global Index Basket (52520W556) (524908VQ0)
April 30, 2007	100% Principal Protection Callable Spread Daily Accrual Notes with Interest Linked to the Spread between the 30-year and the 2-year Swap Rates (52517PX63)
April 30, 2007	Performance Securities with Partial Protection Linked to a Global Index Basket (52520W515)
May 31, 2007	100% Principal Protection Notes Linked to a Currency Basket (52520W440)
June 29, 2007	100% Principal Protection Callable Spread Daily Accrual Notes with Interest Linked to the Spread between the 30-year and the 2-year Swap Rates (52517P2P5)
July 31, 2007	100% Principal Protection Callable Spread Daily Accrual Notes with Interest Linked to the Spread between the 30-year and the 2-year Swap Rates (52517P3H2)
August 31, 2007	100% Principal Protection Notes Linked to an International Index Basket (52522L186)
August 31, 2007	100% Principal Protection Notes Linked to a Global Index Basket (52522L889)
September 28, 2007	Performance Securities with Partial Protection Linked to a Global Index Basket (52522L244)
September 28, 2007	100% Principal Protection Callable Spread Daily Accrual Notes with Interest Linked to the Spread between the 30-year and the 2-year Swap Rates (52517P5K3)

October 31, 2007	Medium-Term Notes, Series I, 100% Principal Protection Notes Linked to an Asian Currency Basket (52520W341)
October 31, 2007	100% Principal Protection Absolute Return Barrier Notes Linked to the S&P 500 Index (52522L293)
October 31, 2007	Return Optimization Securities Linked to an Index (52522L319)
October 31, 2007	Return Optimization Securities Linked to an Index (52522L335)
November 30, 2007	100% Principal Protection Notes Linked to an Asian Currency Basket (52520W333)
November 30, 2007	Return Optimization Securities with Partial Protection Linked to the S&P 500® Index (52522L459)
December 31, 2007	Return Optimization Securities with Partial Protection Linked to the S&P 500® Index (52522L491)
January 31, 2008	100% Principal Protection Callable Spread Daily Accrual Notes with Interest Linked to the Spread between the 30-year and the 2-year Swap Rates (52517P4N8)
January 31, 2008	100% Principal Protection Notes Linked to an Asian Currency Basket (52520W325)
January 31, 2008	100% Principal Protection Absolute Return Barrier Notes Linked to the S&P 500® Index (52522L525)
February 8, 2008	Autocallable Optimization Securities with Contingent Protection Linked to the S&P 500® Financials Index (52522L657)
February 29, 2008	100% Principal Protection Callable Spread Daily Accrual Notes with Interest Linked to the Spread between the 30-year and the 2-year Swap Rates (5252M0CZ8)
February 29, 2008	Return Optimization Securities with Partial Protection Notes Linked to the S&P 500® Index (52522L574)
February 29, 2008	100% Principal Protection Absolute Return Barrier Notes Linked to the Russell 2000® Index (52522L566)

February 29, 2008	100% Principal Protection Notes Linked to an Asian Currency Basket (52523J412)
March 31, 2008	Return Optimization Securities with Partial Protection Notes Linked to the S&P 500® Index (52522L806)
March 31, 2008	Return Optimization Securities with Partial Protection Notes Linked to the MSCI EM Index (52522L814)
March 31, 2008	Bearish Autocallable Optimization Securities with Contingent Protection Linked to the Energy Select Sector SPDR® Fund (52522L871)
March 31, 2008	100% Principal Protection Absolute Return Barrier Notes Linked to the Russell 2000® Index (52522L798)
April 23, 2008	Return Optimization Securities with Partial Protection Linked to a Basket of Global Indices (52523J172)
May 15, 2008	Return Optimization Securities with Partial Protection Linked to the S&P 500 Financials Index (52523J206)
May 30, 2008	Return Optimization Securities with Partial Protection Linked to the S&P 500® Financials Index (52523J230)
June 30, 2008	100% Principal Protection Absolute Return Barrier Notes (52523J248)
June 30, 2008	100% Principal Protection Absolute Return Barrier Notes (52523J255)

Appendix C

PLAN OF ALLOCATION FOR THE D&O NET SETTLEMENT FUND

A. Preliminary Matters

Pursuant to the settlement reached with the D&O Defendants (the "D&O Settlement"), the D&O Defendants have caused to be paid \$90 million in cash (the "D&O Settlement Amount"). The D&O Settlement Amount and the interest earned thereon is the "D&O Gross Settlement Fund." The D&O Gross Settlement Fund, after deduction of Court-approved attorneys' fees and Litigation Expenses, notice and administration expenses, and taxes and tax expenses, is the "D&O Net Settlement Fund." The D&O Net Settlement Fund will be distributed to D&O Class Members who are entitled to share in the distribution, who submit timely and valid Proofs of Claim ("Authorized Claimants"), and whose payment from the D&O Net Settlement Fund equals or exceeds fifty dollars (\$50.00).

The objective of the proposed plan of allocation set forth below (the "D&O Plan of Allocation" or "D&O Plan") is to equitably distribute the D&O Net Settlement Fund to those Authorized Claimants who suffered losses as a result of the misstatements alleged in the Action. The calculations made pursuant to the D&O Plan of Allocation, which has been developed in consultation with Lead Plaintiffs' damages consulting expert, are not intended to be estimates of, nor indicative of, the amounts that D&O Class Members might have been able to recover after a trial. Nor are the calculations made pursuant to the D&O Plan of Allocation intended to be estimates of the amounts that will be paid to D&O Class Members pursuant to the D&O Settlement. The calculations made pursuant to the D&O Plan of Allocation are only a method to weigh the claims of D&O Class Members against one another for the purpose of making *pro rata* allocations of the D&O Net Settlement Fund.

The D&O Plan of Allocation is the plan that is being proposed to the Court for approval by Lead Plaintiffs and Lead Counsel after consultation with their damages consulting expert. The Court may approve the D&O Plan as proposed or may modify the D&O Plan without further notice to the D&O Class. The D&O Defendants had no involvement in the proposed plan of allocation.

Any Orders regarding any modification of the D&O Plan of Allocation will be posted on the settlement website, www.LehmanSecuritiesLitigationSettlement.com. Court approval of the D&O Settlement is independent from Court approval of the D&O Plan of Allocation. Any determination with respect to the D&O Plan of Allocation will not affect the D&O Settlement, if approved.

Each person or entity claiming to be an Authorized Claimant will be required to submit a Proof of Claim Form ("Claim Form"), signed under penalty of perjury and supported by such documents as specified in the Claim Form as are reasonably available to the Authorized Claimant, postmarked on or before _____, 2012 to the address set forth in the accompanying Claim Form.

If you are entitled to a payment from the D&O Net Settlement Fund, your share of the D&O Net Settlement Fund will depend on, among other things, (i) the total amount of Recognized Claims resulting from valid Claim Forms submitted, (ii) the type and amount of Lehman securities you purchased, acquired and/or sold during the Settlement Class Period, and (iii) the dates on which you purchased, acquired and/or sold such Eligible Securities (as defined below).

By following the D&O Plan of Allocation below, you can calculate your "Overall Recognized Claim." The Claims Administrator will distribute the D&O Net Settlement Fund according to the D&O Plan of Allocation after the deadline for submission of Claim Forms has passed and upon a motion to the Court. **At this time, it is not possible to make any determination as to how much a D&O Class Member may receive from the D&O Settlement.**

Unless the Court otherwise orders, any D&O Class Member who fails to submit a Claim Form by the deadline, and who does not request exclusion from the D&O Class in accordance with the requirements set forth in Question 17 of the Notice of Pendency of Class Action and Proposed Settlement with the Director and Officer Defendants, Settlement Fairness Hearing and Motion for Attorneys' Fees and Reimbursement of Litigation Expenses (the "D&O Notice") shall be forever barred from receiving payments pursuant to the D&O Settlement but will in all other respects remain a D&O Class Member and be subject to the provisions of the Stipulation of Settlement and Release dated October 14, 2011 and the D&O Settlement embodied therein, including the terms of any judgments entered and releases given.

B. Definitions

This D&O Plan of Allocation is based on the following definitions (listed alphabetically), among others:

1. "Authorized Claimant" is a D&O Class Member who submits a timely and valid Claim Form to the Claims Administrator, in accordance with the requirements established by the District Court, and who is approved for payment from the D&O Net Settlement Fund.
2. "Deflation" means the amount by which the price of a put option was underpriced on each day of the Settlement Class Period because of the alleged misrepresentations as determined by Lead Plaintiffs' damages consulting expert.
3. "Distribution Amount" is the actual amount to be distributed to an Authorized Claimant from the D&O Net Settlement Fund.
4. "Inflation" is the amount by which the price of Lehman common stock and exchange-traded call options were overpriced on each day of the Settlement Class Period as determined by Lead Plaintiffs' damages consulting expert.
5. "Overall Recognized Claim" is the total of an Authorized Claimant's Net Recognized Losses (defined below) for all of the Eligible Securities (as set forth below).

6. "Purchase" is the acquisition of an Eligible Security by any means other than a purchase transaction conducted for the purpose of covering a "short sale" transaction.

7. "Sale" is the disposition of an Eligible Security by any means other than a "short sale" transaction.

8. "Secondary Offering" refers to the secondary public offering of Lehman common stock on June 9, 2008.

9. "Settlement Class Period" means the period between June 12, 2007 and September 15, 2008, through and inclusive, as applicable to transactions in common stock and exchange-traded class and put options.

10. "Unit" is the measure by which the security is denominated (*i.e.*, share, option contract, note).

C. Eligible Securities

The Lehman securities covered by the D&O Settlement and for which an Authorized Claimant may be entitled to receive a distribution from the D&O Net Settlement Fund (the "Eligible Securities") include the following:

- Common stock purchased during the Settlement Class Period;
- Preferred stock listed on Exhibit 2;
- Senior unsecured notes and subordinated notes listed on Exhibit 3; and
- Exchange-traded call and put options listed on Exhibit 4.

FIFO Matching: If a D&O Class Member has more than one purchase/acquisition or sale of Eligible Securities, all purchases/acquisitions and sales of like securities shall be matched on a First In, First Out ("FIFO") basis, such that sales will be matched against purchases/acquisitions of the same security in chronological order, beginning with the earliest purchase/acquisition made during the Settlement Class Period. Note: Short sales and purchases to cover short sales (whether they occurred before, during, or after the Settlement Class Period) are not included when calculating an Authorized Claimant's Recognized Loss or Recognized Gain. Short sales and purchases to cover short sales are, however, included when calculating an Authorized Claimant's Trading Losses/Gains.

Date of Transaction: Purchases or acquisitions and sales of Eligible Securities shall be deemed to have occurred on the "contract" or "trade" date as opposed to the "settlement" or "payment" date.

Commissions and Other Trading Expenses: Commissions or other trading expenses that an Authorized Claimant incurred in connection with the purchase or acquisition and sale of an Eligible Security will not be included when calculating an Authorized Claimant's Recognized Loss or Recognized Gain.

Treatment of the Acquisition or Disposition of an Eligible Security by Means of a Gift, Inheritance or Operation of Law: The receipt or grant by gift, inheritance or operation of law of

an Eligible Security shall not be deemed a purchase, acquisition or sale of an Eligible Security for the calculation of an Authorized Claimant's Recognized Loss or Recognized Gain, nor shall such receipt or grant be deemed an assignment of any claim relating to the purchase/sale of any Eligible Security, unless (i) the donor or decedent purchased or acquired such Eligible Security during the Settlement Class Period; (ii) no Claim Form was submitted on behalf of the donor, on behalf of the decedent, or by anyone else with respect to such Eligible Security; and (iii) it is specifically so provided in the instrument of gift or assignment.

Holding Value in Lieu of Pricing Information: To determine the appropriate measurement of damages under Section 11(e) of the Securities Act of 1933, the D&O Plan uses October 28, 2008 as the date when the suit was brought. Where information is unavailable to determine the October 28, 2008 closing price for certain senior unsecured notes, the closing price is determined by averaging the closing prices of the senior unsecured notes where such pricing information is available (as reflected on Exhibit 3). Likewise, where pricing information is unavailable to determine the October 28, 2008 closing price for certain subordinated notes, the closing price is determined by averaging the closing prices of the subordinated notes where such pricing is available (as reflected on Exhibit 3).

Calculating Net Recognized Loss or Net Recognized Gain: An Authorized Claimant's Recognized Loss will be offset by the Authorized Claimant's Recognized Gain, resulting in a Net Recognized Loss or a Net Recognized Gain for each Eligible Security. For all Eligible Securities, an Authorized Claimant's Net Recognized Loss and Net Recognized Gain will be added together to compute an Overall Net Recognized Loss or an Overall Net Recognized Gain. In the event an Authorized Claimant has an Overall Net Recognized Gain, *i.e.*, the total Net Recognized Gain for all Eligible Securities exceeds the Overall Net Recognized Loss for all Eligible Securities, the Authorized Claimant will not have a Recognized Claim and will not be eligible to receive a distribution from the D&O Net Settlement Fund.

Calculating Trading Gains and Losses: An Authorized Claimant's Trading Loss will be offset by the Authorized Claimant's Trading Gain, resulting in a Net Trading Loss or a Net Trading Gain for each Eligible Security. For all Eligible Securities, an Authorized Claimant's Net Trading Loss and Net Trading Gain will be added together to compute an Overall Trading Loss or an Overall Trading Gain. If an Authorized Claimant has an Overall Trading Gain, *i.e.*, the Net Trading Gains for all Eligible Securities exceed the Net Trading Losses for all Eligible Securities, the Authorized Claimant will not have a Recognized Claim and will not be eligible to receive a distribution from the D&O Net Settlement Fund. If an Authorized Claimant has an Overall Trading Loss that is less than the Authorized Claimant's Overall Net Recognized Loss, as defined above, then the Overall Net Recognized Loss shall be limited to the Authorized Claimant's Overall Trading Loss.

Calculating an Authorized Claimant's Overall Recognized Claim: An Authorized Claimant's Overall Recognized Claim will be calculated by multiplying the D&O Net Settlement Fund by a fraction, the numerator of which is the Authorized Claimant's Overall Recognized Losses (limited to Overall Trading Loss as described above) for all transactions in all Eligible Securities, and the denominator of which is the aggregate Recognized Losses (limited to Overall Trading Loss as described above) of all Authorized Claimants for all transactions in all Eligible Securities.

D. Recognized Losses for Lehman Common Stock Purchased/Acquired During the Settlement Class Period (Other than Lehman Common Stock Purchased/Acquired in the June 9, 2008 Secondary Offering)

For each share of Lehman common stock purchased/acquired during the Settlement Class Period (other than common stock purchased or acquired in the Secondary Offering), the Recognized Loss or Recognized Gain will be computed by the Claims Administrator as follows:

- a) *if sold before June 9, 2008*, there is no Recognized Loss or Recognized Gain;
- b) *if sold between June 9, 2008 and September 11, 2008 (inclusive)*, the Recognized Loss or Recognized Gain is the inflation per share on the date of purchase *minus* the inflation per share on the date of sale (as shown on Exhibit 1);
- c) *if held as of the close of trading on September 11, 2008*, the Recognized Loss or Recognized Gain is the inflation per share on the date of purchase (as shown on Exhibit 1).¹

E. Recognized Losses for Lehman Common Stock Purchased/Acquired in the June 9, 2008 Secondary Offering

For Lehman common stock purchased/acquired in the Secondary Offering, the Recognized Loss or Recognized Gain will be computed by the Claims Administrator as follows:

- a) *if sold between June 9, 2008 and October 28, 2008 (inclusive)*, the Recognized Loss or Recognized Gain is \$28 per share (*i.e.*, the offering price per share) *minus* the sale price per share;
- b) *if sold after October 28, 2008*, the Recognized Loss or Recognized Gain is \$28 per share (*i.e.*, the offering price per share) *minus* the greater of (i) the sale price per share or (ii) \$0.06 per share (*i.e.*, the closing price per share on October 28, 2008);
- c) *if still held as of the date the Claim Form is filed*, the Recognized Loss or Recognized Gain is \$28 per share (*i.e.*, the offering price per share) *minus* \$0.06 per share (*i.e.*, the closing price per share on October 28, 2008).

F. Recognized Losses for Lehman Preferred Stock

For Lehman Preferred Stock listed on Exhibit 2, the Recognized Loss or Recognized Gain will be computed by the Claims Administrator as follows:

¹ Due to the impact of Lehman's bankruptcy on Lehman's common stock price, the 90-day look-back period under the Private Securities Litigation Reform Act of 1995 is not being utilized as an offset.

- a) *if sold before June 9, 2008*, there is no Recognized Loss or Recognized Gain;
- b) *if sold between June 9, 2008 and October 28, 2008 (inclusive)*, the Recognized Loss or Recognized Gain is the purchase price per share (not to exceed the respective issue price per share as shown on Exhibit 2) *minus* the sale price per share;
- c) *if sold after October 28, 2008*, the Recognized Loss or Recognized Gain is the purchase price per share (not to exceed the respective issue price per share as shown on Exhibit 2) *minus* the greater of (i) the sale price per share or (ii) the respective closing price per share on October 28, 2008 as shown on Exhibit 2;
- d) *if still held as of the date the Claim Form is filed*, the Recognized Loss or Recognized Gain is the purchase price per share (not to exceed the respective issue price per share as shown on Exhibit 2) *minus* the respective closing price per share on October 28, 2008 as shown on Exhibit 2.

