



CLIENT ALERT
JANUARY 23, 2009

Customer claims against LBI due Friday, January 30th for maximum protection

- Prime brokerage account transfer requests also due by January 30, 2009.
- Administrators for LBIE urge all LBIE customers whose assets were held by LBI to authorize omnibus claim as soon as possible.

Pursuant to notices issued by the trustee (LBI Trustee) in the liquidation of Lehman Brothers Inc. (LBI) on December 1, 2008, all customers of LBI that wish to be eligible for the maximum protection that may be afforded to them under the Securities Investor Protection Act (SIPA) are required to file their claims with the LBI Trustee no later than January 30, 2009. In addition the LBI Trustee issued a statement today stating that customers seeking to transfer their LBI prime brokerage accounts must email their requests to the LBI Trustee on or before midnight January 30, 2009. Separately, the administrators for Lehman Brothers International (Europe) (LBIE) are urging LBIE customers to authorize them to file an omnibus claim in respect of assets held by LBI through LBIE.

Customer Claims against Lehman Brothers Inc.

Availability of claim forms

Customer claim forms were mailed to LBI customers at the addresses reflected in LBI's books and records in December 2008. Customer claim forms are also available on the LBI Trustee's website at www.lehmantrustee.com. Customers of LBI that had their LBI accounts and property transferred to another broker do not need to file a form if they do not believe they are owed cash, securities or other property in respect of their LBI customer accounts.

Completion of claim forms and additional documentation to provide

Please note that a separate claim must be filed for each LBI account. An estimated claim may be filed if a customer cannot compute the precise amount of its claim. The form also requires claimants to enclose the following:

- Copies of your latest LBI account statement
- Purchase or sale confirmation slips



- Copies of checks relating to securities or cash claimed
- Any other documentation or correspondence that may assist in processing the claim
- Written complaints submitted by the claimant to any person, entity or regulatory authority concerning the cash or property being claimed, as well as related correspondence and replies received.

Submission of claim forms

Customer claim forms may be completed and filed online at www.lehmantrustee.com. Alternatively the forms may be sent by certified mail (return receipt requested) or overnight mail to the appropriate address specified in the claim form. Please note that, to be eligible for maximum protection under SIPA, a customer must ensure that its claim is received by the LBI Trustee on or before **January 30, 2009**. A claim may be submitted after this date up until June 1, 2009 (the bar date for all claims against LBI) but will be subject to delayed processing and may be satisfied on less favorable terms. Again, a claim is dated as of the date received by the LBI Trustee.

Prime brokerage account transfer requests also due by January 30th

Earlier today the LBI Trustee issued a statement notifying customers that all requests to transfer LBI prime brokerage accounts in accordance with the prime brokerage protocol issued by the LBI Trustee on October 14, 2008 (which supersedes the protocol issued October 6, 2008) must be received by the LBI Trustee via email on or before midnight January 30, 2009. If an account transfer is not requested, the sole remedy for any LBI prime brokerage account holder will be through the LBI Trustee's claims process.

LBIE Administrators Urge LBIE Customers to Complete Form Authorizing Omnibus Claim

Separately, the administrators of LBIE recently announced that they intend to submit an omnibus claim on behalf of each of LBIE's customers whose cash, securities or other assets were (or should have been) held by LBI through LBIE on September 19, 2008. The administrators' statement may be found at www.pwc.co.uk.

In response to a request of the LBI Trustee, LBIE has agreed to use reasonable efforts to obtain customer signatures authorizing LBIE to file such an omnibus claim on behalf of its customers. The LBI Trustee has also asked that certain questions from the customer claim form be completed by LBIE customers in order to facilitate the claims processing. Accordingly, the LBIE administrators have circulated a customer authorization form to evidence LBIE's authority to file a claim on behalf of its customers.



The omnibus claim will not include claims for cash, securities or other assets that were booked directly with LBI. In addition the LBIE administrators have noted that returning a signed customer authorization form to LBIE will not prejudice a customer's right to file a customer claim on its own behalf against LBI.

LBIE has asked customers to send signed and completed customer authorization forms to LBIE as soon as possible in order to permit LBIE to submit its proposed omnibus claim in advance of the January 30, 2009 deadline for claims against LBI.

Claims against Lehman Brothers Holdings Inc. ("LBHI") and Affiliated Debtors

All claims against LBHI and its affiliated debtors (including Lehman Brothers Special Financing, Inc. and Lehman Brothers OTC Derivatives Inc.) must be filed in the relevant bankruptcy case. The bankruptcy court has not yet set the deadline for filing claims against these entities.

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How we can help. Teigland-Hunt LLP has been actively assisting its clients that were customers of Lehman with their respective claims in the on-going insolvency proceedings. Our lawyers provide advice in a wide range of trading matters, including securities, commodities and derivatives trading, documentation and regulation.

If you have any questions regarding the above or would like further information about filing claims in connection with the Lehman proceedings, please contact one of the following:

Lauren Teigland-Hunt +1 212 269 1002 lteigland@teiglandhunt.com

GuyLaine Charles +1 212 269 1016 gcharles@teiglandhunt.com

Teigland-Hunt LLP
127 West 24th Street, 4th Fl, New York, NY 10011
www.teiglandhunt.com

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