

*Translation*

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**AMSTERDAM DISTRICT COURT  
CIVIL-LAW DIVISION  
COURT ORDER**

Moratorium number: 08 0036-S

Bankruptcy number: 08 0494-F

On 19 September 2008 a petition was filed with the registry of this district court, with number 407806/FT-RK 08.1440, by I M C A Reinders Folmer, lawyer in Amsterdam, on behalf of:

the private company with limited liability

**Lehman Brothers Treasury Co. B.V.**

registered with the Chamber of Commerce in Amsterdam under number 33267322

with its registered seat in Amsterdam

business address: Strawinskylaan 3105, Atrium, 1077 ZX Amsterdam,

for the purpose of being granted a moratorium.

In an order of this district court dated 19 September 2008 the petitioner was granted a provisional moratorium and the member of this district court W.A.H. Melissen was appointed supervisory judge and R.J. graaf Schimmelpenninck, lawyer in Amsterdam, administrator;

On 30 September 2008 R.J. graaf Schimmelpenninck made a request for the purpose of the withdrawal of the provisional moratorium of the entity to which a moratorium has presently been granted.

The request was dealt with in chambers on 1 October 2008 and 8 October 2008. The persons heard were F. Verhoeven, C.R. Zijdeveld and O. van Angeren on behalf of the administrator, and C.M. Harmsen, A. van Hees and B. Katan, all of them lawyer in Amsterdam, and J.C.W. van Burg, director of the entity to which a moratorium has been granted, on behalf of the aforementioned entity.

To substantiate his request, the administrator argued that continuation of the moratorium is undesirable, that there is no prospect of satisfying the creditors and that the entity to which a moratorium has been granted is in a situation where it has ceased to make payments. The management board of the entity to which a moratorium has been granted put forward a defence against the above.

The district court considers that on the basis of the documents and the information provided it has been established as a fact that the entity to which a moratorium has been granted owes a due and payable amount of USD 90 million to the holders by virtue of debt notes it had issued. In addition the administrator has stated, which has not been contradicted, and substantiated with documents that the entity to which a moratorium has been granted owes a due and payable amount to the tax authorities of more than EUR 1.8 million. Finally the administrator stated that he cannot oversee what the consequences will be of the aforementioned transactions under the ISDA agreements to which the entity to which a moratorium has been granted is a party (and under which the entity to which a moratorium has been granted already owes specific due and payable amounts).

The management board of the entity to which a moratorium has been granted argued that the problems of the entity to which a moratorium has been granted are related to the problems of the conglomerate of Lehman entities elsewhere in the world and that it is unforeseeable what the consequences of the withdrawal of the moratorium and the bankruptcy order for the entity to which a moratorium has presently been granted will be for the other Lehman-entities and possible other parties involved in the ISDA agreements, so that it is preferable to coordinate and settle financial problems with (the regulators of) other Lehman entities. When asked, the management board of the entity to which a moratorium has been granted has not argued convincingly, however, that at present there is any prospect of the entity to which a moratorium has been granted being able to pay its creditors in the course of time, whereas no insight has been given either in the benefits to be expected for the entity to which a moratorium has been granted from coordination, nor any insight in the way in which the coordination should have to take place and who would wish or be able to take charge of this. Nor has any insight been given in the costs incurred in this respect and the duration thereof.

It follows from a memo of Ian Schneider, administrator of Lehman Brothers International (Europe) in administration (enclosed with the letter of Mr Katan to the district court of 8 October 2008) that there are numerous uncertainties in the organisation of the Lehman conglomerate, as a result of which it must be assumed that as time goes by it should be borne in mind even more that it will be more difficult to collect information, or that information will be missing, which is required for a sound continuation of the moratorium, as a result of, among other matters, it no longer being possible to maintain technical systems and because of expert officials moving elsewhere. All this should be seen in the light of the complexity of the financial instruments in which the entity to which a moratorium has been granted was trading.

It follows from the above that there is no prospect of the entity to which a moratorium has been granted being able to satisfy its creditors in the course of time, whereas no

circumstances have been shown that make continuation of the moratorium desirable. Rather the opposite, considering the letter of Ian Schneider. On the basis of the above considerations the moratorium should be withdrawn.

The question remains whether the bankruptcy now has to be ordered at the same time. The district court answers this question in the affirmative, because the above has sufficiently shown that the entity to which a moratorium has presently been granted is in a situation where it has ceased to make payments. This is not affected by the fact that it is not possible to have an overall view of the consequences of a bankruptcy of the entity to which a moratorium has presently been granted for other entities of the Lehman conglomerate. If, as in the present matter, the situation of having ceased to make payments has been established, the course provided for by the legislator for such a situation has to be pursued.

Based on the provisions in article 3, first paragraph, of Regulation (EC) no. 1346/2000 of the Council of the European Union of 29 May 2000, the district court has jurisdiction - partly in view of the order of this district court of 23 September 2008 - to open these main proceedings, as it is of the opinion that the centre of the debtor's main interests is situated in the Netherlands.

The above leads to the following decision

**DECISION:**

The district court:

withdraws the provisional moratorium;

declares:

the private company with limited liability

**Lehman Brothers Treasury Co. B.V.**

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bankrupt;

appoints as supervisory judge the member of this district court W.A.H. Melissen

and appoints R J graaf Schimmelpenninck, lawyer in 1070 AM Amsterdam, PO Box 75505 as trustee in bankruptcy (*curator*);

decides that the trustee in bankruptcy (*curator*) will open letters and telegrams addressed to the bankrupt entity;

decides that the fees of the administrator and the other costs made during the moratorium will be determined in a separate order

This court order was given by J.A.J. Peeters and pronounced in public on 8 October 2008 at 06:56 p.m. in the presence of A.A.J. Wissink as court clerk.

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The undersigned, Gerrit Willem van Beem, sworn in as a translator for the English language by the Amsterdam District Court in the Netherlands, declares that the attached document is a faithful English translation of the document in Dutch

Amsterdam, 27 October 2008