G. Recognized Losses for Lehman Senior Unsecured Notes and Subordinated Notes

For Lehman Senior Unsecured Notes and Subordinated Notes listed on Exhibit 3, the Recognized Loss or Recognized Gain will be computed by the Claims Administrator as follows:

- a) *if sold before June 9, 2008*, there is no Recognized Loss or Recognized Gain;
- b) *if sold between June 9, 2008 and October 28, 2008 (inclusive)*, the Recognized Loss or Recognized Gain is the purchase price per note (not to exceed the respective issue price per note as shown on Exhibit 3) *minus* the sale price per note;
- c) *if sold after October 28, 2008*, the Recognized Loss or Recognized Gain is the purchase price per note (not to exceed the respective issue price per note as shown on Exhibit 3) *minus* the greater of (i) the sale price per note or (ii) the respective closing price per note on October 28, 2008 as shown on Exhibit 3;
- d) *if still held as of the date the Claim Form is filed*, the Recognized Loss or Recognized Gain is the purchase price per note (not to exceed the respective issue price per note as shown on Exhibit 3) *minus* the closing price per note on October 28, 2008 as shown on Exhibit 3.

H. Recognized Losses for Exchange-traded Options on Lehman Common Stock

Exchange-traded options are typically traded in units called contracts. Each contract entitles the option buyer/owner to 100 shares of the underlying stock upon exercise or expiration. For options, a unit is an option with one hundred shares of Lehman common stock as the underlying security.

An Authorized Claimant will be entitled to a recovery relating to such transactions in exchange-traded call options on Lehman common stock *only* if the initial option transaction was either purchasing or acquiring a call option or selling or writing a put option.

For purposes of the D&O Plan of Allocation, no damages are being attributed to Lehman common stock sold before June 9, 2008. Accordingly, Authorized Claimants who purchased exchange-traded call options or sold put options that expired before June 9, 2008 will likewise receive no compensation from the D&O Net Settlement Fund with respect to those particular transactions.

Inflation/Deflation per option in the prices of call/put options on Lehman common stock is calculated based on the Black-Scholes option pricing model and the estimated inflation per share in Lehman common stock as identified on Exhibit 1.

Exhibit 4 is a table titled "Inflation/Deflation for Exchange-Traded Options on Lehman Common Stock." This table displays the amount of Inflation in the prices of Lehman exchange-traded call options and Deflation in the prices of Lehman exchange-traded put options during the Settlement Class Period that have expiration dates on or after June 9, 2008 as well as the price as of the close of business on September 12, 2008 for each option.

Lehman common stock traded as the result of the exercise/assignment of an exchange-traded call option shall be treated as a purchase and/or sale of Lehman common stock on the date of exercise of the option. The purchase price paid, or sale price received, for such Lehman common stock shall be the strike price on the option.

Lehman common stock traded as the result of the assignment/exercise of an exchange-traded put option shall be treated as a purchase and/or sale of Lehman common stock on the date of assignment. The purchase price paid, or sale price received, for such Lehman common stock shall be the strike price on the option.

1. Purchase/Acquisition of Exchange-Traded Call Options

For each purchase/acquisition of Lehman exchange-traded call options (listed on Exhibit 4), the Recognized Loss or Recognized Gain will be computed by the Claims Administrator as follows:

- a) *if sold, exercised or expired on or before June 6, 2008*, there is no Recognized Loss or Recognized Gain;
- b) *if sold, exercised or expired after June 6, 2008 but on or before September 11, 2008*, the Recognized Loss or Recognized Gain equals the difference between the Inflation per option on the date of purchase and the Inflation per option on the date of sale, exercise or expiration as shown on Exhibit 4;
- c) *if held as of the close of trading on September 11, 2008*, the Recognized Loss or Recognized Gain equals the Inflation per option on the date of purchase as shown on Exhibit 4.

2. Sale of Exchange-Traded Put Options

For each sale or writing of Lehman exchange-traded call options (listed on Exhibit 4), the Recognized Loss or Recognized Gain will be computed by the Claims Administrator as follows:

- a) *if re-purchased, exercised or expired on or before June 6, 2008, there is no Recognized Loss or Recognized Gain;*
- b) *if re-purchased, exercised or expired after June 6, 2008 but on or before September 11, 2008, the Recognized Loss or Recognized Gain equals the difference between the Deflation per option on the date of sale or writing and the Deflation per option on the date of re-purchase, exercise or expiration as shown on Exhibit 4;*
- c) *if still sold or written as of the close of trading on September 11, 2008, the Recognized Loss or Recognized Gain equals the Deflation per option on the date of sale or writing as shown on Exhibit 4.*

I. Distribution Amount

The Claims Administrator will determine each Authorized Claimant's share of the D&O Net Settlement Fund. In general, each Authorized Claimant will receive an amount (the "Distribution Amount") determined by multiplying the D&O Net Settlement Fund by a fraction, the numerator of which is the Authorized Claimant's Recognized Claim and the denominator of which is the aggregate Recognized Claims of all Authorized Claimants. The Distribution Amount received by an Authorized Claimant will exceed his, her, or its Recognized Claim only in the unlikely event that the D&O Net Settlement Fund exceeds the aggregate Recognized Claims of all Authorized Claimants.

Payments made pursuant to this D&O Plan of Allocation, or such other plan of allocation as may be approved by the Court, shall be conclusive against all Authorized Claimants. No Person shall have any claim against the Named Plaintiffs, Plaintiffs' Counsel, the D&O Defendants and their respective counsel or any other Released Parties, or the Claims Administrator or other agent designated by Lead Counsel arising from distributions made substantially in accordance with the Stipulation, the D&O Plan of Allocation approved by the Court, or further orders of the Court. Named Plaintiffs, the D&O Defendants and their respective counsel, and all other Released Parties shall have no responsibility or liability whatsoever for the investment or distribution of the D&O Gross Settlement Fund, the D&O Net Settlement Fund, the D&O Plan of Allocation, or the determination, administration, calculation, or payment of any Claim Form or nonperformance of the Claims Administrator, the payment or withholding of taxes owed by the D&O Gross Settlement Fund, or any losses incurred in connection therewith.

Authorized Claimants who fail to complete and file a valid and timely Claim Form shall be barred from participating in distributions from the D&O Net Settlement Fund, unless the Court otherwise orders. D&O Class Members who do not either submit a request for exclusion or submit a valid and timely Claim Form will nevertheless be bound by the D&O Settlement and the Judgment of the Court dismissing this Action.

The Court has reserved jurisdiction to modify, amend or alter the D&O Plan of Allocation without further notice to anyone, and to allow, disallow or adjust any Authorized Claimant's claim to ensure a fair and equitable distribution of settlement funds.

If any funds remain in the D&O Net Settlement Fund by reason of uncashed distributions or other reasons, then, after the Claims Administrator has made reasonable and diligent efforts to have Authorized Claimants who are entitled to participate in the distribution of the D&O Net Settlement Fund cash their distribution checks, any balance remaining in the D&O Net Settlement Fund one (1) year after the initial distribution of such funds shall be re-distributed to Authorized Claimants who have cashed their initial distributions and who would receive at least \$50.00 from such re-distribution, after payment of any unpaid costs or fees incurred in administering the D&O Net Settlement Fund, including costs for fees for such re-distribution. The Claims Administrator may make further re-distributions of balances remaining in the D&O Net Settlement Fund to such Authorized Claimants to the extent such re-distributions are cost-effective. At such time as it is determined that the re-distribution of funds which remain in the D&O Net Settlement Fund is not cost-effective, the remaining balance of the D&O Net Settlement Fund shall be contributed to non-sectarian, not-for-profit, organizations designated by Lead Counsel and approved by the Court.

Please note that the term "Overall Recognized Claim" is used solely for calculating the amount of participation by Authorized Claimants in the D&O Net Settlement Fund. It is not the actual amount an Authorized Claimant can expect to recover.

Exhibit 1
Daily Inflation in Lehman Common Stock

Start Date (Opening of Trading)	End Date (Close of Trading)	Inflation (\$ Per Share)
June 12, 2007	July 2, 2007	12.08
July 3, 2007	July 31, 2007	12.19
August 1, 2007	August 31, 2007	12.41
September 4, 2007	October 1, 2007	12.77
October 2, 2007	October 31, 2007	12.48
November 1, 2007	November 30, 2007	12.75
December 1, 2007	December 31, 2007	13.10
January 1, 2008	January 31, 2008	12.84
February 1, 2008	February 29, 2008	13.79
March 3, 2008	March 31, 2008	15.08
April 1, 2008	April 30, 2008	15.64
May 1, 2008	June 2, 2008	14.94
June 3, 2008	June 6, 2008	14.68
June 9, 2008	June 9, 2008	12.97
June 10, 2008	June 10, 2008	10.87
June 11, 2008	June 11, 2008	9.00
June 12, 2008	June 12, 2008	7.06
June 13, 2008	June 13, 2008	8.20
June 16, 2008	June 30, 2008	8.73
July 1, 2008	July 31, 2008	9.05
August 1, 2008	September 2, 2008	9.28
September 3, 2008	September 4, 2008	10.37
September 5, 2008	September 5, 2008	10.96
September 8, 2008	September 8, 2008	7.90
September 9, 2008	September 9, 2008	3.06
September 10, 2008	September 10, 2008	2.86
September 11, 2008	September 11, 2008	0.27
September 12, 2008	September 15, 2008	0.00

Exhibit 2
Lehman Preferred Stock

Security CUSIP	Series	Issue Date	Issue Price	Fixed Coupon	Total Face Value	Closing Price on October 28, 2008
52523J453	P	4/4/2008	\$1,000	7.25%	\$4,000,000,000	\$1.15
52520W317	J	2/12/2008	\$25	7.95%	\$1,897,500,000	\$0.01
52520W218	Q	6/12/2008	\$1,000	8.75%	\$2,000,000,000	\$0.50

Exhibit 3
Lehman Senior Unsecured Notes and Subordinated Notes

CUSIP	Issue Date	Description	Par Amount Per Note	Issue Price Per Note	Value Per Note as of October 28, 2008
52520W515	4/30/2007	Performance Securities with Partial Protection Linked to a Global Index Basket*	\$10.00	\$10.00	\$1.21 ²
52517PX63	4/30/2007	100% Principal Protection Callable Spread Daily Accrual Notes with Interest Linked to the Spread between the 30-year and the 2-year Swap Rates	\$1,000.00	\$1,000.00	\$120.96 ²
52520W440	5/31/2007	100% Principal Protection Notes Linked to a Currency Basket*	\$10.00	\$10.00	\$1.21 ²
52517P2S9	6/15/2007	Medium-Term Notes, Series 1	\$1,000.00	\$1,000.00	\$120.96 ²
52517P2P5	6/29/2007	100% Principal Protection Callable Spread Daily Accrual Notes with Interest Linked to the Spread between the 30-year and the 2-year Swap Rates	\$1,000.00	\$1,000.00	\$120.96 ²
52517P4C2	7/19/2007	6% Notes Due 2012	\$1,000.00	\$998.98	\$120.00 ¹
524908R36	7/19/2007	6.50% Subordinated Notes Due 2017	\$1,000.00	\$998.26	\$60.00
524908R44	7/19/2007	6.875% Subordinated Notes Due 2037	\$1,000.00	\$992.97	\$60.00
524908K25	7/31/2007	100% Principal Protected Notes Linked to a Basket Consisting of a Foreign Equity Component and a Currency Component*	\$1,000.00	\$1,000.00	\$120.96 ²
52517P3H2	7/31/2007	100% Principal Protection Callable Spread Daily Accrual Notes with Interest Linked to the Spread between the 30-year and the 2-year Swap Rates	\$1,000.00	\$1,000.00	\$120.96 ²
524908J92	8/1/2007	Partial Principal Protection Notes Linked to a Basket of Global Indices*	\$1,000.00	\$1,000.00	\$120.96 ²
52517P4Y4	8/22/2007	Annual Review Notes with Contingent Principal Protection Linked to an Index	\$1,000.00	\$1,000.00	\$120.96 ²
52517P4T5	8/29/2007	Medium-Term Notes, Series 1	\$1,000.00 ⁵	\$1,000.00	\$120.96 ²
52522L889	8/31/2007	100% Principal Protection Notes Linked to a Global Index Basket*	\$10.00	\$10.00	\$1.21 ²
52522L186	8/31/2007	100% Principal Protection Notes Linked to an International Index Basket*	\$10.00	\$10.00	\$1.21 ²
52517P5X5	9/26/2007	6.2% Notes Due 2014	\$1,000.00	\$999.16	\$122.50 ¹
52517P5Y3	9/26/2007	7% Notes Due 2027	\$1,000.00	\$998.08	\$125.00 ¹
52522L244	9/28/2007	Performance Securities with Partial Protection Linked to a Global Index Basket*	\$10.00	\$10.00	\$1.21 ²
52517P5K3	9/28/2007	100% Principal Protection Callable Spread Daily Accrual Notes with Interest Linked to the Spread between the 30-year and the 2-year Swap Rates	\$1,000.00	\$1,000.00	\$120.96 ²
52522L335	10/31/2007	Return Optimization Securities Linked to an Index	\$10.00	\$10.00	\$1.21 ²
52522L319	10/31/2007	Return Optimization Securities Linked to an Index	\$10.00	\$10.00	\$1.21 ²
52522L293	10/31/2007	100% Principal Protection Absolute Return Barrier Notes Linked to the S&P 500 Index*	\$10.00	\$10.00	\$1.21 ²
52520W341	10/31/2007	Medium-Term Notes, Series 1, 100% Principal Protection Notes Linked to an Asian Currency Basket*	\$10.00	\$10.00	\$1.21 ²

Exhibit 3
Lehman Senior Unsecured Notes and Subordinated Notes

CUSIP	Issue Date	Description	Par Amount Per Note	Issue Price Per Note	Value Per Note as of October 28, 2008
52520W333	11/30/2007	100% Principal Protection Notes Linked to an Asian Currency Basket	\$10.00	\$10.00	\$1.21 ²
52522L459	11/30/2007	Return Optimization Securities with Partial Protection Linked to the S&P 500 [®] Index	\$10.00	\$10.00	\$1.21 ²
5252M0A01	12/5/2007	Medium-Term Notes, Series I	\$1,000.00	\$1,000.00 ⁴	\$120.96 ²
5252M0AW7	12/7/2007	Medium-Term Notes, Series I	\$1,000.00	\$1,000.00 ³	\$120.96 ²
5249087M6	12/21/2007	6.75% Subordinated Notes Due 2017	\$1,000.00	\$999.26	\$60.00
5252M0AY3	12/28/2007	Medium-Term Notes, Series I	\$1,000.00 ⁵	\$1,000.00	\$120.96 ²
52522L491	12/31/2007	Return Optimization Securities with Partial Protection Linked to the S&P 500 [®] Index	\$10.00	\$10.00	\$1.21 ²
5252M0B29	1/22/2008	5.625% Notes Due 2013	\$1,000.00	\$995.44	\$111.00 ¹
5252M0BX4	1/30/2008	Medium-Term Notes, Series I	\$1,000.00 ⁵	\$1,000.00	\$120.96 ²
52522L525	1/31/2008	100% Principal Protection Absolute Return Barrier Notes Linked to the S&P 500 [®] Index	\$10.00	\$10.00	\$1.21 ²
52517P4N8	1/31/2008	100% Principal Protection Callable Spread Daily Accrual Notes with Interest Linked to the Spread between the 30-year and the 2-year Swap Rates	\$1,000.00	\$1,000.00	\$120.96 ²
52520W325	1/31/2008	100% Principal Protection Notes Linked to an Asian Currency Basket	\$10.00	\$10.00	\$1.21 ²
52519FFE6	2/5/2008	Lehman Notes, Series D	\$1,000.00 ⁵	\$1,000.00	\$120.96 ²
52522L657	2/8/2008	Autocallable Optimization Securities with Contingent Protection Linked to the S&P 500 [®] Financials Index	\$10.00	\$10.00	\$1.21 ²
5252M0DK0	2/14/2008	Medium-Term Notes, Series I Principal Protection Notes Linked to MarQCuS Portfolio A (USD) Index	\$100,000.00	\$100,000.00	\$12,096.00 ²
5252M0DH7	2/20/2008	Buffered Return Enhanced Notes Linked to the Financial Select Sector SPDR Fund	\$1,000.00	\$1,000.00	\$120.96 ²
5252M0CQ8	2/27/2008	Medium-Term Notes, Series I	\$1,000.00	\$1,000.00 ³	\$120.96 ²
52522L574	2/29/2008	Return Optimization Securities with Partial Protection Notes Linked to the S&P 500 [®] Index	\$10.00	\$10.00	\$1.21 ²
52522L566	2/29/2008	100% Principal Protection Absolute Return Barrier Notes Linked to the Russell 2000 [®] Index	\$10.00	\$10.00	\$1.21 ²
5252M0CZ8	2/29/2008	100% Principal Protection Callable Spread Daily Accrual Notes with Interest Linked to the Spread between the 30-year and the 2-year Swap Rates	\$1,000.00	\$1,000.00	\$120.96 ²
52523J412	2/29/2008	100% Principal Protection Notes Linked to an Asian Currency Basket	\$10.00	\$10.00	\$1.21 ²
5252M0EH6	3/13/2008	Medium-Term Notes, Series I	\$1,000.00 ⁵	\$1,000.00	\$120.96 ²
52522L871	3/31/2008	Bearish Autocallable Optimization Securities with Contingent Protection Linked to the Energy Select Sector SPDR [®] Fund	\$10.00	\$10.00	\$1.21 ²
52522L806	3/31/2008	Return Optimization Securities with Partial Protection Notes Linked to the S&P 500 [®] Index	\$10.00	\$10.00	\$1.21 ²
52522L798	3/31/2008	100% Principal Protection Absolute Return Barrier Notes Linked to the Russell 2000 [®]	\$10.00	\$10.00	\$1.21 ²

Exhibit 3
Lehman Senior Unsecured Notes and Subordinated Notes

CUSIP	Issue Date	Index	Description	Par Amount Per Note	Issue Price Per Note	Value Per Note as of October 28, 2008
52522L814	3/31/2008	Return Optimization Securities with Partial Protection Notes Linked to the MSCI EM Index*		\$10.00	\$10.00	\$1.21 ²
5252M0FA0	4/21/2008	Medium-Term Notes, Series I		\$1,000.00 ⁵	\$1,000.00 ³	\$120.96 ²
5252M0EY9	4/21/2008	Medium-Term Notes, Series I		\$1,000.00 ⁵	\$1,000.00 ³	\$120.96 ²
52523J172	4/23/2008	Return Optimization Securities with Partial Protection Linked to a Basket of Global Indices*		\$10.00	\$10.00	\$1.21 ²
5252M0FD4	4/24/2008	6.875% Notes Due 2018		\$1,000.00	\$996.69	\$126.30 ¹
52519FFM8	4/29/2008	Lehman Notes, Series D		\$1,000.00 ⁵	\$1,000.00	\$120.96 ²
5252M0FR3	5/7/2008	Buffered Semi-Annual Review Notes Linked to the Financial Select Sector SPDR* Fund		\$1,000.00	\$1,000.00	\$120.96 ²
5249087N4	5/9/2008	7.50% Subordinated Notes Due 2038		\$1,000.00	\$992.79	\$60.00
52523J206	5/15/2008	Return Optimization Securities with Partial Protection Linked to the S&P 500 Financials Index*		\$10.00	\$10.00	\$1.21 ²
5252M0FHS	5/19/2008	Medium-Term Notes, Series I		\$1,000.00	\$1,000.00 ³	\$120.96 ²
52523J230	5/30/2008	Return Optimization Securities with Partial Protection Linked to the S&P 500* Financials Index*		\$10.00	\$10.00	\$1.21 ²
5252M0GM3	6/13/2008	Annual Review Notes with Contingent Principal Protection Linked to the S&P 500* Index		\$1,000.00	\$1,000.00	\$120.96 ²
5252M0GN1	6/26/2008	Medium-Term Notes, Series I		\$1,000.00 ⁵	\$1,000.00	\$120.96 ²
52523J248	6/30/2008	100% Principal Protection Absolute Return Barrier Notes*		\$10.00	\$10.00	\$1.21 ²
52523J255	6/30/2008	100% Principal Protection Absolute Return Barrier Notes*		\$10.00	\$10.00	\$1.21 ²

- 1 Actual Closing Price Per Note on October 28, 2008.
- 2 Because reliable pricing data was not available for this security, the average of Closing Prices for Five Notes (CUSIP Nos. 52517P4C2, 52517P5X5, 52517P5Y3, 5252M0BZ9, and 5252M0FD4) on October 28, 2008 for which reliable pricing data was available was utilized.
- 3 Issue Price based on information from Bloomberg only because issue Price information not available in Securities and Exchange Commission ("SEC") filings.
- 4 Issue Price assumed to be \$1,000 because no information available on Bloomberg or in SEC filings.
- 5 Issue date information unavailable for these securities. Par Amount assumed to be \$1,000 per note.

*Notes identified as having full or partial principal protection in documents filed in conjunction with the offerings.

Exhibit 4
Inflation/Deflation for Exchange-Traded Options on Lehman Common Stock
Inflation/Deflation Per Option (One Hundred Shares of Common Stock Underlying Each Option)*

Call/Put	Exercise Price	Expiration	On or Before 6/6/08	6/9/08	6/10/08	6/11/08	6/12/08	6/13/08	6/16/08 to 9/2/08	9/3/08	9/4/08	9/5/08	9/8/08	9/9/08	9/10/08	9/11/08	9/12/08 to 9/15/08
Call	2.50	6/21/2008	595.23	424.22	213.72	27.56	-167.38	-53.18	0.00								
Call	5.00	6/21/2008	593.80	423.20	213.07	27.24	-167.16	-53.15	0.00								
Call	7.50	6/21/2008	587.36	418.29	209.98	25.93	-165.61	-52.88	0.00								
Call	10.00	6/21/2008	573.89	407.84	203.61	23.65	-161.50	-52.01	0.00								
Call	12.50	6/21/2008	553.86	392.23	194.37	20.92	-154.51	-50.32	0.00								
Call	15.00	6/21/2008	539.24	396.80	198.61	25.63	-148.36	-48.95	0.00								
Call	17.50	6/21/2008	535.89	376.86	184.74	18.84	-141.29	-48.26	0.00								
Call	20.00	6/21/2008	519.82	365.74	174.05	11.11	-128.90	-45.58	0.00								
Call	21.00	6/21/2008															
Call	22.50	6/21/2008	485.60	338.05	156.79	2.02	-109.97	-41.06	0.00								
Call	24.00	6/21/2008															
Call	26.00	6/21/2008	419.12	280.05	119.50	-2.22	-94.49	-36.78	0.00								
Call	28.00	6/21/2008															
Call	30.00	6/21/2008	347.44	219.50	84.14	-7.61	-69.68	-28.86	0.00								
Call	32.00	6/21/2008	310.06	188.61	68.73	-8.36	-55.96	-23.83	0.00								
Call	34.00	6/21/2008	275.42	160.93	57.68	-7.35	-42.70	-18.52	0.00								
Call	36.00	6/21/2008	237.93	131.47	45.59	-3.16	-31.03	-13.68	0.00								
Call	38.00	6/21/2008	200.81	102.93	34.15	-1.17	-22.11	-9.24	0.00								
Call	40.00	6/21/2008	165.66	76.99	23.51	-2.74	-5.95	-4.03	0.00								
Call	42.00	6/21/2008	138.14	58.68	18.08	-1.85	-4.00	-2.75	0.00								
Call	44.00	6/21/2008	113.79	43.65	13.90	-1.24	-2.70	-1.88	0.00								
Call	46.00	6/21/2008	91.57	30.67	9.79	-0.75	-1.57	-1.13	0.00								
Call	48.00	6/21/2008	70.77	18.70	3.92	-0.22	-0.35	-0.28	0.00								
Call	50.00	6/21/2008	58.02	14.33	2.91	-0.14	-0.23	-0.19	0.00								
Call	55.00	6/21/2008	56.45	20.35	5.03	-0.25	-0.62	-0.44	0.00								
Call	60.00	6/21/2008	32.65	9.44	1.99	-0.13	-0.31	-0.23	0.00								
Call	65.00	6/21/2008	24.98	6.49	1.27	-0.07	-0.15	-0.11	0.00								
Call	70.00	6/21/2008	19.58	4.64	0.86	-0.02	-0.04	-0.06	0.00								
Call	75.00	6/21/2008	13.86	2.79	0.46	-0.01	-0.02	-0.01	0.00								
Call	80.00	6/21/2008	12.37	2.48	0.42	-0.01	-0.02	-0.01	0.00								
Call	85.00	6/21/2008	9.60	1.74	0.28	0.00	-0.01	-0.01	0.00								
Call	90.00	6/21/2008	6.83	1.06	0.15	0.00	0.00	0.00	0.00								
Call	95.00	6/21/2008	2.50	0.21	0.02	0.00	0.00	0.00	0.00								
Call	100.00	6/21/2008	1.04	0.05	0.00	0.00	0.00	0.00	0.00								
Call	110.00	6/21/2008	0.04	0.00	0.00	0.00	0.00	0.00	0.00								
Call	120.00	6/21/2008	0.01	0.00	0.00	0.00	0.00	0.00	0.00								
Call	130.00	6/21/2008	595.27	424.25	213.74	27.57	-167.39	-53.18	0.00								
Call	140.00	6/21/2008	592.74	422.21	212.43	27.06	-166.48	-52.98	0.00								
Call	150.00	6/21/2008	577.78	410.63	205.78	25.38	-160.96	-51.55	0.00								
Call	160.00	6/21/2008	573.55	408.03	205.84	28.34	-156.73	-50.82	0.00								
Call	170.00	6/21/2008	572.22	409.18	204.95	25.99	-151.37	-49.61	0.00								
Call	180.00	6/21/2008	557.95	398.12	198.61	22.56	-144.13	-47.89	0.00								
Call	190.00	6/21/2008	537.54	382.23	188.03	18.21	-135.40	-45.63	0.00								
Call	200.00	6/21/2008	502.60	352.70	169.85	12.25	-123.73	-42.54	0.00								
Call	210.00	6/21/2008															
Call	22.50	7/19/2008	460.33	317.92	147.73	6.28	-109.05	-38.30	0.00								

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Exhibit 4
Inflation/Deflation for Exchange-Traded Options on Lehman Common Stock
Inflation/Deflation Per Option (One Hundred Shares of Common Stock Underlying Each Option)*

Call/Put	Exercise Price	Expiration	On or Before 6/6/08	6/9/08	6/10/08	6/11/08	6/12/08	6/13/08 to 9/2/08	6/16/08	9/3/08	9/4/08	9/5/08	9/8/08	9/9/08	9/10/08	9/11/08	9/12/08 to 9/15/08		
Call	24.00	7/19/2008	404.18	271.05	119.69	2.92	-98.73	-35.19	0.00	1034.13	1077.03	1036.88	1096.23	790.25	305.75	285.98	27.46	0.00	192.50
Call	25.00	7/19/2008				0.40	-91.35	-32.82	0.00	916.56	948.61	919.13	977.30	678.15	213.51	196.56	16.11	0.00	126.00
Call	26.00	7/19/2008				-1.74	-83.60	-30.27	0.00	765.07	806.69	767.51	824.94	531.22	96.01	84.14	8.08	0.00	63.50
Call	27.00	7/19/2008	351.46	227.57	95.19	-4.32	-75.40	-27.45	0.00	652.52	691.96	654.56	707.23	442.77	99.87	90.10	3.05	0.00	38.50
Call	28.00	7/19/2008	323.01	204.57	82.80	-6.07	-67.16	-24.61	0.00	1034.13	1077.03	1036.88	1096.23	790.25	305.75	285.98	2.40	0.00	8.50
Call	29.00	7/19/2008	295.56	182.87	72.30	-6.16	-58.29	-21.60	0.00	398.80	432.72	399.88	444.20	231.47	7.98	5.98	0.01	0.00	7.00
Call	30.00	7/19/2008	267.15	160.61	61.77	-6.75	-50.29	-18.65	0.00	336.57	367.99	337.36	377.68	188.81	4.24	3.01	0.00	0.00	5.00
Call	31.00	7/19/2008	240.04	140.01	52.58	-6.36	-42.56	-15.51	0.00	275.94	304.46	276.57	312.29	149.32	2.02	1.33	0.00	0.00	5.50
Call	32.00	7/19/2008	213.80	120.53	44.64	-4.74	-28.43	-10.29	0.00	221.09	246.42	221.58	252.40	116.02	0.96	0.59	0.00	0.00	3.50
Call	33.00	7/19/2008	188.16	101.92	37.53	-4.74	-28.43	-10.29	0.00	169.35	191.28	169.80	195.52	85.79	0.38	0.21	0.00	0.00	2.50
Call	34.00	7/19/2008	165.52	86.44	31.78	-3.38	-22.99	-8.15	0.00	128.68	147.09	129.16	149.94	64.95	0.19	0.10	0.00	0.00	3.00
Call	35.00	7/19/2008	143.58	72.08	26.68	-2.37	-18.24	-6.47	0.00										
Call	36.00	7/19/2008	124.27	59.75	22.13	-1.32	-14.01	-4.68	0.00										
Call	37.00	7/19/2008	106.61	49.46	18.62	-0.12	-10.01	-3.52	0.00										
Call	38.00	7/19/2008	90.83	40.51	15.50	0.21	-8.52	-2.69	0.00										
Call	39.00	7/19/2008	76.23	32.57	12.73	0.74	-6.85	-1.94	0.00										
Call	40.00	7/19/2008	63.11	26.02	10.19	0.25	-5.44	-1.75	0.00										
Call	41.00	7/19/2008	50.57	18.70	6.03	-1.64	-6.44	-3.33	0.00										
Call	42.00	7/19/2008	41.13	14.54	4.59	-1.47	-5.92	-3.05	0.00										
Call	43.00	7/19/2008	34.41	12.32	3.60	-1.34	-5.73	-2.91	0.00										
Call	44.00	7/19/2008	29.40	11.27	4.01	-0.58	-1.39	-0.85	0.00										
Call	45.00	7/19/2008	24.63	9.84	3.50	-0.50	-1.20	-0.73	0.00										
Call	46.00	7/19/2008	18.32	6.17	1.54	-0.22	-0.43	-0.29	0.00										
Call	47.00	7/19/2008	17.60	7.44	3.18	-0.43	-1.11	-0.66	0.00										
Call	48.00	7/19/2008	11.90	3.95	0.95	-0.13	-0.24	-0.17	0.00										
Call	49.00	7/19/2008	9.78	3.14	0.74	-0.10	-0.18	-0.13	0.00										
Call	50.00	7/19/2008	6.63	1.92	0.43	-0.05	-0.09	-0.07	0.00										
Call	55.00	7/19/2008	1.62	0.35	0.06	-0.01	-0.01	-0.01	0.00										
Call	60.00	7/19/2008	0.18	0.02	0.00	0.00	0.00	0.00	0.00										
Call	65.00	7/19/2008	0.15	0.02	0.00	0.00	0.00	0.00	0.00										
Call	70.00	7/19/2008	0.10	0.01	0.00	0.00	0.00	0.00	0.00										
Call	2.50	9/20/2008				0.00	0.00	0.00	0.00										
Call	4.00	9/20/2008				0.00	0.00	0.00	0.00										
Call	5.00	9/20/2008				0.00	0.00	0.00	0.00										
Call	6.00	9/20/2008				0.00	0.00	0.00	0.00										
Call	7.50	9/20/2008				0.00	0.00	0.00	0.00										
Call	9.00	9/20/2008				0.00	0.00	0.00	0.00										
Call	10.00	9/20/2008				0.00	0.00	0.00	0.00										
Call	11.00	9/20/2008				0.00	0.00	0.00	0.00										
Call	12.00	9/20/2008				0.00	0.00	0.00	0.00										
Call	12.50	9/20/2008				0.00	0.00	0.00	0.00										
Call	13.00	9/20/2008				0.00	0.00	0.00	0.00										
Call	14.00	9/20/2008				0.00	0.00	0.00	0.00										
Call	15.00	9/20/2008				0.00	0.00	0.00	0.00										
Call	16.00	9/20/2008				0.00	0.00	0.00	0.00										
Call	17.00	9/20/2008				0.00	0.00	0.00	0.00										
Call	18.00	9/20/2008				0.00	0.00	0.00	0.00										

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Exhibit 4
Inflation/Deflation for Exchange-Traded Options on Lehman Common Stock
Inflation/Deflation Per Option (One Hundred Shares of Common Stock Underlying Each Option)*

Call/Put	Exercise Price	Expiration	On or Before 6/6/08	6/9/08	6/10/08	6/11/08	6/12/08	6/13/08	6/16/08 to 9/2/08	9/3/08	9/4/08	9/5/08	9/8/08	9/9/08	9/10/08	9/11/08	9/12/08 to 9/15/08
Call	19.00	9/20/2008						92.29	107.27	92.85	109.22	45.85	0.07	0.03	0.00	0.00	2.00
Call	20.00	9/20/2008						64.94	76.81	65.52	78.11	33.64	0.04	0.01	0.00	0.00	2.00
Call	21.00	9/20/2008						28.24	37.29	28.82	38.22	6.41	0.00	0.00	0.00	0.00	1.50
Call	22.00	9/20/2008						16.87	23.61	17.47	24.25	3.24	0.00	0.00	0.00	0.00	1.50
Call	23.00	9/20/2008						7.06	12.04	7.56	10.77	0.87	0.00	0.00	0.00	0.00	0.00
Call	24.00	9/20/2008						4.71	7.53	4.39	6.45	0.40	0.00	0.00	0.00	0.00	0.00
Call	25.00	9/20/2008						4.97	8.03	4.93	7.10	0.54	0.00	0.00	0.00	0.00	0.00
Call	30.00	9/20/2008						0.00	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Call	35.00	9/20/2008						0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Call	2.50	10/18/2008	1598.43	1428.39	1219.32	1034.60	841.68	954.76	1007.52	1050.28	1010.25	1069.39	764.67	284.31	265.13	23.36	0.00
Call	4.00	10/18/2008	1496.04	1327.01	1119.54	936.50	746.17	857.37	909.43	951.11	912.00	969.47	674.67	222.36	205.97	17.93	0.00
Call	6.00	10/18/2008	1379.79	1212.44	1005.52	823.24	634.69	743.17	794.21	834.64	796.46	851.36	572.29	167.06	153.16	15.43	0.00
Call	9.00	10/18/2008	1235.36	1070.39	866.47	685.24	500.96	605.89	656.11	693.86	658.15	708.73	455.18	112.26	101.08	10.24	0.00
Call	12.50	10/18/2008	1076.39	914.89	715.25	539.59	365.95	466.32	514.95	548.71	516.44	560.99	342.44	71.87	63.31	4.45	0.00
Call	14.00	10/18/2008	916.97	759.28	565.69	397.26	233.98	329.09	429.43	460.13	430.61	470.60	278.04	53.85	46.75	2.67	0.00
Call	15.00	10/18/2008	767.85	615.31	429.84	270.39	119.58	208.48	323.15	349.11	324.00	357.07	203.57	45.87	39.57	1.36	0.00
Call	16.00	10/18/2008	643.02	496.51	321.12	172.45	36.08	117.72	159.12	174.51	159.52	178.20	101.81	38.22	32.67	1.03	0.00
Call	17.50	10/18/2008	542.45	403.38	241.01	105.55	-14.52	58.82	131.13	144.06	131.41	147.06	84.79	30.47	25.95	0.76	0.00
Call	20.00	10/18/2008	445.56	315.31	167.82	60.74	-48.73	19.09	96.66	106.39	97.08	108.69	65.63	21.17	18.48	0.51	0.00
Call	26.00	10/18/2008	391.66	269.39	135.54	28.84	-59.34	-3.56	54.48	61.57	54.91	63.78	34.44	0.33	0.23	0.00	0.00
Call	28.00	10/18/2008	314.13	205.45	93.92	22.29	-57.99	-6.29	47.70	48.43	43.05	49.96	27.35	0.21	0.14	0.00	0.00
Call	30.00	10/18/2008	290.20	186.38	82.70	18.39	-55.03	-7.32	42.70	38.59	34.36	40.11	22.56	0.15	0.10	0.00	0.00
Call	31.00	10/18/2008	275.36	176.54	80.41	8.03	-60.11	-15.83	26.31	29.90	26.68	31.26	17.71	0.09	0.06	0.00	0.00
Call	32.00	10/18/2008	248.92	155.23	66.71	37.38	-54.73	9.07	21.53	24.44	21.80	25.52	15.26	0.08	0.05	0.00	0.00
Call	33.00	10/18/2008	229.76	141.18	60.13	28.84	-59.34	-3.56	20.85	20.85	18.86	20.44	12.30	0.05	0.03	0.00	0.00
Call	34.00	10/18/2008	213.05	129.77	55.96	18.39	-55.03	-7.32	10.08	10.08	8.37	9.72	2.07	0.00	0.00	0.00	0.00
Call	35.00	10/18/2008	193.40	114.99	47.95	8.03	-60.11	-15.83	7.96	7.96	6.30	4.58	1.12	0.00	0.00	0.00	0.00
Call	36.00	10/18/2008	176.44	103.19	42.40	3.77	-56.85	-16.98	6.30	4.58	5.98	1.12	0.00	0.00	0.00	0.00	0.00
Call	37.00	10/18/2008	160.59	92.27	37.68	2.29	-57.99	-6.29	5.51	12.10	9.47	11.89	2.92	0.00	0.00	0.00	0.00
Call	38.00	10/18/2008	146.02	82.81	33.96	1.06	-46.16	-10.06	4.58	3.29	2.28	3.04	0.49	0.00	0.00	0.00	0.00
Call	40.00	10/18/2008	133.51	75.34	31.70	0.71	-43.33	-13.78	3.29	2.28	1.88	2.52	0.39	0.00	0.00	0.00	0.00
Call	41.00	10/18/2008	119.57	65.65	26.72	0.06	-35.68	-11.59	3.09	2.18	2.88	0.49	0.00	0.00	0.00	0.00	0.00
Call	42.00	10/18/2008	108.78	59.35	24.58	0.19	-31.77	-10.29	0.33	0.18	0.26	0.02	0.00	0.00	0.00	0.00	0.00
Call	43.00	10/18/2008	98.59	53.25	22.41	0.12	-27.76	-8.85	0.22	0.11	0.17	0.01	0.00	0.00	0.00	0.00	0.00
Call	44.00	10/18/2008	88.36	46.69	19.27	0.01	-24.47	-7.54	0.02	0.01	0.01	0.01	0.00	0.00	0.00	0.00	0.00
Call						1.97	-21.28	-6.27	0.02	0.01	0.01	0.01	0.00	0.00	0.00	0.00	0.00
Call						0.57	-18.46	-5.21	0.06	0.11	0.05	0.08	0.00	0.00	0.00	0.00	0.00
Call						1.51	-15.25	-3.43	0.18	0.30	0.17	0.25	0.02	0.00	0.00	0.00	0.00
Call						2.34	-13.15	-2.92	0.97	1.40	0.96	1.29	0.21	0.00	0.00	0.00	0.00
Call						22.41	-13.15	-2.92	0.79	1.15	1.06	1.29	0.21	0.00	0.00	0.00	0.00
Call						19.27	-12.24	-2.73	0.20	0.32	0.19	0.27	0.03	0.00	0.00	0.00	0.00

*Blanks on any date or in any time period reflects that the Option did not exist on that date or in that time period.

Exhibit 4
Inflation/Deflation for Exchange-Traded Options on Lehman Common Stock
Inflation/Deflation Per Option (One Hundred Shares of Common Stock Underlying Each Option)*

Call/Put	Exercise Price	Expiration	On or Before 6/6/08	6/9/08	6/10/08	6/11/08	6/12/08	6/13/08	6/16/08 to 9/2/08	9/3/08	9/4/08	9/5/08	9/8/08	9/9/08	9/10/08	9/11/08	9/12/08 to 9/15/08
Call	45.00	10/18/2008	76.69	39.43	15.18	0.03	-11.16	-2.49	0.07	0.12	0.06	0.09	0.01	0.00	0.00	0.00	0.00
Call	46.00	10/18/2008	69.99	35.74	14.38	0.95	-9.52	-1.97	0.06	0.11	0.06	0.08	0.01	0.00	0.00	0.00	0.00
Call	47.00	10/18/2008	62.49	31.25	12.51	0.79	-8.41	-1.84	0.05	0.09	0.05	0.07	0.01	0.00	0.00	0.00	0.00
Call	48.00	10/18/2008	55.68	27.50	11.06	0.90	-7.21	-1.21	0.04	0.07	0.04	0.05	0.00	0.00	0.00	0.00	0.00
Call	49.00	10/18/2008	50.34	24.98	10.18	1.24	-6.18	-0.89	0.04	0.07	0.04	0.05	0.00	0.00	0.00	0.00	0.00
Call	50.00	10/18/2008	45.13	22.14	9.33	1.07	-5.46	-1.06	0.04	0.08	0.04	0.06	0.00	0.00	0.00	0.00	0.00
Call	55.00	10/18/2008	23.92	10.79	3.82	-0.79	-3.58	-1.74	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Call	60.00	10/18/2008	13.12	5.83	1.91	-0.64	-3.30	-1.57	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Call	65.00	10/18/2008	6.24	2.38	0.43	-0.51	-2.85	-1.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Call	70.00	10/18/2008	4.99	2.14	0.63	-0.10	-0.28	-0.16	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Call	75.00	10/18/2008	4.46	2.94	0.93	-0.13	-0.44	-0.23	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Call	80.00	10/18/2008	0.47	0.15	0.04	-0.01	-0.01	-0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Call	85.00	10/18/2008	0.32	0.10	0.02	0.00	-0.01	-0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Call	2.50	1/17/2009	1566.35	1397.02	1188.93	1005.12	813.24	925.89	978.46	1020.25	981.11	1038.82	741.92	276.69	258.22	23.51	202.50
Call	4.00	1/17/2009	1492.86	1324.46	1117.88	935.70	746.40	856.82	908.55	949.66	910.97	967.26	678.94	239.12	222.40	20.33	155.00
Call	5.00	1/17/2009	1397.04	1230.20	1026.14	846.59	656.42	764.54	815.80	854.92	818.07	871.27	600.21	200.20	185.53	16.47	127.50
Call	6.00	1/17/2009	1287.50	1123.30	919.57	740.46	558.15	662.35	712.29	748.74	714.30	763.54	515.24	162.22	149.74	10.86	109.00
Call	7.50	1/17/2009	1156.31	995.58	797.71	624.51	452.17	552.14	600.52	633.63	602.23	646.55	426.24	127.36	117.21	8.12	67.50
Call	12.50	1/17/2009	1020.62	864.30	673.20	507.23	345.00	440.01	486.46	515.52	487.81	526.24	373.07	108.42	99.63	6.38	52.00
Call	15.00	1/17/2009	885.95	734.69	552.09	394.78	244.07	333.18	442.62	469.89	443.79	479.66	306.28	87.21	88.85	5.48	37.00
Call	16.00	1/17/2009	757.14	612.07	439.25	292.28	154.76	237.10	316.30	337.83	317.13	344.97	258.75	74.02	80.25	5.00	24.50
Call	21.00	1/17/2009	640.24	502.28	341.13	205.87	82.84	203.29	278.44	297.97	279.15	304.42	189.38	54.49	50.19	3.62	15.50
Call	22.50	1/17/2009	537.96	408.11	260.26	163.06	49.23	119.10	243.35	260.95	243.98	266.67	165.35	47.46	43.66	2.09	11.00
Call	25.00	1/17/2009	467.32	344.75	208.61	97.97	2.60	62.48	278.44	284.35	260.95	243.98	165.35	39.50	36.48	1.65	9.50
Call	26.00	1/17/2009	435.62	316.89	186.83	81.94	-7.09	49.13	243.35	260.95	243.98	266.67	165.35	33.02	30.62	1.31	7.50
Call	27.00	1/17/2009	406.72	291.96	168.13	69.16	-14.16	38.92	243.35	260.95	243.98	266.67	165.35	29.46	27.42	1.13	6.00
Call	30.00	1/17/2009	382.13	271.36	153.99	60.67	-17.53	32.09	243.35	260.95	243.98	266.67	165.35	26.08	24.18	0.96	5.00
Call	31.00	1/17/2009	353.27	246.71	135.63	48.49	-23.20	23.10	243.35	260.95	243.98	266.67	165.35	22.15	20.50	0.77	4.00
Call	32.00	1/17/2009	327.67	225.35	120.38	38.83	-27.42	15.62	243.35	260.95	243.98	266.67	165.35	18.52	17.07	0.61	3.50
Call	33.00	1/17/2009	304.41	206.41	108.32	32.37	-28.68	11.18	243.35	260.95	243.98	266.67	165.35	16.59	16.59	0.60	4.50
Call	34.00	1/17/2009	272.50	178.86	86.80	16.46	-39.77	-2.85	243.35	260.95	243.98	266.67	165.35	15.21	14.03	0.48	3.00
Call	35.00	1/17/2009	254.64	165.27	80.46	15.66	-37.11	-4.12	243.35	260.95	243.98	266.67	165.35	14.43	13.39	0.37	2.50
Call	36.00	1/17/2009	234.85	149.71	70.32	10.48	-36.84	-5.48	243.35	260.95	243.98	266.67	165.35	12.61	12.61	0.00	2.50
Call	37.00	1/17/2009	219.65	138.86	65.51	10.75	-32.54	-3.82	243.35	260.95	243.98	266.67	165.35	10.79	10.79	0.00	2.50
Call	38.00	1/17/2009	203.18	126.69	59.16	8.97	-30.76	-4.42	243.35	260.95	243.98	266.67	165.35	9.09	9.09	0.00	2.50
Call	39.00	1/17/2009	184.66	112.41	50.46	5.03	-30.87	-6.98	243.35	260.95	243.98	266.67	165.35	7.66	7.66	0.00	2.50
Call	40.00	1/17/2009	175.81	107.30	50.29	9.04	-23.66	-1.75	243.35	260.95	243.98	266.67	165.35	6.22	6.22	0.00	1.50

*Blanks on any date or in any time period reflects that the Option did not exist on that date or in that time period.

Exhibit 4
Inflation/Deflation for Exchange-Traded Options on Lehman Common Stock
Inflation/Deflation Per Option (One Hundred Shares of Common Stock Underlying Each Option)*

Call/Put	Exercise Price	Expiration	On or Before 6/6/08	6/16/08 to 9/12/08 to													
				6/9/08	6/10/08	6/11/08	6/12/08	6/13/08	6/14/08	6/15/08	6/16/08	6/17/08	6/18/08	6/19/08	6/20/08		
Call	41.00	1/17/2009	162.65	98.80	46.84	9.54	-20.02	-0.06	9.39	11.24	9.34	11.25	3.67	0.02	0.01	0.00	0.00
Call	42.00	1/17/2009	154.28	94.58	47.39	13.20	-13.18	4.61	12.96	15.25	12.93	15.37	5.43	0.05	0.03	0.00	2.00
Call	43.00	1/17/2009	144.18	88.28	45.03	14.86	-9.37	6.91	14.50	16.95	14.48	17.12	6.24	0.07	0.05	0.00	0.00
Call	44.00	1/17/2009	132.30	79.77	40.51	13.08	-8.70	6.05	12.74	14.95	12.72	15.07	5.42	0.05	0.04	0.00	0.00
Call	45.00	1/17/2009	113.67	64.68	28.31	3.77	-16.27	-3.49	2.37	2.99	2.34	2.92	0.76	0.00	0.00	0.00	2.50
Call	46.00	1/17/2009	100.44	55.44	22.80	0.68	-16.37	-5.02	0.43	0.60	0.42	0.55	0.10	0.00	0.00	0.00	0.00
Call	47.00	1/17/2009	93.24	50.88	21.29	0.45	-15.76	-4.71	0.13	0.19	0.13	0.17	0.02	0.00	0.00	0.00	0.00
Call	48.00	1/17/2009	82.32	44.16	17.39	0.24	-14.00	-3.81	0.14	0.20	0.13	0.18	0.03	0.00	0.00	0.00	0.00
Call	50.00	1/17/2009	85.50	51.81	29.25	13.89	1.80	9.39	12.63	14.68	12.62	14.84	5.60	0.08	0.00	0.00	0.00
Call	55.00	1/17/2009	44.20	21.83	8.53	-0.51	-8.36	-1.69	0.88	1.13	-0.86	1.09	0.27	0.00	0.00	0.00	0.00
Call	60.00	1/17/2009	30.67	15.72	6.13	-0.47	-5.93	-0.79	0.81	1.03	0.80	1.00	0.25	0.00	0.00	0.00	0.00
Call	65.00	1/17/2009	17.36	8.01	2.60	-0.09	-3.78	-1.69	0.08	0.11	0.08	0.10	0.02	0.00	0.00	0.00	0.00
Call	70.00	1/17/2009	13.95	7.86	3.82	-0.40	-4.15	-1.22	0.71	0.89	0.70	0.87	0.24	0.00	0.00	0.00	0.00
Call	75.00	1/17/2009	9.14	6.37	3.47	0.44	-3.39	-0.59	0.14	0.19	0.14	0.17	0.04	0.00	0.00	0.00	0.00
Call	80.00	1/17/2009	9.34	5.63	2.83	-0.28	-2.66	-0.10	0.59	0.74	0.59	0.73	0.20	0.00	0.00	0.00	0.00
Call	90.00	1/17/2009	6.72	5.16	2.89	0.63	-1.25	-0.04	0.60	0.75	0.60	0.73	0.21	0.00	0.00	0.00	0.00
Call	100.00	1/17/2009	10.24	8.16	5.82	3.17	1.17	2.45	3.05	3.58	3.06	3.61	1.35	0.02	0.00	0.00	0.00
Call	110.00	1/17/2009	0.23	0.09	0.02	0.00	-0.01	-0.01	985.23	1027.35	987.90	1046.06	746.84	278.47	259.90	23.75	0.00
Call	2.50	4/18/2009							912.49	953.29	914.91	970.81	683.95	245.22	228.28	21.09	0.00
Call	4.00	4/18/2009							827.66	866.45	829.95	882.86	613.19	211.54	196.37	17.48	0.00
Call	5.00	4/18/2009							736.10	772.33	738.15	787.31	538.90	180.28	167.05	12.26	0.00
Call	6.00	4/18/2009															0.00
Call	7.50	4/18/2009															0.00
Call	9.00	4/18/2009															0.00
Call	10.00	4/18/2009															0.00
Call	11.00	4/18/2009															0.00
Call	12.00	4/18/2009															0.00
Call	13.00	4/18/2009															0.00
Call	14.00	4/18/2009															0.00
Call	15.00	4/18/2009															0.00
Call	16.00	4/18/2009															0.00
Call	17.00	4/18/2009															0.00
Call	18.00	4/18/2009															0.00
Call	19.00	4/18/2009															0.00
Call	20.00	4/18/2009															0.00
Call	25.00	4/18/2009															0.00
Call	30.00	4/18/2009															0.00
Call	35.00	4/18/2009															0.00
Call	2.50	1/16/2010	1577.31	1408.08	1200.09	1016.36	824.54	936.97	989.44	1031.58	992.12	1050.02	751.81	284.26	265.55	25.07	0.00
Call	5.00	1/16/2010	1504.51	1336.65	1130.75	949.17	760.50	871.18	923.02	963.54	925.48	981.12	695.89	256.88	239.54	21.71	0.00
Call	7.50	1/16/2010	1429.97	1263.70	1056.89	875.77	689.72	798.01	849.19	887.76	851.52	904.34	634.80	227.22	211.43	18.31	0.00
Call	10.00	1/16/2010	1339.24	1176.27	975.21	799.96	621.02	725.54	775.29	811.61	777.43	826.98	575.41	201.30	186.93	15.55	0.00
Call	12.50	1/16/2010	1240.51	1081.63	887.49	718.39	547.89	648.04	696.01	729.84	697.96	743.85	513.30	177.00	164.08	14.74	0.00
Call	15.00	1/16/2010	1145.75	991.50	804.50	641.95	479.77	575.54	621.50	652.86	623.50	665.51	455.99	153.67	142.16	11.73	0.00
Call	17.50	1/16/2010	1043.79	894.56	715.14	559.89	406.43	497.52	541.58	569.92	543.22	581.15	395.62	130.86	120.62	8.09	0.00
Call	20.00	1/16/2010	948.58	804.83	633.64	486.22	341.28	427.39	469.23	494.52	470.68	504.75	342.39	113.78	104.49	7.19	0.00
Call	22.50	1/16/2010	857.37	719.51	556.90	417.82	282.60	363.51	402.93	425.32	404.29	434.32	293.95	98.79	90.78	5.10	0.00

*Blanks on any date or in any time period reflects that the Option did not exist on that date or in that time period.

Exhibit 4
Inflation/Deflation for Exchange-Traded Options on Lehman Common Stock
Inflation/Deflation Per Option (One Hundred Shares of Common Stock Underlying Each Option)*

Call/Put	Exercise Price	Expiration	On or Before 6/6/08	6/9/08	6/10/08	6/11/08	6/12/08	6/13/08	6/16/08 to 9/2/08	9/3/08	9/4/08	9/5/08	9/8/08	9/9/08	9/10/08	9/11/08	9/12/08 to 9/15/08
Call	25.00	1/16/2010	775.36	643.71	490.23	359.89	233.99	309.67	346.62	366.20	347.81	374.18	256.37	90.19	83.03	7.82	0.00
Call	30.00	1/16/2010	624.70	506.24	371.70	259.59	151.51	216.54	248.39	263.29	249.60	269.42	187.94	70.44	64.82	4.88	0.00
Call	35.00	1/16/2010	502.00	397.19	283.21	189.38	100.13	154.49	181.10	191.59	182.16	196.94	141.81	60.06	55.17	6.41	0.00
Call	40.00	1/16/2010	389.95	298.73	204.57	128.41	55.41	100.42	122.14	129.53	123.34	133.69	100.46	44.38	40.15	3.30	0.00
Call	45.00	1/16/2010	308.74	230.97	155.12	93.79	36.08	72.81	90.29	95.66	91.61	99.10	77.95	38.82	35.28	3.75	0.00
Call	50.00	1/16/2010	243.31	177.32	117.16	68.90	23.12	52.33	65.91	69.54	66.99	72.07	57.76	32.02	29.06	4.76	0.00
Call	55.00	1/16/2010	189.36	134.85	88.54	51.18	13.42	38.46	48.89	51.31	49.80	53.53	45.72	28.57	26.12	4.91	0.00
Call	60.00	1/16/2010	144.74	99.87	63.86	35.14	7.49	25.60	34.11	35.70	34.79	37.90	31.76	20.11	17.74	0.86	0.00
Call	65.00	1/16/2010	114.29	77.76	49.65	28.64	7.91	21.45	28.10	29.24	28.49	30.53	26.43	18.43	16.19	0.78	0.00
Call	70.00	1/16/2010	105.10	75.48	53.63	35.90	20.70	32.22	37.15	38.38	37.36	39.68	33.49	14.48	12.81	0.59	0.00
Call	75.00	1/16/2010	70.63	46.78	30.65	19.12	7.30	15.48	18.88	19.87	19.17	20.81	16.52	13.77	12.22	0.57	0.00
Call	80.00	1/16/2010	54.51	35.97	22.97	12.45	3.20	10.50	13.43	14.10	13.41	14.62	11.91	10.29	8.73	0.37	0.00
Call	90.00	1/16/2010	40.76	29.22	21.90	15.57	8.78	12.96	14.60	15.17	14.59	15.64	11.14	8.01	7.09	0.30	0.00
Call	100.00	1/16/2010	22.92	16.01	10.92	6.04	1.16	4.13	5.52	6.29	5.52	6.38	2.67	0.08	0.06	0.00	0.00
Put	15.00	6/21/2008	8.29	8.29	8.29	8.29	-13.91	-2.66	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	17.50	6/21/2008	52.73	43.95	29.96	13.83	-21.99	-4.21	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	20.00	6/21/2008	76.79	63.69	41.24	20.72	-35.37	-6.78	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	21.00	6/21/2008	110.33	89.92	62.75	26.23	-56.96	-11.63	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	22.50	6/21/2008	171.38	140.96	93.62	28.38	-74.55	-15.99	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	24.00	6/21/2008	228.96	187.21	113.08	31.45	-127.18	-35.73	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	25.00	6/21/2008	278.20	229.62	138.98	20.69	-124.77	-29.97	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	26.00	6/21/2008	317.64	261.38	152.82	31.22	-140.34	-40.79	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	27.00	6/21/2008	353.68	289.23	162.17	28.37	-152.68	-47.12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	28.00	6/21/2008	394.73	321.43	176.59	31.95	-149.60	-43.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	30.00	6/21/2008	427.75	345.14	183.03	30.84	-157.43	-47.22	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	31.00	6/21/2008	455.34	363.34	188.60	29.97	-160.01	-48.71	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	32.00	6/21/2008	482.10	380.16	193.32	29.31	-161.97	-49.86	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	33.00	6/21/2008	503.52	392.17	194.91	28.93	-162.41	-50.23	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	34.00	6/21/2008	500.29	380.72	197.49	28.59	-163.32	-50.79	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	35.00	6/21/2008	522.01	392.83	201.27	28.28	-164.67	-51.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	36.00	6/21/2008	538.55	401.33	204.02	28.06	-165.52	-52.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	37.00	6/21/2008	548.90	405.28	204.20	27.97	-165.49	-52.06	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	38.00	6/21/2008	565.22	411.06	204.35	27.88	-165.47	-52.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	40.00	6/21/2008	567.96	410.02	202.08	27.80	-164.60	-51.71	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	41.00	6/21/2008	586.28	423.07	213.60	27.57	-167.38	-53.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	43.00	6/21/2008	579.31	413.49	203.51	27.65	-165.02	-51.96	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	44.00	6/21/2008	583.00	414.03	203.63	27.58	-165.01	-51.99	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	45.00	6/21/2008	592.11	423.99	213.71	27.57	-167.39	-53.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	46.00	6/21/2008	594.39	424.22	213.73	27.57	-167.39	-53.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	47.00	6/21/2008	594.73	424.23	213.73	27.57	-167.39	-53.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	48.00	6/21/2008	594.92	424.24	213.74	27.57	-167.39	-53.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	49.00	6/21/2008	595.08	424.24	213.74	27.57	-167.39	-53.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	50.00	6/21/2008	595.06	424.24	213.74	27.57	-167.39	-53.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	55.00	6/21/2008	595.08	424.24	213.74	27.57	-167.39	-53.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

*Blanks on any date or in any time period reflects that the Option did not exist on that date or in that time period.

Exhibit 4
Inflation/Deflation for Exchange-Traded Options on Lehman Common Stock
Inflation/Deflation Per Option (One Hundred Shares of Common Stock Underlying Each Option)*

Call/Put	Exercise Price	Expiration	On or Before 6/6/08	6/9/08	6/10/08	6/11/08	6/12/08	6/13/08 to 9/2/08	9/3/08	9/4/08	9/5/08	9/8/08	9/10/08	9/11/08	9/12/08 to 9/15/08
Put	60.00	6/21/2008	595.03	424.23	213.73	27.57	-167.39	-53.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	65.00	6/21/2008	594.99	424.23	213.73	27.57	-167.39	-53.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	70.00	6/21/2008	594.96	424.22	213.73	27.57	-167.39	-53.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	2.50	7/19/2008	2.66	2.04	1.20	0.37	-0.85	-0.21	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	5.00	7/19/2008	2.36	1.90	1.22	0.48	-0.85	-0.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	7.50	7/19/2008	0.45	-0.20	-1.27	-2.50	-4.99	-1.21	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	10.00	7/19/2008	21.40	16.85	9.86	2.45	-8.83	-2.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	12.50	7/19/2008	26.26	19.98	12.68	4.64	-14.35	-3.16	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	15.00	7/19/2008	42.37	32.84	21.14	7.31	-21.67	-5.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	17.50	7/19/2008	62.89	48.98	31.42	10.98	-30.95	-7.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	20.00	7/19/2008	92.86	73.50	47.06	15.87	-43.16	-10.47	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	22.50	7/19/2008	134.69	107.24	67.53	20.90	-58.79	-14.75	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	24.00	7/19/2008	189.73	152.16	93.49	26.38	-77.70	-20.37	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	26.00	7/19/2008	239.90	192.86	114.83	28.93	-95.42	-25.88	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	28.00	7/19/2008	265.68	213.26	124.35	28.54	-104.29	-28.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	29.00	7/19/2008	290.86	232.59	132.19	26.71	-114.34	-32.09	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	30.00	7/19/2008	319.51	255.01	142.84	27.56	-124.71	-35.77	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	31.00	7/19/2008	342.02	270.84	146.87	22.47	-134.85	-38.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	32.00	7/19/2008	365.16	287.16	151.04	19.11	-143.18	-41.75	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	33.00	7/19/2008	398.09	312.95	165.85	26.32	-140.97	-44.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	34.00	7/19/2008	420.76	328.19	171.44	25.32	-146.20	-46.91	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	35.00	7/19/2008	443.52	343.66	176.89	24.02	-149.90	-49.06	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	36.00	7/19/2008	468.73	361.43	187.34	30.45	-145.83	-43.49	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	37.00	7/19/2008	486.64	371.76	191.07	30.22	-148.40	-44.57	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	38.00	7/19/2008	503.16	381.30	193.76	29.77	-147.26	-46.32	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	39.00	7/19/2008	517.60	388.81	197.36	29.36	-146.23	-44.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	40.00	7/19/2008	531.29	395.59	198.92	29.57	-154.00	-47.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	41.00	7/19/2008	539.29	397.93	199.63	29.00	-148.05	-44.96	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	42.00	7/19/2008	548.98	402.94	201.64	28.81	-148.49	-45.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	43.00	7/19/2008	560.19	406.97	203.96	28.90	-152.16	-46.58	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	44.00	7/19/2008	568.05	409.08	203.12	28.85	-154.29	-47.43	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	45.00	7/19/2008	571.43	408.98	204.06	28.62	-152.77	-46.93	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	46.00	7/19/2008	571.56	410.08	203.14	28.50	-153.04	-47.09	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	47.00	7/19/2008	574.78	411.17	203.20	28.40	-153.28	-47.23	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	48.00	7/19/2008	577.82	413.45	205.72	28.35	-154.34	-47.66	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	49.00	7/19/2008	581.05	415.16	206.27	28.26	-154.54	-47.77	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	50.00	7/19/2008	582.62	413.63	203.55	28.33	-157.43	-48.87	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	55.00	7/19/2008	584.68	416.22	206.48	28.02	-158.03	-49.23	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	60.00	7/19/2008	582.73	414.29	204.69	27.74	-157.60	-49.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	65.00	7/19/2008	578.82	413.29	205.54	27.51	-157.17	-49.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	70.00	7/19/2008	579.05	413.30	205.57	27.38	-157.47	-49.27	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	75.00	7/19/2008	577.69	411.78	204.07	27.27	-157.70	-49.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	80.00	7/19/2008	579.32	413.29	205.60	27.18	-157.89	-49.51	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Put	85.00	7/19/2008	579.40	413.27	205.60	27.10	-158.04	-49.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00

*Blanks on any date or in any time period reflects that the Option did not exist on that date or in that time period.

Exhibit 4
Inflation/Deflation for Exchange-Traded Options on Lehman Common Stock
Inflation/Deflation Per Option (One Hundred Shares of Common Stock Underlying Each Option)*

Call/Put	Exercise Price	Expiration	On or Before	6/16/08 to 9/12/08 to 9/15/08															
				6/6/08	6/9/08	6/10/08	6/11/08	6/12/08	6/13/08	6/16/08	6/16/08 to 9/2/08	9/3/08	9/4/08	9/5/08	9/8/08	9/9/08	9/10/08	9/11/08	9/12/08 to 9/15/08
Put	90.00	7/19/2008	578.71	412.51	204.86	27.03	-158.17	-49.67	0.00	7.01	7.02	107.10	107.68	104.17	91.91	89.53	16.82	0.00	70.50
Put	95.00	7/19/2008	578.74	412.48	204.86	26.97	-158.27	-49.74	0.00	7.01	7.02	107.10	107.68	104.17	91.91	89.53	16.82	0.00	156.50
Put	2.50	9/20/2008																	215.00
Put	4.00	9/20/2008																	289.00
Put	5.00	9/20/2008																	410.00
Put	6.00	9/20/2008																	547.50
Put	7.50	9/20/2008																	640.00
Put	9.00	9/20/2008																	737.50
Put	10.00	9/20/2008																	835.00
Put	11.00	9/20/2008																	935.00
Put	12.00	9/20/2008																	1,035.00
Put	12.50	9/20/2008																	1,135.00
Put	13.00	9/20/2008																	1,235.00
Put	14.00	9/20/2008																	1,335.00
Put	15.00	9/20/2008																	1,435.00
Put	16.00	9/20/2008																	1,535.00
Put	17.00	9/20/2008																	1,635.00
Put	18.00	9/20/2008																	1,735.00
Put	19.00	9/20/2008																	1,835.00
Put	20.00	9/20/2008																	1,935.00
Put	21.00	9/20/2008																	2,035.00
Put	22.00	9/20/2008																	2,135.00
Put	23.00	9/20/2008																	2,235.00
Put	24.00	9/20/2008																	2,335.00
Put	25.00	9/20/2008																	2,435.00
Put	30.00	9/20/2008																	2,535.00
Put	35.00	9/20/2008																	2,635.00
Put	40.37	10/18/2008	40.37	38.92	36.85	34.82	32.09	33.62	34.21	34.49	34.26	34.68	32.20	25.13	24.31	4.32	0.00	0.00	78.00
Put	5.00	10/18/2008	129.15	127.77	125.60	123.33	119.59	122.05	122.92	124.13	123.10	124.96	113.87	81.84	78.40	11.09	0.00	0.00	165.00
Put	6.00	10/18/2008	255.89	252.82	248.76	244.40	236.28	241.39	243.11	245.91	243.47	247.79	220.79	138.44	132.40	12.36	0.00	0.00	236.50
Put	7.50	10/18/2008	397.96	392.05	384.03	375.58	360.99	369.77	372.59	378.05	373.24	381.83	329.69	189.17	180.39	18.54	0.00	0.00	315.00
Put	9.00	10/18/2008	549.75	540.93	528.65	515.31	492.95	506.28	510.72	520.03	511.90	526.60	439.17	229.66	218.17	22.55	0.00	0.00	437.50
Put	10.00	10/18/2008	703.89	690.81	672.40	652.52	620.27	639.01	645.38	659.83	647.06	669.87	537.72	256.20	242.23	25.84	0.00	0.00	662.50
Put	11.00	10/18/2008	847.33	829.12	802.86	774.67	730.35	755.47	764.22	784.83	766.40	798.55	615.76	269.86	254.22	26.39	0.00	0.00	760.00
Put	12.50	10/18/2008	993.36	968.83	932.73	894.23	835.71	868.43	880.16	907.16	882.76	923.72	695.93	302.62	283.52	27.45	0.00	0.00	902.50
Put	14.00	10/18/2008	1087.86	1055.94	1007.88	956.76	882.24	923.72	939.05	971.42	941.69	990.11	711.07	303.34	284.26	27.45	0.00	0.00	1,052.50
Put	15.00	10/18/2008	1163.60	1122.89	1059.86	994.05	901.98	953.46	973.06	1009.26	975.89	1030.08	749.06	305.07	285.47	27.46	0.00	0.00	1,145.00
Put	17.50	10/18/2008																	1,245.00
Put	19.00	10/18/2008																	1,392.50
Put	20.00	10/18/2008																	1,542.50
Put	21.00	10/18/2008																	1,637.50
Put	22.50	10/18/2008																	1,737.50
Put	24.00	10/18/2008																	1,887.50
Put	25.00	10/18/2008																	2,035.00
Put	26.00	10/18/2008																	2,137.50

*Blanks on any date or in any time period reflects that the Option did not exist on that date or in that time period.

Exhibit 4
Inflation/Deflation for Exchange-Traded Options on Lehman Common Stock
Inflation/Deflation Per Option (One Hundred Shares of Common Stock Underlying Each Option)*

Table with columns for Call/Put, Exercise Price, Expiration, On or Before, and dates from 6/6/08 to 9/15/08. The table contains 40 rows of option data with corresponding values for each column.

*Blanks on any date or in any time period reflects that the Option did not exist on that date or in that time period.

Exhibit 4
Inflation/Deflation for Exchange-Traded Options on Lehman Common Stock
Inflation/Deflation Per Option (One Hundred Shares of Common Stock Underlying Each Option)*

Call/Put	Exercise Price	Expiration	On or Before 6/6/08	6/9/08	6/10/08	6/11/08	6/12/08	6/13/08	6/16/08 to 9/2/08	9/3/08	9/4/08	9/5/08	9/8/08	9/9/08	9/10/08	9/11/08	9/12/08 to 9/15/08
Put	22.50	1/17/2009	990.44	957.46	907.80	856.75	785.06	825.21	840.37	868.27	842.80	884.18	658.28	275.69	257.14	26.31	0.00
Put	24.00	1/17/2009	1090.90	1049.65	986.97	853.45	812.25	857.44	874.84	905.22	877.37	922.19	678.72	277.70	258.81	26.37	0.00
Put	25.00	1/17/2009				923.20	836.47	885.09	904.02	936.07	906.51	953.74	698.10	281.85	262.70	26.57	0.00
Put	26.00	1/17/2009				939.03	846.37	898.68	919.25	952.90	922.14	971.33	708.19	285.90	266.67	26.77	0.00
Put	27.00	1/17/2009				955.17	856.40	912.64	934.99	969.93	937.75	989.08	718.21	287.88	268.54	26.86	0.00
Put	28.00	1/17/2009				1029.81	952.26	972.66	1000.00	1032.41	1000.00	1032.41	728.42	289.89	270.45	26.94	0.00
Put	29.00	1/17/2009				1184.95	1052.56	1082.46	1118.88	1151.12	1118.88	1151.12	746.91	304.25	274.77	27.45	0.00
Put	30.00	1/17/2009				1225.02	1168.84	1225.02	1252.00	1282.46	1252.00	1282.46	756.04	304.81	285.24	27.45	0.00
Put	31.00	1/17/2009				1252.00	1191.75	1252.00	1282.46	1316.19	1282.46	1316.19	756.04	304.81	285.24	27.45	0.00
Put	32.00	1/17/2009				1252.00	1210.85	1252.00	1282.46	1316.19	1282.46	1316.19	756.04	304.81	285.24	27.45	0.00
Put	33.00	1/17/2009				1302.25	1233.62	1282.46	1316.19	1343.30	1316.19	1343.30	756.04	304.81	285.24	27.45	0.00
Put	34.00	1/17/2009				1316.19	1243.30	1316.19	1343.30	1371.44	1343.30	1371.44	756.04	304.81	285.24	27.45	0.00
Put	35.00	1/17/2009				1322.09	1244.80	1322.09	1343.30	1371.44	1343.30	1371.44	756.04	304.81	285.24	27.45	0.00
Put	36.00	1/17/2009				1345.23	1263.63	1322.09	1343.30	1371.44	1343.30	1371.44	756.04	304.81	285.24	27.45	0.00
Put	37.00	1/17/2009				1338.24	1252.18	1338.24	1371.44	1400.85	1371.44	1400.85	756.04	304.81	285.24	27.45	0.00
Put	38.00	1/17/2009				1375.01	1284.65	1375.01	1400.85	1434.14	1400.85	1434.14	756.04	304.81	285.24	27.45	0.00
Put	39.00	1/17/2009				1367.44	1273.16	1367.44	1400.85	1434.14	1400.85	1434.14	756.04	304.81	285.24	27.45	0.00
Put	40.00	1/17/2009				1434.09	1331.21	1434.09	1463.88	1500.62	1463.88	1500.62	756.04	304.81	285.24	27.45	0.00
Put	41.00	1/17/2009				1404.22	1297.38	1404.22	1463.88	1500.62	1463.88	1500.62	756.04	304.81	285.24	27.45	0.00
Put	42.00	1/17/2009				1446.56	1335.42	1446.56	1492.77	1534.55	1492.77	1534.55	756.04	304.81	285.24	27.45	0.00
Put	43.00	1/17/2009				1456.07	1340.99	1456.07	1492.77	1534.55	1492.77	1534.55	756.04	304.81	285.24	27.45	0.00
Put	44.00	1/17/2009				1456.69	1337.58	1456.69	1492.77	1534.55	1492.77	1534.55	756.04	304.81	285.24	27.45	0.00
Put	45.00	1/17/2009				1476.12	1353.12	1476.12	1500.62	1534.55	1500.62	1534.55	756.04	304.81	285.24	27.45	0.00
Put	46.00	1/17/2009				1469.27	1342.92	1469.27	1500.62	1534.55	1500.62	1534.55	756.04	304.81	285.24	27.45	0.00
Put	47.00	1/17/2009				1497.49	1367.70	1497.49	1500.62	1534.55	1500.62	1534.55	756.04	304.81	285.24	27.45	0.00
Put	48.00	1/17/2009				1496.39	1363.81	1496.39	1500.62	1534.55	1500.62	1534.55	756.04	304.81	285.24	27.45	0.00
Put	50.00	1/17/2009				1504.29	1365.58	1504.29	1500.62	1534.55	1500.62	1534.55	756.04	304.81	285.24	27.45	0.00
Put	55.00	1/17/2009				1543.61	1392.25	1543.61	1500.62	1534.55	1500.62	1534.55	756.04	304.81	285.24	27.45	0.00
Put	60.00	1/17/2009				1541.62	1383.11	1541.62	1500.62	1534.55	1500.62	1534.55	756.04	304.81	285.24	27.45	0.00
Put	65.00	1/17/2009				1524.45	1366.66	1524.45	1500.62	1534.55	1500.62	1534.55	756.04	304.81	285.24	27.45	0.00
Put	70.00	1/17/2009				1528.71	1368.00	1528.71	1500.62	1534.55	1500.62	1534.55	756.04	304.81	285.24	27.45	0.00
Put	75.00	1/17/2009				1532.88	1376.36	1532.88	1500.62	1534.55	1500.62	1534.55	756.04	304.81	285.24	27.45	0.00
Put	80.00	1/17/2009				1517.86	1361.95	1517.86	1500.62	1534.55	1500.62	1534.55	756.04	304.81	285.24	27.45	0.00
Put	90.00	1/17/2009				1532.36	1376.48	1532.36	1500.62	1534.55	1500.62	1534.55	756.04	304.81	285.24	27.45	0.00

*Blanks on any date or in any time period reflects that the Option did not exist on that date or in that time period.

Exhibit 4
Inflation/Deflation for Exchange-Traded Options on Lehman Common Stock
Inflation/Deflation Per Option (One Hundred Shares of Common Stock Underlying Each Option)*

Call/Put	Exercise Price	Expiration	On or Before 6/6/08	6/16/08 to 9/15/08														
				6/9/08	6/10/08	6/11/08	6/12/08	6/13/08	6/16/08	9/3/08	9/4/08	9/5/08	9/8/08	9/9/08	9/10/08	9/11/08	9/12/08 to 9/15/08	
Put	100.00	1/17/2009	1529.93	1372.94	1173.66	1004.60	827.86	930.99	980.24	1020.23	982.97	1038.77	748.80	300.25	281.11	27.27	0.00	9,645.00
Put	110.00	1/17/2009	1522.48	1366.33	1168.82	1000.15	823.93	926.77	976.29	1016.17	979.23	1034.59	746.79	299.61	280.53	27.24	0.00	10,645.00
Put	2.50	4/18/2009							52.39	53.17	52.50	53.60	46.98	28.81	27.50	4.26	0.00	92.00
Put	4.00	4/18/2009							127.33	129.32	127.58	130.80	111.88	65.39	62.34	7.85	0.00	188.00
Put	5.00	4/18/2009							214.73	218.88	215.14	221.40	185.36	102.92	97.87	12.11	0.00	262.50
Put	6.00	4/18/2009							310.78	317.45	311.45	321.58	264.01	139.31	132.21	18.49	0.00	342.50
Put	7.50	4/18/2009														20.48	0.00	595.00
Put	9.00	4/18/2009														22.00	0.00	687.50
Put	10.00	4/18/2009														22.00	0.00	775.00
Put	12.00	4/18/2009														23.26	0.00	862.50
Put	13.00	4/18/2009														23.26	0.00	960.00
Put	14.00	4/18/2009														18.56	0.00	1,055.00
Put	15.00	4/18/2009														19.33	0.00	1,150.00
Put	16.00	4/18/2009														21.24	0.00	1,242.50
Put	17.00	4/18/2009														21.97	0.00	1,342.50
Put	18.00	4/18/2009														22.70	0.00	1,435.00
Put	19.00	4/18/2009														23.04	0.00	1,535.00
Put	20.00	4/18/2009														23.51	0.00	1,635.00
Put	25.00	4/18/2009														25.75	0.00	2,137.50
Put	30.00	4/18/2009														26.41	0.00	2,637.50
Put	35.00	4/18/2009														27.45	0.00	3,137.50
Put	2.50	1/16/2010	55.11	54.28	53.14	51.88	50.24	51.32	51.66	52.59	52.98	52.98	45.33	27.47	26.19	4.09	0.00	101.00
Put	5.00	1/16/2010	135.99	133.43	129.90	126.36	121.13	124.51	125.59	127.99	125.80	129.27	109.08	63.64	60.73	10.72	0.00	276.00
Put	7.50	1/16/2010	226.20	221.15	213.98	206.67	196.37	202.74	204.91	209.23	205.33	211.72	175.41	97.48	92.74	14.53	0.00	472.50
Put	10.00	1/16/2010	328.05	319.60	307.74	295.51	278.49	288.41	291.96	298.55	292.59	302.53	246.88	133.07	126.54	20.50	0.00	685.00
Put	12.50	1/16/2010	427.49	411.75	393.95	376.32	351.71	365.70	370.84	380.04	371.70	385.59	308.05	155.33	147.01	17.15	0.00	912.50
Put	15.00	1/16/2010	527.49	510.52	486.19	462.12	429.34	447.81	454.81	466.84	455.92	474.05	372.86	181.99	172.12	19.54	0.00	1,150.00
Put	17.50	1/16/2010	633.04	611.05	579.51	548.43	506.97	530.37	539.47	554.55	540.84	563.54	436.42	206.81	195.39	21.61	0.00	1,387.50
Put	20.00	1/16/2010	731.20	703.86	664.51	625.81	575.15	603.72	615.10	633.27	616.68	643.85	492.54	227.22	214.37	23.17	0.00	1,635.00
Put	22.50	1/16/2010	825.68	792.52	744.82	697.97	638.07	671.99	685.81	707.24	687.79	719.73	541.59	242.09	227.84	24.18	0.00	1,885.00
Put	25.00	1/16/2010	916.94	877.64	821.06	765.68	696.36	735.89	752.34	776.80	754.58	790.30	590.35	257.69	242.50	25.23	0.00	2,135.00
Put	30.00	1/16/2010	1065.53	1013.02	937.42	863.83	774.66	825.33	847.11	876.86	849.54	892.92	653.03	273.28	256.03	26.05	0.00	2,637.50
Put	35.00	1/16/2010	1178.49	1112.15	1016.77	925.55	819.11	881.45	908.74	942.67	911.28	960.98	693.38	281.29	262.85	26.42	0.00	3,137.50
Put	40.00	1/16/2010	1270.83	1190.60	1076.21	968.20	847.37	920.52	952.95	990.37	956.39	1011.68	723.03	287.84	268.68	26.73	0.00	3,637.50
Put	45.00	1/16/2010	1334.73	1241.07	1108.72	985.82	849.44	931.66	968.51	1007.71	972.37	1026.01	745.45	302.17	282.90	27.39	0.00	4,135.00
Put	50.00	1/16/2010	1330.46	1224.35	1076.47	942.22	797.89	887.77	928.05	965.32	933.47	982.10	726.48	298.32	279.46	27.25	0.00	4,637.50
Put	55.00	1/16/2010	1339.79	1221.87	1061.57	915.99	759.68	850.15	894.36	931.95	900.34	948.54	702.82	273.57	254.72	25.70	0.00	5,135.00
Put	60.00	1/16/2010	1358.68	1230.41	1060.11	907.12	748.10	841.75	887.48	921.96	892.96	941.52	694.06	267.89	249.17	25.25	0.00	5,635.00
Put	65.00	1/16/2010	1404.70	1267.56	1092.03	935.86	773.90	864.07	907.97	945.15	913.37	961.69	718.51	295.14	276.54	27.07	0.00	6,135.00
Put	70.00	1/16/2010	1390.17	1246.79	1066.54	909.00	745.19	835.87	875.97	912.96	881.44	929.33	678.18	259.61	241.17	24.56	0.00	6,635.00
Put	75.00	1/16/2010	1396.12	1244.36	1063.57	907.22	743.11	833.48	873.54	910.34	878.82	926.68	683.03	265.04	246.65	24.98	0.00	7,135.00
Put	80.00	1/16/2010	1387.11	1233.62	1054.24	898.33	735.71	825.37	868.97	905.59	874.21	921.83	679.41	257.58	239.10	24.35	0.00	7,635.00
Put	90.00	1/16/2010	1397.69	1249.41	1069.60	914.68	752.55	842.47	886.42	922.67	891.58	938.72	698.78	288.46	270.38	26.66	0.00	8,635.00
Put	100.00	1/16/2010	1384.53	1238.02	1058.94	905.06	744.27	833.54	877.27	913.18	882.35	929.06	691.59	285.94	268.05	26.49	0.00	9,635.00

** Closing price on September 12, 2008 is the mid-point of the closing bid price and closing ask price on September 12, 2008, where applicable.

*Blanks on any date or in any time period reflects that the Option did not exist on that date or in that time period.

APPENDIX D

APPENDIX D

Type of Security	Estimated Average Recovery Per Damaged Security	Estimated Average Cost Per Damaged Security
Common Stock	\$0.02	\$0.004
Options	\$0.59	\$0.11
Common Stock Offering	\$0.03	\$0.01
Senior Unsecured Notes	\$2.12	\$0.38
Subordinated Notes	\$2.34	\$0.42
Preferred Stock Offerings	\$0.24	\$0.04
Principal Protected Notes (PPN) Offerings	\$2.12	\$0.38

EXHIBIT A-2

Must be Received
No Later Than

In re Lehman Brothers Equity/Debt Securities Litigation
c/o GCG
PO Box 9821
Dublin, OH 43017-5721
1-800-505-6901

LBE



CLAIMANT IDENTIFICATION:

Claim Number:

Control Number:

PROOF OF CLAIM

THIS PROOF OF CLAIM MUST BE MAILED TO THE ADDRESS ABOVE AND POSTMARKED NO LATER THAN _____, 2012 TO BE ELIGIBLE TO RECEIVE A SHARE OF THE NET SETTLEMENT FUNDS IN CONNECTION WITH THE D&O SETTLEMENT AND/OR THE UNDERWRITER SETTLEMENT.

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SECTION A - CLAIMANT INFORMATION

LAST NAME (CLAIMANT)		FIRST NAME (CLAIMANT)	
Last Name (Beneficial Owner if Different From Claimant)		First Name (Beneficial Owner)	
Last Name (Co-Beneficial Owner)		First Name (Co-Beneficial Owner)	
Company/Other Entity (If Claimant Is Not an Individual)		Contact Person (If Claimant is Not an Individual)	
Trustee/Nominee/Other			
Account Number (If Claimant Is Not an Individual)		Trust/Other Date (If Applicable)	
Address Line 1			
Address Line 2 (If Applicable)			
City	State	Zip Code	
Foreign Province	Foreign Country Code	Postal Code	
Telephone Number (Day)		Telephone Number (Night)	
- - - - -			
Beneficial Owner's Employer Identification Number or Social Security Number			
Email Address <small>(Email address is not required, but if you provide it you authorize the Claims Administrator to use it in providing you with information relevant to this claim.)</small>			

IF YOU FAIL TO SUBMIT A COMPLETE CLAIM BY _____ YOUR CLAIM IS SUBJECT TO REJECTION
OR YOUR PAYMENT MAY BE DELAYED.

NOTICE REGARDING ELECTRONIC FILES: Certain claimants with large numbers of transactions may request to, or may be requested to, submit information regarding their transactions in electronic files. To obtain the mandatory electronic filing requirements and file layout, you may visit the website at www.LehmanSecuritiesLitigationSettlement.com or you may e-mail the Claims Administrator at eClaim@gardencitygroup.com. Any file not in accordance with the required electronic filing format will be subject to rejection. No electronic files will be considered to have been properly submitted unless the Claims Administrator issues an email after processing your file with your claim numbers and respective account information. Do not assume that your file has been received or processed until you receive this email. If you do not receive such an email within 10 days of your submission, you should contact the electronic filing department at eClaim@gardencitygroup.com to inquire about your file and confirm it was received and acceptable.



SECTION B – GENERAL INSTRUCTIONS

A. It is important that you completely read and understand both (i) the Notice of Pendency of Class Action and Proposed Settlement with the Director and Officer Defendants, Settlement Fairness Hearing and Motion for Attorneys' Fees and Reimbursement of Litigation Expenses (the "D&O Notice") and (ii) the Notice of Pendency of Class Action and Proposed Settlement with the Settling Underwriter Defendants, Settlement Fairness Hearing and Motion for Attorneys' Fees and Reimbursement of Litigation Expenses (the "UW Notice") and together with the D&O Notice, the "Notices") that accompany this Proof of Claim Form ("Proof of Claim" or "Claim Form"), and the Plans of Allocation included in the Notices. These Notices and the Plans of Allocation set forth within each notice describe (i) the proposed settlements that will resolve the class action lawsuit *In re Lehman Brothers Equity/Debt Securities Litigation*, No. 08-CV-5523-LAK (S.D.N.Y.) (the "Action") against the director and officer defendants ("D&O Defendants") and all but one of the underwriters named as defendants in the Action ("Settling Underwriter Defendants") – the "D&O Settlement" and the "UW Settlement," respectively (referred together herein as the "Settlements"), (ii) how class members are affected by the Settlements, and (iii) the manner in which the Net Settlement Funds will be distributed, if the Court approves the Settlements and their respective Plans of Allocation. The Notices also contain the definitions of many of the defined terms (which are indicated by initial capital letters) used in this Claim Form. By signing and submitting this Claim Form, you will be certifying that you have read both Notices, including the terms of the releases described therein and provided for herein.

B. TO BE ELIGIBLE TO RECEIVE A DISTRIBUTION FROM ONE OR BOTH OF THE NET SETTLEMENT FUNDS CREATED BY THE SETTLEMENTS, YOU MUST MAIL YOUR COMPLETED AND SIGNED CLAIM FORM TO THE CLAIMS ADMINISTRATOR BY FIRST-CLASS MAIL, POSTAGE PREPAID, POSTMARKED NO LATER THAN _____, 2012, ADDRESSED AS FOLLOWS:

In re Lehman Brothers Equity/Debt Securities Litigation
c/o GCG
P.O. Box 9821
Dublin, OH 43017-5721

The Claim Form you submit will be reviewed in connection with both Settlements. **Please do not submit separate Claim Forms for the D&O Settlement and the UW Settlement.** Please be sure to include all of your transactions in the Lehman securities listed in the transaction sections of this Claim Form.

C. This Proof of Claim is directed to the following two settlement classes:

(i) All persons and entities who (1) purchased or acquired Lehman securities identified in Appendix A to the D&O Notice pursuant or traceable to the Shelf Registration Statement and who were damaged thereby, (2) purchased or acquired any Lehman Structured Notes identified in Appendix B to the D&O Notice pursuant to or traceable to the Shelf Registration Statement and who were damaged thereby, or (3) purchased or acquired Lehman common stock, call options, and/or sold put options between June 12, 2007 and September 15, 2008 through and inclusive, and who were damaged thereby (the "D&O Class"). Excluded from the D&O Class are: (i) Defendants, (ii) Lehman, (iii) the executive officers and directors of each Defendant or Lehman, (iv) any entity in which Defendants or Lehman have or had a controlling interest, (v) members of Defendants' immediate families, and (vi) the legal representatives heirs, successors or assigns of any such excluded party. Also excluded are any persons or entities who timely and validly request exclusion from the D&O Class as set forth in the D&O Notice; and

(ii) All persons and entities who purchased or otherwise acquired Lehman securities identified in Appendix A to the UW Notice pursuant or traceable to the Shelf Registration Statement and Offering Materials incorporated by reference in the Shelf Registration Statement and were damaged thereby (the "Underwriter Class"). The Underwriter Class includes registered mutual funds, managed accounts, or entities with nonproprietary assets managed by any of the Released Underwriter Parties including, but not limited to, the entities listed on Exhibit C attached to the Stipulation of Settlement and Release dated December 2, 2011 entered into between Lead Plaintiffs and the First Group of Settling Underwriter Defendants (as largely adopted by the Stipulation of Settlement and Release dated December 9, 2011 entered into between Lead Plaintiffs and the Second Group of Settling Underwriter Defendants (together, the "UW Stipulations")), who purchased or otherwise acquired Lehman Securities (each, a "Managed Entity"). Excluded from the Underwriter Class are (i) Defendants, (ii) the officers and directors of each Defendant, (iii) any entity (other than a Managed Entity) in which a Defendant owns, or during the period July 19, 2007 to September 15, 2008 owned, a majority interest, (iv) members of Defendants' immediate families and the legal representatives, heirs, successors or assigns of any such excluded party, and (v) Lehman. Also excluded are any persons or entities who timely and validly request exclusion from the Underwriter Class as set forth in the UW Notice.

D. IF YOU ARE NOT A MEMBER OF ONE OR BOTH OF THE SETTLEMENT CLASSES DESCRIBED ABOVE, OR IF YOU, OR SOMEONE ACTING ON YOUR BEHALF, FILED A REQUEST FOR EXCLUSION FROM ONE OR BOTH OF THE SETTLEMENT CLASSES, DO NOT SUBMIT A CLAIM FORM. YOU MAY NOT, DIRECTLY OR INDIRECTLY, PARTICIPATE IN EITHER OF THE SETTLEMENTS IF YOU ARE NOT A SETTLEMENT CLASS MEMBER (AS DESCRIBED ABOVE). THUS, IF YOU FILE A VALID REQUEST FOR EXCLUSION IN A TIMELY MANNER FROM ONE OR BOTH OF THE SETTLEMENT CLASSES, ANY CLAIM FORM THAT YOU SUBMIT, OR THAT MAY BE SUBMITTED ON YOUR BEHALF, FOR THE SETTLEMENT OR SETTLEMENTS, AS APPLICABLE, WILL NOT BE ACCEPTED.

E. All D&O Class Members will be bound by the terms of the Judgment entered in the Action in connection with the D&O Settlement WHETHER OR NOT A CLAIM FORM IS SUBMITTED, unless a valid request for exclusion from the D&O Class is received by _____, 2012. The Judgment in connection with the D&O Settlement will release and enjoin the filing or continued



SECTION B – GENERAL INSTRUCTIONS (CONTINUED)

prosecution of the Settled Claims (defined in paragraph 1(jj) of the Stipulation of Settlement and Release dated October 14, 2011 for the D&O Settlement (the "D&O Stipulation") against the D&O Defendants (as set forth in the D&O Notice) and certain parties related to the D&O Defendants (*i.e.*, the "Released Parties" as set forth in paragraph 1(hh) of the D&O Stipulation).

- F. All Underwriter Class Members will be bound by the terms of the Judgment entered in the Action in connection with the UW Settlement WHETHER OR NOT A CLAIM FORM IS SUBMITTED, unless a valid request for exclusion from the Underwriter Class is received by _____, 2012. The Judgment in connection with the UW Settlement will release and enjoin the filing or continued prosecution of the Settled Claims (defined in paragraph 1(ii) of the Stipulation of Settlement and Release dated December 2, 2011 and paragraph 1(ii) of Exhibit A to the Stipulation of Settlement and Release dated December 9, 2011 (the two stipulations shall be jointly referred to as the "UW Stipulations")) against the Settling Underwriter Defendants (as set forth in the UW Notice) and certain parties related to the Settling Underwriter Defendants (*i.e.*, the "Released Underwriter Parties" as set forth in the UW Stipulations).
- G. Submission of this Claim Form does not guarantee that you will share in the proceeds of the Settlements. Distribution of the Net Settlement Funds will be governed by the Plans of Allocation for the respective Settlements (as set forth the D&O Notice and UW Notice, respectively), if they are approved by the Court, or by such other plan(s) of allocation as the Court approves.
- H. Use Sections C through F of this Claim Form to supply all required details of your transaction(s) in the Lehman securities covered by the Settlements (the "Lehman Securities"). On the schedules provided, please provide all of the information requested below with respect to all of your holdings, purchases, other acquisitions and sales of the Lehman Securities, whether such transactions resulted in a profit or a loss. Failure to report all transactions during the requested periods may result in the rejection of your claim.
- I. You are required to submit genuine and sufficient documentation for all your transaction(s) in and holdings of the Lehman Securities set forth in the Schedules of Transactions in Sections C through F of this Claim Form. Documentation may consist of copies of brokerage confirmations or monthly statements. The Settling Parties and the Claims Administrator do not independently have information about your investments in Lehman Securities. IF SUCH DOCUMENTS ARE NOT IN YOUR POSSESSION, PLEASE OBTAIN COPIES OR EQUIVALENT CONTEMPORANEOUS DOCUMENTS FROM YOUR BROKER. FAILURE TO SUPPLY THIS DOCUMENTATION COULD DELAY VERIFICATION OF YOUR CLAIM OR COULD RESULT IN REJECTION OF YOUR CLAIM. DO NOT SEND ORIGINAL DOCUMENTS. Please keep a copy of all documents that you send to the Claims Administrator.
- J. Separate Claim Forms should be submitted for each separate legal entity (*e.g.*, a claim from joint owners should not include separate transactions of just one of the joint owners, and an individual should not combine his or her IRA transactions with transactions made solely in the individual's name). Conversely, a single Claim Form should be submitted on behalf of one legal entity including all transactions made by that entity on one Claim Form, no matter how many separate accounts that entity has (*e.g.*, a corporation with multiple brokerage accounts should include all transactions made in all accounts on one Claim Form).
- K. All joint beneficial owners must each sign this Claim Form. If you purchased or acquired Lehman Securities in your name, you are the beneficial owner as well as the record owner. If, however, you purchased or acquired Lehman Securities and the securities were registered in the name of a third party, such as a nominee or brokerage firm, you are the beneficial owner of these securities, but the third party is the record owner.
- L. Agents, executors, administrators, guardians, and trustees must complete and sign the Claim Form on behalf of persons represented by them, and they must:
- (a) expressly state the capacity in which they are acting;
 - (b) identify the name, account number, Social Security Number (or taxpayer identification number), address and telephone number of the beneficial owner of (or other person or entity on whose behalf they are acting with respect to) the Lehman Securities; and
 - (c) furnish herewith evidence of their authority to bind the person or entity on whose behalf they are acting. (Authority to complete and sign a Claim Form cannot be established by stockbrokers demonstrating only that they have discretionary authority to trade stock in another person's accounts.)
- M. By submitting a signed Claim Form, you will be swearing that you:
- (a) own(ed) the Lehman Securities you have listed in the Claim Form; or
 - (b) are expressly authorized to act on behalf of the owner thereof.
- N. By submitting a signed Claim Form, you will be swearing to the truth of the statements contained therein and the genuineness of the documents attached thereto, subject to penalties of perjury under the laws of the United States of America. The making of false statements, or the submission of forged or fraudulent documentation, will result in the rejection of your claim and may subject you to civil liability or criminal prosecution.
- O. If you have questions concerning the Claim Form, or need additional copies of the Claim Form or the Notices, you may contact the Claims Administrator, GCG, at the above address or by toll-free phone at 1-800-505-6901, or you may download the documents from www.LehmanSecuritiesLitigationSettlement.com.



SECTION C - SCHEDULE OF TRANSACTIONS IN COMMON STOCK

Failure to provide proof of all beginning holdings, purchases or acquisitions, sales, and ending holdings information for Lehman common stock as requested below will impede proper processing of your claim and may result in the rejection of your claim. Please include proper documentation with your Claim Form.

1. **BEGINNING HOLDINGS:** State the number of shares of common stock you held as of the opening of trading on **June 12, 2007** (must be documented). If none, write "zero" or "0".

_____ shares

2. **PURCHASES/ACQUISITIONS:** Separately list each and every purchase and/or acquisition, including free receipts, of common stock during the period **June 12, 2007** through and including the close of trading on **the date you submit your Claim Form** (must be documented).

IF NONE, CHECK HERE

Date(s) of Purchase or Acquisition (List Chronologically) (Month/Day/Year)	Number of Shares Purchased/Acquired	Purchase Price Per Share	Aggregate Cost (excluding commissions, taxes, and fees)	Please Check the Box if this Transaction was the Result of the Exercise/Assignment of an Option
/ /		.		
/ /		.		
/ /		.		
/ /		.		

3. **SALES:** Separately list each and every sale, including free deliveries, of common stock during the period **June 12, 2007** through and including the close of trading on **the date you submit your Claim Form** (must be documented).

IF NONE, CHECK HERE

Date(s) of Sale (List Chronologically) (Month/Day/Year)	Number of Shares Sold	Sale Price Per Share	Amount Received (excluding commissions, taxes, and fees)	Please Check the Box if this Transaction was the Result of the Exercise/Assignment of an Option
/ /		.		
/ /		.		
/ /		.		
/ /		.		

4. **ENDING HOLDINGS:** State the number of shares of common stock you held as of the close of trading on **the date you submit your Claim Form** (must be documented). If none, write "zero" or "0".

_____ shares

Please note: Information requested with respect to your purchases/acquisitions of Lehman Securities from September 16, 2008 through and including the date you submitted your Claim Form is needed in order to balance your claim; purchases/acquisitions during this period, however, are not eligible under the Settlements and will not be used for purposes of calculating your Recognized Claim(s) pursuant to the Plans of Allocation for the respective Settlements.

**IF YOU NEED ADDITIONAL SPACE TO LIST YOUR TRANSACTIONS YOU MUST
PHOTOCOPY THIS PAGE AND CHECK THIS BOX
IF YOU DO NOT CHECK THIS BOX THESE ADDITIONAL PAGES WILL NOT BE REVIEWED**



SECTION D - SCHEDULE OF TRANSACTIONS IN PREFERRED STOCK

Failure to provide proof of all beginning holdings, purchases or acquisitions, sales, and ending holdings information for Lehman preferred stock as requested below will impede proper processing of your claim and may result in the rejection of your claim. Please include proper documentation with your Claim Form.

Code	Preferred Security Description	Initial Offering Date	CUSIP Number
P1	7.95% Non-Cumulative Perpetual Preferred Stock, Series J (the "Series J Shares")	February 5, 2008 (the "Series J Offering")	52520W317
P2	7.25% Non-Cumulative Perpetual Convertible Preferred Stock, Series P (the "Series P Shares")	April 4, 2008 (the "Series P Offering")	52523J453
P3	8.75% Non-Cumulative Mandatory Convertible Preferred Stock, Series Q (the "Series Q Shares")	June 12, 2008 (the "Series Q Offering")	52520W218

1. **PURCHASES/ACQUISITIONS:** Separately list each and every purchase and/or acquisition, including free receipts, of preferred stock during the period from the opening of trading on the **relevant initial offering dates listed above** through and including the close of trading on **the date you submit your Claim Form** (must be documented).

IF NONE, CHECK HERE

Insert Code Indicated Above	Date(s) of Purchase or Acquisition (List Chronologically) (Month/Day/Year)	Number of Shares Purchased/Acquired	Purchase Price Per Share	Aggregate Cost (excluding commissions, taxes, and fees)
	/ /		.	
	/ /		.	
	/ /		.	
	/ /		.	
	/ /		.	
	/ /		.	
	/ /		.	
	/ /		.	
	/ /		.	
	/ /		.	
	/ /		.	
	/ /		.	

Please note: Information requested with respect to your purchases/acquisitions of Lehman Securities from September 16, 2008 through and including the date you submitted your Claim Form is needed in order to balance your claim; purchases/acquisitions during this period, however, are not eligible under the Settlements and will not be used for purposes of calculating your Recognized Claim(s) pursuant to the Plans of Allocation for the respective Settlements.

**IF YOU NEED ADDITIONAL SPACE TO LIST YOUR TRANSACTIONS YOU MUST
PHOTOCOPY THIS PAGE AND CHECK THIS BOX
IF YOU DO NOT CHECK THIS BOX THESE ADDITIONAL PAGES WILL NOT BE REVIEWED**



SECTION D - SCHEDULE OF TRANSACTIONS IN PREFERRED STOCK

Failure to provide proof of all beginning holdings, purchases or acquisitions, sales, and ending holdings information for Lehman preferred stock as requested below will impede proper processing of your claim and may result in the rejection of your claim. Please include proper documentation with your Claim Form.

2. **SALES:** Separately list each and every sale, including free deliveries, of preferred stock during the period from the opening of trading on the **relevant initial offering dates listed above** through and including the close of trading **on the date you submit your Claim Form** (must be documented).

IF NONE, CHECK HERE

Insert Code Indicated Above	Date(s) of Sale (List Chronologically) (Month/Day/Year)	Number of Shares Sold	Sale Price Per Share	Amount Received (excluding commissions, taxes, and fees)
/	/		.	
/	/		.	
/	/		.	
/	/		.	
/	/		.	
/	/		.	
/	/		.	
/	/		.	
/	/		.	
/	/		.	
/	/		.	
/	/		.	
/	/		.	
/	/		.	

3. **ENDING HOLDINGS:** State the number of shares of preferred stock you held as of the close of trading on the date you submit your Claim Form (must be documented). If none, write "zero" or "0".

Insert Code Indicated Above	Number of Shares Held

IF YOU NEED ADDITIONAL SPACE TO LIST YOUR TRANSACTIONS YOU MUST PHOTOCOPY THIS PAGE AND CHECK THIS BOX
IF YOU DO NOT CHECK THIS BOX THESE ADDITIONAL PAGES WILL NOT BE REVIEWED

**SECTION E - SENIOR UNSECURED NOTES AND SUBORDINATED NOTES TRANSACTIONS
PURCHASES/ACQUISITIONS AND SALES**

8



1. BEGINNING HOLDINGS: Please provide the principal amount of the Senior Unsecured Notes and Subordinated Notes that you may have held at the opening of trading on the relevant offering date listed on pages 14-16 (must be documented) If none, write "zero" or "0".

Insert Code Indicated on Pages 14-16	Principal Amount
	Insert Code Indicated on Pages 14-16
Principal Amount	

2. PURCHASES/ACQUISITIONS: Below please list (in chronological order) all purchases and/or acquisitions of Senior Unsecured Notes and Subordinated Notes between the relevant offering date listed on pages 14-16 and the date you submit your Claim Form, inclusive (must be documented):

Insert Code Indicated on Pages 14-16	Date(s) of Purchase or Acquisition (List Chronologically) (Month/Day/Year)	Principal Amount	Purchase Price per \$1,000 of Principal Amount	Aggregate Cost (excluding commissions, taxes, and fees)
/ /		.		.
/ /		.		.
/ /		.		.
/ /		.		.
/ /		.		.
/ /		.		.
/ /		.		.
/ /		.		.

Please note: Information requested with respect to your purchases/acquisitions of Lehman Securities from September 16, 2008 through and including the date you submitted your Claim Form is needed in order to balance your claim; purchases/acquisitions during this period, however, are not eligible under the Settlements and will not be used for purposes of calculating your Recognized Claim(s) pursuant to the Plans of Allocation for the respective Settlements.

IF YOU NEED ADDITIONAL SPACE TO LIST YOUR TRANSACTIONS YOU MUST PHOTOCOPY THIS PAGE AND CHECK THIS BOX IF YOU DO NOT CHECK THIS BOX THESE ADDITIONAL PAGES WILL NOT BE REVIEWED

SECTION F - SCHEDULE OF TRANSACTIONS IN CALL OPTIONS



1. **BEGINNING HOLDINGS:** At the opening of trading on June 12, 2007 I owned the following call options (must be documented):

Number of Contracts	Expiration Month and Year & Strike Price of Options (i.e. 04/08 \$40)	Purchase Price Per Contract	Amount Paid (excluding commissions, taxes, and fees)	Insert an "E" if Exercised or an "X" if Expired	Exercise Date (Month/Day/Year)
1	1	.	.	.	/ /
1	1	.	.	.	/ /

2. **PURCHASES:** I made the following purchases of call option contracts between June 12, 2007 and September 15, 2008, inclusive (must be documented):

Date of Purchase (List Chronologically) (Month/Day/Year)	Number of Contracts	Expiration Month and Year & Strike Price of Options (i.e. 04/08 \$40)	Purchase Price Per Contract	Amount Paid (excluding commissions, taxes, and fees)	Insert an "E" if Exercised or an "X" if Expired	Exercise Date (Month/Day/Year)
1	1	1	.	.	.	/ /
1	1	1	.	.	.	/ /

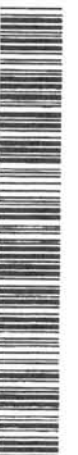
3. **SALES:** I made the following sales of the above call option contracts which call option contracts were purchased between June 12, 2007 and September 15, 2008, inclusive (include all such sales no matter when they occurred) (must be documented):

Date of Sale (List Chronologically) (Month/Day/Year)	Number of Contracts	Expiration Month and Year & Strike Price of Options (i.e. 04/08 \$40)	Sale Price Per Contract	Amount Received (excluding commissions, taxes, and fees)
1	1	1	.	.
1	1	1	.	.

IF YOU NEED ADDITIONAL SPACE TO LIST YOUR TRANSACTIONS YOU MUST PHOTOCOPY THIS PAGE AND CHECK THIS BOX IF YOU DO NOT CHECK THIS BOX THESE ADDITIONAL PAGES WILL NOT BE REVIEWED

SECTION F - SCHEDULE OF TRANSACTIONS IN PUT OPTIONS.

11



1. **BEGINNING HOLDINGS:** At the open of business on **June 12, 2007**, I was obligated on the following put options (must be documented):

Number of Contracts	Expiration Month and Year & Strike Price of Options (i.e., 04/08 \$40)	Sale Price Per Contract	Amount Received (excluding commissions, taxes, and fees)	Insert an "A" if Assigned or an "X" if Expired	Assign Date (Month/Day/Year)
1	/	.	.	.	/
1	/	.	.	.	/

2. **SALES (WRITING) OF PUT OPTIONS:** I wrote (sold) put option contracts between **June 12, 2007** and **September 15, 2008**, inclusive, as follows (must be documented):

Date of Writing (Sale) (List Chronologically) (Month/Day/Year)	Number of Contracts	Expiration Month and Year & Strike Price of Options (i.e., 04/08 \$40)	Sale Price Per Contract	Amount Received (excluding commissions, taxes, and fees)	Insert an "A" if Assigned or an "X" if Expired	Assign Date (Month/Day/Year)
/	1	/	.	.	.	/
/	1	/	.	.	.	/

3. **COVERING TRANSACTIONS (REPURCHASES):** I made the following repurchases of the above put option contracts that I wrote (sold) on or before **September 15, 2008**, inclusive (include all repurchases no matter when they occurred) (must be documented):

Date of Repurchase (List Chronologically) (Month/Day/Year)	Number of Contracts	Expiration Month and Year & Strike Price of Options (i.e., 04/08 \$40)	Price Paid Per Contract	Aggregate Cost (excluding commissions, taxes, and fees)
/	1	/	.	.
/	1	/	.	.

IF YOU NEED ADDITIONAL SPACE TO LIST YOUR TRANSACTIONS YOU MUST PHOTOCOPY THIS PAGE AND CHECK THIS BOX IF YOU DO NOT CHECK THIS BOX THESE ADDITIONAL PAGES WILL NOT BE REVIEWED

**SECTION G – RELEASE OF CLAIMS AND SIGNATURE**

YOU MUST ALSO READ THE RELEASE AND CERTIFICATION BELOW AND SIGN AT THE BOTTOM OF THE NEXT PAGE.

I (we) hereby acknowledge that as of the Effective Dates of the respective Settlements, pursuant to the terms set forth in the Stipulations for the respective Settlements, I (we) shall be deemed to have, and by operation of law and of the respective Judgments shall have fully, finally and forever compromised, settled, released, resolved, relinquished, waived, discharged and dismissed each and every Settled Claim (as defined in the Stipulations for the respective Settlements), and shall forever be enjoined from prosecuting any or all of the Settled Claims against any of Released Parties and/or Released Underwriter Parties (as those terms are defined in the D&O Stipulation and UW Stipulations, respectively), as applicable, with respect to each Settlement as to which the Effective Date has occurred.

SECTION H – CERTIFICATION

By signing and submitting this Claim Form, the Claimant(s) or the person(s) who represents the Claimant(s) certifies, as follows:

1. that I (we) have read the Notices, the Plans of Allocation and the Claim Form, including the releases provided for in the Settlements;
2. that the Claimant(s) is (are) members of one or both of the Settlement Classes, as defined in the Notices, and is (are) not one of the individuals or entities excluded from the Settlement Classes (as set forth in the Notices and above in Section B, paragraph C);
3. that the Claimant(s) has (have) not submitted a request for exclusion from one or both of the Settlement Classes;
4. that the Claimant(s) owns(ed) the Lehman Securities identified in the Claim Form and have not assigned the claim against the Released Parties and/or the Released Underwriter Parties, as applicable, to another, or that, in signing and submitting this Claim Form, the Claimant(s) has (have) the authority to act on behalf of the owner(s) thereof;
5. that the Claimant(s) has (have) not submitted any other claim covering the same purchases, acquisitions, sales, or holdings of Lehman Securities and knows of no other person having done so on his/her/its/their behalf;
6. that the Claimant(s) submits (submit) to the jurisdiction of the Court with respect to his/her/its/their claim and for purposes of enforcing the releases set forth herein;
7. that I (we) agree to furnish such additional information with respect to this Claim Form as the Claims Administrator or the Court may require;
8. that the Claimant(s) waives (waive) the right to trial by jury, to the extent it exists, and agrees (agree) to the Court's summary disposition of the determination of the validity or amount of the claim made by this Claim Form;
9. that I (we) acknowledge that the Claimant(s) will be bound by and subject to the terms of any judgment(s) that may be entered in the Action; and
10. that the Claimant(s) is (are) NOT subject to backup withholding under the provisions of Section 3406(a)(1)(C) of the Internal Revenue Code because: (i) the Claimant(s) is (are) exempt from backup withholding; or (ii) the Claimant(s) has (have) not been notified by the IRS that he/she/it/they is (are) subject to backup withholding as a result of a failure to report all interest or dividends; or (iii) the IRS has notified the Claimant(s) that he/she/it/they is (are) no longer subject to backup withholding. If the IRS has notified the Claimant(s) that he/she/it/they is (are) subject to backup withholding, please strike out the language in the preceding sentence indicating that the claim is not subject to backup withholding in the certification above.



LIST OF NOTES
NOTES (TO BE GROUPED BY NOTE TYPE)

Code	Security	Offering Date	Cusip
01	Medium-Term Notes, Series I	June 15, 2007	52517P2S9
02	6% Notes Due 2012	July 19, 2007	52517P4C2
03	6.50% Subordinated Notes due 2017	July 19, 2007	524908R36
04	6.875% Subordinated Notes Due 2037	July 19, 2007	524908R44
05	100% Principal Protected Notes Linked to a Basket Consisting of a Foreign Equity Component and a Currency Component	July 31, 2007	524908K25
06	Partial Principal Protection Notes Linked to a Basket of Global Indices	August 1, 2007	524908J92
07	Annual Review Notes with Contingent Principal Protection Linked to an Index	August 22, 2007	52517P4Y4
08	Medium-Term Notes, Series I	August 29, 2007	52517P4T5
09	6.2% Notes Due 2014	September 26, 2007	52517P5X5
10	7% Notes Due 2027	September 26, 2007	52517P5Y3
11	Medium-Term Notes, Series I	December 5, 2007	5252M0AU1
12	Medium-Term Notes, Series I	December 7, 2007	5252M0AW7
13	6.75% Subordinated Notes Due 2017	December 21, 2007	5249087M6
14	Medium-Term Notes, Series I	December 28, 2007	5252M0AY3
15	5.625% Notes Due 2013	January 22, 2008	5252M0BZ9
16	Medium-Term Notes, Series I	January 30, 2008	5252M0BX4
17	Lehman Notes, Series D	February 5, 2008	52519FFE6
18	Medium-Term Notes, Series I Principal Protected Notes Linked to MarQCuS Portfolio A (USD) Index	February 14, 2008	5252M0DK0
19	Medium-Term Notes, Series I	February 27, 2008	5252M0CQ8
20	Medium-Term Notes, Series I	March 13, 2008	5252M0EH6
21	Medium-Term Notes, Series I	April 21, 2008	5252M0EY9
22	Medium-Term Notes, Series I	April 21, 2008	5252M0FA0
23	6.875% Notes Due 2018	April 24, 2008	5252M0FD4
24	Lehman Notes, Series D	April 29, 2008	52519FFM8
25	Buffered Semi-Annual Review Notes Linked to the Financial Select Sector SPDR® Fund	May 7, 2008	5252M0FR3
26	7.50% Subordinated Notes Due 2038	May 9, 2008	5249087N4
27	Medium-Term Notes, Series I	May 19, 2008	5252M0FH5
28	Annual Review Notes with Contingent Principal Protection Linked to the S&P 500® Index	June 13, 2008	5252M0GM3



LIST OF NOTES
NOTES (TO BE GROUPED BY NOTE TYPE) (CONTINUED)

Code	Security	Offering Date	Cusip
29	Medium-Term Notes, Series I	June 26, 2008	5252M0GN1
30	100% Principal Protection Notes Linked to a Global Index Basket	March 30, 2007	52520W564 524908VP2
31	Performance Securities with Partial Protection Linked to a Global Index Basket	March 30, 2007	52520W556 524908VQ0
32	100% Principal Protection Callable Spread Daily Accrual Notes with Interest Linked to the Spread between the 30-year and the 2-year Swap Rates	April 30, 2007	52517PX63
33	Performance Securities with Partial Protection Linked to a Global Index Basket	April 30, 2007	52520W515
34	100% Principal Protection Notes Linked to a Currency Basket	May 31, 2007	52520W440
35	100% Principal Protection Callable Spread Daily Accrual Notes with Interest Linked to the Spread between the 30-year and the 2-year Swap Rates	June 29, 2007	52517P2P5
36	100% Principal Protection Callable Spread Daily Accrual Notes with Interest Linked to the Spread between the 30-year and the 2-year Swap Rates	July 31, 2007	52517P3H2
37	100% Principal Protection Notes Linked to an International Index Basket	August 31, 2007	52522L186
38	100% Principal Protection Notes Linked to a Global Index Basket	August 31, 2007	52522L889
39	Performance Securities with Partial Protection Linked to a Global Index Basket	September 28, 2007	52522L244
40	100% Principal Protection Callable Spread Daily Accrual Notes with Interest Linked to the Spread between the 30-year and the 2-year Swap Rates	September 28, 2007	52517P5K3
41	Medium-Term Notes, Series I, 100% Principal Protection Notes Linked to an Asian Currency Basket	October 31, 2007	52520W341
42	Return Optimization Securities Linked to an Index	October 31, 2007	52522L319
43	Return Optimization Securities Linked to an Index	October 31, 2007	52522L335
44	100% Principal Protection Notes Linked to an Asian Currency Basket	November 30, 2007	52520W333
45	Return Optimization Securities with Partial Protection Linked to the S&P® 500 Index	November 30, 2007	52522L459
46	Return Optimization Securities with Partial Protection Linked to the S&P 500® Index	December 31, 2007	52522L491
47	100% Principal Protection Callable Spread Daily Accrual Notes with Interest Linked to the Spread between the 30-year and the 2-year Swap Rates	January 31, 2008	52517P4N8
48	100% Principal Protection Notes Linked to an Asian Currency Basket	January 31, 2008	52520W325
49	100% Principal Protection Absolute Return Barrier Notes Linked to the S&P 500® Index	January 31, 2008	52522L525
50	Autocallable Optimization Securities with Contingent Protection Linked to the S&P 500® Financials Index	February 8, 2008	52522L657
51	100% Principal Protection Callable Spread Daily Accrual Notes with Interest Linked to the Spread between the 30-year and the 2-year Swap Rates	February 29, 2008	5252M0CZ8



LIST OF NOTES
NOTES (TO BE GROUPED BY NOTE TYPE) (CONTINUED)

Code	Security	Offering Date	Cusip
52	Return Optimization Securities With Partial Protection Notes Linked to the S&P 500® Index	February 29, 2008	52522L574
53	100% Principal Protection Absolute Return Barrier Notes Linked to the Russell 2000® Index	February 29, 2008	52522L566
54	100% Principal Protection Notes Linked to an Asian Currency Basket	February 29, 2008	52523J412
55	Return Optimization Securities With Partial Protection Notes Linked to the S&P 500® Index	March 31, 2008	52522L806
56	Return Optimization Securities with Partial Protection Notes Linked to the MSCI EM Index	March 31, 2008	52522L814
56	Bearish Autocallable Optimization Securities with Contingent Protection Linked to the Energy Select Sector SPDR® Fund	March 31, 2008	52522L871
57	100% Principal Protection Absolute Return Barrier Notes Linked to the Russell 2000® Index	March 31, 2008	52522L798
59	Return Optimization Securities with Partial Protection Linked to a Basket of Global Indices	April 23, 2008	52523J172
60	Return Optimization Securities with Partial Protection Linked to the S&P 500 Financials Index	May 15, 2008	52523J206
61	Return Optimization Securities with Partial Protection Linked to the S&P 500® Financials Index	May 30, 2008	52523J230
62	100% Principal Protection Absolute Return Barrier Notes	June 30, 2008	52523J248
63	100% Principal Protection Absolute Return Barrier Notes	June 30, 2008	52523J255

REMINDER CHECKLIST

1. Please sign the above release and certification. If this Claim Form is being made on behalf of joint Claimants, then both must sign.
2. Remember to attach only copies of acceptable supporting documentation.
3. Please do not highlight any portion of the Claim Form or any supporting documents.
4. Do not send original stock certificates or documentation. These items cannot be returned to you by the Claims Administrator.
5. Keep copies of the completed Claim Form and documentation for your own records.
6. The Claims Administrator will acknowledge receipt of your Claim Form by mail, within 60 days. Your claim is not deemed filed until you receive an acknowledgement postcard. If you do not receive an acknowledgement postcard within 60 days, please call the Claims Administrator toll free at 1-800-505-6901.
7. If your address changes in the future, or if this Claim Form was sent to an old or incorrect address, please send the Claims Administrator written notification of your new address. If you change your name, please inform the Claims Administrator.
8. If you have any questions or concerns regarding your claim, please contact the Claims Administrator at the above address or at 1-800-505-6901, or visit www.LehmanSecuritiesLitigationSettlement.com.

THIS PROOF OF CLAIM MUST BE RECEIVED NO LATER THAN
_____ AND MUST BE MAILED TO:

In re Lehman Brothers Equity/Debt Securities Litigation
c/o GCG
PO Box 9821
Dublin, OH 43017-5721

EXHIBIT A-3

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In re LEHMAN BROTHERS SECURITIES
AND ERISA LITIGATION

Case No. 09-MD-2017 (LAK)

This Document Applies To:

ECF CASE

*In re. Lehman Brothers Equity/Debt
Securities Litigation, 08-CV-5523-LAK*

**SUMMARY NOTICE OF PENDENCY OF CLASS ACTION AND
PROPOSED SETTLEMENTS WITH INDIVIDUAL DIRECTOR AND
OFFICER DEFENDANTS AND SETTLING UNDERWRITER DEFENDANTS,
SETTLEMENT FAIRNESS HEARING, AND MOTION FOR ATTORNEYS' FEES
AND REIMBURSEMENT OF LITIGATION EXPENSES**

TO: ALL PERSONS OR ENTITIES WHO (1) PURCHASED OR ACQUIRED LEHMAN SECURITIES IDENTIFIED IN APPENDIX A TO THE STIPULATIONS OF SETTLEMENT AND RELEASE WITH THE FIRST AND SECOND GROUPS OF SETTLING UNDERWRITER DEFENDANTS AND APPENDIX A TO THE STIPULATION OF SETTLEMENT AND RELEASE WITH THE INDIVIDUAL DIRECTOR AND OFFICER DEFENDANTS (THE "D&O STIPULATION") PURSUANT OR TRACEABLE TO THE SHELF REGISTRATION STATEMENT AND WHO WERE DAMAGED THEREBY, (2) PURCHASED OR ACQUIRED ANY LEHMAN STRUCTURED NOTES IDENTIFIED IN APPENDIX B TO THE D&O STIPULATION PURSUANT OR TRACEABLE TO THE SHELF REGISTRATION STATEMENT AND WHO WERE DAMAGED THEREBY, OR (3) PURCHASED OR ACQUIRED LEHMAN COMMON STOCK, CALL OPTIONS, AND/OR SOLD PUT OPTIONS BETWEEN JUNE 12, 2007 AND SEPTEMBER 15, 2008, THROUGH AND INCLUSIVE AND WHO WERE DAMAGED THEREBY (THE "SETTLEMENT CLASSES").

PLEASE READ THIS NOTICE CAREFULLY, YOUR RIGHTS WILL BE AFFECTED BY A CLASS ACTION LAWSUIT PENDING IN THIS COURT.

YOU ARE HEREBY NOTIFIED, pursuant to Rule 23 of the Federal Rules of Civil Procedure and Orders of the United States District Court for the Southern District of New York, that the above-captioned litigation ("Action") has been preliminarily certified as a class action for the purposes of settlement only and that the following settlements have been proposed: (i) a settlement with certain Lehman officers and directors during the relevant period (the "Individual Director and Officer Defendants" or "D&O Defendants") for \$90,000,000 in cash (the "D&O Settlement"), and (ii) settlements with certain alleged underwriters of certain Lehman offerings

(the "Settling Underwriter Defendants" or "UW Defendants") for a total amount of \$426,018,000 in cash (the "UW Settlement") (together, the "Settlements"). The Settlements resolve only claims against the D&O Defendants and the UW Defendants, and the claims against the other defendants in the Action will continue. A hearing will be held before the Honorable Lewis A. Kaplan, at the United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007 at [TIME] on [DATE] to, among other things: determine whether the proposed Settlements should be approved by the Court as fair, reasonable, and adequate; determine whether the proposed Plans of Allocation for distribution of the settlement proceeds should be approved as fair and reasonable; and consider the application of Lead Counsel for an award of attorneys' fees and reimbursement of expenses.

IF YOU ARE A MEMBER OF ONE OR BOTH OF THE SETTLEMENT CLASSES DESCRIBED ABOVE, YOUR RIGHTS WILL BE AFFECTED BY THE PENDING ACTION AND ONE OR BOTH OF THE SETTLEMENTS, AND YOU MAY BE ENTITLED TO SHARE IN THE SETTLEMENT FUNDS. If you have not yet received copies of the full printed Notices for the Settlements, with the attached Claim Form, you may obtain a copy of these documents by contacting the Claims Administrator: *In re Lehman Brothers Equity/Debt Securities Litigation*, c/o The Garden City Group, Inc., Claims Administrator, P.O. Box 9821, Dublin, OH 43017-5721, 1-800-505-6901. Copies of the Notice for the D&O Settlement, the UW Settlement and the Claim Form can also be downloaded from the website maintained by the Claims Administrator, www.LehmanSecuritiesLitigationSettlement.com, or from Lead Counsel's websites www.blbglaw.com and www.ktmc.com.

If you are a Settlement Class Member, to be eligible to share in the distribution of the Net Settlement Funds, you must submit a Claim Form postmarked on or before _____, 2012. To exclude yourself from the Settlement Class in the D&O Settlement and/or the UW Settlement, you must submit a written request for exclusion such that it is *received* no later than [DATE], in accordance with the instructions set forth in the Notices. Please Note: Submitting a request for exclusion from the Settlement Class in only one of the Settlements *does not* automatically exclude you from the Settlement Class in both Settlements. A request for exclusion that does not specify which Settlement Class you are seeking exclusion from will be interpreted as a request for exclusion from both Settlement Classes. If you are a Settlement Class Member and do not exclude yourself from the respective Settlement Class, you will be bound by the Judgment(s) entered in the Action, including the releases provided for in the Judgment(s), whether or not you submit a Claim Form. If you submit an exclusion you will have no right to recover money pursuant to the Settlement(s) you requested exclusion from and will have to pursue any claims against the respective defendants independently. Any objections to the proposed Settlements, the proposed plans of allocation, or the request for attorneys' fees and reimbursement of expenses, must be filed with the Court and delivered to Lead Counsel for the Settlement Class and counsel for the respective defendants such that they are *received* no later than [DATE], in accordance with the instructions set forth in the Notices.

PLEASE DO NOT CONTACT THE COURT OR THE CLERK'S OFFICE REGARDING THIS NOTICE. Inquiries, other than requests for the Notices or Claim Form, may be made to Lead Counsel:

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By Order of the Court